ABC Limited

Net Zero Report

Reporting period: 31 March 2025

This report presents key findings from your journey towards Net Zero. The following pages encompass your emissions review and identify key carbon impact areas. Subsequently, the report outlines your short and long-term goals.

August 2025

flotilla

Contents

Section 1

Executive Summary

Executive Summary

Produced by:	Publication date:	Reporting period:
Ben Taylor, Consultant, Flotilla	**August 2025**	**1 April 2024 - 31 March 2025**

Commitment to achieving Net Zero:

2035

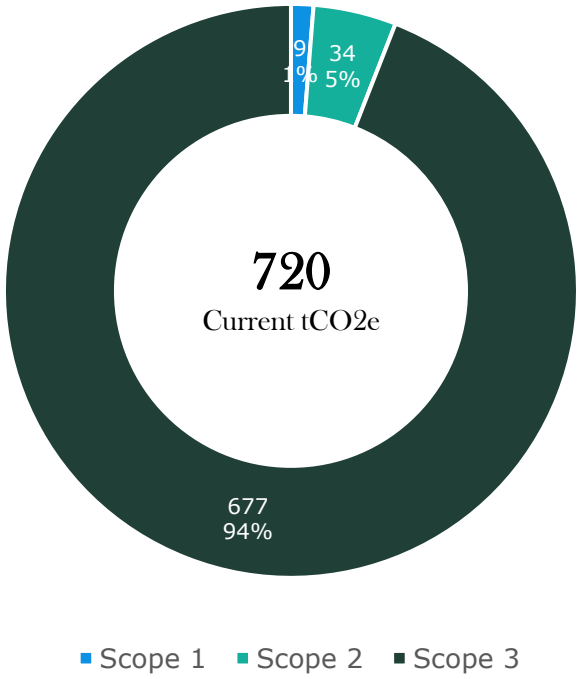
Executive Summary and Net Zero Commitments

- ABC Limited are on a journey towards Net Zero by 2035 and making good progress, achieving a reduction of 21% against a 2020 baseline of 915 tCO_2e, down to 720 tCO_2e in 2025. This progress demonstrates meaningful strides in decarbonisation, across Scopes 1, 2 and 3.
  - Scope 1 emissions decreased by 43.3 tCO_2e, thanks mainly to reductions in fleet vehicle emissions.
  - Scope 2 emissions decreased by 8.5 tCO_2e, thanks mainly to reductions in electricity consumption.
  - Scope 3 emissions, the dominant category, decreased by 44.1 tCO_2e, thanks mainly to reductions in purchased goods and services. Scope 3 still represents over 90% of the footprint but this shows steady downward momentum.
  - Emissions per £m turnover and per FTE decreased significantly year-on-year, showing ABC Limited's decoupling of business growth in turnover and headcount from increasing emissions.
- ABC Limited's key emissions sources in 2025 were purchased goods and services (31%), employee commuting and homeworking (26%) and business travel (25%). The focus must be to incentivise staff to use public transport, or electric vehicles for their commute and business travel where possible, and engage key service suppliers for higher quality data moving forward.
- This report breaks down ABC Limited's GHG emissions, and offers recommended actions to reduce these emissions going forward. The actions covered in this report offer tangible carbon savings, while also supporting operational resilience, cost optimisation, and progress towards ABC Limited's 2035 Net Zero commitment.

Current Emissions and Hotspots

94% of ABC Limited's emissions fall under Scope 3, with purchased goods and services (31%), employee commuting and homeworking (26%) and business travel (25%) accounting for the majority of Scope 3 emissions. The top 3 emissions hotspots for ABC Limited are commute by car (23%), grey fleet mileage (15%) and insurance spend (12%). To reduce emissions in these hotspots, ABC Limited needs to incentivise staff to use public transport or electric vehicles rather than high emitting vehicles, and engage service suppliers to improve data quality and understanding of your suppliers' sustainability ambition.

2025 Emissions



Emissions Hotspot	Recommended Strategy
Commute by car: 23%	Some suggested actions you could take to reduce this footprint: ▸ Explore the introduction of the electric vehicle salary sacrifice scheme ▸ Introduce car-pooling incentives ▸ Introduce public transport incentives
Grey fleet (hybrid and petrol cars): 15%	Some suggested actions you could take to reduce this footprint: ▸ Explore the introduction of the electric vehicle salary sacrifice scheme ▸ Introduce a travel hierarchy, encouraging staff to opt for public transport for business travel. ▸ Introduce a 'stay-or-go' travel policy, encouraging staff to reduce non-essential business travel where online meetings can be utilised instead.
Insurance: 12%	A suggested action you could take to reduce this footprint: ▸ Issue a supplier sustainability questionnaire to your insurance providers to improve the accuracy of your supply chain emissions and increase understanding of their sustainability credentials.

Executive Summary

Key insights:

Targets

- Net Zero Target of 2035
- Interim Target of 2030
- Intensity target of 3.3 per £m turnover
- Intensity target of 0.4 per FTE

GHG emissions

- Total emissions: 720 tCO2e for 2025
- Equivalent to 32.5 tCO2e per £m turnover for 2025
- Increase of 344% on an absolute basis from a 2020 baseline.
- Increase of 330% on an intensity basis from a 2020 baseline.

Buildings

- 7% of the total footprint.
- 3 actions completed.
- 4 actions planned in the next 12 months.

Travel & Logistics

- 35% of the total footprint.
- 2 actions completed.
- 7 actions planned in the next 12 months.

Supply Chain

- 32% of the total footprint.
- 12 actions completed.
- 2 actions planned in the next 12 months.

People

- 26% of the total footprint.
- 10 actions completed.
- 5 actions planned in the next 12 months.

Executive Summary

Year on year analysis

ABC Limited have made significant progress since 2024, with their footprint falling by 12% (96 tCO2e) in the year to 31 March 2025. This is primarily due to the following significant changes:

- Scope 1 (Direct emissions): Down 82.7% (43.3 tCO_2e), mainly from eliminating company-owned petrol, diesel, and hybrid cars (all reduced by 100%).
- Scope 2 (Indirect emissions): Down 20.1% (8.5 tCO_2e), driven by a 19% cut in electricity use, alongside phasing out electric fleet vehicles.
- Scope 3 (Supply chain emissions): Down 6.1% (44.1 tCO_2e), with largest reductions in insurance (-59.8%) and IT services (-96.9%), though emissions from commuting by car rose sharply (+81.6%).

While these shifts reflect positive momentum, sustained reductions will require focused action on high-impact areas - particularly employee commuting and business travel and the supply chain.

Conclusion

ABC Limited's reported emissions have declined, due to reduced energy & fuel consumption and reductions in supply chain emissions. Data quality has improved from 52 to 71 across the business, driven by improvements in travel & logistics and across several locations.

However, emissions from commuting rose sharply, and this area, coupled with grey fleet travel, and purchased services in general, are areas of emissions intensity. There also still remain some locations (London, Teesside, Newcastle and Cardiff) without energy data – these must be addressed.

By improving data quality and reducing emissions in the key hotspots identified in this report, ABC Limited will improve regulatory readiness, reduce operational costs, and unlock long-term business value through capturing opportunities in sustainability-conscious markets.

Data quality

The Flotilla data score considers precision and completeness of input data to give a score out of 100. ABC Limited's current data quality score is shown below and further details of this can be found on page 20:

Next Steps

- Conduct an internal review of your **Net Zero Report** to align on key insights and priorities.
- Use the **Flotilla platform** to explore our **Recommended Actions** and assess their relevance to your strategy.
- Access the **Analytics** section to gain deeper visibility into specific emission sources and activities.
- We will schedule a **Net Zero Workshop** with your team to discuss the report's findings, refine priorities, and align on key actions for the coming months.
- Start building your **Project Plan** by integrating recommended actions and selecting additional initiatives from the **Action Library** to drive meaningful change.

Section 2

Report Context and Methodology

Report Context

- The purpose of this report is to provide ABC Limited with the knowledge and tools to understand their greenhouse gas emissions and inform smarter choices towards decarbonisation.
- This report provides a detailed analysis of the historical carbon footprint of ABC Limited for the year ending March 2025.
- This report covers the total greenhouse gas emissions from scopes 1, 2 and 3 of ABC Limited's operational footprint.
- The footprint calculated is reliant on the data provided, Flotilla do not provide assurance or verification of the data collected.
- Throughout this report we have also grouped and analysed your data using Flotilla's categories: Governance, People, Travel & Logistics and Supply Chain. These categories allow you to view your data in a way that makes sense to your operations, and to identify the opportunities for change, engagement and influence.
- For a glossary of terms, details of the scope and boundary of this report, our methodology and accreditations, please refer to the appendices.

