



Carbon Reduction Plan

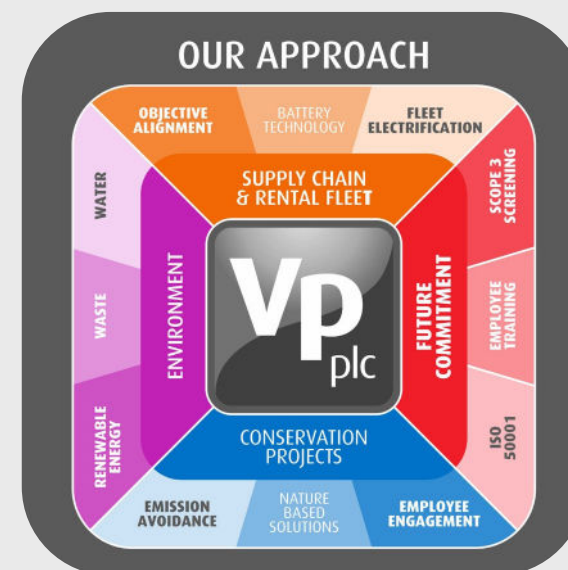
November 2023



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Commitment to Achieving Net Zero

It is Vp's aim that sustainability is universally addressed across our network and that we all help to play our part in mitigating climate change by minimising our own environmental footprint with the end goal of having a net positive impact on the climate.

In recognition of the importance of environmental, social and governance accountability within our governance structure, we have formally incorporated these aspects into routine reviews at the Board level. Furthermore, Vp have recently created the executive committee position of Group Risk and Sustainability Director. These actions underpin our deep-seated commitment to maximise our positive contribution to society.



We are proud to announce that Vp has recently had its ambitious greenhouse gas (GHG) reduction targets validated by the Science Based Targets Initiative (SBTi) in line with our previous commitment to the Business Ambition for 1.5°C.

We have aligned our targets specifically to a 1.5°C trajectory as we strongly believe that this will have the greatest chance to limit the worst of extreme and persistent negative climate impacts on human well-being, particularly those in vulnerable communities, and on nature whose fate is inextricably linked to ours.

In our capacity as a significant supplier to the UK Government, we responded to Procurement Policy Note 06/21 by publishing our Carbon Reduction Plan in November 2022. This, the second update, details our commitments, achievements to date, ongoing initiatives and strategic priorities. For further detail of our UK and international sustainability progress, please refer to our latest [Sustainability Report](#).

**BUSINESS
AMBITION FOR 1.5°C**



Baseline Emissions Footprint

Baseline Year: Financial Year 2022-23 (1st April 2022 - 31st March 2023)

Vp have re-baselined our baseline year to FY2022-23 as we have done with our science based targets due to the ongoing COVID recovery the Group felt in FY2021-22. The Science Based Target Initiative had some constructive recommendations to reclassify some scope 3 emissions categories which we have taken into account.

Additional Details relating to the Baseline Emissions Calculations

The boundaries of our scope 1, 2 & 3 emissions are delineated as operational rather than financial control. For scope 2 emissions, we have reported both the market-based figure together with the location-based figure for full transparency. We used both raw and estimated data to calculate the five scope 3 categories reported. The intensity ratios are calculated using scope 1 and 2 emissions as reported in our Annual Report and Accounts 2023.

