



Cabinet Office

CARBON REDUCTION PLAN GUIDANCE

Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier¹ and must meet the reporting requirements set out in supporting guidance, and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The CRP should be specific to the bidding entity, or, provided certain criteria are met, may cover the bidding entity and its parent organisation. In order to ensure the CRP remains relevant, a Carbon Reduction Plan covering the bidding entity and its parent organisation is only permissible where the detailed requirements of the CRP are met in full, as set out in the Technical Standard² and Guidance³, and all of the following criteria are met:

- The bidding entity is wholly owned by the parent;
- The commitment to achieving net zero by 2050 for UK operations is set out in the CRP for the parent and is supported and adopted by the bidding entity, demonstrated by the inclusion in the CRP of a statement that this will apply to the bidding entity;
- The environmental measures set out are stated to be able to be applied by the bidding entity when performing the relevant contract; and
- The CRP is published on the bidding entity's website.

Bidding entities must take steps to ensure they have their own CRP as soon as reasonably practicable and should note that the ability to rely on a parent organisation's Carbon Reduction Plan may only be a temporary measure under this selection criterion.

The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

A template for the Carbon Reduction Plan is set out below. Please complete and publish your Carbon Reduction Plan in accordance with the reporting standard published alongside this PPN.

¹Bidding supplier or 'bidding entity' means the organisation with whom the contracting authority will enter into a contract if it is successful.

²Technical Standard can be found at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991625/PPN_0621_Technical_standard_for_the_Completion_of_Carbon_Reduction_Plans_2_.pdf

³Guidance can be found at:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991623/Guidance_on_adopting_and_applying_PPN_06_21_Selection_Criteria_3_.pdf

Carbon Reduction Plan

Supplier name: Speedy Hire PLC

Publication date: June 2023

Commitment to achieving Net Zero

We are passionate about minimising climate change, with a commitment to becoming a Net Zero Carbon business by 2040, 10 years ahead of the Government's target of 2050. This means accelerating our focus to deliver on where we can make the biggest impact within our own business and collaborate to minimise carbon in the supply chain.

Emissions Reporting (Scope 1, 2 & limited 3)

Based on activity data currently available to Speedy, Scope 1 and 2 is reported in full, while categories included in Scope 3 are Waste, Business Travel and Transmission and Distribution. We recognise that there are several other Scope 3 categories that are relevant and applicable to Speedy:

- Category 1
- Category 2
- Category 3
- Category 4
- Category 5
- Category 6
- Category 7
- Category 9
- Category 11
- Category 13
- Category 15

Speedy is on a journey towards being able to include these categories in it's reporting over the next few years. Upon this inclusion, a re-baselining exercise will be performed to ensure consistency in reporting scopes.

Emissions relating to our operations in Kazakhstan have historically been included in the previous year and baseline under Scope 1 and Scope 2. In accordance with ISO14064-1:2018, emissions relating to Kazakhstan should have been placed in Scope 3 under Category 15 - Investments. Therefore, the Scope 1 & 2 figures presented in this statement have been updated and emissions relating to our Kazakhstan operations have been omitted.

Base Year: FY2020 (April 2019 to March 2020)	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	19,854.54
Scope 2	4,411.68
Scope 3 (Included Sources)	Business Travel – Rail and Air – 392.91 Waste – 91.94 Transmission and Distribution – 217.53
Total Emissions	24,968.6

Reporting Year: FY2023 (April 2022 to March 2023)	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	12,768.77
Scope 2	225.28
Scope 3 (Included Sources)	Business Travel – Rail and Air – 184.01 Waste – 55.39 Transmission and Distribution – 164.04
Total Emissions	13,397.49

The numbers included in Speedy's ESG report and GHG statement were collated by Hydrock and are externally verified against ISO14064-1. These are the figures that are used for tracking carbon reductions against Speedy's targets, as the scope relates to emissions sources that Speedy has direct control over.

