



Dunnet Bay Distillers
Premium Scottish Spirits



Sustainability Report 2020



Climate change is the greatest issue faced by the world today and this represents a significant challenge for any business. At Dunnet Bay Distillery we are committed to reducing our carbon impact. This report provides a carbon footprint for the distillery for the calendar year 2020.

We have undertaken this calculation in conjunction with Planet Mark so that we can understand our impact and work on ways of reducing it. It gives us a baseline for future comparisons and allows us to set meaningful targets for the future.

The calculations follow the Greenhouse Gas Protocol for Corporate Emission Reporting and focus on scope 1 and 2 emissions with elements of scope 3, but we will continue to work with our suppliers and customers to understand our impact and mitigate it across all 3 scopes.

“We have a responsibility to produce our products with as little impact to the environment as possible and we take this responsibility seriously. We aim to be fully transparent about our journey to net zero and the difficulties we encounter along the way. We don’t have all the answers and we are sure to make mistakes, but we are heading in the right direction!”



You have *ACHIEVED*
the Planet Mark
Certification
mm

“We’re proud to announce that we’ve achieved the Planet Mark Year 1 Business Certification. This is an incredible achievement involving the entire business.”

The Planet Mark Business Certification is an internationally recognised sustainability certification for business acknowledging continuous progress, encouraging action and building an empowered community of like-minded individuals.

In this crucial #DecadeofAction, measuring our own carbon footprint has been a critical step in reducing our impact on the planet and society. Through Planet Mark we have protected an area of endangered rainforest thanks to Cool Earth; a charity working alongside rainforest communities to halt deforestation. Our pledge through Cool Earth goes directly towards supporting the Asháninka community in Central Peru.

Through our commitment to Planet Mark we are also helping the Eden Project – an educational charity building connections with each other and the living world, exploring how we can work together towards a better future.

We want to continue to have a positive impact through our business and hope that we can empower our community to take climate action. We hope that you will join us in this movement for change.

Each and every one of you has contributed to our achievement in becoming Planet Mark certified, and will continue to play an important role in our sustainability commitment.

We encourage you to get in touch if you have any questions or suggestions you’d like to share with us, or to join us on this exciting journey of sustainability. Together, we are a collective force for good.



Total carbon EMISSIONS



Dunnet Bay Distillers
Premium Scottish Spirits

2020

23.3
tCO₂e total emissions

Total emissions equivalent to
21 flights from London to New York

3.8
tCO₂e per employee



Building
10.7 tCO₂e

Used enough electricity to power **12** UK homes for one year.



Travel
N/A



Waste
1.4 tCO₂e

Produced waste that weighs the same as **1** London bus.



Water
0.7 tCO₂e

664 Litres per employee per day.



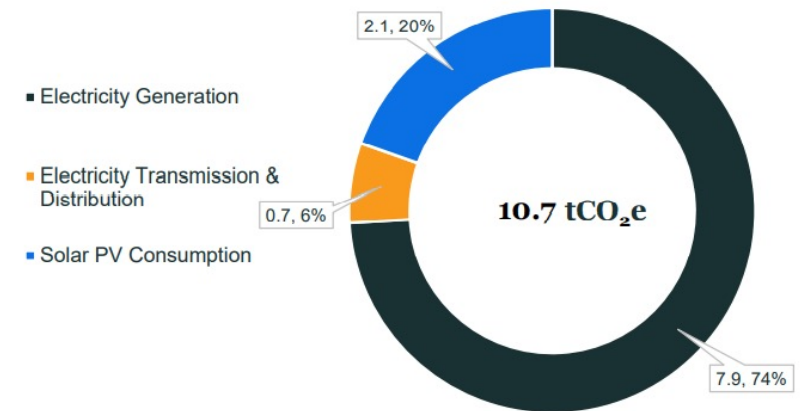
Procurement
10.4 tCO₂e

58 sheets of paper used per day.



Our Distillery Building

Building emissions for year ending 2020, tCO₂e



Our building footprint of 10.7 tCO₂e relates to our electricity use.

We have solar PV panels which generated 21.63 MWh of electricity in the year. Unfortunately, we can't store the excess we produce on very sunny days, so it is sent to the grid for others to use.

On the not so sunny days when we don't quite have enough, we must buy our electricity in which has resulted in 7.9 tCO₂e.

We hope to reduce this figure significantly going forward by changing our tariff to 100% renewable sources and by investing in battery storage for our PV panels.

Travel



2020 was not the year of travel!

Our 2020 travel carbon footprint reflects this, but we expect this to increase considerably going forward as we get back to visiting our customers and attending trade events.

