



# **Carbon Reduction Plan**

January 2022 to December 2022



## Co Wheels Carbon Reduction Plan

Supplier name: Co Wheels Car Club CIC

Publication date: 22 July 2023

### Commitment to achieving Net Zero

Co Wheels is committed to achieving Net Zero emissions by 2050, but once sufficient data has been compiled this date will be reviewed and brought forward if possible.

### Baseline Emissions Footprint

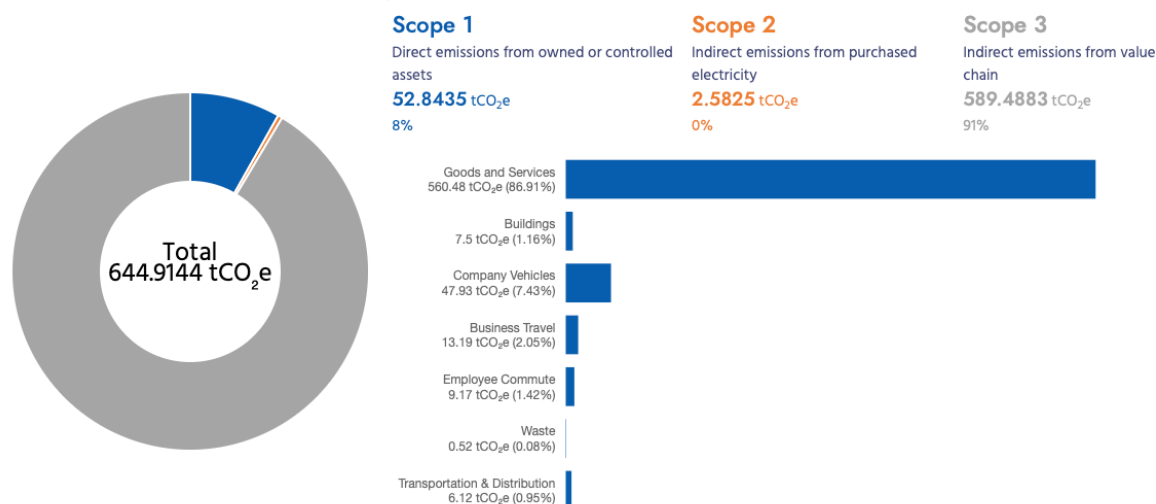
Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

|  |                                  |
|--|----------------------------------|
| <b>Baseline Year: 2022</b>   |                                  |
| <b>Additional Details relating to the Baseline Emissions calculations.</b>   |                                  |
| <p><b>Note</b> – Although Co Wheels produced its first Carbon Reduction Plan for 2021 with the intention of using this as the baseline, this year's report has been produced with an enhanced carbon calculator which gives more accurate data on Scope 1 and 2 emission and for the first time includes an estimate of all our Scope 3 emission using an industry standard intensity metric for goods and services purchases.</p> <p>This has increased considerably the scale of our Scope 3 emissions and reduced our Scope 1 and 2 emissions due to greater accuracy of reporting. To avoid giving a false impression we are therefore recalibrating our progress using 2022 for our baseline emissions. But we will still reference the 2021 report and data in our commentary and to measure progress where appropriate.</p> |                                  |
| <b>Baseline year emissions: 2022</b>   |                                  |
| <b>EMISSIONS</b>   | <b>TOTAL (tCO<sub>2</sub>e)</b>  |
| <b>Scope 1</b>   | <b>52.8435 tCO<sub>2</sub>e</b>  |
| <b>Scope 2</b>   | <b>2.5825 tCO<sub>2</sub>e</b>   |
| <b>Scope 3</b>   | <b>589.4883 tCO<sub>2</sub>e</b> |
| <b>Total Emissions</b>   | <b>644.9144 tCO<sub>2</sub>e</b> |

## Current Emissions Reporting

### Graphic Overview

Showing data for: January 2022 - December 2022



Co Wheels Car Club CIC Ltd emitted 644.91 tCO<sub>2</sub>e (tonnes of carbon dioxide equivalent) of greenhouse gases across its Scope 1, 2 and 3 during the reporting period. These emissions can be presented as intensity indicator of 24.80 tCO<sub>2</sub>e per total full-time equivalent employee (FTE) and 143.69 tCO<sub>2</sub>e per million GBP £.

