



The Archwood effect

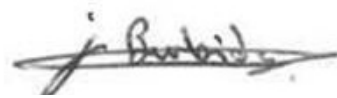
Sustainability Report
2023



ARCHWOOD
GROUP

We want to continue to do our part in having a positive impact on the planet and society.

“We have made great progress on our Net Zero journey, reducing our Scope 1 & 2 carbon emissions by 62% versus our baseline year. This is a fantastic achievement but there is still much more work to be done. We have prepared this report to update on our journey so far and what we will be focusing on in the coming years”



JOSH BURBIDGE

Managing Director



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OVERVIEW

Our values - the key areas where we can improve our business

Archwood Group is a family owned, professionally-run leading manufacturer of timber products with two trading brands: Richard Burbidge, a manufacturer and supplier of stairparts, decking accessories and decorative mouldings, and Atkinson & Kirby, a supplier of premium hardwood flooring. Established in 1867, we have been passionate about the design, manufacture and supply of timber products over 150 years. We feel privileged to work with this incredible natural resource every day and will always champion and support sustainable timber sourcing and production.

At Archwood, we focus on doing business the right way, championing environmental excellence, being a responsible & empowering employer, leading product & service innovation in our industry and being customer centric in everything that we do. We are a business that cares. We care about the quality of our products, we care about the environment, we care about our people and we care about our community. We are customer centric. We do business the right way and want to ensure the profitable growth of our customers, suppliers and ourselves by providing the best sustainable timber solutions, whilst taking and influencing meaningful action, to deliver social and environmental benefit.

**Reputation.** Rebuild the brands...

Be customer focused and trustworthy. We will support our customers by being reliable and committed to the quality & innovation of our products and services.

**Responsibility.** Stepping up...

Be ethically and environmentally conscious. We will ensure the health & safety of our stakeholders, caring about people and the future of the planet.

**Stability.** Boost profit & performance...

Be a company that continually delivers returns to all stakeholders. We will drive efficiencies to reduce our costs and drive sales to boost our profit.

**Transformation.** Improve digital capabilities...

Be a leader in our field by improving our IT platform to enhance business performance. We will improve communications and online interactions with our customers.

**Evolution.** A high performing culture...

Be a flexible and agile business, with a can-do attitude. We are a team and we will support each other to reach our goals.

OVERVIEW

Commitment - we want our business to be environmentally friendly, sustainable and net zero.

As part of Archwood Groups ongoing commitment to sustainability, the business joined the United Nations Race to Zero campaign in November 2021. Race to Zero is the UN-backed global campaign rallying businesses to take rigorous and immediate action to halve global emissions by 2030 and deliver a healthier, fairer zero carbon world.

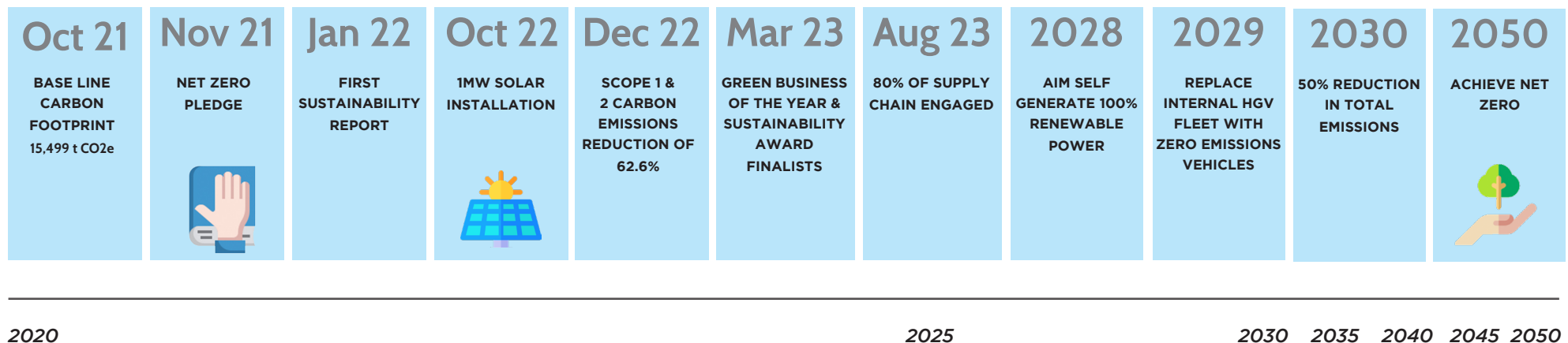
As part of our Net Zero pledge we have committed to:

