

Carbon Reduction Plan

Supplier Name: Athlon Mobility Services UK Ltd

Publication Date: 28.09.23

Commitment to achieving Net Zero

Athlon Mobility Services UK Ltd is committed to achieving Net Zero emissions by 2050.

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: 2021/22

Additional Details relating to the Baseline Emissions calculations.

For context, Athlon Mobility Services UK Ltd (Athlon UK) is a vehicle leasing and fleet management company providing vehicle funding and management to the Corporate and Public Sectors. Athlon UK is part of the wider Mercedes-Benz group of companies, specifically Mercedes-Benz Mobility.

For the duration of 2021/2022 Athlon UK were based in a multi-tenanted building under a sub-let agreement. With no sub-metering available and utility billing on a pro rata'd basis, we are therefore unable to provide a specific baselines for Scope 1 and 2 emissions.

As part of our commitment to net zero by 2050, our business location (planned for 2023) has been selected with the green credentials of the premises a strong factor in the decision-making process. and the planned move will bring with it the ability to measure and influence emission sources. It will also allow us to introduce electric vehicle chargers to additionally reduce our vehicular emissions. The location will still be based in Milton Keynes and give access to good transport, pedestrian and cycling links, and will not adversely affect the commuting mileage of colleagues.

Considering the nature of our predominant upstream suppliers (vehicle retailers and manufacturers) we have no direct influence on the methods used to produce and transport vehicles. We have, however, written into our vehicle supplier agreements that the manufacturer must agree to meet our overarching Mercedes-Benz Group sustainability policy or provide evidence that they have an equivalent policy of their own in place. We will also ensure that vehicles are supplied, where possible, using multi-vehicle transporters as well as utilising dealer sites as close to the customers nominated deliver address as possible.

A working group has also been established within the business focussing on identifying areas for energy conservation. Later in this document you will find examples of the activity already undertaken as well as details of our wider plans to further reduce the emissions associated with running our business. This group is founded under the title GO! Green, which is itself one of the five pillars Athlon international has introduced to influence how we run our business and reflects our mission statement to deliver fleet and mobility solutions that are the best for our customers, society and our company.

Baseline year emissions:

EMISSIONS	TOTAL (tCO ₂ e)																	
Scope 1	Out of Scope Athlon UK was based in a multi-tenanted building under a sub-let agreement for the duration of 2021/2022. With no sub-metering available and utility billing on a pro rata'd basis, we are unable to provide a specific baseline for Scope 1 emissions.																	
Scope 2	Out of Scope Athlon UK was based in a multi-tenanted building under a sub-let agreement for the duration of 2021/2022. With no sub-metering available and utility billing on a pro rata'd basis, we are unable to provide a specific baseline for Scope 2 emissions.																	
Scope 3 (Included Sources)	Our Scope 3 emission are detailed below; <table border="1" data-bbox="491 1323 1445 1968"> <thead> <tr> <th data-bbox="491 1323 810 1375">Subset</th> <th data-bbox="810 1323 1129 1375">Emission (tCO₂e)</th> <th data-bbox="1129 1323 1445 1375">Notes</th> </tr> </thead> <tbody> <tr> <td data-bbox="491 1375 810 1771">Upstream Transportation</td> <td data-bbox="810 1375 1129 1771">Out of Scope</td> <td data-bbox="1129 1375 1445 1771">Considering the nature of our upstream suppliers (vehicle retailers and manufacturers) we have no direct influence on the methods used to produce and transport vehicles.</td> </tr> <tr> <td data-bbox="491 1771 810 1861">Waste Generated on Site</td> <td data-bbox="810 1771 1129 1861">0.79 tCO₂e</td> <td data-bbox="1129 1771 1445 1861"></td> </tr> <tr> <td data-bbox="491 1861 810 1912">Business Travel</td> <td data-bbox="810 1861 1129 1912">31.01 tCO₂e</td> <td data-bbox="1129 1861 1445 1912"></td> </tr> <tr> <td data-bbox="491 1912 810 1968">Employee Commuting</td> <td data-bbox="810 1912 1129 1968">67.03 tCO₂e</td> <td data-bbox="1129 1912 1445 1968"></td> </tr> </tbody> </table>			Subset	Emission (tCO ₂ e)	Notes	Upstream Transportation	Out of Scope	Considering the nature of our upstream suppliers (vehicle retailers and manufacturers) we have no direct influence on the methods used to produce and transport vehicles.	Waste Generated on Site	0.79 tCO ₂ e		Business Travel	31.01 tCO ₂ e		Employee Commuting	67.03 tCO ₂ e	
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	Downstream Transportation	52.80 tCO ₂ e	
Total Emissions	151.63 tCO ₂ e		

