

MGroupServices

Plant & Fleet Solutions

Green Fleet Strategy Management Policy

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1. Issue, Review and Amendment

This Policy document shall be made available by M Group Services Plant & Fleet Solutions (MGSPFS) within the Business Management System (BMS) on MGS Stay connected.

The Management Appointee shall review this Policy document annually or immediately if its contents are deemed to be no longer valid.

Where revisions are required, they shall be made by replacement of the applicable page(s). An amended revision number and the date of revision shall identify each revised document; this shall be detailed within the document revision table below.

When changes affect a considerable number of pages, this document shall be reissued/revised in its entirety, incorporating all previous revisions. A number shall identify issues and each issue shall cancel and replace all previous issues and revisions. Revisions shall be replaced by a number and detailed in the table below.

All revisions shall be notified to all Company employees through internal communication and will be recorded on the document control register within the BMS.

Document Reviews		
Date	Revision	Reviewer
04 th February 2022	Document Creation & Issue	George McChord
30 th March 2022	Document Review	Neil Walton
30 th March 2023	Document Review	Neil Walton

1. Policy Statement

M Group Services is dedicated to maintaining the highest standards in all our activities. This strategy and its implementation will help ensure our business is carried out ethically and in a socially responsible and considerate manner - benefiting the environment, stakeholders, improving our business performance and reducing our carbon emissions.

2. Scope

This strategy focuses on plant and commercial vehicles, which are provided and managed by M Group Services Plant & Fleet Solutions (MGSPFS), across M Group Services.

3. Background

Our business focuses on a series of vision and values, an integral part of those values is to do the right thing by publishing a commitment to the reduction in carbon emissions.

Since 2008 we have measured our Greenhouse Gas (GHG) Emissions in compliance with the globally recognised standard ISO 14064-1:2006.

The GHG emissions data and calculations meet the criteria for the “measure step” specified in the standard for certification for the Carbon Emissions Measurement and Reduction Scheme (CEMARS).

On the 17th July 2014 the ESOS regulations came into force, ESOS is a mandatory UK energy assessment and energy saving scheme requiring compliance by large organisations/ ‘large undertakings’.

A large undertaking is any UK business that meets either one or both of the conditions below:

- It employs 250 or more people
- It has an annual turnover in excess of 50 million euro (£38,937,777) and an annual balance sheet total in excess of 43 million euro (£33,486,489).

Where a corporate group participates in ESOS, unless otherwise agreed the highest UK parent will act as a ‘responsible undertaking’ and be responsible for ensuring the group complies.

4. Compliance periods and compliance dates

Compliance period	Qualification date	Compliance period	Compliance date
1	31 st December 2014	From 17 th July 2014 to 5 th December 2015	5 th December 2015
2	31 st December 2018	From 6 th December 2015 to 5 December 2019	5 th December 2019
3	31 st December 2022	From 6 th December 2019 to 5 th December 2023	5 th December 2023
4	31 st December 2026	From 6 th December 2023 to 5 th December 2027	5 th December 2027

5. Outcome

Since the introduction of our strategy we have reduced our carbon emissions, with evidence of our reductions being ultimately attributable to the following actions:

- a. Raising employee awareness
- b. Improvement in data reporting processes and action
- c. Investing in emerging vehicle technology
- d. Tight control of fuel usage
- e. Improved route planning and scheduling of work

The reduction strategy is an ongoing commitment to continually reduce GHG emissions year on year in line with the ESOS compliance periods.

The strategies main sources of GHG emissions are shown below: -

- f. Diesel
- g. Gas oil
- h. Electricity
- i. Petrol

The nature of our businesses means that the majority of the GHG emissions emanate from transport activities. As a result, we have committed to the following actions.

- j. Reduction in GHG emissions from operational vehicles
- k. Reduction in GHG emissions from cars (diesel and petrol)
- l. Introduce new low emission technologies where operationally/technically possible

The objective of the strategy is to:

Develop a transport fleet that is sustainably updated as emerging technology is available, with the aim of mitigating environmental degradation by reducing fuel consumption and emissions.

The strategy will be delivered by a number of business led initiatives that are outlined below.

6. Management Initiatives/Investments & Capital.

Dedicated Management Team

M Group Services Plant & Fleet Solutions (MGSPFS) provide dedicated resources to support all M Group Services divisions, ensuring compliance with fleet related activities such as, occupational road risk & operator licencing. They have a dedicated Road Risk & Green Fleet Manager, FORS & VAN Excellence Champions.

Data Management

MGSPFS have invested in a dedicated team of analysts to monitor and report on all plant and fleet activity, including bespoke reports/dashboards on fuel usage, fuel efficiency of vehicles (by vehicle class and individual vehicle) and identify areas where improvement is required in fuel usage and driver behaviour on each business unit/contract.

7. Driver Training

Where improvement in driver behaviour is identified, bespoke driver training will be put in place to support and improve driver competence through targeted 1-2-1 “on the road” training in conjunction with classroom sessions. The MGSPFS Telematics reports will help improve drivers, driving style to deliver improved fuel consumption figures and reduce vehicle incidents.

8. Low Emission Propulsion Systems – All vehicle Types

Vehicles selected (company cars, light commercial vehicles and heavy goods vehicles) are chosen based on a variety of commercially viable business requirements with the lowest emissions and fuel use being a primary factor. Choices made include using both evolving combustion engine technology and opportunities with new propulsion systems with very low or zero emissions such as Electric Vehicles (EV's), Hybrid Vehicles (EHV's) and other new technology as they become available on the market; Hydrogen, compressed natural gas (CNG) and other emerging solutions will form part of any consideration.

Where operational requirements allow, various hybrid and electric vehicles have already been introduced to the fleet to measure real life fuel consumption (hybrids) and real life operational practicality (EV's). Evaluation of performance is carried out by MGSPFS data team to establish suitability for use across the business where applicable.

9. Company Cars

The Company Car fleet is restricted to low emission vehicles through a company car choicelist. This includes a variety of brands such as Audi, BMW, Ford and Volkswagen cars. At present the choice of cars for 90% of the fleet is restricted to a limited number (under 25 vehicles) with the lowest CO2 emissions and fuel consumption figures again being a primary consideration. Company car choice lists for the future will continue to be revised to offer the lowest emission vehicles and where practical new propulsion systems with very low or zero emissions.

10. Private cars used within the M Group Services business

Where employees have the option of providing their own vehicle in lieu of a company supplied vehicle, the business policy ensures these are below an agreed CO2 threshold of 160g CO2 (This figure will be reviewed in line with significant reduction in average CO2 of the company fleet). It is a requirement that all private vehicles used for business use are under 7 years of age and maintained correctly, ensuring the vehicle is running at optimal efficiency.

11. Light Commercial Vehicles (vehicles up to 3.5T GVW)

We operate a majority diesel fleet of vans with over 75% being the Ford transit product range. We select the most economical versions in line with the operational requirements of each commercial vehicle type. There is an ongoing dialog with all light commercial vehicle manufacturers regarding evolving technologies relating to vehicle emission reduction, lower fuel

consumption and where commercially viable alternative fuels although weight carrying and towing capability remains a prime consideration.

12. Heavy Goods Vehicles (vehicles over 3.5t GVW)

Lowest fuel consumption remains a prime factor in the selection of this type of vehicle. Manufacturers shall be continually monitored and trialled to ensure the most appropriate technology is procured. Due to the heavy fuel consumption of HGV's, there is particular emphasis on journey planning, efficient economical driving, vehicle tracking and keeping idling time to a minimum.

13. Vehicle Telematics

The use of vehicle telematics tools shall continue to be extended across the fleet providing the benefits outlined below:

- Vehicle location tracking to ensure effective works planning by reducing unnecessary travel, including bespoke integration with work scheduling tools to efficiently optimise job allocations
- Vehicle speed monitoring will permit the identification of legislation breaches as well as excessive fuel consumption. Drivers that require further awareness training shall be identified through contract specific reporting and where necessary driver training will be utilised through our 3rd party service providers (TWU).
- Vehicle idling and associated cost highlighted by the telematics system is provided on an ongoing basis to contract management, this helps ensure fuel use associated with idling is kept to a minimum.
- Poor fuel consumption is monitored by the telematics system is also flagged through monthly reporting for first line Management intervention.
- Driver behaviour technology helps to identify poor driving styles such as harsh accelerating, braking and cornering (ABC's) which usually means higher 'driver generated' fuel consumption and often unsafe driving. Cameras are now being installed to help further understand the dynamics of these harsh events with supporting footage relevant to key events to be addressed accordingly.

14. New Technology

Where new technology enters the market we shall ensure that suitable feasibility studies and trials are carried out. New technology shall be considered on the basis of:

- Commercial and Technical viability (E.g. weight carrying and towing capability).
- Lower or zero carbon emissions.
- Reduced fuel consumption.
- Availability and support.

Emerging alternative fuel vehicles and technologies are constantly reviewed on the basis outlined above. To measure the effectiveness of new technologies MGSPFS invest in new technologies by purchasing electric & hybrid vehicles as they become available, which include; New Model Nissan Leaf / BMW Hybrid / Mitsubishi Hybrid / Mercedes Hybrid / VW Hybrid / Mitsubishi Canter 7.5t / Ford Transit Custom FULL EV prototype programme to evaluate their suitability to applications within the M Group Services business.

MGSPFS continue to trial and supply a range of electric commercial vehicles from Ford, Nissan, Mercedes Benz and Renault. Further feasibility studies will be carried out and progressed where commercially viable, as new products become available.

15. Manufacturer Light Commercial EV Vehicle Trials

M Group Services have a fully operational EV vehicle supplied by Ford, which is working on one

of the contracts in London. M Group Services meet monthly with the European Ford Engineering team to evaluate how the vehicle is performing.

16. Green Car Scheme

As a business we offer a low emission car scheme for all monthly paid employees. The benefits offered through the salary sacrifice 'Green Car Scheme' encourage all employees to drive new, safer low emission cars regardless of them using the car for business. This solution will continue to be reviewed to ensure we promote the most appropriate to reduce emissions on a whole helping the wider community and is currently not available with limited take up. As the car industry moves into a new lower emission culture, we will continue to review the market to ensure the offering is available once a wider choice of low or zero emission cars exist.