- * Halve our greenhouse gas emissions by 2030
- * Achieve Net Zero emissions before 2050
- * Disclose our progress on a yearly basis

As a business, it is critical that we measure our own impact on the environment. Working with Planet Mark, who support us with measuring and validating our carbon footprint, we have created a clear picture of all our environmental impacts. This has allowed us to develop a carbon reduction plan, identifying ways to take rigorous and immediate action to halve our carbon footprint by 2030 and achieve Net Zero by no later than 2050.

We believe that every business has a responsibility to drive change and that together, it will be these changes that have the potential to have a big impact globally. At Archwood we pledge to make our contribution towards a more sustainable future by committing to achieve Net Zero by no later than 2050. We have written this report to share our progress to date and to ensure that we continue to deliver on our promise to give our customers the most eco-friendly and sustainable selection of timber products.

TIME LINE TO NET ZERO



2020

2025

2030 2035 2040 2045 2050

OVERVIEW

Our baseline carbon footprint

Having confirmed our baseline carbon footprint for our financial year ending September 2021 we have proceeded to take action to reduce our emissions.

The extent of our carbon footprint assessment includes full Scope 1 & 2 emissions impact and the emissions impact included in the below Scope 3 categories.

Our Scope 3 carbon footprint assessment represents 85% of total spend which includes the emissions impact of all factored goods and timber raw material suppliers, including the upstream and downstream transportation of all timber and timer products.

Many companies only report on their Scope 1 & 2 emissions but we want to be as transparent as possible by measuring and reporting our full direct emissions and the indirect emissions impact along the value chain which includes the transportation from timber source, to supplier, to Archwood and onto our end customer.

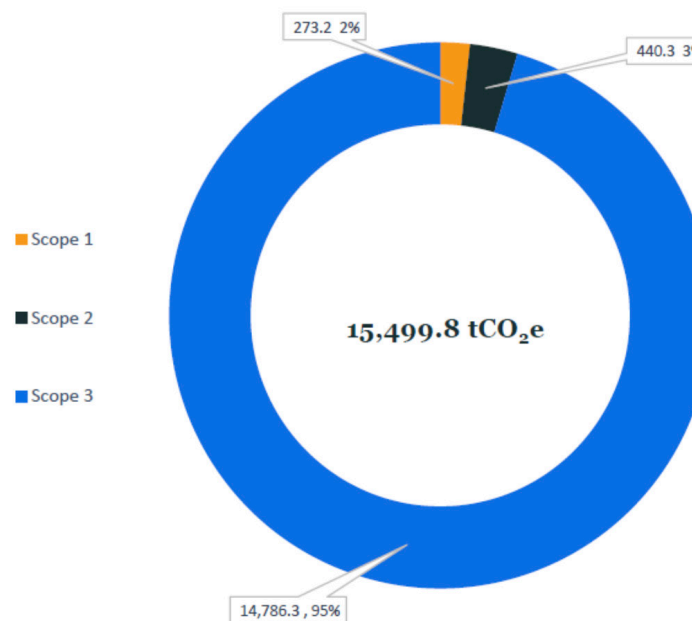
We will share our progress to date within this report.

Baseline Carbon Footprint – FY 2020/21

Total carbon footprint.

Scope	Category	Emissions (tCO ₂ e)	Proportion of total footprint
Scope 1	N/A	273.2	1.8%
Scope 2	Location-based	440.3	2.8%
	Market-based	610.4	
Scope 3	1. Purchased goods and services	5,491.4	35.4%
	2. Capital goods	N/A	N/A
	3. Fuel and energy related activities	39.1	0.3%
	4. Upstream transportation and distribution	8,921.2	57.6%
	5. Waste	37.0	0.2%
	6. Business travel	15.5	0.1%
	7. Employee commuting	N/A	N/A
	8. Upstream leased assets	N/A	N/A
	9. Downstream transportation and distribution	282.2	1.8%
	10. Processing of sold products	N/A	N/A
	11. Use of sold products	N/A	N/A
	12. End-of-life treatment of sold products	N/A	N/A
	13. Downstream leased assets	N/A	N/A
	14. Franchises	N/A	N/A
	15. Investments	N/A	N/A
	Total scope 3	14,786.3	95.4%
Total scope 1,2,&3 (location-based)		15,499.8	
Total scope 1,2,&3 (market-based)		15,669.9	