Speedy Hire PLC is aiming to include full Scope 3 reporting in future annual carbon reports and include within the verified figures and GHG statement.

Annual Carbon Verification

The numbers included in the Emissions Reporting (Scope 1, Scope 2 and limited Scope 3) were collated by Hydrock.

The GHG report has been compiled covering the fuels combusted directly by Speedy operations, fugitive refrigerant gases, energy consumed in our UK Mainland activities, and Northern and Republic of Ireland operations. Included are the business travel and waste disposal activities of our UK Mainland offices and depots. This statement has been prepared in accordance with ISO14064-1:2018 for the purpose of documenting our GHG emissions and progress against our targets.

Overall, the carbon emissions per employee have reduced from 4.91 tCO₂e during FY2022 to 3.80 tCO₂e during FY2023, in line with our objective to reduce our carbon footprint. The reduction in absolute emissions is 20%* and 46%* comparative to FY2022 and the baseline, respectively.

**Carbon reduction % reported have been rounded to the nearest whole number*

Emissions reduction targets (Science Based Targets)

Speedy is the first UK Hire Company to commit to Science Based Targets (SBTs) and one of less than 100 companies globally to align to the Corporate Net Zero Standard setting near term and long term SBTs across Scope 1, 2 and 3.

The SBTi (Science Based Target Initiative) is a global body enabling businesses to set ambitious carbon emissions reductions targets in line with the latest climate science. We are committed to climate leadership therefore we have aligned our near and long term SBTs to a 1.5C reduction pathway, as a minimum.

Speedy has adopted a climate leadership approach to our Scope 1 and 2 near term SBTs by going beyond a 1.5C reduction pathway committing to reduce absolute emissions by 50% by 2030 (versus a 2020 baseline).

For our Scope 3 near term SBT we have also adopted a climate leadership approach by reducing our emissions in line with a 1.5C reduction pathway to achieve a 42% reduction by 2030 (versus a 2019 baseline). Our scope 3 near term SBT includes full value chain emissions – purchased goods and services, capital goods, fuel and energy related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting, downstream transportation and distribution, use of sold goods and downstream leased assets.

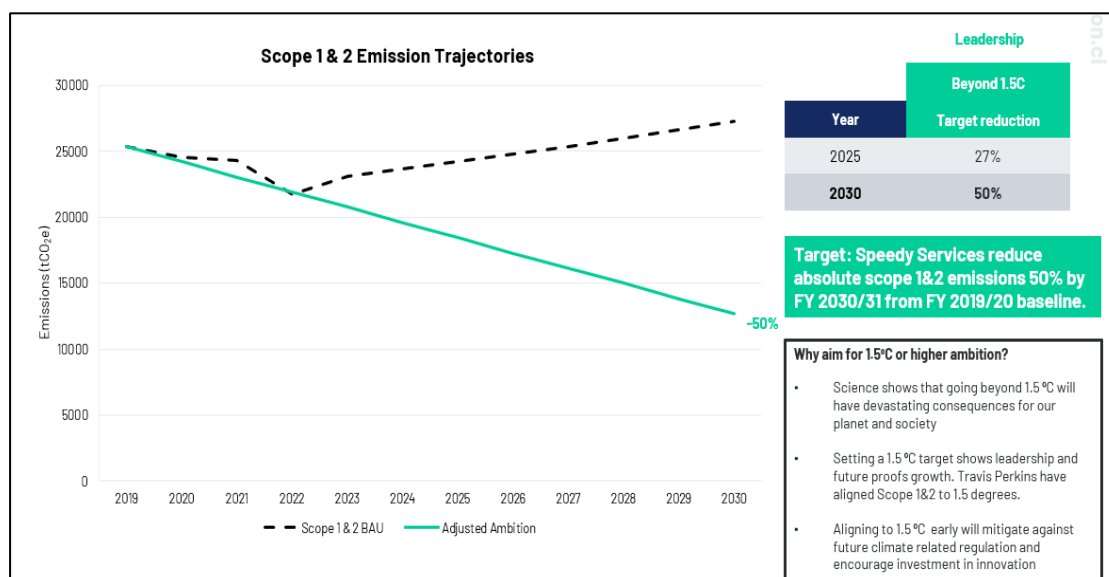
We have set ourselves a target of 2040 to achieve net zero. As a minimum we will achieve a 90% emissions reduction by 2040. Residual emissions (10%) will then be removed via high quality third party verified carbon removal programmes.

