

Carbon Reduction Plan

Supplier name: Athlon Mobility Services UK Ltd

Publication date: 27.09.22

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.

Athlon UK is currently 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 and 2 emissions.

As part of our commitment to net zero by 2050, any future business location will be selected with the green credentials of the premises a strong factor in the decision-making process. A move is planned for 2023 and 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.

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 a 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.

Baseline year emissions:

EMISSIONS	TOTAL (tCO ₂ e)																				
<p>Scope 1</p>	<p>Out of Scope</p> <p>Athlon UK is currently 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.</p>																				
<p>Scope 2</p>	<p>Out of Scope</p> <p>Athlon UK is currently 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.</p>																				
<p>Scope 3 (Included Sources)</p>	<p>Our Scope 3 emission are detailed below;</p> <table border="1" data-bbox="491 1133 1447 1877"> <thead> <tr> <th data-bbox="496 1137 810 1189">Subset</th> <th data-bbox="813 1137 1128 1189">Emission (tCO₂e)</th> <th data-bbox="1131 1137 1442 1189">Notes</th> </tr> </thead> <tbody> <tr> <td data-bbox="496 1193 810 1581">Upstream Transportation</td> <td data-bbox="813 1193 1128 1581">Out of Scope</td> <td data-bbox="1131 1193 1442 1581">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="496 1585 810 1675">Waste Generated on Site</td> <td data-bbox="813 1585 1128 1675">0.79 tCO₂e</td> <td data-bbox="1131 1585 1442 1675"></td> </tr> <tr> <td data-bbox="496 1680 810 1731">Business Travel</td> <td data-bbox="813 1680 1128 1731">31.01 tCO₂e</td> <td data-bbox="1131 1680 1442 1731"></td> </tr> <tr> <td data-bbox="496 1736 810 1787">Employee Commuting</td> <td data-bbox="813 1736 1128 1787">67.03 tCO₂e</td> <td data-bbox="1131 1736 1442 1787"></td> </tr> <tr> <td data-bbox="496 1792 810 1877">Downstream Transportation</td> <td data-bbox="813 1792 1128 1877">52.80 tCO₂e</td> <td data-bbox="1131 1792 1442 1877"></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		Downstream Transportation	52.80 tCO ₂ e	
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																				
Downstream Transportation	52.80 tCO ₂ e																				
<p>Total Emissions</p>	<p>151.63 tCO₂e</p>																				

Current Emissions Reporting

Reporting Year: 2021/22																				
Scope 1	<p>Out of Scope</p> <p>Athlon UK is currently 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.</p>																			
Scope 2	<p>Out of Scope</p> <p>Athlon UK is currently 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.</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> <tr> <td>Business Travel</td> <td>31.01 tCO₂e</td> <td></td> </tr> <tr> <td>Employee Commuting</td> <td>67.03 tCO₂e</td> <td></td> </tr> <tr> <td>Downstream Transportation</td> <td>52.80 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		Business Travel	31.01 tCO ₂ e		Employee Commuting	67.03 tCO ₂ e		Downstream Transportation	52.80 tCO ₂ e	
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																			
Downstream Transportation	52.80 tCO ₂ e																			
Total Emissions	151.63 tCO ₂ e																			

Emissions reduction targets

In order to continue our progress to achieving Net Zero, 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

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 equate to 4.75** tCO₂e, a 3.1%ge reduction against the 2021/22 baseline and the measures will be in effect when performing the contract

**A number of the below initiatives have only been recently implemented, as such we are unable to fully determine their effectiveness and impact. With this in mind, initiatives 2 - 6 below are not reflected in the above reduction figure and will instead be reported from financial year 2022/23 once their impact is fully calculable.

Reference	Description of Initiative
1	Vehicle Disposal Processes 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

	<p>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.
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.
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/ 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

	<ul style="list-style-type: none"> - 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 2021 to reflect our sustainability aspirations - Athlon International 2021 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 - eSign - digital signatures for Customer and supplier contracts - Paperless contracts, billing and invoices.

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
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>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 verses the traditional company car scheme, our product will be launched as an additional 'reward' available as a colleague benefit. Our customers will be 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. <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.

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:

Patricia Wolfe

Date: 27th September 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>