Total scope 1, 2, and 3 carbon footprint for year ending 2021, tCO₂e



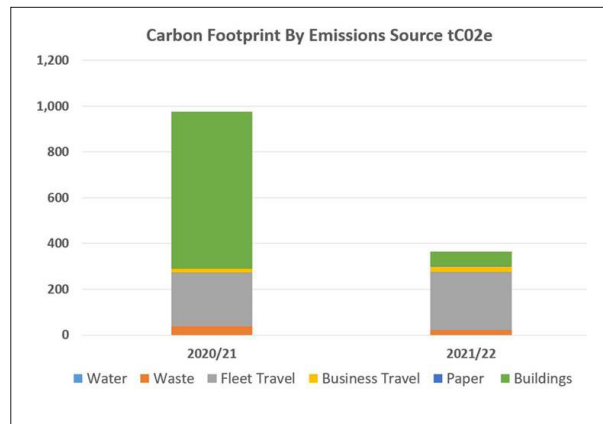
All rows and tables are rounded to one decimal place. This may lead to slight discrepancies in totals within the report.


OUR PROGRESS

Making a difference - our carbon footprint

Total reduction so far...


We have made great progress on our Net Zero journey and over the last 24 months we have reduced our Scope 1 & 2 carbon footprint by 62% versus our baseline year. This has been largely achieved by focusing on energy and the emissions impact of our site's operation. Notably, the installation of a 1MW Solar PV system generating 40-50% of our energy requirement, switching to 100% renewable energy for the remainder of our requirement, upgrading our FLT fleet to zero emissions trucks, reviewing site layout, extraction and machine efficiency have contributed significantly to the total reduction to date.





We are Planet Mark Certified

Year 2.



This is to certify that Archwood has achieved the Planet Mark by reporting a reduction in its carbon footprint and engaging its stakeholders.

Valid to: 31 December 2023

Empowering change for a brighter future. The Planet Mark is a sustainability certification for every type of organisation, for products and real estate. Our certification recognises continuous improvement, encourages action and builds an empowered community of like-minded individuals who make a world of difference.

planetmark.com/member/Archwood

Measure

- 13.1% Absolute carbon reduction (Location).
- 8.3% Carbon reduction per employee.
- 62.6% Absolute carbon reduction (Market).

Location-based

- 700.5 tCO₂e Total carbon footprint.
- 6.2 tCO₂e Total carbon footprint per employee.

Market-based

- 365.3 tCO₂e Total carbon footprint.
- 3.2 tCO₂e Total carbon footprint per employee.

We are committed to reducing our carbon emissions yearly so that together we can all halt climate change.

Reporting Boundary: Chirk and Livingston Sites

Emission Sources: Electricity, T&D Losses, Other Fuel, Fleet, Business travel, Water, Waste, Paper, Homeworking (excluded from footprint)


Reporting Period: 01 Oct 2021 – 30 Sept 2022

Engage

113 FTE employees. We engage our employees and wider stakeholders to unlock their talent and knowledge to drive year on year progress in sustainability.

Communicate

9 Sustainable Development Goals. We recognise that transparent communication is essential for transformational change and we quantify contribute to 9 SDGs.



62%

Reduction in in Scope 1 & 2 carbon emissions

OUR PROGRESS

Making a difference - energy

We recently celebrated 12 months since completing the installation of 2,600 solar panels at our North Wales factory. The installation has been a fantastic success story and is a great example of how businesses can reduce their carbon footprint whilst reducing energy costs. Our system, since switch on has exceeded the expected generation and generates circa 40% of our annual power requirement, which is the equivalent to powering 280 homes for 1 year and saving the equivalent emissions as planting 441 trees.

