

PPN 06/21 Carbon Reduction Plan

Supplier name: Schenker Limited

Publication date: July 2023

Commitment to achieving Net Zero

In line with our global parent Schenker AG, Schenker Limited is committed to achieving Net Zero emissions by 2040. We have set ourselves the target of a maximum offsetting of 10% by 2040. Our commitment to being Net Zero by 2040 is in accordance with Science Based Targets in line with 1.5% reduction degree warming.

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	
Additional Details relating to the Baseline Emissions calculations.	
The GHG emissions scope boundary, used to establish our 2021 baseline, was determined via an operational control model following the Greenhouse Gas Protocol guidelines. The baseline includes all Scope 1 and 2 emissions in accordance with SECR requirements. Scope 3 emissions have been partly calculated as per the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Standard Guidance. This will be fully compliant in 2024.	
Baseline year emissions:2021	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	440
Scope 2	1,071 (Location Based)
Scope 3 (Included Sources)	276,983 4.Upstream Transportation and Distribution – 273,019 5.Waste generated in operations – Previously not calculated. However, will be calculated in 2023. 6.Business Travel – 42 Tonnes CO ₂ e 7.Employee Commuting – 3,922 Tonnes CO ₂ e 9.Downstream Transportation and Distribution – Not Applicable for Schenker Limited
Total Emissions	278,494

Current Emissions Reporting

Reporting Year: 2022	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	278
Scope 2	744 (Location Based)
Scope 3 (Included Sources)	291,268 4.Upstream Transportation and Distribution – 285,667 5.Waste generated in operations – Previously not calculated. However, will be calculated in 2023. 6.Business Travel – 153 Tonnes CO ₂ e 7.Employee Commuting – 5,448 Tonnes CO ₂ e 9.Downstream Transportation and Distribution – Not Applicable for Schenker Limited
Total Emissions	292,290

In 2024, we will be rolling out a new internal tool which will be used to help calculate scope 3 emissions further. This will help keep track of our waste emissions and provide greater detail into the other areas.

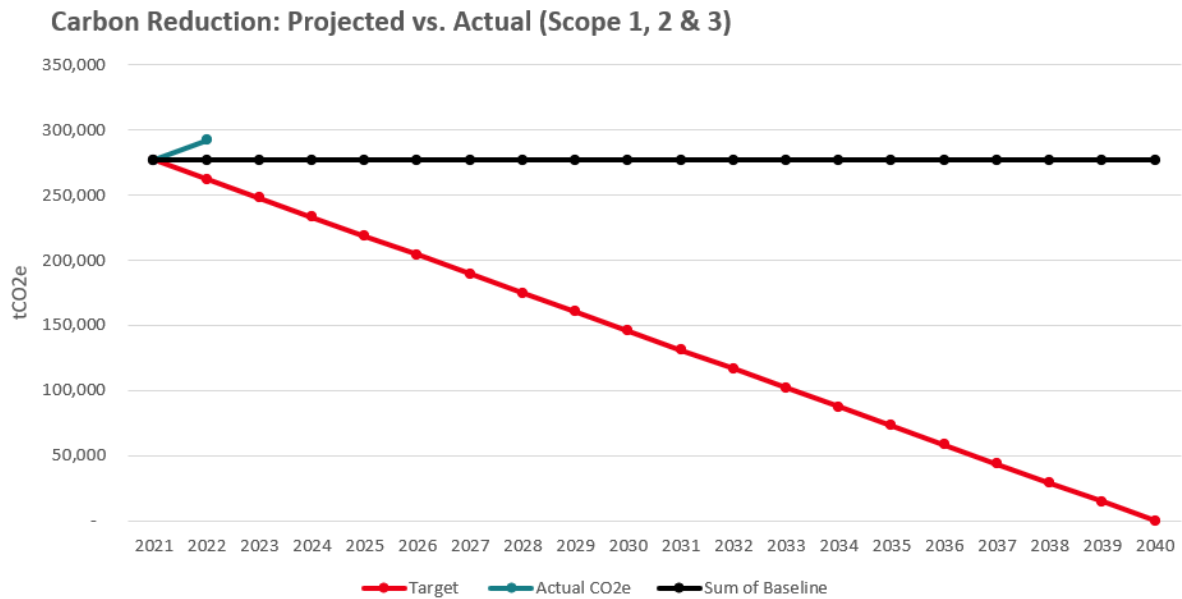
We will also look to roll out new software which will help provide greater visibility on our Scope 3.4 emissions and help us fully differentiate between Schenker and 3rd Party Trucks.