In doing so we will arrange travel as best we can to reduce our impact by using public transport.

Commuting to work was also impacted and again will increase as the return to work takes place.

Home working will still be an option and we will look to encourage car sharing, public transport and cycling to work to keep our emissions low.



Waste



In 2020 our waste was the equivalent
of one London bus



*“Our one London bus of waste is
a London bus too many”*

We are continuously monitoring and analysing our waste to establish ways of reducing it. Although beautiful, our remote and sparsely populated location means fewer recycling facilities and waste collection for reprocessing schemes. We must work hard to minimise our waste.

We lay great emphasis on the effective collection and proper handling of all waste products with our primary focus on avoidance of waste generation. Through sustainable procurement and working with our suppliers we strive to minimise the waste we receive.

Our positive changes so far...

- During the pandemic temporarily ceased using our ceramic tasting cups in our visitor centre. However, we were still mindful of the environment and used Vegware tasting cups. These were collected and returned for industrial composting. We will return to ceramic cups when able.
- We have switched some suppliers based on their packaging to reduce waste.
- Our botanical waste is spread on agricultural land.
- Kitchen waste is composted.

Target

- | | |
|------|---------------------------------|
| 2022 | Reduce waste to landfill by 50% |
| 2023 | Zero waste to landfill |



“It’s not just our waste that concerns us but also the potential waste we send our customers. We want to make life as easy as possible for our customers.”



Our boxes are FSC accredited or made from recycled materials and are fully recyclable and compostable.



The protective packaging encasing our bottles is made from 100% manufacturing waste material and is reusable, compostable, biodegradable and recyclable.



We use paper void to fill any gaps which is made from recycled materials and recyclable.



Paper tape is used to seal our boxes so that it can be easily recycled along with the box.



If you find any plastic protective packaging in your order it’s because we are reusing items sent to us. Please continue to reuse it and recycle when it reaches the end of its life.

We encourage our customers to use their bottles again and again as a Bottle for Life in conjunction with our refill pouches.

This saves energy both in production and distribution.

It also ensures that our bottles are reused, and our pouches are recycled through our partnership with TerraCycle.



We also encourage upcycling of our bottles by selling soap pumps.

There are some great ideas of bottle reuse from lamp bases to pen holders to piggy banks.

We've made the return of pouches easy by being able to just pop the pouch in the post box – no envelope or stamp required.

Our deliveries are as plastic free as possible.

We choose to reuse plastic packaging that comes to us in order to prolong its useful life, but we no longer buy plastic packaging for our consumer orders.

Our large trade orders unfortunately still require pallet wrapping but we use a super stretchy plastic reducing our consumption by 50% and ensuring it is made of a plastic which is easily recyclable at the other end.



Water



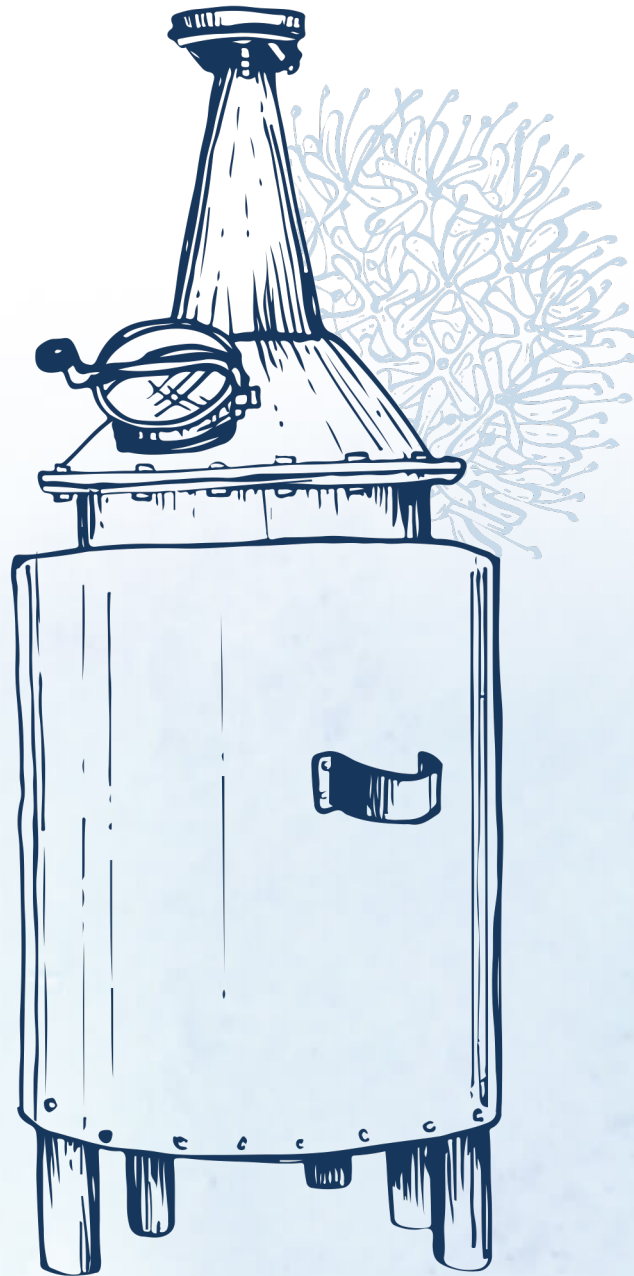
Water is an essential resource for all living organisms and despite our plentiful blue planet supply only a small amount is available for use as freshwater.