Alongside the solar installation, we have undertaken numerous energy efficiency projects at our manufacturing site to reduce energy consumption and carbon emissions. We have reviewed our site layout to maximise the efficiency of our work centres and the efficiency of the extraction system. This alongside reviewing our electrical infrastructure, seeing the internal power reconfiguration of one building to connect to the supply fed by our Solar system has led to the disconnection of one supply to site resulting in increased Solar utilization, reduced energy consumption and reduced carbon emissions.



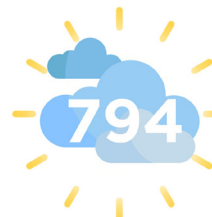
Our solar panels have generated more than 798,000 kWh in the 12 months since they were installed



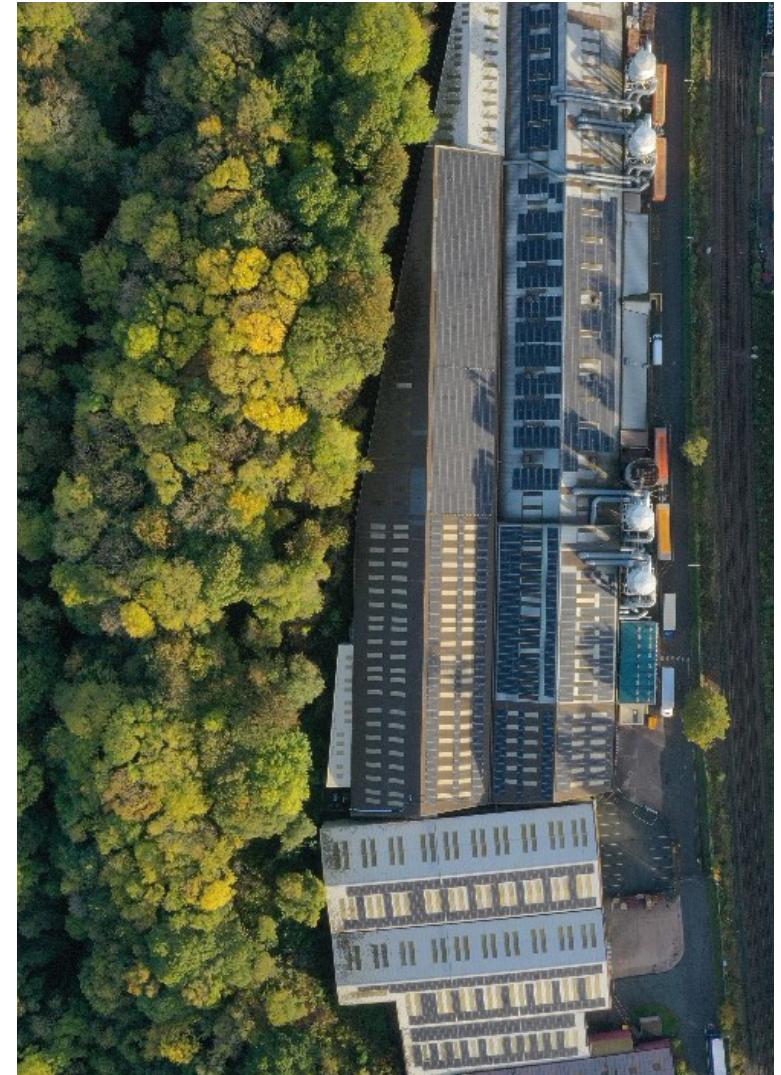
That's enough power to run 280 homes for a year



Equivalent to planting 441 trees



Or saving 794 tonnes in CO2 emissions

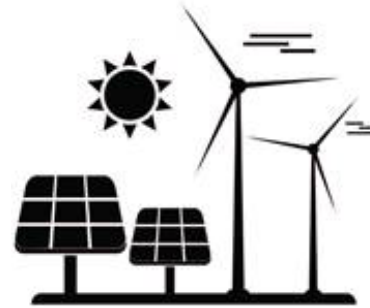


OUR PROGRESS

Making a difference - supply chain

SUPPLY CHAIN

During 2023 we achieved a major milestone in our sustainability journey by engaging and communicating significantly with our supply chain. We held meetings with 15 key global suppliers, which represents 80% of total company spend. The purpose of these meetings was to present our annual sustainability report, our updated working with Archwood document and communicate specific policy change affecting suppliers. This was an important step in working with our suppliers to communicate our sustainability goals and the reduction targets we have in place for the supply chain. As Scope 3 / supply chain emissions represents 95% of our total carbon footprint working with our suppliers in a collaborative manner will be key in meeting our reduction targets

TIMBER SUPPLIERS

Timber suppliers - 50% of key timber products suppliers are measuring their carbon footprint and working to a carbon reduction plan and have significant investments in onsite renewable energy.