Current Emissions Reporting

Reporting Year: 2022/23												
Scope 1	<p>Out of Scope</p> <p>For the duration of 2022, and the first half of 2023 Athlon UK was based in a multi-tenanted building under a sub-let agreement. With no sub-metering available and utility billing on a pro rata'd basis, we are unable to provide a specific baseline for Scope 1 emissions. We are currently working with the facilities providers of our new site to understand itemisation moving forwards</p>											
Scope 2	<p>Out of Scope</p> <p>For the duration of 2022, and the first half of 2023 Athlon UK was based in a multi-tenanted building under a sub-let agreement. With no sub-metering available and utility billing on a pro rata'd basis, we are unable to provide a specific baseline for Scope 2 emissions. We are currently working with the facilities providers of our new site to understand itemisation moving forwards</p>											
Scope 3 (Included Sources)	<p>Our Scope 3 emission are detailed below;</p> <table border="1"> <thead> <tr> <th>Subset</th> <th>Emission (tCO₂e)</th> <th>Notes</th> </tr> </thead> <tbody> <tr> <td>Upstream Transportation</td> <td>Out of Scope</td> <td>Considering the nature of our upstream suppliers (vehicle retailers and manufacturers) we have no direct influence on the methods used to produce and transport vehicles.</td> </tr> <tr> <td>Waste Generated on Site</td> <td>0.79 tCO₂e</td> <td></td> </tr> </tbody> </table>			Subset	Emission (tCO ₂ e)	Notes	Upstream Transportation	Out of Scope	Considering the nature of our upstream suppliers (vehicle retailers and manufacturers) we have no direct influence on the methods used to produce and transport vehicles.	Waste Generated on Site	0.79 tCO ₂ e	
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	Business Travel	52.20 tCO ₂ e	
	Employee Commuting	39.33 tCO ₂ e	
	Downstream Transportation	43.10 tCO ₂ e	
Total Emissions	135.42 tCO ₂ e		

Emissions reduction targets

In order to continue our progress to achieving carbon neutrality, we have adopted the following carbon reduction targets;

Athlon Mobility Services UK has in place a range of emissions reduction targets focussed over the coming five year period;

Waste Generation – Reduce emissions from waste generation to 0.65tCO₂e by Financial Year 2026/27

Business Travel – Reduce emissions from business travel to 25.47tCO₂e by Financial Year 2026/27

Commuting – Reduce Emission from employee commuting to 55.06tCO₂e by Financial Year 2026/27

Provision of free charging for EV drivers to encourage take up of more sustainable vehicle choices.

Downstream Transport – Reduce emissions from downstream transport to 43.37tCO₂e by Financial Year 2026/27

We project that carbon emissions will decrease over the next five years to 124.56 tCO₂e by 2026/27. This is a reduction of 17%.

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2021/22 baseline. The carbon emission reduction achieved by these schemes equates to 16.21 tCO₂e, an 11.29%ge reduction against the 2021/22 baseline.

Reference	Description of Initiative
1	<p>Vehicle Disposal Processes</p> <p>Part of the natural process at the end of a customer contract is the disposal of the vehicles to auction or other resellers. We have made changes to our process and introduced more remarketing partners to ensure the mileage at this part of a vehicles life-cycle is reduced as much as possible.</p>
2	<p>Suppliers</p> <p>Whilst we have no direct influence over our supply network our policies make it clear that CSR is expected to be paramount throughout our entire supply chain.</p> <ul style="list-style-type: none"> - Inclusion of Mercedes-Benz Sustainability policy in new business tenders - Supplier required to agree to the Mercedes-Benz Sustainability policy or evidence their own - Number plates, floor mats and driver packs are all produced using recycled, and recyclable materials. - Engagement with manufacturers for salary sacrifice terms to encourage customer's EV uptake across all qualifying staff and not just company car drivers.
3	<p>Mileage Reductions for Company and Personal Vehicles</p> <p>Amongst other mileage reduction methods our post-pandemic learnings on remote working allow us to offer great flexibility to colleagues, which in turn creates a reduction in vehicular emissions.</p> <ul style="list-style-type: none"> - Adoption of Microsoft Teams to reduce reliance on traditional face to face meetings - Reduction in overseas travel for the Management Team and substituting air travel for train where possible - Hybrid working rotas allowing up to 40% of contracted hours to be worked from home - Bike to work scheme available for all colleagues - Continued encouragement for colleague car sharing. - <i>Provision of free charging for EV drivers to encourage take up of more sustainable vehicle choices.</i> -
4	<p>Office Waste Reduction/ Contamination</p> <p>A significant contributor to our carbon emissions are those associated with waste management. Whilst it is difficult to affect the end-point handling/</p>

