

# ***Carbon Reduction Plan***

TVS Supply Chain Solutions IFM

**Published:** 24<sup>th</sup> June 2024



# Carbon Reduction Plan

Supplier name: Rico Logistics Ltd, Trading As TVS SCS IFM.....

Publication date: 24th June 2024.....

## Commitment to achieving Net Zero

TVS SCS IFM 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.

<b>Baseline Year: 2020/21</b>	
<b>Additional Details relating to the Baseline Emissions calculations.</b>	
TVS reported emissions data for the first time in our audited accounts for year ending 31 <sup>st</sup> March 2021 and provided comparable emissions data for year ending 31 <sup>st</sup> March 2020, quantifying Scope 1, 2 and 3 emissions. The emissions data includes emissions from Group activities, including European operations and 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.	
<b>Baseline year emissions:</b>	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b>	<b>189</b>
<b>Scope 2</b>	<b>178</b>

<b>Scope 3</b> (Included Sources)	<b>15,940 (of which</b> <b>Upstream transportation and distribution 13,868</b> <b>Waste generated in operations 478</b> <b>Business travel 797</b> <b>Employee commuting 638</b> <b>Downstream transportation and distribution 159</b>
<b>Total Emissions</b>	<b>16,306</b>

## Current Emissions Reporting

Reporting Year: 2022/23	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b>	<b>534</b>
<b>Scope 2</b>	<b>151</b>
<b>Scope 3</b> (Included Sources)	<b>22,035 (of which)</b> Upstream transportation and distribution 19,171 Waste generated in operations 661 Business travel 1102 Employee commuting 881 Downstream transportation and distribution 220
<b>Total Emissions</b>	<b>22,035</b>

## Emissions reduction targets

TVS SCS IFM held ISO14001 accreditation during the reporting year which is an overarching QMS framework for our formal environmental management system. An updated Environmental Policy document was produced during 2023. An updated Carbon reduction plan was produced in June 2024 and published to our website. <https://www.tvsscs.com/courierservices/csr/environmental/> The plan conforms to the PPN 06/21 format, containing emissions and targets information.

TVS reported emissions data for the first time in our audited accounts for year ending 31<sup>st</sup> March 2021, covering the financial year 2020/21, so there was no prior measurable reduction commitment. Although TVS have implemented a number of policies and initiatives to reduce its carbon emissions during the past 12 years as part of our environmental policies and ISO14001 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 18,471 tCO<sub>2</sub>e by 2026. This is a reduction of **15%** on 2021/22 emissions

## Carbon Reduction Projects

### Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2020/21 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 which created lower emissions, 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.

The board established a new ESG Working Group in the latter part of 2022, to develop new policies and implement plans to reduce emissions. The working group is currently developing new goals and plans, and will be implementing these in the coming months.

TVS SCS IFM is committed to reducing its emissions and has set ambitious goals. The company is confident that it can achieve its goals by taking a structured approach and implementing new plans.

Although TVS SCS IFM is still in the early stages of its journey, the company is making progress. The company is committed to reducing its emissions and is taking the necessary steps to achieve its goals.

During 2023, the company appointed a firm of specialist consultants to assist us in our journey toward sustainability, with a 4 step process their experienced carbon neutral consultants will support our journey with carbon management consulting services delivering expert guidance and resources so we can achieve an NQA or BSI recognised specification for carbon neutrality (PAS 2060) as soon as possible, while we progress on the longer-term net zero journey.

As PAS 2060 is due to be phased out in 2026, we will adopt ISO14068 as the framework for achieving sustainable trading going forward.

We are establishing new emission data collection systems covering energy use, fuel consumption, transportation activities, and waste disposal, at each TVS SCS Integrated Final Mile operating site in the UK, in order to improve upon the quality and accuracy of emissions data.

Our initial focus is on our scope 1 & 2 and scope 3 emissions from upstream transportation and distribution, waste generated in operations, business travel, employee commuting.

We will then extend to obtain scope 3 emission data from a wider number of suppliers to our business, gradually extending the number of suppliers with the aim of obtaining data from 75% - 80% of suppliers, to increase the scale and accuracy of our emissions over time.

From this data we will calculate an updated total emissions and publish a retrospective report of emissions for our last financial year. The annual emissions report will be verified by external auditors and we expect this first report to be published by August 2024.

This first verified report will be used to establish a new emissions baseline for our business, from which to develop new emission reductions strategies.

An accurate report of emissions is a necessity to allow us to have a clear picture of where emissions are being generated across all locations in our business, so we can then create new strategies and plans that focus on reducing those emissions.

Once the first verified report has been produced in August 2024, we will set updated formal reduction goals for the business, backed by new structured plans. The emissions data collected from this first externally verified report will be used to create emission reduction plans, focusing first on areas where we can achieve the highest emission reduction rates.

Our appointed specialist consultants will continue to work with us to provide advice and support on our reduction planning.

As we develop and implement the new detailed plans, we will publish further updates to customers in the months ahead.

Existing carbon reduction measures include, but are not restricted to:

- Our environmental management system is based upon our accreditation to ISO14001:15
- We are working toward achieving PAS 2060 by mid 2024 and will adopt ISO14068 when PAS is phased out in 2026
- 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 and an electric bike trial launching during 2024
- Extensive PUDO (pick up drop off) locations and box network, moving parts closer to end users to reduce miles driven

In the future we hope to implement further measures such as:

- We will continue to engage with our external consultants from the carbon accounting sector to work with us to improve accuracy in emissions data, particularly in Scope 3 emissions, from an extended number of our suppliers
- 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

## 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<sup>1</sup> and uses the appropriate **Government emission conversion factors for greenhouse gas company reporting**<sup>2</sup>.

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<sup>3</sup>.

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:

**Simi Punn**, Divisional Managing Director, Courier Services

24/06/2024..... Date:

---

<sup>1</sup> <https://ghgprotocol.org/corporate-standard>

<sup>2</sup> <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

<sup>3</sup> <https://ghgprotocol.org/standards/scope-3-standard>