DISTRIBUTION PARTNERS

Distribution partners - our global distribution partners are accelerating their net zero targets and expanding their scope to cover all emissions. They are working towards a 50% reduction in emission per container by 2030 and achieve Net Zero by 2040.



Accelerated net zero target to 2040

OUR PROGRESS

Making a difference - sustainable timber

All Archwood Group products are made with sustainable timber, which can last a lifetime when properly maintained. Timber is a renewable and natural material that when harvested locks away CO₂. Ongoing, all new Archwood timber products will be FSC® and/or PEFC-certified, which ensures the timber is harvested with sustainable forest management. We are working with our customers and supplier to ensure that by 2027 100% of our timber products are FSC® and/or PEFC-certified.

SUSTAINABLE TIMBER

INCREASE AMOUNT OF CERTIFIED TIMBER PURCHASED AND AS PART OF PRODUCT RANGE

**DURABLE**

Timber products can last a lifetime with proper maintenance and care. The longer they last, the less often they'll need to be replaced, using less energy on the production of new products.

ABSORBS CO₂

Trees absorb the carbon dioxide emissions from the atmosphere that are driving global warming. Mature trees absorb 22kg of CO₂ each year [1], with approximately 30% of annual CO₂ emissions being absorbed by trees. [2] When the tree is felled, the wood acts as a 'carbon store', locking in the CO₂ when used in construction.

BIODEGRADABLE

There is very little waste when crafting timber products, offcuts and chippings can be repurposed and recycled into new products, like sawdust and panel boards. Wood is a natural material meaning that timber waste is 100% biodegradable, under the right conditions, timber will break down and decompose back into the earth.

RENEWABLE

Timber is a renewable and natural resource. Opt for FSC® or PEFC certified products as the timber is harvested as part of responsible and sustainable forest management.



OUR PROGRESS

Making a difference - transportation & distribution

ELECTRIC FLT's



TRANSPORTATION



During 2023 we completed the renewal of our Fork Lift Truck fleet. Previously we had 30 diesel or LPG powered trucks. The fleet has now been consolidated down to a total of 20 trucks, of which 19 are zero emissions electric trucks, with one remaining diesel powered truck. Current FLT capacity limitations are preventing the remaining diesel truck from being replaced with a zero emissions alternative but as soon as one is on the market we will replace the truck accordingly.



During 2023 we embarked upon a HGV drivers training programme to ensure driving behaviours are as fuel efficient as possible. We also assessed our current HGV fleet with a view to replacing with zero emissions alternatives. Currently, we do not feel that the infrastructure or fuel alternatives are at a level they need to be to support the business. However, we have committed to decarbonise our HGV fleet by 2030 and this is something we will actively pursue over the coming years.

OUR PROGRESS

Making a difference - packaging, commuting, waste

PACKAGING

We are pushing for 100% recycled content on all packaging materials and specifically targeting plastics for removal or replacement with sustainable alternatives within our product display and transit packaging.

We have undertaken a review and redesign project on our current plastic display packaging, with solutions found across our product range. During 2023 we swapped to a cardboard packaging solutions for all flooring items within our Atkinson & Kirby product range. We have identified packaging changes for our Richard Burbidge product range with changes coming into effect throughout 2024..

COMMUTING

We've installed seven electric vehicle charging points at our HQ carpark. The EV charge points are free to use for all employees, visitors and contractors. We offer a salary sacrifice scheme to all employees to support them make the transition over to electric vehicles. With 9 employees making the switch to full electric vehicles or hybrids.

We encourage UK business travel to be done by train where ever possible. When dealing with our international partners, our preference is to facilitate online meetings, however occasionally a flight is necessary. Our policy for all company air travel is to carbon off-set with approved schemes.