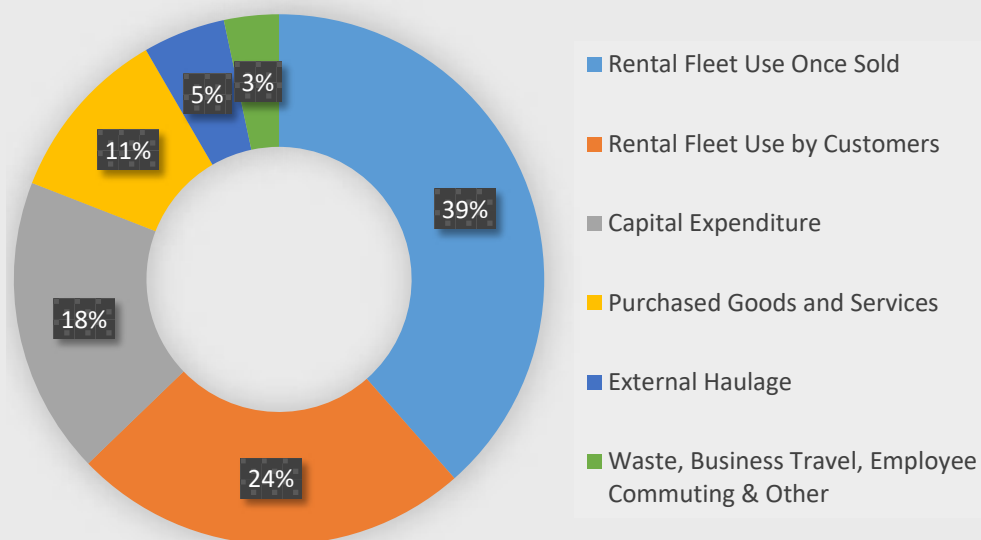
We understand the imperative of transparency and adherence to best practices in our climate change reporting. To calculate our carbon footprint, we adhered to the guidelines established by the World Business Council for Sustainable Development and the World Resources Institute's Greenhouse Gas Protocol. Additionally, we have employed HM Government's Environmental Reporting Guidelines and DEFRA's 2023 UK Greenhouse Gas Conversion Factors for Company Reporting to ensure the accuracy and reliability of our reporting.



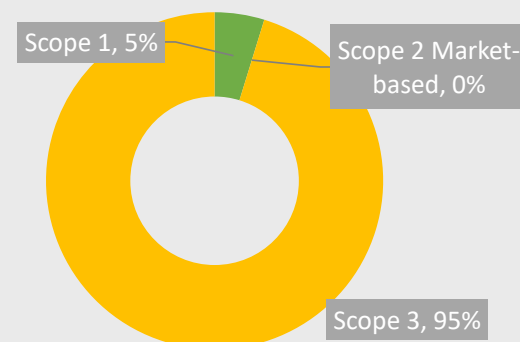
Baseline Emissions Footprint

We have, and continue to, iteratively refine our emissions methodology improving the accuracy and reliability of our data. Near-term improvements will come through moving from the industry average spend-based calculation method to average-data, hybrid and supplier-specific methods depending on the maturity of each key supplier.

Vp Scope 3 Emissions Breakdown FY 2022-23



Vp plc UK Emissions Breakdown FY 2022-23



Baseline and Current Year Emissions (Re-baselined to FY 2022-23)

Emissions Category	Total (tCO2e)
Scope 1	15,363
Scope 2 Market-based	-
Scope 2 Location-based	1,269
Intensity Ratio Market-based (tCO2e per £m revenue)	46
Intensity Ratio Location-based (tCO2e per £m revenue)	50
Scope 3 Categories 4, 5, 6, 7 & 9	21,866
Total Emissions Market-based	37,229
Total Emissions Location-based	38,498

Emissions Reduction Targets

Our net-zero, long term and near-term targets have been validated by the SBTi in 2023.

Overall Net Zero Target

Vp plc commits to reach net-zero GHG emissions across the value chain by 2050 from a 2023 base year¹.

Long Term Absolute Reduction Target

Vp plc commits to reduce absolute scope 1, 2 and 3 GHG emissions 90% by FY2050 from a FY2023 base year.

Near-Term Targets

Vp plc commits to reduce absolute scope 1 GHG emissions 50.4% from a FY2023 base year¹. Vp plc also commits to reduce absolute scope 3 GHG emissions 50% from purchased goods and services, capital goods, use of sold products and downstream leased assets within the same timeframe. Vp plc further commits to increase annual sourcing of renewable electricity from 87% in FY2023 to 100% by FY2030.