In order to continue our progress to achieving Net Zero we project that carbon emissions will;

- Reduce our Scope 1 and 2 emissions by 50% by 2030 against the FY2020 baseline
- Reduce our Scope 3 emissions by 42% by 2030 against the FY2020 baseline.
- Achieve Net Zero Carbon by 2040 against the FY2020 baseline.

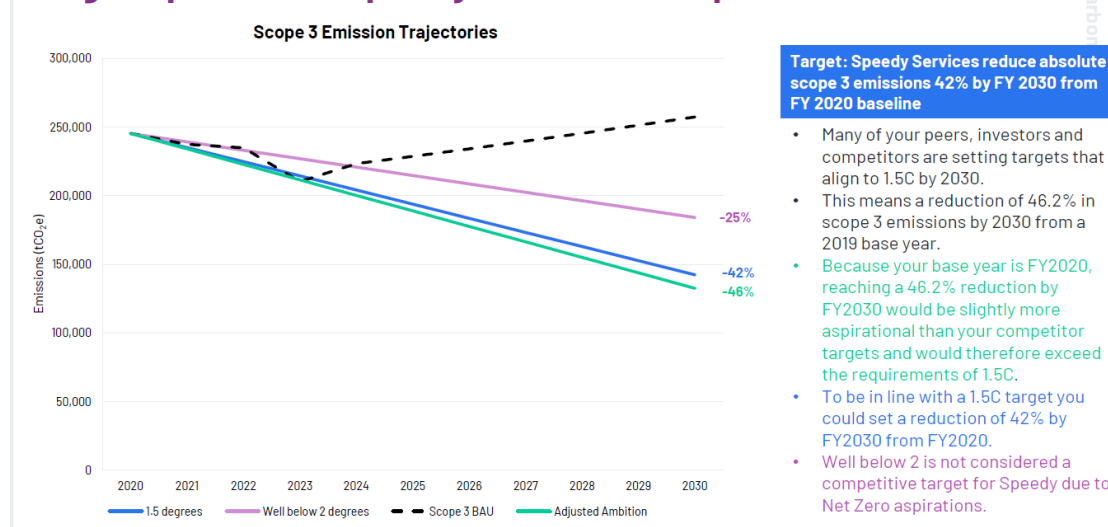
Progress against these targets can be seen in the graph below:

Scope 1 and 2 emissions trajectories



Scope 3 emissions trajectory

Target options for Speedy Services' Scope 3 emissions



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the FY2020 baseline. The carbon emission reduction achieved by these schemes equate to a 46% reduction against the FY2020 baseline and all these measures will be in effect when performing the contract.