WASTE & RECYCLING

We have a zero to landfill policy for all general waste. Wood waste represents 96.7% of the total wastage at our North Wales HQ. All of our wood waste is recycled and repurposed into material for animal bedding, cat litter and panel board. This also fuels our sites boilers providing hot water and heating in the winter months.

OUR PEOPLE

Making a difference - awards, community & wellbeing

WE INVEST IN WELLBEING

We value people



We did it! We are proud to announce that we have achieved the Gold standard of the **Investors in People: We Invest in Wellbeing award**. A gold accreditation says that Archwood Group have a great wellbeing strategy in place that it's clearly supported by everyone. There are opportunities and dedicated spaces for people to work as well as socialise. We were also a Best Newcomer Award finalist for Investors in People.

EMPLOYEE VOICE GROUP

Improving communications



Following feedback from our Employee Engagement Survey, we understood that communication throughout our workforce needed some improvement. As such, the Employee Voice Group was created and within this, we merged various other Archwood committees such as the wellbeing team and the charity committee. This provides all of our employees an effective forum to have a voice and be able to raise concerns and/or suggestions.

AWARDS

Making the shortlist



This year we have been shortlisted for both the 'Green Business of the Year' in the annual Wales Business Awards and the 'Sustainability Award' as part of the FSB Small Business Awards. Unfortunately, we didn't win but the recognition in being shortlisted for such awards is still a fantastic achievement and confirms that we are making a significant impact.

COMMUNITY

Integrating with the locals



Archwood Group has pledged to support the West Midlands Ambulance Services' Community First Responders. The volunteer network was nominated by Shawn Ellis, a Trainee Area Leader who has worked for Archwood Group since 2007. Shawn has been volunteering for over nine years and is one of seven volunteers who support the service in the local area by responding to a variety of calls.



Archwood is also proud to sponsor the Dee Valley Dragons netball team furthering our commitment to creating a positive impact in the local community. Established in July 2021 by a group of passionate local residents, the Team is a new community-based initiative aiming to provide accessible netball opportunities for players of all ages and skill levels.

OUR PLANET

Making a difference - our carbon reduction plan

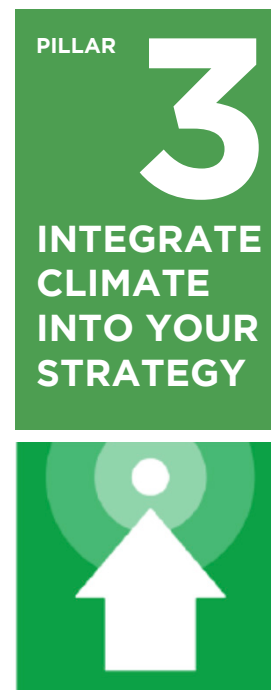
At Archwood we have taken a 4 pillar approach in developing our sustainability strategy for the future:

1 - Reduce our own emissions
- we have developed a carbon reduction plan with various actions that will lead us to reaching net zero emissions within scopes 1 & 2 by 2030. These actions are centred on how we will eliminate carbon emissions from fuels consumed at our operational sites and achieving 100% self-generation of renewable electricity.

2 - Reduce our value chain emissions - the focus here is in relation to working with our suppliers to educate them and assess where they are on their sustainability journey. 95% of our emissions sit within Scope 3 and we have agreed a carbon reduction plan which implements policy changes which will see us reach a 50% reduction in emissions by 2030.

3 - integrate climate into our strategy - this will ensure that we continue to take a proactive role in implementing change which will help grow our business by future proofing our business amidst regulation change and changing consumer expectations.

4 - accelerate climate action in society - through communication and engagement we will accelerate wider climate action. By sharing our success and knowledge we will help our suppliers, customers, employees, local community and the wider business community on their own individual sustainability journey.



A top-down view of a pair of brown leather brogue shoes with dark laces, resting on a wooden floor with a herringbone pattern. The shoes are positioned at the bottom center of the frame, with the wooden planks radiating outwards from them.

“We want to do our part in having a positive impact on the planet and society. Each and every one of us plays an important role in our sustainability commitments.”

Josh Burbidge



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mouldings and decking
accessories

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