Emissions Reduction Targets

Further Targets

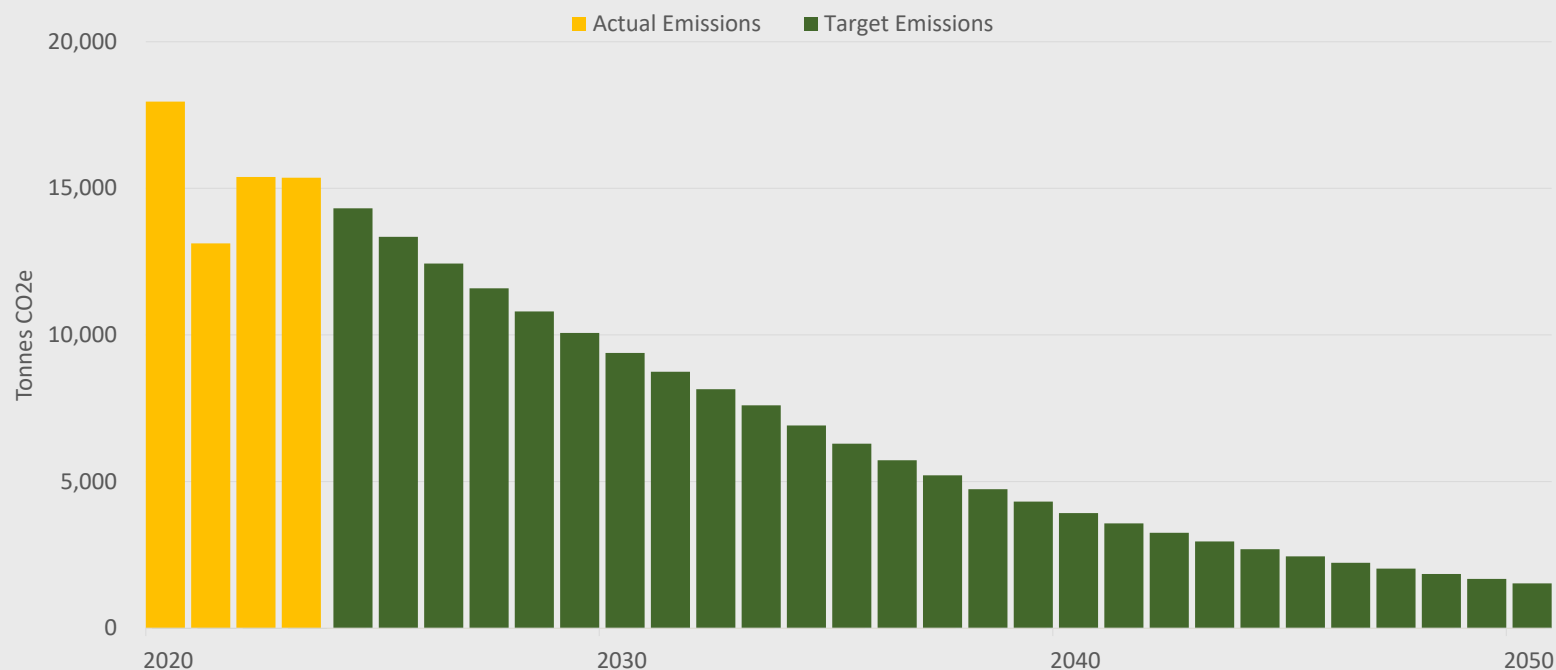
By 2025:

- The majority of the Group's top 250 suppliers by emissions¹ will have set science-based emissions reduction targets.
- All employees will be carbon literate and trained in sustainability.
- The Group will reduce its energy consumption intensity (kWh/m²) 20% from a 2021 baseline.
- The Group shall reduce waste production intensity 30%, recycle more than 85% waste and divert more than 95% waste from landfill using a 2021 baseline.

Please note the 2025 targets above have not been validated by the SBTi.