Scope 1 emissions

- We have an industry leading track record of introducing a range of pioneering electric vehicles across our fleet to help reduce our Scope 1 emissions
- Our company car fleet list is completely made up of Ultra Low Emission Vehicles (ULEVs) and we have transitioned 82% of our company cars to electric/hybrid significantly reducing the carbon emissions from business travel.
- Due to manufacturing and supply chain issues in FY2023 we have re-baselined our company car target to reach 100% electric by FY2025.
- We have continued to use HVO D+ as an alternative sustainable fuel in our HGVs and tankers while we introduce electric HGVs into our commercial vehicle fleet. In FY2023 we replaced 1 million litres of diesel with HVO D+ saving 2,860 tCO₂e in FY2023 compared to using diesel, an increase from 794 tCO₂e in FY2022.
- In FY2023 we invested £8.25 million in 150 electric LCVs (Light Commercial Vehicles) roll out which will make up c.15% of our commercial fleet, the largest electric commercial fleet in UK Hire. These new electric vans that will cut up to 1,280 tonnes of CO₂e per year from our commercial fleet emissions.
- 100% of our vehicles also meet the EuroCat6 Standard, an increase from 95% in FY2022 helping to reduce air pollutant emissions from our vehicles and improve local air quality.
- During the year we introduced double deck trailers on all trunking routes between our National Service Centres (NSCs). This means we can move a larger volume of assets around the network using less journeys.
- Aligned our scope 1 data to ISO14064-1:2018

Scope 2 emissions

- We continued to prioritise renewable energy procurement achieving c.90% renewable electricity in FY2023 an increase from 88% in FY2022. During the next four years we will continue to work with our property team and landlords to transition the remaining 10%.
- We are rapidly re-developing our property network to consolidate smaller inefficient depots into larger, sustainable service centres which include smart energy-efficient building solutions.
- These solutions include the integration of LED lighting, controlled heating and cooling through a Building Management System, air quality management, daylight harvesting and on-site renewables such as solar photovoltaics to improve energy efficiency, reduce carbon emissions and maintain a comfortable environment for staff and customers. All data generated from smart energy-efficient building solutions is sent to the cloud to support with better energy management across the property estate.
- In FY2023 we also rolled out a business wide mandatory energy efficiency training programme to help our people interact more sustainably with our buildings.
- In FY22, we opened a new site in Milton Keynes, our Innovation Centre, to showcase our net zero hire equipment for our customers. During FY2023 our innovation centre recently went Carbon Negative and achieved a rare A+ EPC rating as the small energy the centre was using is now being supplied by the photo-voltaic cells with the remaining energy being exported back to the electricity grid. Our Milton Keynes Innovation Centre has set the blueprint for sustainability standards in our properties.
- In addition, during FY2023 we consolidated several inefficient depots and set new sustainability standards within the industry by opening two new sustainable low-carbon service centres in Leeds and Stoke which employ many of the same carbon saving technologies featured within Our Innovation Centre.
- Aligned our scope 2 data to ISO14064-1:2018

Scope 3 emissions

- 44% of our itemised assets are now defined as eco meeting our FY2023 target of 40%. This represents an increase from 30% eco in FY2022. Eco products also represents over half of our revenue at 52% demonstrating our customers increasing demand for eco products and our commitment to reducing carbon emissions. In FY2023 we;
- Invested £4.3m in 380 new low emission powered access scissor lifts to replenish and expand our powered access fleet
- Entered into a multi-million-pound investment in new battery powered assets from Milwaukee's MX Fuel range which is exclusive to Speedy, expanding our fleet of low and zero carbon equipment
- All new investments in our hire fleet are now screened against our eco-definitions, the UN Sustainable Development Principles (UN SDGs) and the Sustainability Chain School Plant Charter minimum requirements so that we invest in the most eco option available.
- Increased the supply of HVO D+ to our customers which reduces carbon emissions by up to 90% whilst we work with suppliers to develop and invest in eco technologies. In FY2023 we supplied c.14 million litres of HVO D+ to our customers, an increase from c.6 million litres in FY2022. This transition to sustainable fuels has saved our customers c.34,400 tCO₂e as well as reducing our Scope 3 carbon emissions and improving local air quality through reduced air pollutants such as NO_x (30% reduction in nitrous oxide) and PM (86% reduction in particulate matter).
- Our innovation philosophy not only looks at eco investment in hire products and sustainable

fuels but also the circularity of products. We work with our people and suppliers to repair, refurbish, retrofit and/or recycle our products, where possible to extend their life and reduce their environmental impact and collaborating with suppliers to design products that contain recycled materials and can be recycled again.