**Table 1. GHG emissions data**

| Emissions source  | Base year<br>2022-2023      | Previous year               | Current Year<br>2022-2023   | Change<br>from Base<br>Year |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|   | Carbon (tCO <sub>2</sub> e) | Carbon (tCO <sub>2</sub> e) | Carbon (tCO <sub>2</sub> e) | %                           |
| <b>Scope 1</b>  |                             |                             |                             |                             |
| Facilities  | 5.88                        | 0.00                        | 5.88                        |                             |
| Vehicles  | 46.97                       | 0.00                        | 46.97                       |                             |
| <b>Total Scope 1</b>  | <b>52.84</b>                | <b>0.00</b>                 | <b>52.84</b>                | <b>0.00</b>                 |
| <b>Scope 2</b>  |                             |                             |                             |                             |
| Purchased Electricity   | 2.58                        | 0.00                        | 2.58                        |                             |
| <b>Total Scope 2</b>  | <b>2.58</b>                 | <b>0.00</b>                 | <b>2.58</b>                 | <b>0.00</b>                 |
| <b>Total Scope 1 &amp; 2</b>  | <b>55.43</b>                | <b>0.00</b>                 | <b>55.43</b>                | <b>0.00</b>                 |
| <b>Total tCO<sub>2</sub>e per *FTE on gross scope 1 &amp; 2</b>         | <b>2.13</b>                 | <b>0</b>                    | <b>2.13</b>                 | <b>0.00</b>                 |
| <b>Total tCO<sub>2</sub>e per *£m Turnover on gross scope 1 &amp; 2</b> | <b>12.35</b>                | <b>0</b>                    | <b>12.35</b>                | <b>0.00</b>                 |
| <b>Scope 3</b>  |                             |                             |                             |                             |
| Cat 01 - Purchased Goods & Services                                     | 560.48                      | 0.00                        | 560.48                      |                             |
| Cat 04 - Upstream transportation & distribution                         | 6.12                        | 0.00                        | 6.12                        |                             |

|  |               |             |               |             |
|--|---------------|-------------|---------------|-------------|
| Cat 05 - Waste disposal  | 0.52          | 0.00        | 0.52          |             |
| Cat 06 - Business Travel   | 13.19         | 0.00        | 13.19         |             |
| Cat 07 - Employee Commuting  | 9.17          | 0.00        | 9.17          |             |
| <b>Total Scope 3</b>   | <b>589.49</b> | <b>0.00</b> | <b>589.49</b> | <b>0.00</b> |
| <b>Total Scope 1, 2 &amp; 3</b>  | <b>644.91</b> | <b>0.00</b> | <b>644.91</b> | <b>0.00</b> |
| <b>Total tCO<sub>2</sub>e per *FTE on gross scope 1, 2 &amp; 3</b>         | <b>24.80</b>  | <b>0</b>    | <b>24.80</b>  | <b>0.00</b> |
| <b>Total tCO<sub>2</sub>e per *£m Turnover on gross scope 1, 2 &amp; 3</b> | <b>143.69</b> | <b>0</b>    | <b>143.69</b> | <b>0.00</b> |

\*Notes: For 01 January 2022 to 31 December 2022 the number of Full-time equivalent employees (FTE) was 26.00 and the Turnover was GBP £4,488,127.60.

#### Notes about Reporting methodology and exclusions:

Co Wheels Car Club CIC Ltd has adopted Operational Control approach to establishing the boundary. The methodology adopted in line with the Greenhouse Gas Protocol.

