

Carbon Reduction Plan

Supplier name: Rico Logistics Ltd.....

Publication date: 7th February 2023.....

Commitment to achieving Net Zero

Rico Logistics is committed to achieving Net Zero emissions by 2040

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2020	
Additional Details relating to the Baseline Emissions calculations.	
Rico reported emissions data for the first time in our audited accounts for year ending 31 st March 2021 and provided comparable emissions data for year ending 31 st March 2020, quantifying Scope 1, 2 and 3 emissions. The emissions data includes emissions from Group activities, including UK subsidiaries. We have therefore calculated emissions in this CRP from the UK activities of Rico Logistics Ltd, as the bidding entity, for both Baseline and Current emissions.	
Baseline year emissions:	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	189
Scope 2	178
Scope 3 (Included Sources)	15,940 (of which Upstream transportation and distribution 13,868 Waste generated in operations 478 Business travel 797 Employee commuting 638

	Downstream transportation and distribution 159
Total Emissions	16,306

Current Emissions Reporting

Reporting Year: 2022											
EMISSIONS	TOTAL (tCO₂e)										
Scope 1	510										
Scope 2	145										
Scope 3 (Included Sources)	21,076 (of which) <table> <tr> <td>Upstream transportation and distribution</td><td>18,336</td></tr> <tr> <td>Waste generated in operations</td><td>632</td></tr> <tr> <td>Business travel</td><td>1,054</td></tr> <tr> <td>Employee commuting</td><td>843</td></tr> <tr> <td>Downstream transportation and distribution</td><td>211</td></tr> </table>	Upstream transportation and distribution	18,336	Waste generated in operations	632	Business travel	1,054	Employee commuting	843	Downstream transportation and distribution	211
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Total Emissions	21,076										

Scope 3 categories

We have referred to the Technical Standards documentation published by Cabinet Office and determined that the categories listed apply to our company.

Emissions reduction targets

Rico have ISO14001 accreditation which is used as our formal environmental management system. A detailed Carbon reduction plan was produced in July 2021 and published to our website. <https://www.ricogroup.global/carbon-reduction-programme/> The plan conforms to the PPN 06/21 format, containing emissions and targets information.

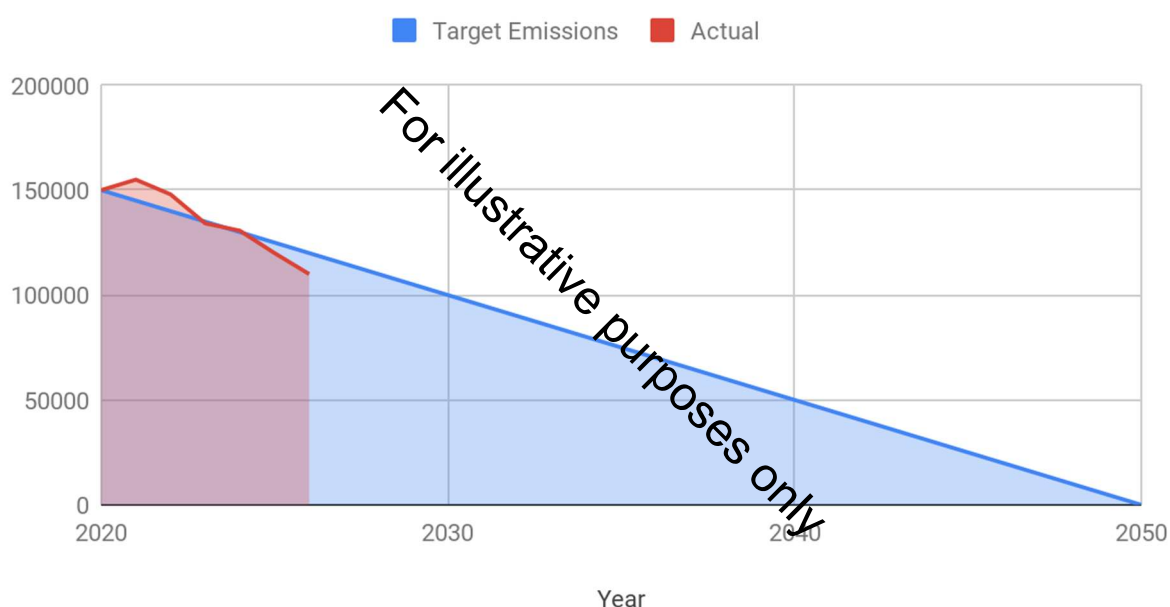
Rico reported emissions data for the first time in our audited accounts for year ending 31st March 2021, so there was no prior measurable reduction commitment. Although Rico Logistics have implemented a number of policies and initiatives to reduce its carbon emissions during the past 10 years as part of our environmental policies and ISO 14001 accreditation, there were no defined reduction targets set and no measure of emissions to track progress prior to 2021.

In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets.

We project that carbon emissions will decrease over the next five years to **14,765 tCO₂e** by 2026. This is a reduction of **15% on 2021 emissions**

Progress against these targets can be seen in the graph below:

Carbon Reduction: Projected vs. Actual



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2020 baseline. Although it has not yet been possible to calculate the reduction in emissions from the baseline, because of the distortions created from the pandemic, we are working with external consultants to calculate the underlying emission reductions and will update our plan in due course, and the measures will be in effect when performing the contract.

**Note – The increase in current emissions from the baseline have been distorted by recovery and increase in business volumes, following the impacts from the Covid-19 pandemic, where*

we experienced an increase in demand for our courier services and an increase in recorded emissions against the baseline.

- Our environmental management system is based upon our accreditation to ISO14001:15
- We have produced a detailed Carbon Reduction Plan, which has been published to our website
- Greater use of video conferencing to reduce business mileages
- Provided electronic invoicing to customers
- We electronically sign contracts and agreements
- Documents are stored digitally to reduce paper files
- Document scanning instead of photo copying
- Adopted cloud storage solutions for document sharing
- Adopted electronic marketing solutions
- Reduced use of business cards
- Use of mobile apps to remove paper delivery dockets
- Use of sensor lighting in our buildings to reduce energy consumption
- We have now installed low carbon lighting in three of our UK locations, with a plan to roll out globally during the next 24 months
- We provide shared user service options to customers to allow multi job consolidation, meaning fewer vehicle journeys
- We seek to utilise out of area vehicles for return loads where possible, reducing empty vehicle miles driven
- Use of technology to remove use of paper delivery dockets
- Optimising multi drop routes for lower mileages
- Couriers provided with eco-friendly driving technique guides
- Right-sizing of vehicles to load
- Vehicle age limits to encourage fuel efficiency
- More use of push bikes and motorcycles in London – phased introduction of electric vans in London from Q3 2021
- Extensive PUDO (pick up drop off) locations and box network, moving parts closer to end users to reduce miles driven
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In the future we remain on track to implement further measures such as:

- We will engage external consultants from the carbon accounting sector to work with us to improve accuracy in emissions data, particularly in Scope 3 emissions
- Implementation of a new technology platform to harness available vehicle capacity, more efficiently, reducing vehicle journeys by 30%
- Incentivise our courier fleet to adopt electric vehicles.
- We plan to provide an option for our customers to offset the carbon generated by movement of the consignments we move on their behalf, through our logistics services, by investing in certified gold standard carbon offset schemes
- Implement assessments of upstream suppliers into our procurement processes
- A new sustainability project team, headed by a Divisional Director has been formed by direction of the company CEO, to develop new carbon reduction initiatives and policies

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 standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

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) Standard³.

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:

Paul Grice, Commercial Director Courier Division,

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Date: 7th February 2022.....

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>