Only 0.3% of the world's freshwater availability is accessible and it's unevenly distributed across the world, so a resource that should not be wasted!

Water is a vital component both in our products and as a coolant during the distillation process. As we know water scarcity is on the increase even here in Scotland and we must do our very best to preserve it.

We monitor our water usage and are always looking at ways to reduce our consumption.

Our current carbon footprint figure for water emissions is 0.7tCO₂e and we will be looking to reduce this figure.



One of the ways we reduce our water use is with the use of water from a nearby burn.

Water is diverted up from the burn and stored in a tank ready for use. It cools our spirits using a heat exchanger before being returned to a holding tank to return to temperature. Once cooled it is released back into the burn without impacting the environment.

Unfortunately, it was out of action for part of 2020 resulting in more mains water being used than desired. Once up and fully running again we can reduce our overall usage.

Our beautiful distillery garden benefits from a butt for collecting rainwater. This keeps all our botanicals hydrated. We are also researching new ways to harvest rainwater for the benefit of the distillery.

Target

2022 Reduce our water carbon footprint by 50%

Procurement



Freight emissions for year ending 2020, tCO₂e



“We believe our environmental impact is intrinsically linked to our supply chain.”

We integrate high standards of responsibility when purchasing and we will choose suppliers who meet those standards to reduce carbon, waste and protect natural resources.

Transportation is clearly a difficult element of our carbon footprint to address but we will be keeping an eye on distribution companies and the move to electric vehicles, working with those that commit to the same sustainable values as our own.

The second element of the procurement carbon calculation was based on our paper usage and represents 0.05tCO₂e. Whilst this is a very small element of our footprint, we will still endeavor to reduce it further and ensure that our paper is recycled or FSC certified.

Our accounts became fully digital in 2020 saving 13 lever arch files of paper compared to the previous year.



Emissions by Scope

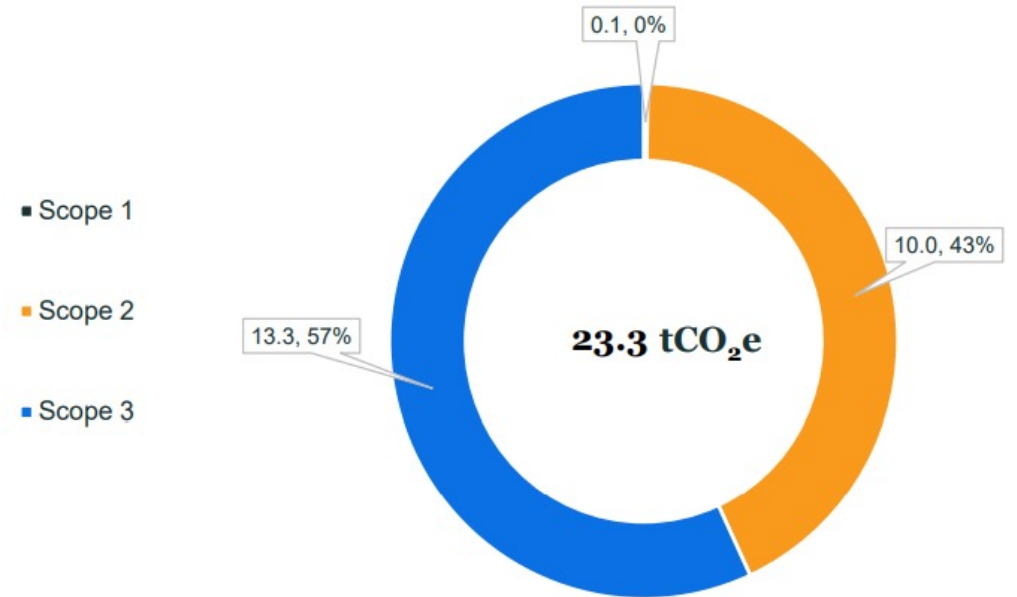


Total carbon footprint.

BY SCOPE

| Scope | tCO ₂ e | % |
|--------------|--------------------|---------------|
| Scope 1 | 0.1 | 0.3% |
| Scope 2 | 10.0 | 42.8% |
| Scope 3 | 13.3 | 56.9% |
| Total | 23.3 | 100.0% |

Total carbon emissions by Scope for year ending 2020, tCO₂e



Target

2025 Reduce carbon footprint by 50%

2030 Achieve net zero

Net Zero vs Carbon Neutral



Net zero is the term used to describe the way in which carbon emissions are reduced and then balanced with an equivalent amount of carbon sequestered. There are elements of our footprint where either the infrastructure is not yet there to replace the current system; or where we are tied into contracts that have a time yet to run.

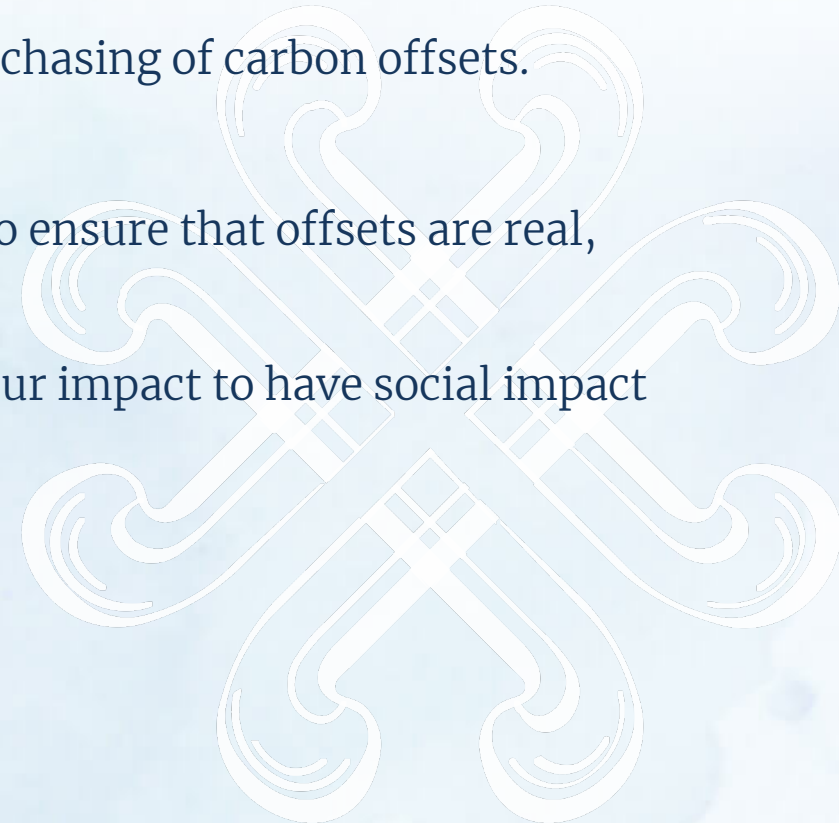
Carbon credits do have a place for mitigation in these instances and in our baseline year as we understand our carbon emissions.

With this in mind we are **carbon neutral** in our baseline year through the purchasing of carbon offsets.

We have chosen our carbon offsets based on the following points:

- ♻️ Carbon credits must be verified by an industry-leading formal standard to ensure that offsets are real, additional and permanent.
- ♻️ We have chosen based on more than just carbon sequestration, we want our impact to have social impact too.
- ♻️ We want our contribution to have a meaningful impact on biodiversity.

Our carbon offsets can be viewed at [Dunnet Bay Distillers Ltd | Ecologi](#)





Climate projects Dunnet Bay Distillers Ltd have supported

Your funding directly impacts atmospheric CO2 levels



Small scale onshore wind in India

Producing 8.4MW of renewable electricity through wind power in India

19.2T CO2 AVOIDED



Protecting lowland peat forest in Indonesia

Protecting lowland peat forest in Indonesia

4.8T CO2 AVOIDED



**We've pledged
to *PROTECT*
one acre of
rainforest
in Peru**

PlanetMark



**We've *DONATED* to
the Eden Project to support
education on climate change**

PlanetMark