	<p>disposal of our waste, we are able to ensure that we reduce our actual business waste and recycle where possible;</p> <ul style="list-style-type: none"> - Recycling bins on all floors - Signage to avoid contamination of recyclable waste - Staff incentives to recycle those items not covered by our current waste collection such as crisp packets, batteries and food pouches at specialist centres - All colleagues issued 1L water bottles to avoid single use plastic bottles - All colleagues issued bamboo notepads with wipe clean pages to reduce paper usage.
5	<p>Global Position and Transparency</p> <p>As part of Athlon International and the overall Mercedes-Benz group of companies we have clear sustainability policies and practices in place.</p> <p>On a local level our colleagues have been able to leverage the wider group of companies in other ways to improve our approach to Corporate Social Responsibility in the UK. This vision, as well as offering insight to our corporate values, acts as a guiding light for our colleagues and helps to shape our culture and behaviours.</p> <ul style="list-style-type: none"> - Vision and Mission statement updated in 2022 to reflect our sustainability aspirations - Athlon International 2022 Corporate Social Responsibility and Sustainability Report Published - Pan-European GO! Green Ambassador programme to promote best practice sharing of green initiatives across the wider organisation
6	<p>Limitations on Printing</p> <p>Small marginal changes to a high frequency activity will make significant impact to our overall emissions over time. Creating a mind-set change in one area of the business will have a peer-to-peer knock on effect on colleagues overall behaviours.</p> <ul style="list-style-type: none"> - Office culture change 'Think before you print' - Reduction in consumables by limiting colour printing - Withdrawal of home printers - Marketing collateral moved to digital first approach with QR codes at events encouraging downloads over physical copies - Electronic business cards replace traditional card versions

	<ul style="list-style-type: none"> - eSign - digital signatures for Customer and supplier contracts - Paperless contracts, billing and invoices.
7	<p>New Product Offering</p> <p>Since the publication of our baseline figures in 2021/22, we have introduced the below products to support our customers in reducing their carbon emissions;</p> <p>eMobility Consultative Product</p> <ul style="list-style-type: none"> - To make it easier for our customers to transition to zero emission vehicles we are partnering with an eMobility provider to offer all customers (fleet managers and drivers) access to consultative tools to plan their transitions to low emission driving and ensure they have the correct infrastructure available to make the transition permanent. <p>Salary Sacrifice Product for Customers</p> <ul style="list-style-type: none"> - As well as being a substitutional product versus the traditional company car scheme, our product launched as an additional 'reward' available as a colleague benefit. Our customers are able to make electric vehicles more accessible to all staff due to the cost effectiveness of Salary Sacrifice, overcoming the barrier associated with outright purchase.

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

Reference	Description of Initiative
1	<p>Office Move</p> <p>Criteria for selecting new premises will have sustainability at the core of our selection criteria, including;</p> <ul style="list-style-type: none"> - Ability to monitor and control our own utility supplies - EV vehicle chargers - Strong public transport links - Sensor lights and timerd air conditioning
2	<p><u>Product Proposition</u></p> <p>Through a range of upcoming product propositions, we will be better able to support our customers and employees in their own zero emissions journeys;</p>

	<p>Salary Sacrifice product for Colleagues</p> <ul style="list-style-type: none">- As above, this scheme will be an attractive alternative to our existing company car scheme but also make electric vehicles accessible to colleagues who do not currently benefit from a company car.- Coupled with chargers made available on site this will have a substantial impact on our colleagues ability to make a more sustainable commute.
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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:

Signed:

Date: 21/09/2023

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>