- We are actively monitoring and prioritising the phase out fossil fuel from our hire fleet to meet Net Zero by 2040 through investment in eco, repair, refurbishment and recycling programmes and divestment of fossil fuel products when they reach their end of life.
- Throughout FY2023 we continued our transformation programme to align our supply chain activities to the ISO20400 sustainable procurement standard by embedding sustainability across our procurement processes.
- We recognise we cannot achieve this alone, so our focus is deep collaboration with our suppliers and customers so that our transition to Net Zero Carbon is orderly and cost efficient.
- In FY2023 we have continued to focus our carbon reduction efforts across our four key Scope 3 hotspots by;
 - Investing in eco products such as battery, solar and hydrogen and adopting circular solutions for our hire products.
 - Increasing our sales of HVO D+ sustainable fuels to our customers.
 - Engaging with our suppliers by issuing a carbon maturity questionnaire to our key suppliers to understand where they are on our journey.
 - Mobilising the supply chain to Net Zero by instructing a new sustainability contract requirements to our key suppliers asking them to join our SBT journey by 2025.
 - Undertaking our first Scope 3 footprint for FY2023.
 - Engaging our customers on sustainable solutions to help them achieve their Net Zero goals.
 - Continuing to work across our value chain to improve our Scope 3 data to reduce our carbon emissions.
- During FY2023 we delivered an industry-first retrofitted Stage V emission compliant generator, as part of a trial to help boost the availability of greener generators to the construction industry. Working with exhaust systems specialist Eminox, a global leader in the design of aftermarket retrofit technology, we became the first in the industry to retrofit Stage IIIa generators to Stage V emission compliant standards. This enables us to support our customers to meet London NRMM (Non- Road Mobile Machinery) LEZ (Low Emission Zone) for and Clean Air Zones, which are enforceable for pioneering projects such as HS2.
- In FY23 we have increased our recycling to 57% through better segregation achieving our target of 50% recycling. Our recycling targets have been achieved through raising the profile of recycling across our business via recycling campaigns and communications, improved signage and recycling areas at our depots and head office, recycling audits and improved reporting.

Future Carbon Reduction Initiatives

Speedy has a new Sustainability Strategy 'The Decade to Deliver'. Our Decade to Deliver is our plan on how together we are going to start a "Hire Revolution" to make hire – and the services, solutions and equipment that make it all possible – even more sustainable than it already is.



Our Decade to Deliver sustainability pillars supports Net Zero through the following ways;

- **Accelerating Innovation** – Our supply chain makes up 90% of our emissions and we are working harder and together with our suppliers to achieve Net Zero by:
 - Implementing ISO20400 sustainable procurement standard across our supply chain activities to embed sustainability and Net Zero thinking.
 - Focusing on our key carbon hotspots;
 - Downstream leased assets - emissions from the use of the equipment that Speedy hires out to customers.
 - Use of sold goods - emissions from customers using the fuel that Speedy sells.
 - Capital goods – emissions from tools, vehicles and consumables.
 - Products, good and services – emissions from goods and services that Speedy procures such as consultancy services, telecoms, IT and sub-contractors.
 - Engaging our top suppliers who make up most of our carbon emissions to transition to Net Zero and supporting our SME's on their Net Zero journey. By 2025 we will require our key suppliers to have SBTs.
 - Investing in new technologies such as cordless, solar, hydrogen and sustainable fuels so that eco products make up the majority of our hire assets by 20
 - Upscaling our refurbishment and retrofitting activities so we can keep our assets in life longer and lower their emissions.
 - Collaborating with our supplier data to collect actual carbon emissions data for our suppliers.
 - Collaborating with Hydrock to develop a product carbon calculator to help our customers understand their carbon impact and chose sustainable options.