We do not have air conditioner or heat pump in its buildings.

We reported emissions from company owned or operated vehicles by mileage.

We have reported emissions from business travel undertaken in employee vehicles by mileage claimed.

We have reported emissions from other business travel by expenditure.

We have reported emissions from employee commute using national transport statistics and number of full-time equivalent employees.

We have reported emissions from working from home.

We have reported emissions from waste to report by quantity.

We have reported emissions from upstream transportation and distribution by expenditure.

We reported emissions from purchased goods and services by expenses.

#### Notes about calculation methodology:

- This methodology has included Scope 1, Scope 2 and limited number of Scope 3 emissions. There could be emissions in other categories of Scope 1 and Scope 3 which are not included here.
- This methodology exceeds the minimum requirements set out in Public Procurement Notice (PPN 06/21)<sup>6</sup>, i.e., Scope 1&2, Scope 3 category 4, 5, 6, 7 and 9. In addition, the Scope 3 category 1 purchased goods and services is included as it is likely to be one of the significant sources of Scope 3 emissions.
- The calculations were completed on the SmartCarbon<sup>TM</sup> Calculator<sup>3</sup> using the UK Government emissions factors<sup>4</sup> and ONS Atmospheric emissions: greenhouse gas emissions intensity by industry<sup>5</sup>.
- CO<sub>2</sub>e is the universal unit of measurement to indicate the global warming potential (GWP) of Greenhouse Gases (GHGs), expressed in terms of the GWP of one unit of carbon dioxide. There are seven main GHGs that contribute to climate change, as covered by the Kyoto Protocol: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF<sub>6</sub>) and nitrogen trifluoride (NF<sub>3</sub>). Different activities emit different gases. Using CO<sub>2</sub>e allows all greenhouse gases to be measured on a like-for-like basis.

| Reporting Year: 2022  |  |
|---|--|
| EMISSIONS   | TOTAL (tCO <sub>2</sub> e)   |
|   | Note – See detailed breakdown in Table 1 GHG emissions above   |
| <b>Scope 1</b><br>Emissions from sources owned or controlled by Co Wheels. e.g. service vehicles.   | <p>The main area in this scope is our maintenance fleet of 6 vehicles and staff who clean, safety check and maintain our fleet of shared vehicles to keep them on the road.</p> <p>During 2022 some of the VW Caddy vans we were using were switched to petrol-based SUVs part way through the year. Also included in this figure is delivery or moving of our vehicles to locations, maintenance or servicing and business travel by staff using our own vehicles.</p> <p>This is the most significant element of our Scope 1 Emissions and therefore offers the biggest opportunity for reduction. Detailed breakdowns of the vehicles used are set out in the tables below and these show relatively limited use of our EVs which we will look to increase in subsequent years.</p> <p><b>Total emissions were 52.84 tCO<sub>2</sub>e</b></p> |
| <b>Scope 2</b><br>Indirect emissions associated with purchased energy, including electricity, steam, heat and cooling.  | <p>The main areas in the scope are:</p> <ul style="list-style-type: none"> <li>• Heat and lighting for our main office premises</li> <li>• Heat and lighting for employees who work from home</li> </ul> <p>The next biggest and easiest to accurately assess contribution to our carbon footprint is the energy consumed by our head office</p> <p>Many staff are remotely based, most notably our fleet maintenance staff, but as they do not spend any significant time at a home base the bulk of their emissions are covered by the vehicle output in Scope 1. Other staff are only home-based part of the time, so we have calculated it on a proportion of their home costs for the days or shifts they work from home.</p> <p><b>Total emissions were 2.58 tCO<sub>2</sub>e</b></p>  |
| <b>Scope 3</b><br>Includes purchased goods and services, business travel, employee commuting, waste disposal, transportation and distribution, investments, leased assets and franchises. | <p>Our main areas in this scope we can report on are:</p> <ul style="list-style-type: none"> <li>• Employees' commute into the workplace</li> <li>• Business travel by staff</li> <li>• Waste disposal</li> <li>• Transport of goods</li> </ul> <p>Out based staff are mainly the fleet maintenance staff whose emissions are listed in Scope 1 as travel is part of their work, but the remainder of staff are based in our city centre office in Newcastle which is ideally located for public transport by the central train station and Metro. As a result, our staff survey found that 50% of all staff travel is by public transport, or a combination of active travel and public transport, with a relatively low level of staff who relied on only car</p>  |

|                        |   |
|------------------------|---|
|                        | <p>transport to get to work. The low level of on-site car parking offered, combined with the high costs of city centre car parking, also contributed to this.</p> <p>Staff travel increased in 2022 after all lockdown restrictions were lifted in 2021 and although many business meetings continued to be online, more face to face meetings and resulting travel took place.</p> <p>For the first time we have included an estimate for good and services purchased but in future years we would refine this by reporting on more of the detailed areas in the scope.</p> <p><b>Total emissions were 589.49 tCO<sub>2</sub>e</b></p> |
| <b>Total Emissions</b> | <b>644.91 tCO<sub>2</sub>e</b>  |

## Emissions Detailed Breakdown

**Table 2. GHG emissions detailed data for period 01 January 2022 to 31 December 2022**

| Emissions source  | Units         | Carbon (kgCO <sub>2</sub> e) | Carbon (tCO <sub>2</sub> e) | Comments   |
|---|---------------|------------------------------|-----------------------------|--|
| <b>Scope 1</b>  |               |                              |                             |  |
| Facilities  |               |                              |                             |  |
| Fuels - Gaseous - Natural gas (kWhs)  | 32,200 kWh    | 5,877.79                     | 5.88                        | Based on 3-year average from landlord in 2022                                      |
| Vehicles  |               |                              |                             |  |
| By mileage - Cars (by size) - Diesel - Average                              | 0 km          | 0.00                         | 0.00                        | None on fleet  |
| By mileage - Vans - Unknown fuel - Average Van (up to 3.5 tonnes)           | 0 km          | 0.00                         | 0.00                        | None from fleet used for business travel   |
| By mileage - Cars (by size) - Hybrid - Average                              | 36,143 miles  | 6,982.31                     | 6.98                        |  |
| By mileage - Cars (by size) - Petrol - Average                              | 145,733 miles | 39,983.45                    | 39.98                       | Total of Admin bookings in petrol car plus Fleet combination maintenance vehicles. |
| <b>Total Scope 1</b>  |               | <b>52,844</b>                | <b>52.84</b>                |  |
| <b>Scope 2</b>  |               |                              |                             |  |
| Purchased Electricity   |               |                              |                             |  |
| Electric Vehicles - Cars (by size) - Battery Electric Vehicle - Average car | 12,719 miles  | 963.90                       | 0.96                        | Admin bookings of our fleet only   |
| National Grid   | 8,370 kWh     | 1,618.59                     | 1.62                        | Based on three-year average from landlords in 2022                                 |
| <b>Total Scope 1 &amp; 2</b>  |               | <b>55,426</b>                | <b>55.43</b>                |  |
| <b>Total tCO<sub>2</sub>e per *FTE on gross scope 1 &amp; 2</b>             |               |                              | <b>2.13</b>                 |  |

|   |              |                |               |  |
|---|--------------|----------------|---------------|--|
| <b>Total tCO2e per *£m Turnover on gross scope 1 &amp; 2</b>  |              |                | <b>12.35</b>  |  |
| <b>Scope 3</b>  |              |                |               |  |
| Cat 01 - Purchased Goods & Services   |              |                |               |  |
| By spend - By SIC emissions intensity - Average   | £3,218,326   | 560,478.44     | 560.48        |  |
| Cat 04 - Upstream transportation & distribution   |              |                |               |  |
| By spend - H - Transport and storage  | £7,424       | 6,124.17       | 6.12          |  |
| Cat 05 - Waste disposal   |              |                |               |  |
| Commercial and industrial waste (Landfill)  | 1,100 kg     | 513.71         | 0.51          | Based on Wrap estimates  |
| Commercial and industrial waste (Combustion)  | 0 tonne      | 0.00           | 0.00          |  |
| Commercial and industrial waste (Closed loop)   | 440 kg       | 9.36           | 0.01          | Based on Wrap estimates  |
| Cat 06 - Business Travel  |              |                |               |  |
| By spend - By SIC emissions intensity - Travel - Road Travel (H - Land transport services excluding rail transport) | £275         | 233.59         | 0.23          | Taxi claims  |
| By spend - By SIC emissions intensity - Travel - Rail Travel (H - Rail transport)                                   | £6,177       | 5,683.14       | 5.68          | Trains but also includes some described as public transport, ferries and bus |
| By spend - By SIC emissions intensity - Travel - Flights (H- Air transport services)                                | £338         | 4,056.00       | 4.06          | 2 flights  |
| By mileage - Cars (by size) - Plug-in hybrid electric - Average   | 0 km         | 0.00           | 0.00          |  |
| By mileage - Cars (by size) - Unknown fuel - Average  | 11,717 miles | 3,218.27       | 3.22          |  |
| Cat 07 - Employee Commuting   |              |                |               |  |
| By Average data - Commuting employees (FTE)   | 20 Quantity  | 5,246.22       | 5.25          |  |
| Working from Home - Hours Worked Annually   | 11,520 Hours | 3,925.44       | 3.93          |  |
| <b>Total Scope 3</b>  |              | <b>589,488</b> | <b>589.49</b> |  |
| <b>Total Scope 1, 2 &amp; 3</b>   |              | <b>644,914</b> | <b>644.91</b> |  |
| <b>Total tCO2e per *FTE on gross scope 1, 2 &amp; 3</b>   |              |                | <b>24.80</b>  |  |
| <b>Total tCO2e per *£m Turnover on gross scope 1, 2 &amp; 3</b>   |              |                | <b>143.69</b> |  |

**Definitions:**

**Carbon footprint** - The total set of greenhouse gas emissions (GHG) caused directly and indirectly by an individual event, organisation, or product expressed as Carbon Dioxide Equivalent (CO<sub>2</sub>e). (Source: Greenhouse Gas Protocol).

**Scope 1** (direct emissions) emissions are those from activities owned or controlled by your organisation. Examples of Scope 1 emissions include emissions from combustion in owned or controlled boilers, furnaces and vehicles; and emissions from chemical production in owned or controlled process equipment.

**Scope 2** (energy indirect) emissions are those released into the atmosphere that are associated with your consumption of purchased electricity, heat, steam and cooling. These indirect emissions are a consequence of your organisation's energy use but occur at sources you do not own or control.

**Scope 3** (other indirect) emissions are a consequence of your actions that occur at sources you do not own or control and are not classed as Scope 2 emissions. Examples of Scope 3 emissions are business travel by means not owned or controlled by your organisation, waste disposal, materials or fuels your organisation purchases. Deciding if emissions from a vehicle, office or factory that you use are Scope 1 or Scope 3 may depend on how you define your operational boundaries. Scope 3 emissions can be from activities that are upstream or downstream of your organisation. More information on Scope 3 and other aspects of reporting can be found in the Greenhouse Gas Protocol Corporate Standard.

**References:**

1. The GHG Protocol Corporate Accounting and Reporting Standard. Revised Edition (2015) World Resource Institute and World Business Council for Sustainable Development.
2. Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance (March 2019) UK Government Department for Business, Environment and Industrial Strategy.
3. [SmartCarbon Calculator: https://www.smartcarboncalculator.com/](https://www.smartcarboncalculator.com/)
4. Greenhouse gas reporting: conversion factors - Full set (for advanced users). More at this link: <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>
5. Atmospheric emissions: greenhouse gas emissions intensity by industry. More at this link: <https://www.ons.gov.uk/economy/environmentalaccounts/datasets/ukenvironmentalaccountsatmosphericemissionsgreenhousegasemissionsintensitybyeconomicsectorunitedkingdom>
6. Procurement Policy Note 06/21: Taking account of Carbon Reduction Plans in the procurement of major government contracts. <https://www.gov.uk/government/publications/procurement-policy-note-0621-taking-account-of-carbon-reduction-plans-in-the-procurement-of-major-government-contracts>



## **Emissions reduction targets**

To continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets. We project that carbon emissions will decrease over the next five years to 83.89 tCO<sub>2</sub>e by 2027. This is a reduction of 13%.

This rate of reduction should ensure we reach net zero by 2050 at the latest. Progress against these targets will be measured and charted in future years' plans to ensure that we keep on track and can reduce the timescale needed to reach Net Zero if possible.

## **Carbon Reduction Projects**

### **Completed Carbon Reduction Initiatives**

The following environmental management measures and projects are in place and are already having impacts on reducing our CO<sub>2</sub> to get us to the current benchmark and we will continue these initiatives when performing contracts.

Future reports will feedback on the precise carbon impact of these plus any new initiatives introduced to reduce our impact.

### **Fleet maintenance**

During this benchmark year we started tackling the source of our biggest CO<sub>2</sub> output - the efficiency of our maintenance vehicle fleet which covers a significant mileage (an average of more than 25,000 miles per year per vehicle) and business mileage in our own vehicles. There is scope to improve this in future years by ensuring that the vehicles used from our fleet and switched to hybrids and EVs. Longer term we will also need to move our maintenance fleet onto lower emission and eventually zero emission vehicles.

### **Building efficiency**

We are working with our building owners to increase the overall efficiency of our office space, including more effective management of boiler temperatures and better 7-day controls plus sensor lights have also been added to communal areas like stairways. We would hope in the next 5 years that solar panels are installed on the building and more efficient glazing to further reduce energy consumption.

### **Staff travel to work**

After our premises, this is one of our largest areas for emissions and one which we can control or manage down by encouraging more sustainable travel to work.

Work to date

We have already taken several initiatives to encourage sustainable travel including:

- Provision of a refurbished, indoor locked cycle store on the premises with secure cycle storage, showers, changing rooms and lockers
- Encouragement for employees to use the Cycle to Work scheme to buy bikes and e-bikes
- Provision of employee public transport travel passes through salary check off.
- A staff car leasing scheme which enables them to lease electric vehicles at highly competitive rates.

In the future we hope to implement further measures including:

- Increase the use by staff of public transport or active travel as their first choice for travel to work, by expanding the range and take up of employee incentives to purchase public transport passes and bikes to get to work, and a wider range of hybrid and electric available on our staff car lease scheme which currently has a choice of two EVs and one PHEV model.
- Restrict the use of flying for business travel, only two flights were used this year but we would hope to reduce that to none.
- Working with our building owner to introduce more energy efficiency measures to reduce energy consumption in our office space – such as upgrading insulation and fitting lighting with motion sensors to automatically turn off when areas are unoccupied.
- Further investigation of our Scope 3 emissions for employees working from home with more robust data so we do a better comparison of emissions compared to commuting for office working.
- To make employees aware of the most environmentally sustainable pension fund choices, all funds from our pension provider are ESG screened but some have a higher sustainability rating.

## 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 standard<sup>1</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>2</sup>.

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) Standard<sup>3</sup>.

This Carbon Reduction Plan has been reviewed and signed off by the Co Wheels Management Team.

### Signed on behalf of the Supplier:



Richard Falconer, Head of Locations and Business Development  
Date: 22 July 2023

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