Emissions reduction targets

In order to continue our progress to achieving Net Zero, Schenker Limited have adopted the following carbon reduction targets.

We project that carbon emissions will decrease over the next five years to 174,937tCO₂e by 2028. This is a reduction of 37%. By 2030, as agreed with our parent Schenker AG, we will have reduced our emissions close to 50% for us to be on track for Net Zero by 2040.

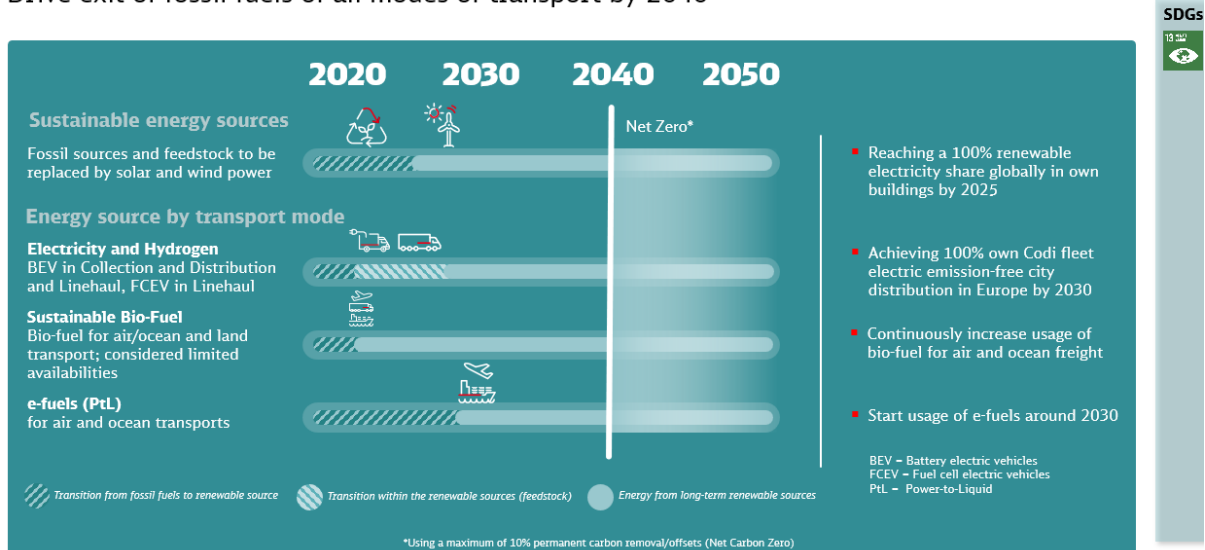
Progress against these targets can be seen in the graph below:



Our Scope 3 2022 Carbon Emissions have increased due to an increase in Air Freight demand. This was mainly driven by significant rises in Ocean Freight rates which meant customers were choosing higher carbon intensity modes. Scope 3 emissions also increased due to employee commuting and business travel. This is due to no Covid 19 Lockdowns and relaxing of Covid rules.

Climate and Clean Air Commitment

Drive exit of fossil fuels of all modes of transport by 2040



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2021 baseline. The carbon emission in our Scope 1 & 2 achieved by these schemes equate to 489 tCO₂e, a 33% reduction against the 2021 baseline and the measures will be in effect when performing the contract.