2021/22
A focus on cordless technology



2022/23
A focus on solar technology



2023/24
A focus on hydrogen technology



2025 and beyond
A focus on recycling

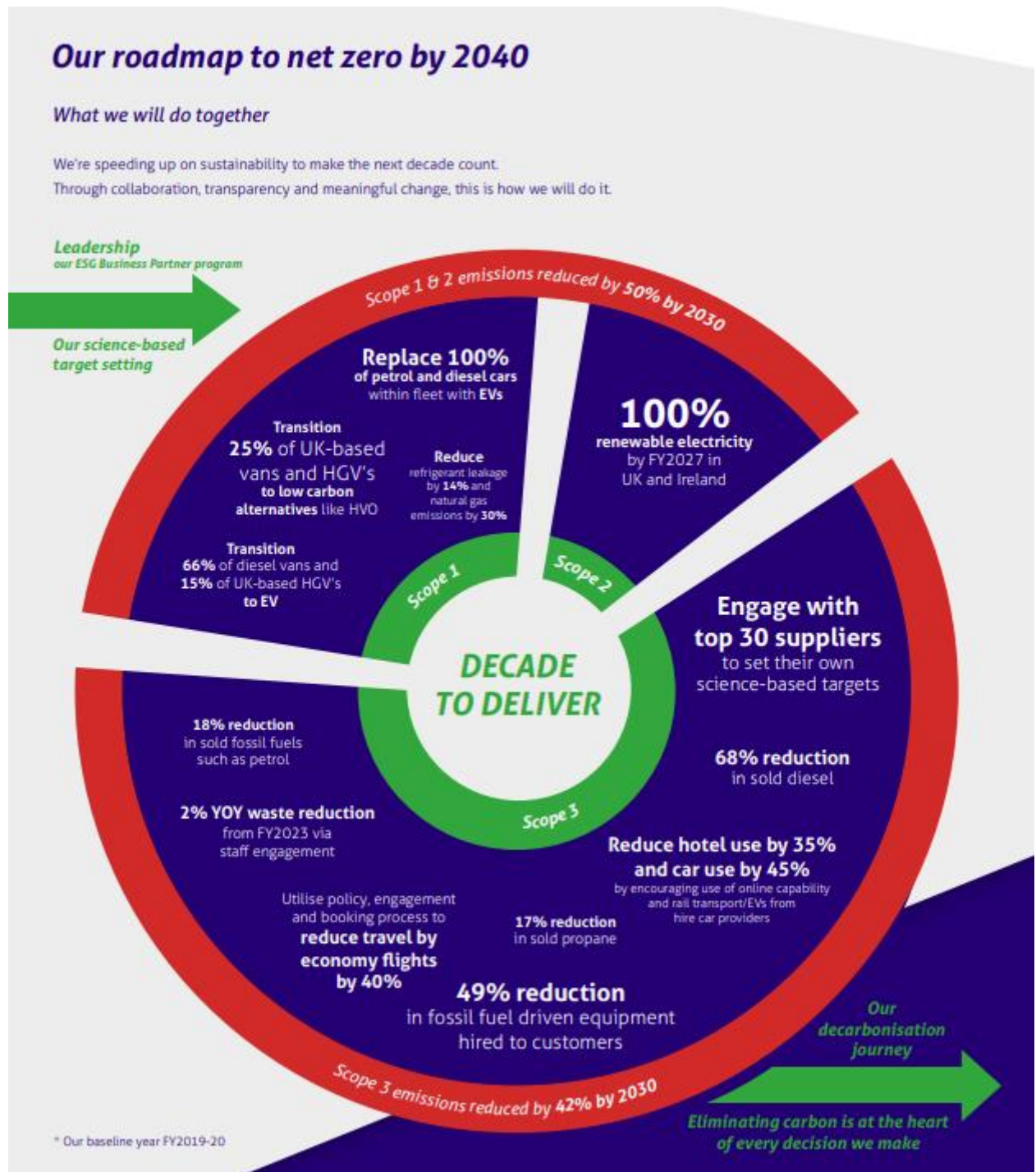


- **Climate Solutions** – working with our fleet and logistics and property team to reduce the remaining 10% of our carbon emissions by;
 - Transitioning 66% of our LCVs to electric vehicles by 2030.
 - Transitioning 15% of our HGVs to electric vehicles and continuing to use HVO D+ in 25% of HGVs.
 - Moving 100% company cars to electric/hybrid.
 - Optimising our logistics to reduce fleet size, mileage and carbon emissions.
 - Continuing to roll out smart, flexible charging infrastructure.
 - Using data and artificial intelligence to replace the biggest carbon emitting vehicles with electric vehicles allocated to the highest carbon emitting depots and logistics routes.
 - Procuring 100% of electricity from renewable sources.
 - Phasing away from natural gas to green alternatives.
 - Applying an 'eco' standard to all properties that are retrofitted and new leases. This includes energy efficient measures such as LEDs, BMS, smart bays, controlled heating and cooling and on-site renewables.
 - Designing biodiversity features into our property estate such as living walls and wellbeing gardens to improve employee wellbeing and contribute to increasing nature which is intrinsically linked to climate change.

- **Including everyone** – Net Zero success also means including everyone because it's everyone's responsibility. To help our people understand why Net Zero is important and the role they play we are;
 - Rolling out Net Zero Justice training across all 3,500 employees delivering Net Zero sessions across our board, senior leadership team and all employees.
 - Embedding Net Zero into job descriptions and performance reviews and linking Net Zero targets to remuneration.
 - Supporting sustainable travel through our electric/hybrid company car and cycle to work schemes, hybrid working policy, sustainable travel policy and encouraging our people to select the most sustainable option for business travel.
 - Our aim is to influence people's behaviour across our business and value change towards bold climate action and climate conscious choices through shared learning, training, behavioural change and partnerships.

