

AA Xpress - Carbon Footprint Statement and Carbon Reduction Plan

About us

- Transport & Logistics
- Storage Plans Solutions
- Same Day Delivery
- Track & Trace
- Emergency Collections/Deliveries
- Collect From Anywhere in the UK
- Business & Personal Storage Plans

Commitment to achieving Net Zero

AA Xpress Ltd is committed to achieving Net Zero emissions by 2050. Furthermore, through our Carbon Reduction Plan we are targeted to achieve Net Zero emissions by 2041.

Scope 1 emissions (direct emissions at site or from company owned or operated assets) represent 93% of the total in-scope emissions. Therefore, achieving the 2050 target will mostly require us to upgrade the current vehicle fleet to a fleet powered by renewable energy sources. Further improvements across the three emission scopes will come about as a matter of course (via UK Gov targets and requirements, evolution of industries, new regulations etc.) and will require active engagement by us with our suppliers and staff as well as development of supply chain and operational policy.



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: 1st September 2020 to 31st August 2021 (Financial Year)

Additional Details relating to the Baseline Emissions calculations.

We have made a comprehensive audit of the included scope emissions from this baseline year in order to get a full impression of business as usual. Our projections are based on growth of the business which are reflected in our Business-As-Usual CO₂ emissions. We have made these calculations based on our **Financial Control** over our emissions.

Baseline year emissions:

| EMISSIONS | TOTAL (tCO ₂ e) |
|--------------------|---|
| | 101712 (10020) |
| Scope 1 | 211.6 |
| Scope 2 | 1.7 |
| Scope 3 | 29.0 |
| (Included Sources) | This includes the following sources which are within the inclusion categories for Scope 3: |
| | Waste Generated in Operations |
| | Business TravelEmployee Commuting |
| | Upstream transportation and distribution |
| | All activities considered downstream are carried out by our own vehicles where the emissions have been accounted for in the Scope 1 category (direct emissions). Therefore, no additional "Downstream transportation and distribution" emissions are considered material. |
| Total Emissions | 242.3 (tCO ₂ e) |



Current Emissions Reporting

| Reporting Year: 1st September 2021 to 31st August 2022 (Financial Year) | |
|---|---|
| EMISSIONS | TOTAL (tCO ₂ e) |
| Scope 1 | 360.9 |
| Scope 2 | 4.5 |
| Scope 3 | 22.7 |
| (Included Sources) | This includes the following sources which are within the inclusion categories for Scope 3: |
| | Waste Generated in Operations Business Travel |
| | Employee Commuting |
| | Upstream transportation and distribution |
| | All activities considered downstream are carried out by our own vehicles where the emissions have been accounted for in the Scope 1 category (direct emissions). Therefore, no additional "Downstream transportation and distribution" emissions are considered material. |
| Total Emissions | 388.1 (tCO ₂ e) |

Emissions reduction targets

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

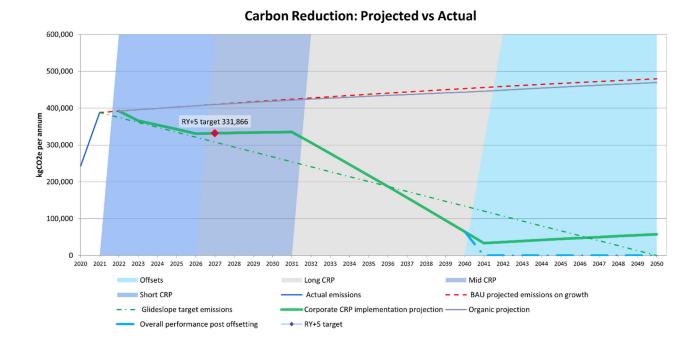
We project that our Business As Usual (BAU) carbon emissions will increase over the next five years to 410 tCO $_2$ e by FY2026-27. This is a 5.6% increase in our BAU emissions due to the growth of our business.

Our current strategy is to make emissions reductions via a 3-stage CRP and concluding with zero emissions by 2050/51 at the latest. It is our current intention to practicably minimise all emissions by 2040/41. From that point we aim to offset all residual emissions such that our carbon footprint defined by this PPN is zero from 2041/42 through to 2050/51.

Therefore our target for 5 years from the Reporting Year is 331.9 tCO₂e (a 19% decrease against BAU).



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



Carbon Reduction Projects

To date we have investigated the feasibility of installing solar PV on our main facility roof. This would substantially reduce our Scope 2 emissions and provide some additional renewable energy to feed back into the National Grid.

In the future we plan to implement further measures such as:

- Carry out energy efficiency measures within building to reduce consumption
- · Change fleet to electric vehicles
- Better driver training to improve fuel efficiency
- Green commute to work schemes (car share, public transport use)
- Policies on business travel (reduce car usage, use public transport)
- Waste stream improvement guidance, programmes inc food purchase
- · Install solar PV on roof of site
- Purchase renewable electricity

We also anticipate these changes in UK industry which will help us to reduce our carbon footprint:

- Improvements in public transport
- Improvements in municipal waste management systems

Furthermore, in future we aim to improve our carbon emissions monitoring and to undertake a full carbon footprint assessment.



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).

| M. Blullen Signed |
|------------------------------------|
| _{Name} .Kulvinder Bhullar |
| Position Managing Director |
| Date: 01st September 2023 |



¹ https://ghgprotocol.org/corporate-standard

² https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting

https://ghgprotocol.org/standards/scope-3-standard