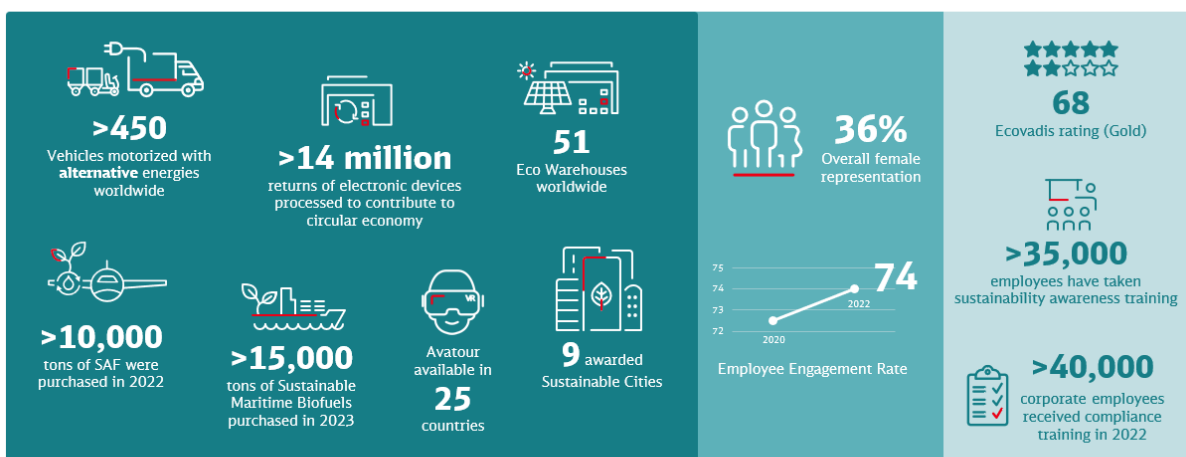
- All sites within the UK using renewable energy for heating and electricity.
- Implementation of HVO fuel within our land division for final mile deliveries in the area.
- Reduction in single use plastics.
- Purchased one Electric Vehicle for final mile deliveries.
- Procurement review of supplier’s carbon reduction plans.
- BREEAM assessments regularly conducted by Head of Property Management across all facilities.
- Implementation of “This is Green” initiative for all new offices and warehouses so they can be a certified green eco building by our ultimate parent Deutsche Bahn.
- Sustainability training rollout for employees to learn how to be more sustainable and reduce their carbon footprint.
- Customer sustainability consulting to help them move from high intensity CO₂ modes to less intense modes (Eg Air to Ocean).
- Use of Ecosia web browser in all locations where every internet search generates profit for a tree to be planted.

Organisational governance for carbon reduction initiatives used include: ISO14001 certification and Schenker Limited’s commitment to carbon reduction in line with the Science Based Targets Initiative and the UN Race to Zero scheme. These will continue to be used when performing the contract.

On a global level, Schenker AG have made great strides to helping Schenker become a global sustainability leader within the transportation and logistics sector. Below are some of our accomplishments so far.

Some of our achievements so far

Status as of March 2023



Our journey towards Net Zero by 2040
and comprehensive ESG leadership.



Future Carbon Reduction Initiatives

In the future, Schenker limited will look to implement further measures such as:

- Electrification of our entire final mile delivery fleet.
- Electrification of our company car scheme.
- Implementation of Hydrogen powered vehicles once technology and infrastructure are in place.
- Upon building leases terminating, moving to new, eco-friendly buildings which have a low carbon impact.
- Implementing Bio-Fuel options into our trucks for Middle / Long distance trucking.
- Roll out of circular economy contract logistics offering for our customers in the UK.
- Review business travel policy and implementing initiatives to encourage low-carbon travel by employees.
- Continue holding employee engagement workshops to help inform employees how they can reduce their emissions footprint while at work, travelling to work, and at home.
- Offering Sustainable Aviation Fuel, Marine Bio Fuel and HVO bulk buying schemes to our customers so they can reduce their emissions further.

Schenker Limited is continuously monitoring new technologies within and outside of the industry to adapt to our business model to help us achieve Net Zero sooner.

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 and uses the appropriate Government emission conversion factors for greenhouse gas company reporting.

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.

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:

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Date: