Day's Fleet

Carbon Reduction Plan

Commitment to Achieving Net Zero

Publication date: August 2024

Commitment to achieving Net Zero

Day's Fleet is committed to reducing their greenhouse gas (GHG) emissions in line with UK government targets to achieve Net Zero emissions by 2050.

Baseline GHG Inventory

The baseline emissions inventory for Day's Fleet serves as the benchmark from which our GHG reduction targets have been established. This baseline allows Day's Fleet to measure and track GHG emission reduction progress effectively. The organisational boundary of this GHG inventory was established using the operational control approach as defined in the WRI GHG Protocol – Corporate Accounting and Reporting Standard. This approach allows the business to directly influence emission reductions and implement necessary measures to achieve them. This inventory encompasses all Scope 1 and 2 emissions, as well as the relevant Scope 3 categories as specified in PPN 06/21, where applicable. For further details on the calculation methodology, please refer to Appendix A.

Baseline GHG Emissions from 1st January 2023 – 31st December 2023			
Scope	**Activity**	**Tonnes CO2e**	**% of total footprint**
Scope 1 - Direct Emissions	Scope 1: Vehicle Fuel	13.05	5.1%
	Scope 1: Subtotal	**13.05**	**5.1%**
Scope 2 - Indirect Emissions	Scope 2: Purchased Electricity (Location Based)	3.48	1.4%
	Scope 2: Purchased Electricity (Market Based)	0.00	0.0%
	Scope 2: Subtotal	**3.48**	**1.4%**
Scope 3 - Other Indirect Emissions	Category 3: Fuel and Energy-Related Activities	4.43	1.7%
	Category 4: Upstream Transportation and Distribution	102.01	40.2%
	Category 5: Waste Generated in Operations	0.44	0.2%
	Category 7: Employee Commuting	30.86	12.2%
	Category 9: Downstream Transportation and Distribution	99.56	39.2%
	Scope 3: Subtotal	**237.30**	**93.5%**
	Total GHG emissions (Scope 1 to 3)	**253.83**	**100%**
	GHG Intensity (tCO2e/£m Fleet Valuation)	**1.25**	

Additional Details relating to the Baseline Emissions calculations

The emissions baseline for Day's Fleet has been updated from 2021 to 2023. This change is due to the unprecedented global events and economic disruptions caused by the COVID-19 pandemic, significantly impacting operations in 2021 and 2022. As a result, the greenhouse gas (GHG) data from these years do not represent typical operations. With conditions stabilising in 2023, we now have a more accurate baseline for setting GHG reduction targets in line with climate science. For full transparency, historical emissions data for 2021 and 2022 will be included in Appendix B.

Current Year GHG Inventory

GHG Emissions from 1st January 2023 – 31st December 2023			
Scope	**Activity**	**Tonnes CO2e**	**% of total footprint**
Scope 1 - Direct Emissions	Scope 1: Vehicle Fuel	13.05	5.1%
	Scope 1: Subtotal	**13.05**	**5.1%**
Scope 2 - Indirect Emissions	Scope 2: Purchased Electricity (Location Based)	3.48	1.4%
	Scope 2: Purchased Electricity (Market Based)	0.00	0.0%
	Scope 2: Subtotal	**3.48**	**1.4%**
Scope 3 - Other Indirect Emissions	Category 3: Fuel and Energy-Related Activities	4.43	1.7%
	Category 4: Upstream Transportation and Distribution	102.01	40.2%
	Category 5: Waste Generated in Operations	0.44	0.2%
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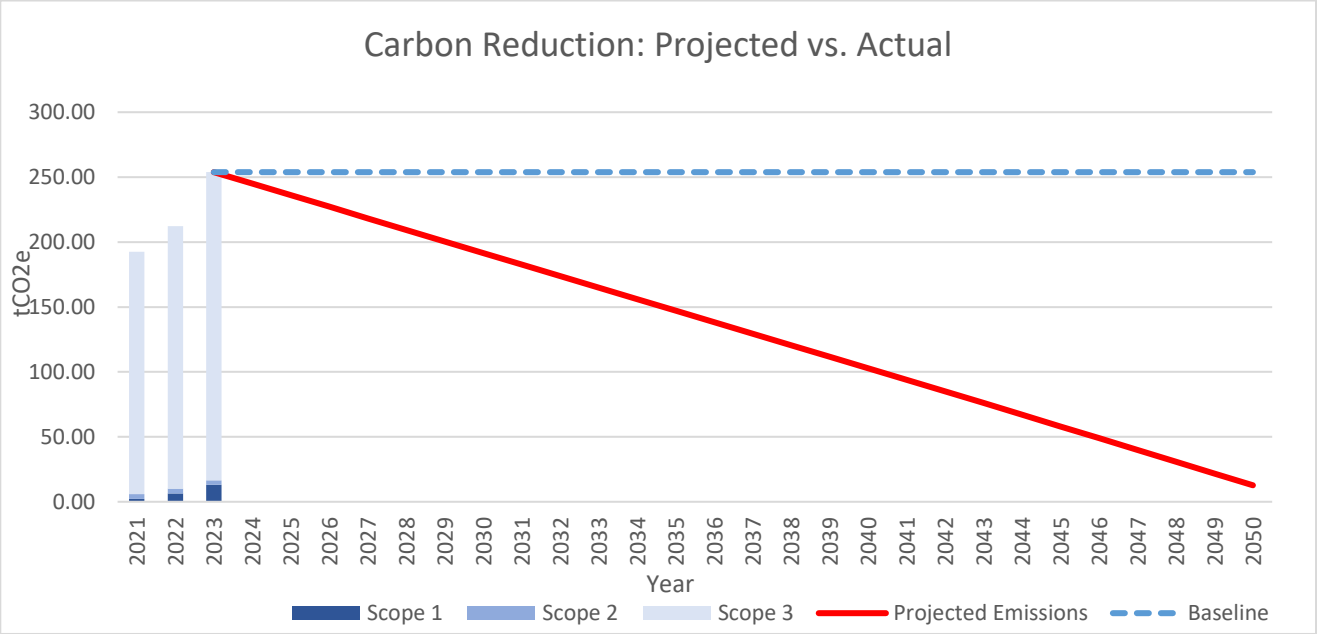
Emissions Reduction Targets

In alignment with our commitment to Net Zero, Day's Fleet have established the following GHG reduction targets, using 2023 as the baseline year for measurement and comparison. Progress to meet Net Zero emissions by 2050 can be observed in figure 1.

- **Short-Term Target 1:** Achieve a 45% absolute reduction in Scope 1 and Scope 2 emissions by 2033.
- **Short-Term Target 2:** Commence engagement with key vehicle manufacturing partners by the end of 2027 to gain comprehensive understanding of upstream and downstream transportation and distribution emissions. This includes collecting detailed information on logistics, distances travelled, and methods of transportation used for vehicle delivery.
- **Medium Term Target 1:** Achieve a 70% absolute reduction in Scope 1 and Scope 2 emissions by 2043.
- **Medium Term Target 2**: Achieve a 70% absolute reduction in Scope 3 emissions by 2043.
- **Long Term Target:** Reduce emissions from all Scopes to residual levels by 2050, in line with global climate goals.

Figure 1 – current carbon emissions against emissions projection in line with Net Zero by 2050.



Intensity Metric

To effectively measure and track progress toward reducing greenhouse gas (GHG) emissions while considering business growth, Day's Fleet has adopted an intensity-based metric. This metric calculates the tonnes of CO2 equivalent (tCO2e) emissions per unit value of our total fleet, expressed in millions of British pounds (£m).

Using this intensity metric allows us to align carbon reduction efforts with the scale and growth of the business. As our fleet expands, this metric provides a more accurate reflection of the efficiency of Day's Fleet in reducing emissions relative to the size of operations. This approach ensures that our GHG

reduction targets remain ambitious and attainable, even as Day's Fleet continues to grow and develop our services. We are committed to a steady and realistic reduction in our emissions intensity each year.

Carbon Reduction Projects

To encourage reductions in our environmental impact across all our operations we have:

- Maintained ISO14001 accreditation for our Environmental Management System since 2013.
- Developed and implemented an Environmental Policy that outlines our commitment to environmental responsibility across all operations.
- Conducted annual environmental awareness training for all staff through the iHASCO platform. This training covers key areas such as understanding the environment and its
- challenges, focusing on the workplace's role in resource management, waste handling, and recycling, as well as empowering individuals to reduce their carbon footprint through simple, impactful actions.
- Reduced paper use through digital document storage and online e-signatures.
- Implemented water recycling in vehicle valet bays.
- Enhanced our online information on electric / alternative fuel vehicles to assist clients in making informed choices, supporting their transition away from internal combustion engine vehicles.
- Partnered with Pod Point to provide customers with a recommended supplier for workplace solar EV charging points.

To reduce our Scope 1 and Scope 2 emissions, we have:

- Conducted energy usage audits to identify and improve energy leakages.
- Implemented an Energy Management Programme to monitor energy usage continuously.
- Appointed an Energy Management Champion at the office to inspire staff to create energy saving changes.
- Installed sensor lighting and removed traditional light switches throughout our head office to control and reduce lighting runtime.
- Replaced older, less efficient light bulbs with modern, lower consuming LED alternatives.
- Switched electricity supply to British Gas 'Zero Carbon Electricity' which is backed by a mix of Renewable Energy Guarantees of Origin and nuclear declarations.
- Ensure all AC units are serviced and fully maintained to ensure optimal running efficiency, minimise waste runtime and subsequent electricity consumption.
- Provided electric or hybrid vehicles to staff where possible.

To further reduce our Scope 1 and Scope 2 emissions, we plan to:

- Continue to implement Energy saving measures identified from Energy Audits which are yet to be actioned.
- Replace existing inefficient heating systems with new more efficient alternatives
- Increase the number of electric vehicles charging points across all sites.
- Evaluate the viability of implementing voltage optimisation of electricity connections and further energy recycling of energy through kinetic energy harvesting.
- Continue to provide electric or hybrid vehicles to staff where possible.
- Enhance our Sustainable Travel Policy.
- Install Solar Panels to our Gorseinon Site to generate electricity on-site.

To reduce Scope 3 Category 4 – Upstream Transportation and Distribution emissions, we have:

- Prioritised suppliers that are as close to the eventual delivery post code as possible when ordering vehicles for clients.

To further reduce Scope 3 Category 4 – Upstream Transportation and Distribution emissions, we plan to:

- Engage with our value chain to improve the quality of data used for emissions calculations, aiming to transition away from using spend-based methodologies. This will allow for the establishment and monitoring of reduction strategies.

To reduce Scope 3 Category 5 – Waste Generated in Operations emissions, we have:

- Reduced the number of general waste bins from general office environment to encourage reduce, reuse, recycle thinking.
- Installed a recycling station in the office.
- Partnered with a waste management supplier who prioritises the diversion of waste from landfill to be used as refuse derived fuel.

To reduce Scope 3 Category 7 – Employee Commuting emissions, we have:

- Created a cycle to work scheme that is available to all employees.

To reduce Scope 3 Category 7 – Employee Commuting emissions, we plan to:

- Encourage employees to car share where possible.

To reduce Scope 3 Category 9 – Downstream Transportation and Distribution emissions, we have:

- Tried to dispose of vehicles as locally to the end user as possible

To reduce emissions beyond our own value chain, we have/plan to:

- Invest in carbon offset projects across the world to mitigate our own carbon footprint
- Plant a minimum of 100 trees each year locally by 2026

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard[1] and uses the appropriate Government emission conversion factors for greenhouse gas company reporting[2].

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard[3].

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier:
Aled Williams
Managing Director – Day's Fleet
12th August 2024

[1] https://ghgprotocol.org/corporate-standard
[2] https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting
[3] https://ghgprotocol.org/standards/scope-3-standard

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Appendix A – Supporting Notes

Methodology

GHG emissions have been calculated in accordance with the WBCSD-WRI Greenhouse Gas Protocol - Corporate Accounting and Reporting Standard, produced by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI). This is a globally recognised standard and is best practice for a carbon footprint calculation.

Day's Fleet categorises its GHG Emissions as Scope 1, 2 or 3 as referred to in the WBCSD-WRI GHG Protocol. The scope boundary of this GHG inventory was determined using the operational control principle defined in the WRI GHG Protocol – Corporate Accounting and Reporting Standard.

Scope 1 and 2 emissions have been calculated in line with the Streamlined Energy Carbon Reporting requirements. Gas and electricity activity data has been collated by our energy consultants (Purchase Direct Ltd) for all utility supplies across the company's estate. An analysis of fuel card transactions and an audit trail of fuel used from bulk fuel stores has been conducted to determine the proportion of diesel and petrol fuel purchased. This proportional split has then been applied to the annual business mileage recorded for the purposes of calculating vehicle fuel emissions.

The relevant Scope 3 categories have been calculated as follows:

4. & 9. Upstream/Downstream transportation and distribution - Upstream and Downstream transport and distribution emissions for Day's Fleet have been estimated using a spend-based method based on the costs of transport logistics.

5. Waste Generated in Operations – Where possible, primary data on the weight of collections for different waste streams from different sites has been collated. Where this data has not been collected, it has been assumed that each and every bin collection has been at maximum weight capacity, which is determined via the capacities provided by our outsourced waste brokerage.

6. Business Travel – Business travel emissions for Day's Fleet, which are negligible, primarily originate from hotel stays, calculated based on the total number of room nights. Business travel is conducted using cars owned or operated by Day's Fleet, which is therefore included within the company's Scope 1 emissions.

7. Employee Commuting - Uses total daily mileage for each employees' commute against an estimated average number of days commuted each week per employee. This is extrapolated to an annual figure based on an assumption that there is 48 working weeks in the year. It is assumed that all transport is of average size.

Carbon multipliers, fuel densities and calorific values have all been sourced from UK Government DEFRA's 2021 & 2022 conversion factors[4] (unless otherwise stated within backing data) and emissions have been expressed in terms of Carbon Dioxide Equivalent (CO_2e).

All emission factors used within calculation methods have been noted within the backing data. Where specific emission factors for Scope 3 products and services are not yet available either within UK Government DEFRA's conversion factors for the relevant year, from the source, supplier, or within the relative industry, annual spend against Standard Industrial Classification (SIC) codes have been used. Relative emissions have

[4] https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting

been calculated using the Office for National Statistic's Atmospheric emissions: greenhouse gas emissions intensity by industry[5]. Every effort will be made to work with suppliers and manufacturers in order to obtain the most accurate emission factors in future.

GHG emissions intensity figures within the Office for National Statistic's Atmospheric emissions: greenhouse gas emissions intensity by industry, were calculated by dividing the level of GHG emissions by Gross Value Added (GVA). GVA is defined as "the difference between output and intermediate consumption for any given industry". It is noted that the data obtained from Day's Fleet is the annual spend within the SIC Code category, and not the GVA. As the GVA is unknown for the supplier or sector for each category and is not feasible or practicable to calculate, the GHG emissions across these categories use annual spend and therefore are an overestimation of GHG emissions.

Where economic value information was not available during application of the spend-based methodology (see Technical Guidance for Calculating Scope 3 Emissions Supplement to the Corporate Value Chain (Scope 3) Accounting & Reporting Standard (version 1.0)[6]), Day's Fleet have provided an estimation of annual spend for various elements. This has been documented within the backing data.

Due diligence checks on the calculations have been performed by Purchase Direct Ltd when calculating indirect emissions (Scope 3), with all assumptions and estimations having been documented in the backing data.

[5] https://www.ons.gov.uk/economy/environmentalaccounts/datasets/ukenvironmentalaccountsatmosphericemissionsgreenhousegasemissionsintensitybyeconomicsectorunitedkingdom

[6] https://ghgprotocol.org/sites/default/files/standards/Scope3_Calculation_Guidance_0.pdf

Appendix B – Historical Emissions

GHG Emissions - 1st January 2021 – 31st December 2021			
Scope	**Activity**	**Tonnes CO2e**	**% of total footprint**
Scope 1 - Direct Emissions	Scope 1: Vehicle Fuel	2.11	1.1%
	Scope 1: Subtotal	**2.11**	**1.1%**
Scope 2 - Indirect Emissions	Scope 2: Purchased Electricity	3.87	2.0%
	Scope 2: Subtotal	**3.87**	**2.0%**
Scope 3 - Other Indirect Emissions	Category 3: Fuel and Energy-Related Activities	1.97	1.0%
	Category 4: Upstream Transportation and Distribution	69.07	35.9%
	Category 5: Waste Generated in Operations	0.92	0.5%
	Category 7: Employee Commuting	35.71	18.5%
	Category 9: Downstream Transportation and Distribution	78.83	41.0%
	Scope 3: Subtotal	**186.50**	**96.9%**
	Total GHG emissions (Scope 1 to 3)	**192.48**	**100%**
	GHG Intensity (tCO2e/£m Fleet Valuation)	**1.22**	

GHG Emissions - 1st January 2022 – 31st December 2022			
Scope	**Activity**	**Tonnes CO2e**	**% of total footprint**
Scope 1 - Direct Emissions	Scope 1: Vehicle Fuel	6.38	3.0%
	Scope 1: Subtotal	**6.38**	**3.0%**
Scope 2 - Indirect Emissions	Scope 2: Purchased Electricity	3.78	1.8%
	Scope 2: Subtotal	**3.78**	**1.8%**
Scope 3 - Other Indirect Emissions	Category 3: Fuel and Energy-Related Activities	3.01	1.4%
	Category 4: Upstream Transportation and Distribution	92.68	43.7%
	Category 5: Waste Generated in Operations	0.55	0.3%
	Category 7: Employee Commuting	35.54	16.7%
	Category 9: Downstream Transportation and Distribution	70.38	33.1%
	Scope 3: Subtotal	**202.16**	**95.2%**
	Total GHG emissions (Scope 1 to 3)	**212.32**	**100%**
	GHG Intensity (tCO2e/£m Fleet Valuation)	**1.18**	