- **Part of the community** – Climate change affects local communities and businesses. Supporting Net Zero construction through the provision of emission free equipment helps to improve the environmental wellbeing of communities through reducing carbon and improving local air quality. Transitioning to Net Zero requires the whole supply chain including SME's to meet challenging targets. Speedy is committed to supporting SMEs in their Net Zero journey helping to support local businesses, jobs and skills.

Our Roadmap to Net Zero



Carbon governance

- At Speedy we believe in being open and transparent in relation to our Net Zero commitments and journey through implementing strong carbon governance that's why we;
- Disclose our carbon performance to the Carbon Disclosure Programme annually.
- Have partnered with Hydrock, an integrated engineering design, energy and sustainability consultancy to align all our carbon reporting to ISO14046-1 and to independently verify our carbon reports. We are also developing reporting to digitise and automate carbon reports for

our stakeholders including our customers.

- Continue to hold environmental certification schemes such as ISO14001 and ISO50001 and out working towards the ISO20400 sustainable procurement standard.
- Are a Gold Member of the Sustainability Supply Chain School (SSCS) and corporate partner of IEMA. Our CEO is also a board member of the SSCS.
- Were awarded Prime status by Institutional Shareholder Services (ISS) in FY22 recognising our ESG industry leadership position.
- Were awarded Ecovadis Silver placing us in the top 2% of 15,000 members for sustainability in our sector and placing us a carbon leader.
- Support the UN SDGs (Sustainable Development Goals), the Race to Zero and the Business Ambition to 1.5.
- Are aligned to the TCFD (Taskforce for Climate Related Financial Disclosures) Regulations and published our first disclosures in FY22.
- Speedy Hire named as a Financial Times Climate Leader for 2023.

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 standard⁴ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁵.

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) Standard⁶.

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:

..... Date:

Amelia Woodley – ESG Director

⁴<https://ghgprotocol.org/corporate-standard> ⁵<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting> ⁶<https://ghgprotocol.org/standards/scope-3-standard>