Illustrated below is the pathway to the fulfilment of our near term scope 1 and renewable energy procurement targets as well as our absolute reduction targets as it relates to scope 1 and 2.

Scope 1 & 2 Emissions Reduction Projected vs Actual

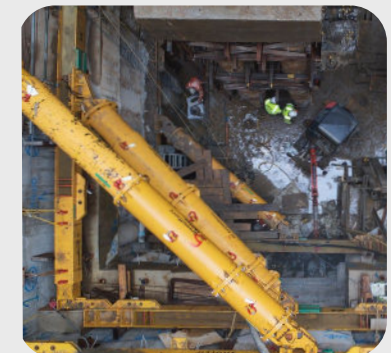


Carbon Reduction Projects - Delivered

Vp plc has reduced its carbon emissions by an estimated 2,500 tCO₂e annually through, but not limited to, the following projects over FY22-23:

- Established product review groups throughout the Group to focus on accelerating the transition towards a zero emissions at point of use rental fleet. We currently estimate >60% of rental assets Group-wide are zero emissions at point of use;
- Electrified 90% of our Groundforce division's fleet of 44 forklift trucks;
- Improved our energy efficiency by 7%, in part, through a £1.1m investment in site upgrades including £150k on LED lighting whilst maintaining our ISO 50001 and ISO 14001 Energy and Environmental Management Systems;
- Alongside customers, we have and continue to participate in “sites of the future” where up to 90% of all rental fleet is battery operated;
- Reduced our total waste production by 18% in FY22-23 (FY21-22: 22% reduction);
- Reduced our largest commercial vehicle fleet by 5%;
- Introduced sustainable options into all company car bandings resulting in 68% of our company car fleet are hybrid EVs (FY22-23: 50%; FY21-22: 22%);
- Published Sustainable Procurement and Climate Change policies to outline our position and expectations to suppliers and wider stakeholders;
- To empower our customers on their net zero journey, we now share delivery and collection transport emissions data on invoices as standard.

These measures will be in effect whilst working with customers.



Carbon Reduction Projects - In Progress

Our businesses continue to evaluate the latest technological developments when it comes to our hire products and commercial vehicle fleet. As and when suitable new technology comes to market, we take full advantage leveraging our key supplier network.

Over the next twelve months, our efforts will focus on:

- Enabling data-driven customer decision making through building a repository on the embodied and operational carbon emissions for all our top products;
- Refining our scope 3 methodology towards supplier specific and away from spend-based emissions factors;
- Maintaining our award winning, ISO 20400 aligned sustainable procurement standards committed to reducing air pollution and emissions as demonstrated by the Supply Chain Sustainability School's Gold Plant Charter award.
- Integrating our new supplier management software into procurement functions to facilitate closer oversight of our supply chain emissions and supplier carbon maturity;
- As recent Supply Chain Sustainability School partners, we will begin incorporating select resources into our learning and development system and explore assigning resources to select members of our supply chain;
- Continued integration of telematics software to optimize route planning and driver behaviour for fleet managers and key haulage suppliers;
- Moving away from internal combustion engine vehicles through investing in electric and hybrid vehicles, forklifts, and chargers;



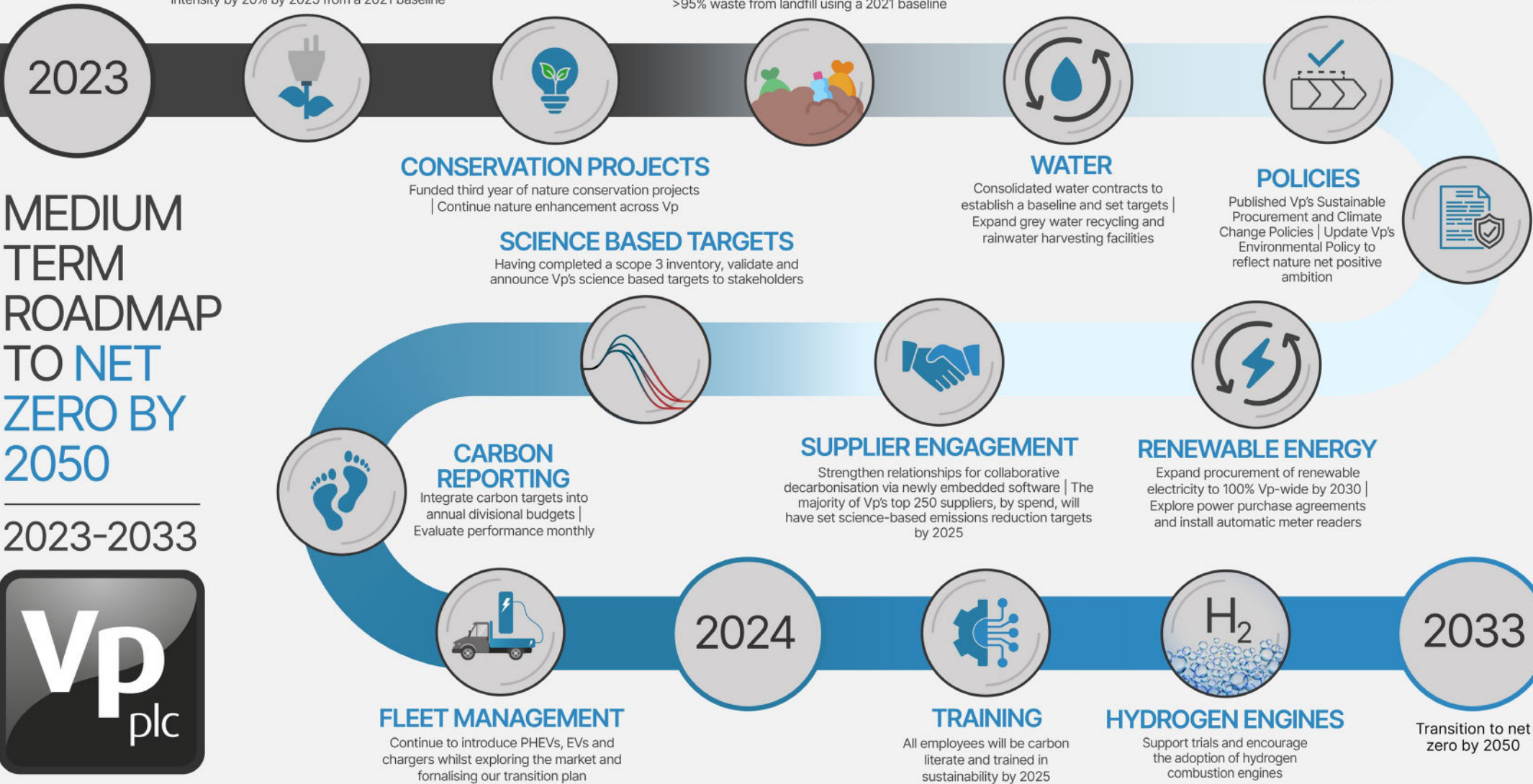
Carbon Reduction Projects - In Progress

- Expanding our use of HVO (Hydrotreated Vegetable Oil) fuel within our rental fleet and commercial vehicles;
- Actively identifying opportunities for on-site co-location, reducing haulage and business travel;
- To continue greening our company car fleet, we are working towards introducing a range of full EVs;
- Evaluating the recommendations from our heat pump feasibility study in two of our largest sites;
- Maturing our waste management through plastic audit next steps, analysing our plastic and steel end of life process and adopting circular economy principles;
- Having consolidated our water contracts, we shall explore software to enable closer monitoring and, subsequently, target setting and ultimately better water management and reduced use.

Further details are found on our [Medium Term Roadmap to Net Zero](#) overleaf.



Carbon Reduction Plan



Declaration and Sign Off

This Carbon Reduction Plan was completed in accordance with PPN 06/21 and the reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standards 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 are 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.



Anna Bielby

Chief Executive

27/11/2023



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>



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