Greenhouse Gases (GHG)

Greenhouse gas emissions are the release of gases into the atmosphere that trap heat from the sun, causing the planet to warm. These gases act like a blanket, allowing sunlight to enter but preventing some of the Earth's heat from escaping back into space. There are 7 GHGs stated in the GHG protocol:

- Carbon dioxide (CO2)
- Methane (CH4)
- Nitrous oxide (N2O)
- Hydrofluorocarbons (HFCs)
- Perfluorocarbons (PFCs)
- Sulphur hexafluoride (SF6)
- Nitrogen trifluoride (NF3)

tCO2e

Different activities produce different gases. For carbon accounting purposes, greenhouse gases are converted into CO2 equivalents for easier reporting and comparison. We refer to a business carbon footprint as 'tCO2e', which is short for 'tonnes of carbon dioxide equivalent'.

Baseline Year

A reference point against which emissions reductions are measured. This is used by Flotilla in creating a Net Zero plan and determining reduction targets.

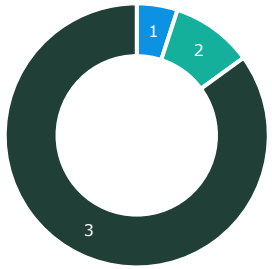
Scopes 1, 2 & 3

Carbon footprint measures are categorised into three scopes: 1, 2 and 3.

Scope 1
Direct emissions from sources that the company owns or controls.

Scope 2
Indirect emissions from electricity, steam, heat or cooling.

Scope 3
All other indirect emissions from activities of the organisation



Scope 3 can account for up to 90% of a business' carbon footprint. We measure all three scopes, so you can understand the full impact of your business activities. Further detail about the scopes and the methodology is detailed on the next page.

Net Zero

Net Zero is a target set by businesses and countries with the aim of limiting global temperature rises to 1.5c. Put simply, Net Zero means reducing GHG emissions to as close to zero as possible with any remaining emissions re-absorbed from the atmosphere. To achieve Net Zero, following science-based targets, a business must:

- Measure emissions across their value chain
- Focus on deep, rapid emission cuts, ideally halving emissions by 2030, and reducing by at least 90% by 2050
- Remove remaining hard-to-abate emissions from the atmosphere via carbon removal solutions

Impact Areas

Whilst the GHG protocol measures footprints based on scope, analysing the footprint by impact area is beneficial because they provide a more meaningful way to understand your data, set reduction targets and take meaningful action. The impact areas are:

- Travel & Logistics
- People
- Buildings
- Supply chain
- Governance*

Employee Commuting and Homeworking

Where surveys have been conducted to collect employee commute and homeworking data, this data is utilised and extrapolated to provide an accurate representation of your footprint. Where not, government average commute data is utilized to provide an estimate of those emissions based on the number of workers and your sector/industry.

Intensity Metrics

Intensity metrics allow your business to track how efficiently you are reducing emissions per unit of output. Intensity metrics are most impactful when monitoring scope 3 emissions.

They provide an alternative view to total emissions, allowing you to see progress as your business grows.

*Governance does not include any emissions or carbon footprint calculations

GHG Emissions Methodology

Baseline emissions are the emissions produced in the earliest possible reporting year when a holistic, representative GHG emissions measurement was completed. Baseline emissions are the reference point against which emissions reduction can be measured.

ABC Limited's emissions have been calculated against a baseline year of 2020.

ABC Limited's GHG emissions inventory is aligned to the GHG Protocol and covers:

Scope 1: Direct emissions

Direct emissions from sources owned or controlled by an organisation, such as natural gas used in boilers, fuel combustion in company vehicles, manufacturing processes, and onsite energy production.

Scope 2: Indirect emissions

Indirect emissions from the consumption of purchased electricity, steam, heating, and cooling. These emissions occur at the source of energy production but are attributed to the organisation that uses the energy.

Scope 3: Supply chain emissions and categories

Scope 3 emissions encompass all indirect greenhouse gas (GHG) emissions that occur in an organisation's value chain, both upstream and downstream, that are not included in Scope 1 or Scope 2.

Scope 3 GHG Category	Description
Category 1: Purchased Goods and Services	Emissions from the production of goods and services a company buys.
Category 2: Capital Goods	Emissions from producing long-term assets such as buildings or equipment.
Category 3: Fuel and Energy-Related (not in Scopes 1 or 2)	Emissions from extraction, production, and transportation of fuels and energy purchased, no captured in Scope 1 or 2.
Category 4: Upstream Transportation and Distribution	Emissions from transporting and distributing products purchased by the reporting company.
Category 5: Waste Generated in Operations	Emissions from waste disposal and treatment.
Category 6: Business Travel	Emissions from travel by employees outside of company-owned vehicles (e.g., flights, rental cars).
Category 7: Employee Commuting	Emissions from employees commuting to and from work.
Category 8: Upstream Leased Assets	Emissions from leased assets not included in Scope 1 or 2, occurring upstream in the value chain.
Category 9: Downstream Transportations & Distributions	Emissions from transporting and distributing sold products to customers.
Category 10: Processing of Sold Products	Emissions from processing intermediate products sold by the company.
Category 11: Use of Sold Products	Emissions from the use of goods and services sold.
Category 12: End of Life of Sold Products	Emissions from waste disposal and treatment of sold products at their end-of-life.
Category 13: Downstream Leased Assets	Emissions from assets leased to other entities.
Category 14: Franchises	Emissions from operations of franchises.
Category 15: Investments	Emissions from investments made by the company, such as loans and equity.

Section 3

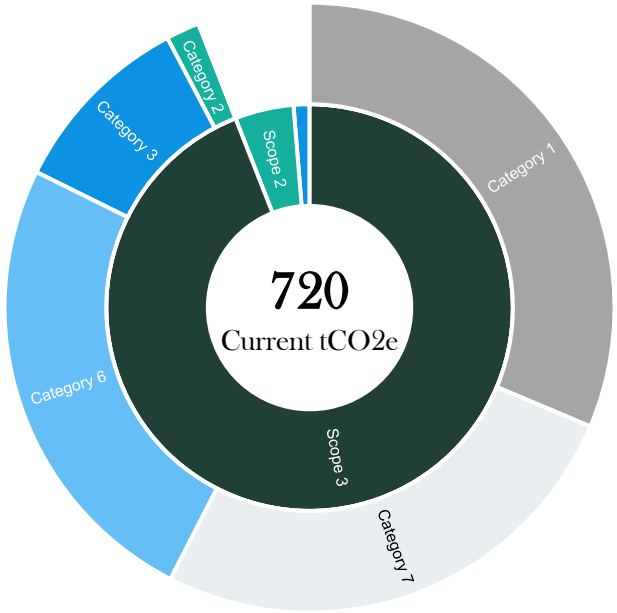
GHG Emissions Summary

1 April 2024 - 31 March 2025

GHG Emissions Summary

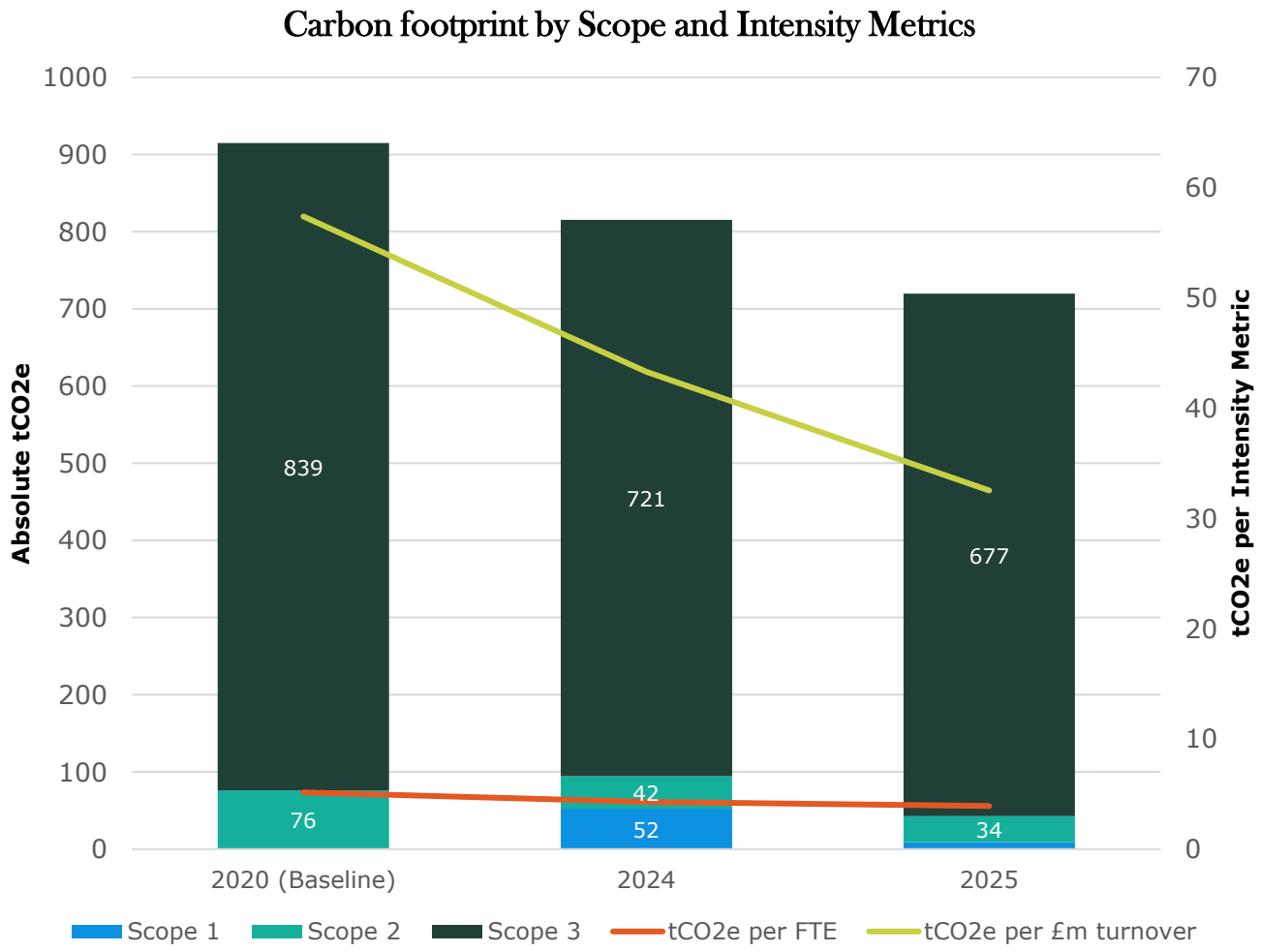
The footprint calculated is reliant on the data provided. Flotilla do not provide assurance or verification of the data collected. Downstream Scope 3 categories are outside the scope of this engagement and are indicated as 'not relevant.'

Scope 1	Scope 2	Scope 3
9 tCO2e	34 tCO2e	677 tCO2e
1.3% of Total	4.7% of Total	94.1% of Total



Scope	GHG Category	2020 Tonnes CO2e (Baseline)	2025 Tonnes CO2e (Current)	2025 % of emissions	Change
1	Fuel in company vehicles	0	0	0.00%	0%
	Direct fuel	0	9.1	1.26%	0%
2	Electricity – location based	0	33.7	4.68%	0%
	Indirect fuel usage in leased offices	0	0	0.00%	0%
	Indirect fuel usage in leased assets	0	0	0.00%	0%
3	Category 1: Purchased goods and Services	162.0	225.8	31.38%	39.4%
	Category 2: Capital goods	0	12.9	1.79%	0%
	Category 3: Fuel and Energy-Related (not in Scopes 1 or 2)	0	71.5	9.94%	0%
	Category 4: Upstream Transportation and Distribution	0	0	0.00%	0%
	Category 5: Waste Generated in Operations	0	0.0	0.00%	0%
	Category 6: Business Travel	0	178.4	24.79%	0%
	Category 7: Employee Commuting	0.0	188.3	26.17%	0%
	Category 8: Upstream Leased Assets	0	0	0.00%	0%
	Category 9: Downstream Transportations & Distributions	0	0	0.00%	0%
	Category 10: Processing of Sold Products	Not relevant	Not relevant	Not relevant	0%
	Category 11: Use of Sold Products	Not relevant	Not relevant	Not relevant	0%
	Category 12: End of Life of Sold Products	Not relevant	Not relevant	Not relevant	0%
	Category 13: Downstream Leased Assets	0	0	0.00%	0%
	Category 14: Franchises	Not relevant	Not relevant	Not relevant	0%
	Category 15: Investments	Not relevant	Not relevant	Not relevant	0%
	Total Emissions	**162.0**	**719.6**	**100.00%**	**344.2%**

GHG Emissions – Tracking Changes and Accounting for Growth



Intensity metrics allow your business to track how efficiently you are reducing emissions per unit of output. Intensity metrics are most impactful when monitoring Scope 3 emissions.
They provide an alternative view to total emissions, allowing you to see progress as your business grows.

Scope 1: Direct emissions

Scope 1 has decreased by 82.7% (43.3 tCO2e) driven by:

- Company owned hybrid cars - down 100% (20.8 tCO2e)
- Company owned petrol cars - down 100% (18.6 tCO2e)
- Company owned diesel cars - down 100% (7.5 tCO2e)

Scope 2: Indirect emissions

Scope 2 has decreased by 20.1% (8.5 tCO2e) driven by:

- Down 20.1% (8.5 tCO_2e), driven by a 19% cut in electricity use, alongside phasing out company-owned electric cars.
- Company owned electric cars - down 100% (1.4 tCO2e)

Scope 3: Supply chain emissions

Scope 3 has decreased by 6.1% (44.1 tCO2e) driven by:

- Insurance - down 59.8% (131.2 tCO2e)
- Commute by car - up 81.6% (72.9 tCO2e)
- Computer services incl software licences - down 96.9% (72.2 tCO2e)

Intensity metrics

tCO2e per £m turnover and per FTE has decreased significantly year-on-year, showing ABC Limited have decoupled business growth in turnover and headcount from increasing emissions.

Impact Areas

Impact areas provide a crucial framework for developing effective climate action plans. Identifying key levers and areas of influence allows for targeted action and meaningful strategies.
Here's a summary of the impact areas and their associated major emission:

Travel & Logistics

The most significant emissions in this area are Privately owned hybrid cars (61.8 tCO2e), Privately owned petrol cars (46.6 tCO2e) and Standard class train (41.3 tCO2e). Reducing non-essential travel is key to reducing emissions across all three of these activities and leads to significant cost savings, e.g. opting for online meetings instead of in person where possible.

People

The most significant emissions in this area are Commute by car (162.2 tCO2e), Homeworking (25.3 tCO2e) and Commute by public transport (0.8 tCO2e). The key to reducing emissions here is staff engagement & incentivisation to encourage the adoption of lower carbon commute options and renewable energy tariffs at home. Companies with clear sustainability objectives enhance staff satisfaction, retaining and attracting top talent.

Buildings

The most significant emissions in this area are Direct renewable electricity purchased (24.0 tCO2e), Direct non-renewable electricity purchased (9.7 tCO2e) and Direct gas consumption (9.1 tCO2e). Focusing on landlord engagement to improve efficiency and eliminate wasteful practices in leased spaces leads to a significant reduction in costs & carbon. In owned spaces, also focus on efficiency improvements and installing renewable energy and low carbon building systems where possible to reduce emissions and stabilise energy costs in the long term.

Supply chain

The most significant emissions in this area are Insurance (88.1 tCO2e), Professional memberships and subscriptions (40.7 tCO2e) and Other professional fees (30.9 tCO2e). The priority going forward should be to implement structured programs of supplier engagement to drive both carbon and cost savings and boost supply chain resilience. This can lead to an acceleration of decarbonisation by providing education, access to decarbonisation tools and committing to shared goals.

GHG Emissions – By Location

Overall trends

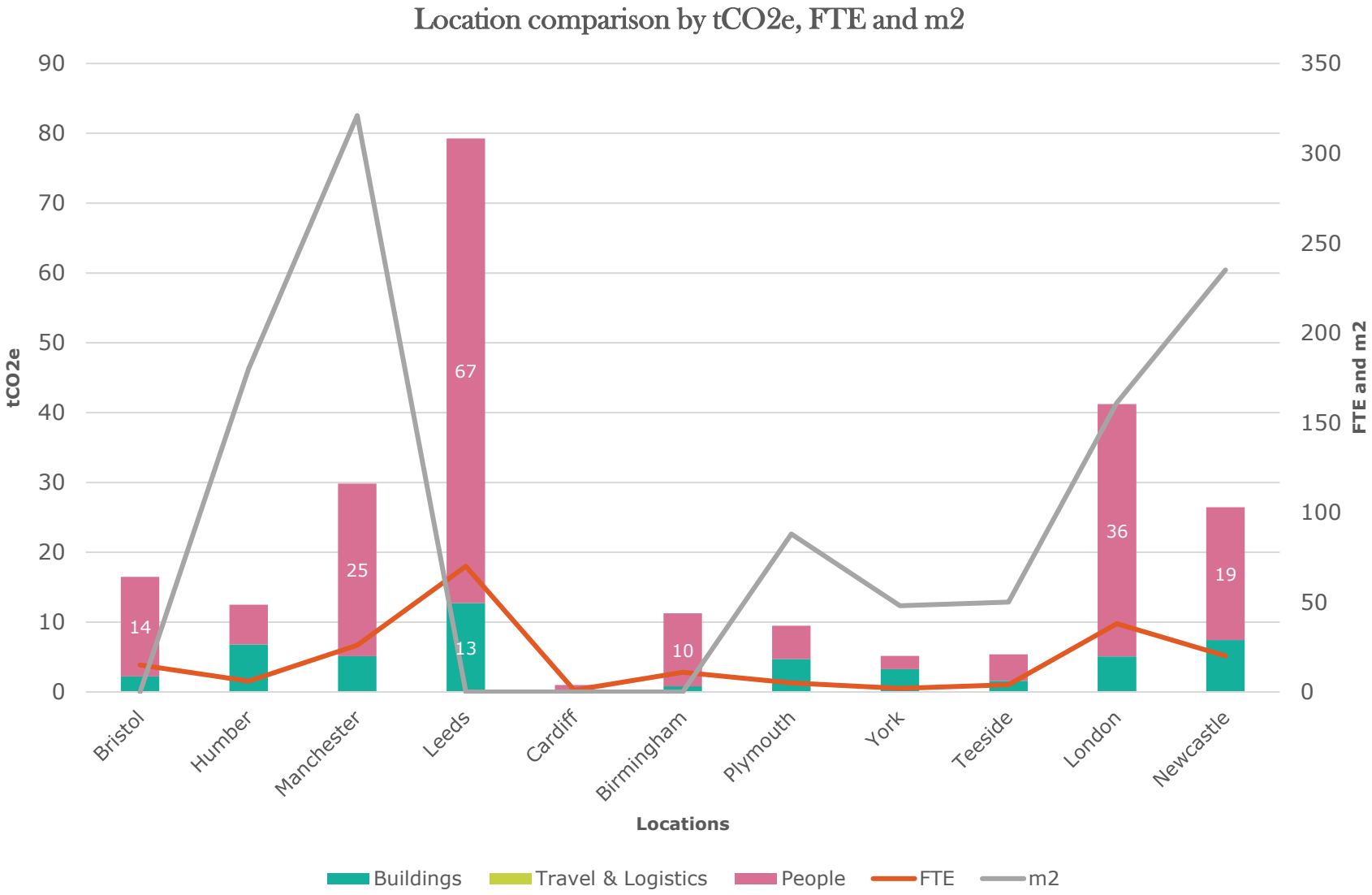
- People-related emissions dominate across most sites, particularly in Leeds, London, and Manchester. Buildings emissions contribute modestly at all sites, with Leeds again the highest.
- Travel & Logistics emissions are zero across all locations in this dataset.
- Leeds, London, and Manchester are the clear emission hotspots, with much higher totals than other locations.

Largest emitters

- *Leeds* is the clear outlier: total of 79.3 tCO_2e (67 from People, 12.7 from Buildings). With 70 FTE, this equals 1.13 tCO_2e per FTE, well above other sites.
- *London* totals 41.2 tCO_2e (36 from People, 5.1 from Buildings). With 38 FTE, this equals 1.08 tCO_2e per FTE, again high but supported by larger m^2.
- *Manchester* totals 29.8 tCO_2e, with 26 FTE = 1.15 tCO_2e per FTE, showing similar intensity to Leeds and London despite being smaller.

Emissions are concentrated in Leeds, London, and Manchester, which also show the highest intensity per FTE. Smaller sites contribute little in absolute or intensity terms. Targeted action at these three sites would have the greatest impact on reducing overall organisational emissions.

Leeds, Cardiff and Birmingham are all missing floor area data, providing this in future years enables further intensity analysis.



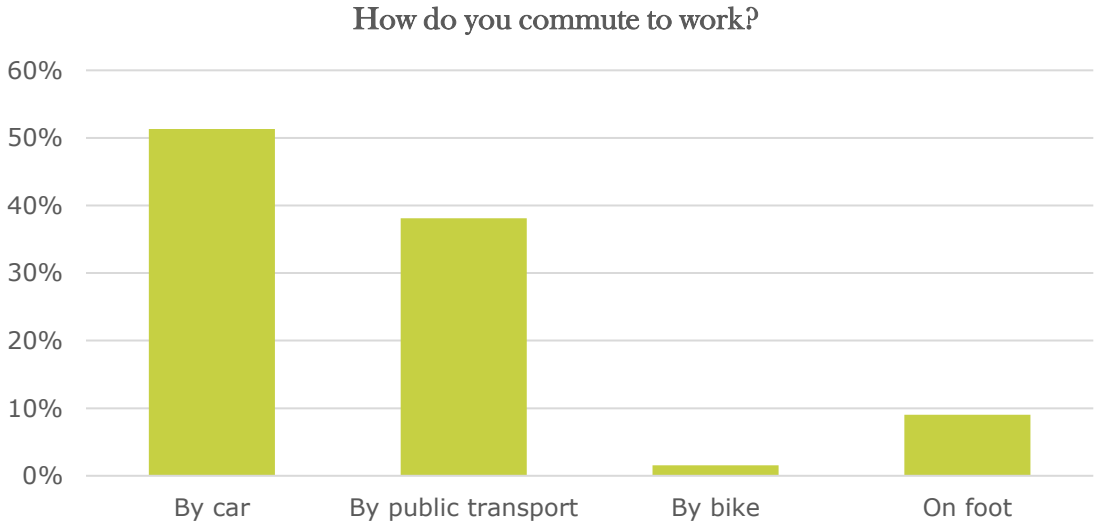
Survey Results – Employee Commute and Homeworking Summary

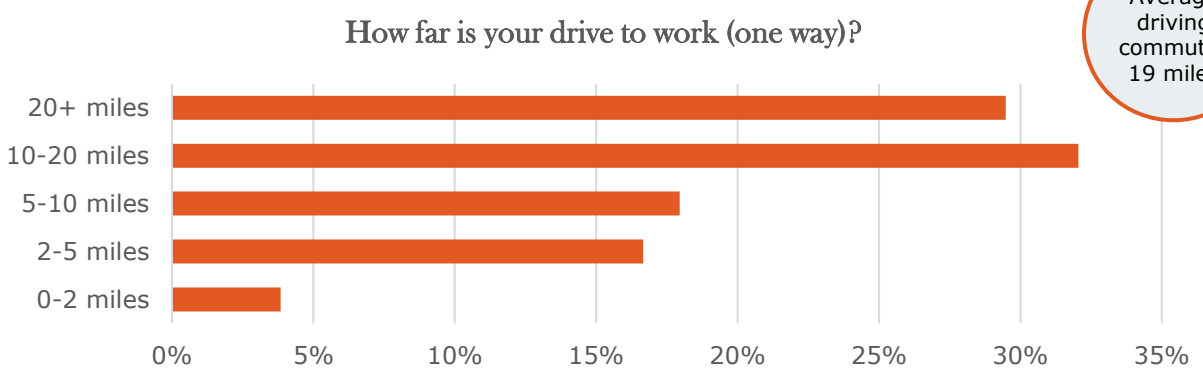
Employees were asked how they travel to work in April 2024.

Employee commuting accounted for around 23% of total emissions in the latest reporting year.

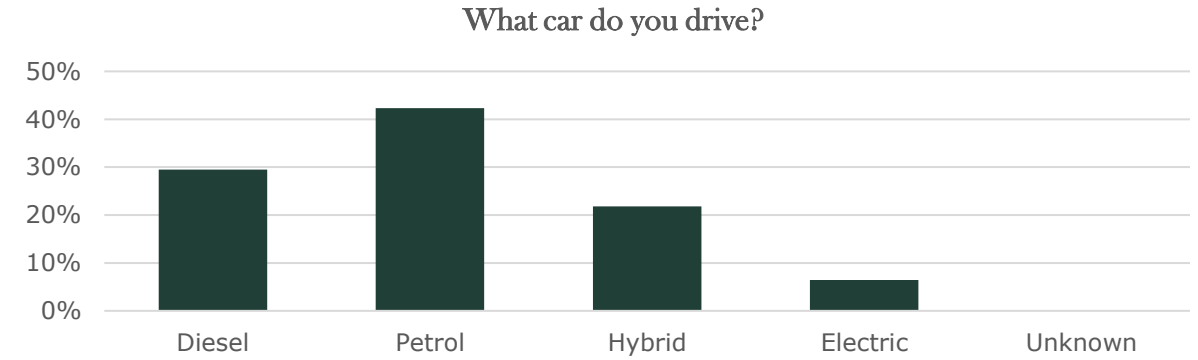
How often do staff work from home?

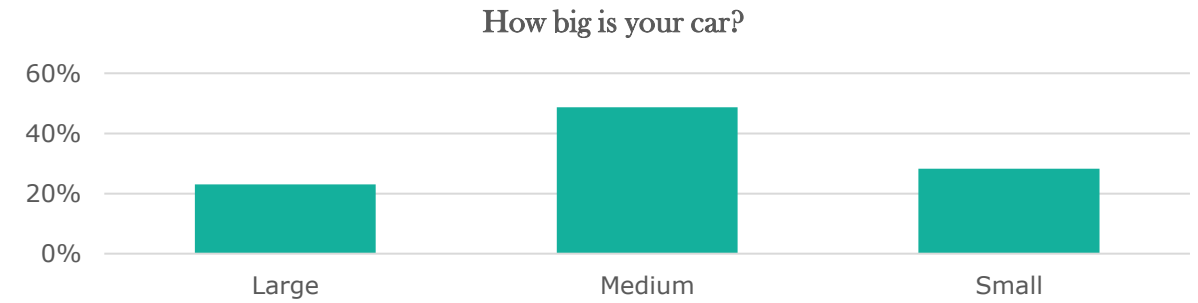
29% of working days are WFH, according to the employee survey.
71% are spent in the office.





Average driving commute: 19 miles

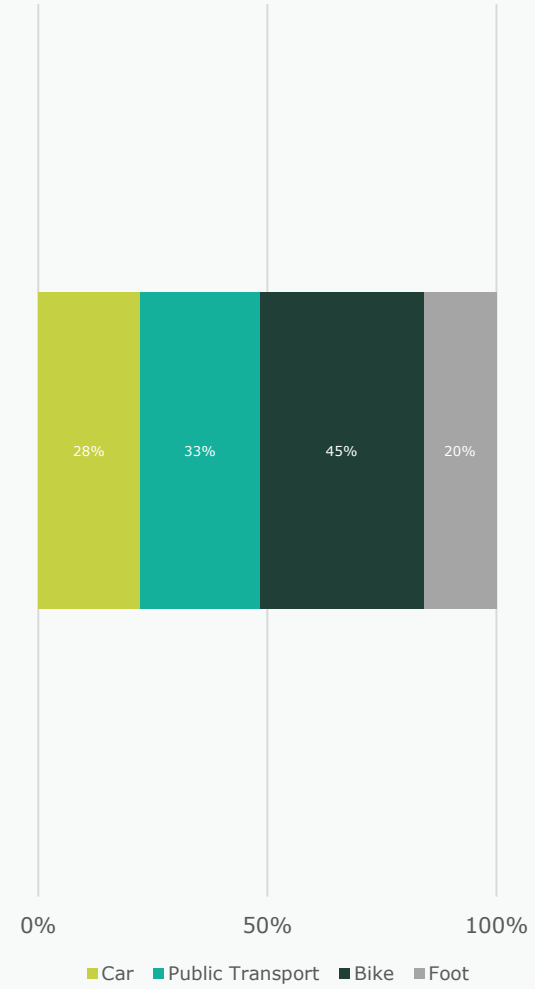




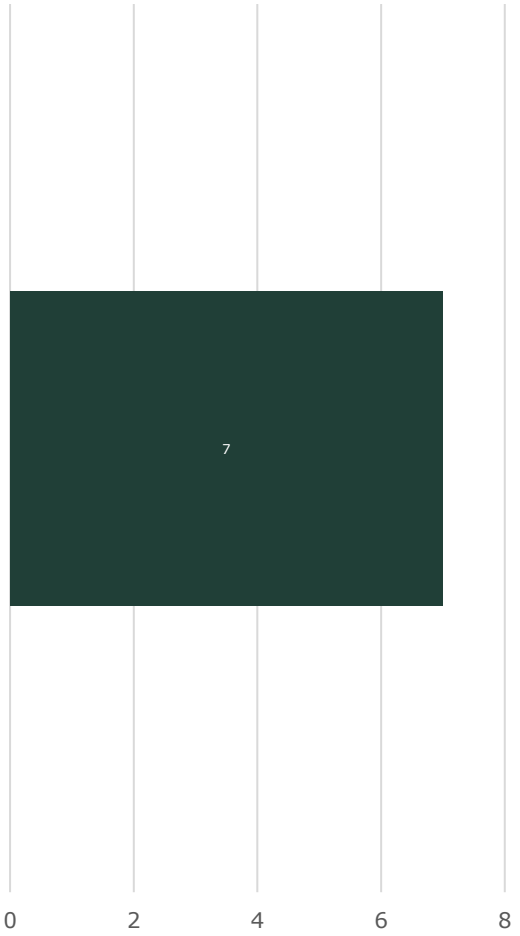
Survey Results – Employee Commute and Homeworking by Location

How often do you work from home?

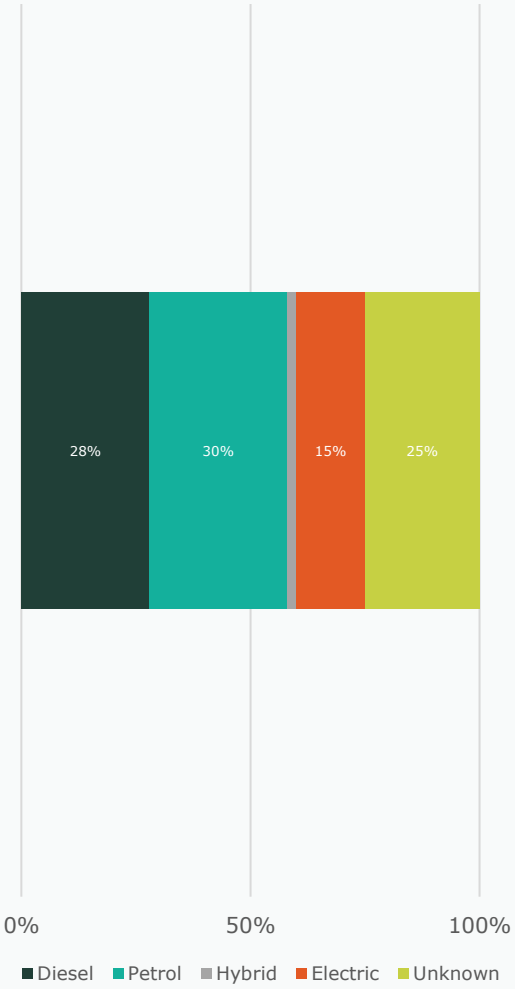
How do you travel to work?



Average one-way commute (miles)

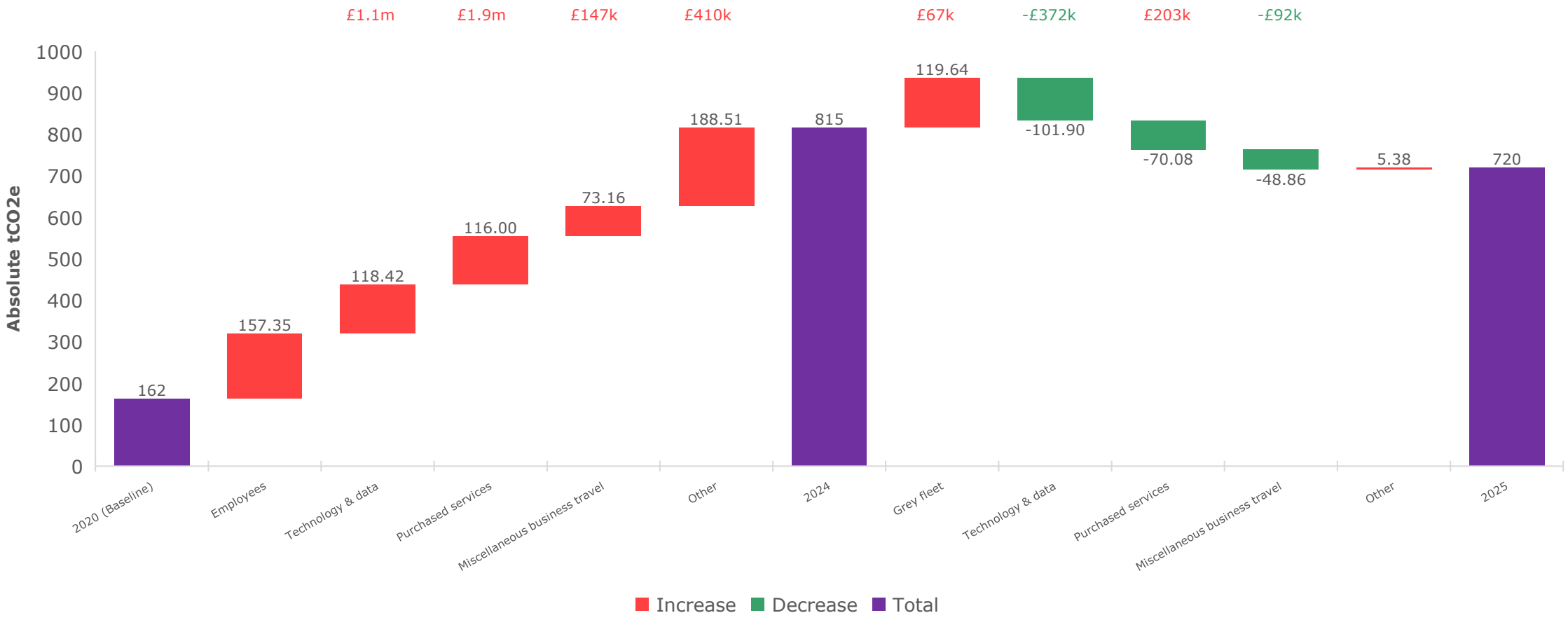


What type of car do you drive?



Carbon Footprint Trends Explained

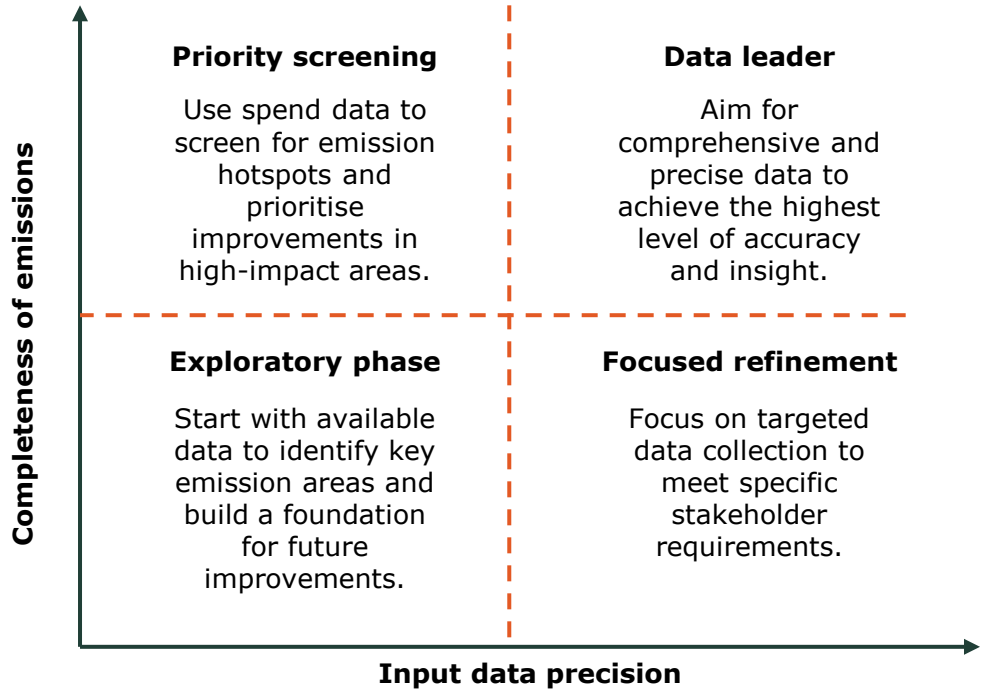
Understanding the movements in your emissions over time helps to draw out the key areas of impact, their magnitude on your footprint, and how financial decisions can have a significant impact on your footprint.



Data Quality

The quality and accuracy of GHG emissions calculations are highly dependent on the completeness and appropriateness of the data provided.

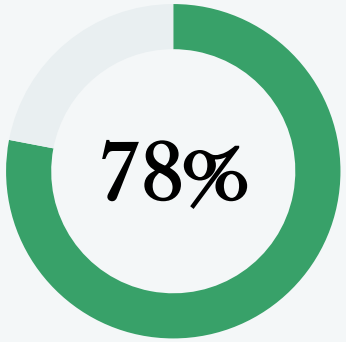
All relevant business activities, scope 3 categories, and emission sources should be captured. The input data should reflect the actual activity as precisely as possible. High-quality data reduces the amount of estimation within the emissions calculation, improving the accuracy of the output.



The Flotilla data score considers precision and completeness of input data to give a score out of 100. As part of the data collection process, an employee survey is issued to gather good quality employee commuting data. The response rate of the survey naturally impacts the quality of the employee commuting data. ABC Limited's current data quality score and employee survey response rates are:

Data Quality

Survey Response Rate



Recommended data improvement actions:

- Leeds, Cardiff and Birmingham are all missing floor area data, providing this in future years enables further intensity analysis.
- Reduce the use of floor area and benchmark data for energy measurement (currently used at London, Teesside, Newcastle and Cardiff):
  - Obtain electricity usage by unit kWh and £ for all sites
  - Obtain gas usage by unit kWh and £ for all sites
- Improve units measured for Utilities e.g. tonnes for waste and m3 for water
- Provide mileage data for flights, trains and taxis, and split flights by ticket class

Section 4

Net Zero Transition Plan

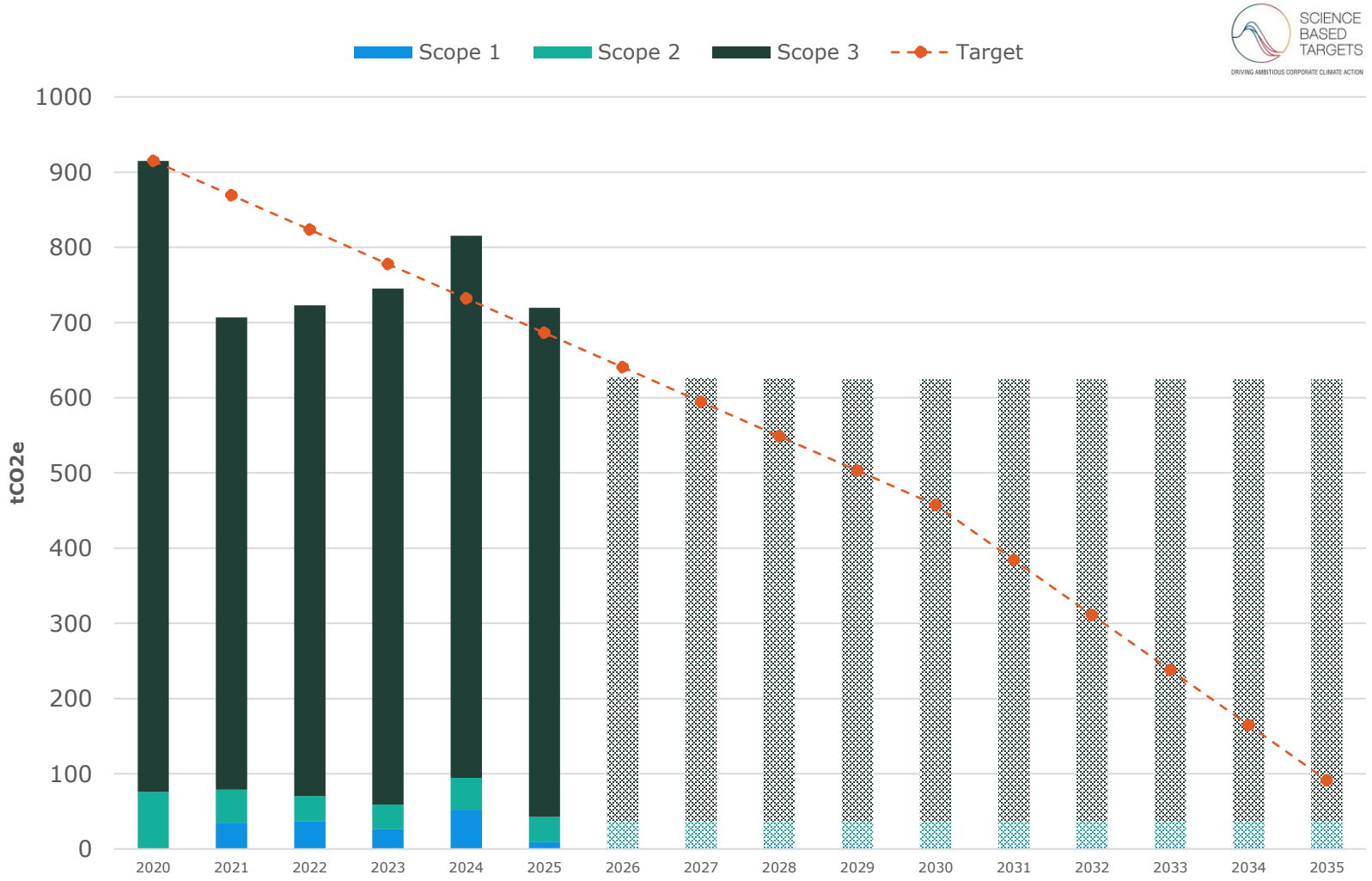
Emissions Reduction Target and Forecast

ABC Limited have committed to reduce emissions in line with science-based targets. It is projected that carbon emissions will decrease over the next five years to 457 tCO2e by 2030. This is a reduction of 36.4%. Progress against targets as well as forecasted reductions can be seen in the graph below.

Key Targets

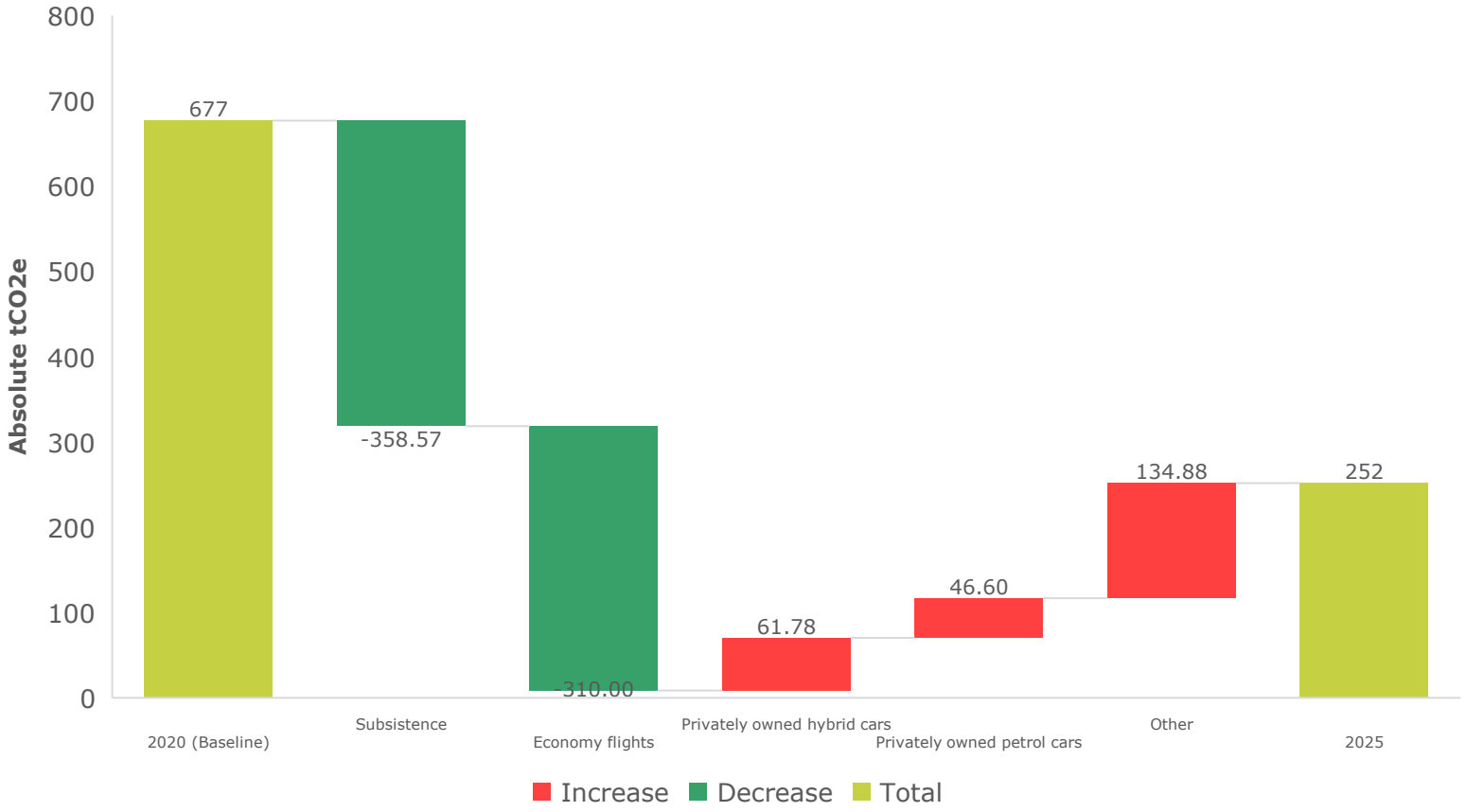
Target Year	**2035**
tCO2e Per FTE	**0.4**
tCO2e Per £m Turnover	**3.3**
Target annual emissions reduction	**20.6%**

Reduction Targets	**2030**	**2035**
Scope 1	**50%**	**90%**
Scope 2	**50%**	**90%**
Scope 3	**50%**	**90%**



Impact Areas – Travel & Logistics

Business travel will be optimised by promoting remote meetings and encouraging alternative transport options. Inbound and outbound logistics will be streamlined to enhance operational efficiency and minimise environmental impact. The overall goal is to contribute to a cleaner, greener future. You can see below what has changed in your travel emissions from this year to last as well as to the right, what reduction initiatives have been completed and planned.



Completed actions in 2024 & 2025

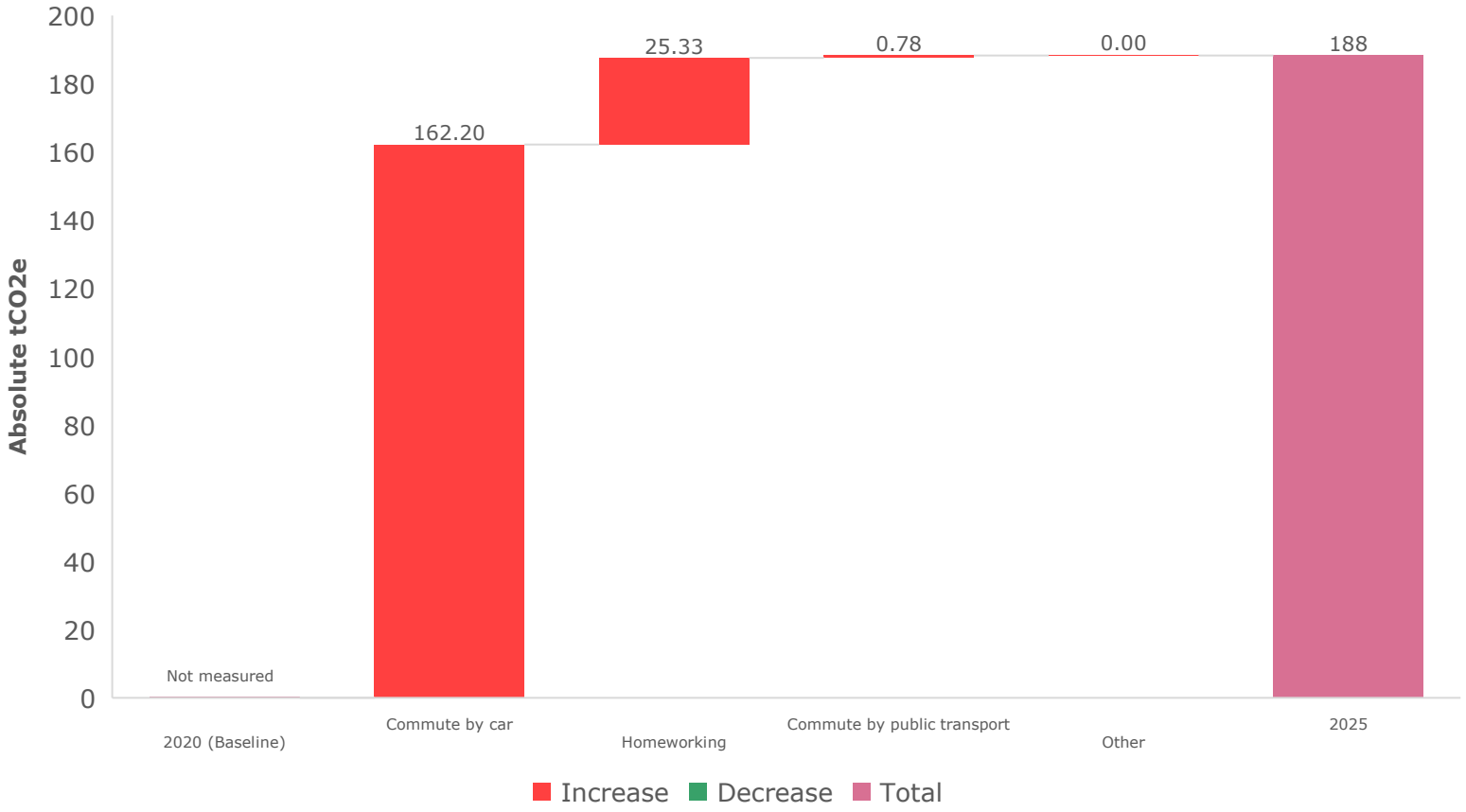
Initiative
No travel and logistics actions were completed in 2024/25.

Planned actions in 2025

Initiative	Due Date
Consider a pool EV car, pool ebikes and scooters for business use	01/06/2025
Change flight class to make economy as standard	11/12/2025
Implement a 'Stay or Go' travel policy to limit emissions from train travel	01/11/2025

Impact Areas - People

The focus is on fostering a culture where individuals feel empowered to contribute to sustainability efforts. From core values to policies, there is a commitment to cultivating a workplace that supports building a more sustainable business and world, recognising people as the greatest asset. You can see below what has changed in your people emissions from this year to last as well as to the right, what reduction initiatives have been completed and planned.



Completed actions in 2024 & 2025

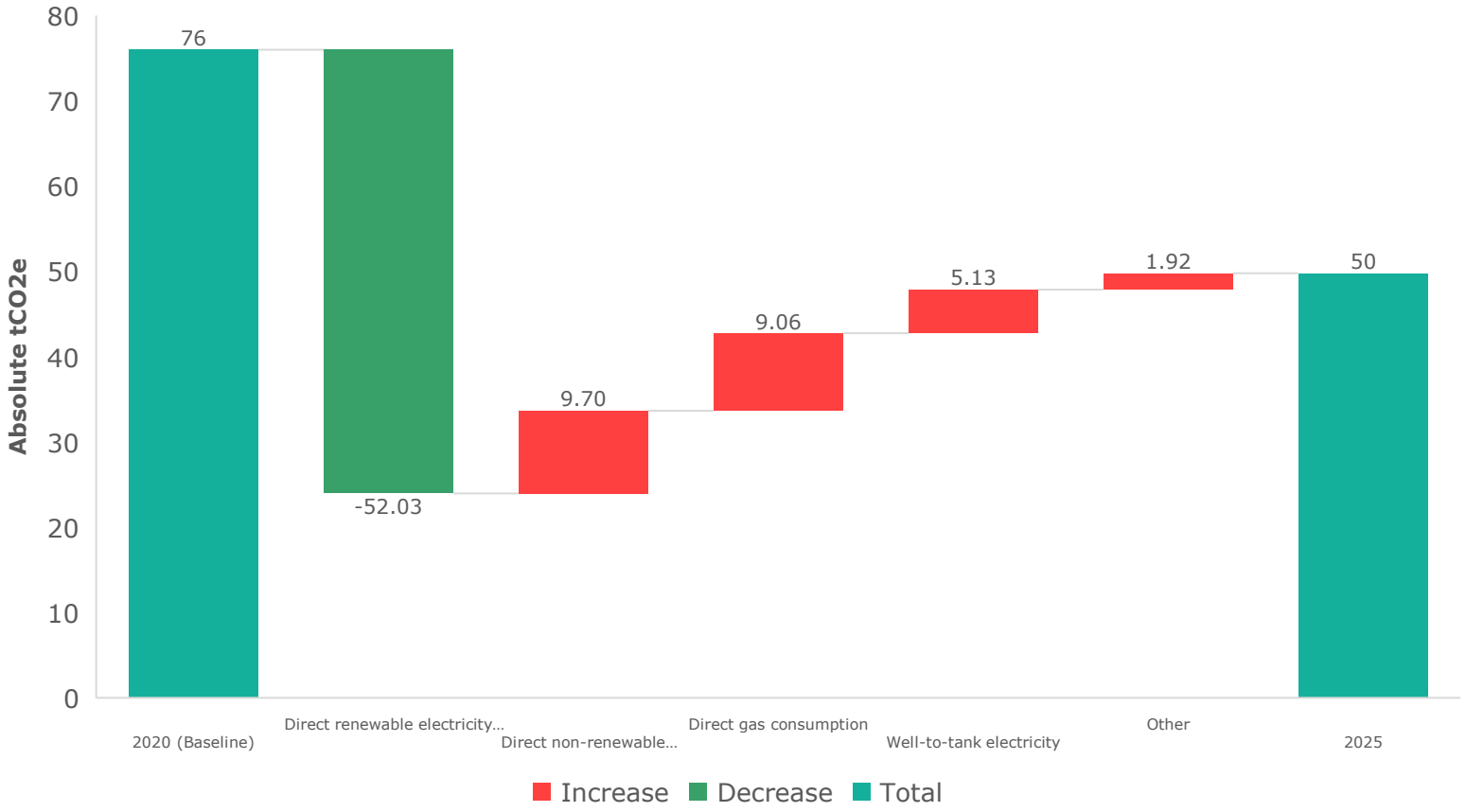
Initiative	Date Completed
Communicate your net zero transition plan to external stakeholders	17/07/2024
Provide comprehensive training for your sustainability lead	25/04/2024
Create net zero engagement plans for employees	02/09/2024
Identify and engage climate champions within your organisation	17/07/2024

Planned actions in 2025

Initiative	Due Date
Investigate and implement an EV Salary Sacrifice Scheme	03/03/2025
Create commuting travel plans for your employees	28/02/2025

Impact Areas – Buildings

Workspaces will be designed to enhance well-being and productivity while contributing to a cleaner, greener future. Opportunities to generate and source renewable electricity will be explored, with a commitment to collaborating with stakeholders to power operations using renewable energy. You can see below what has changed in your building emissions from this year to last as well as to the right, what reduction initiatives have been completed and planned.



Completed actions in 2024 & 2025

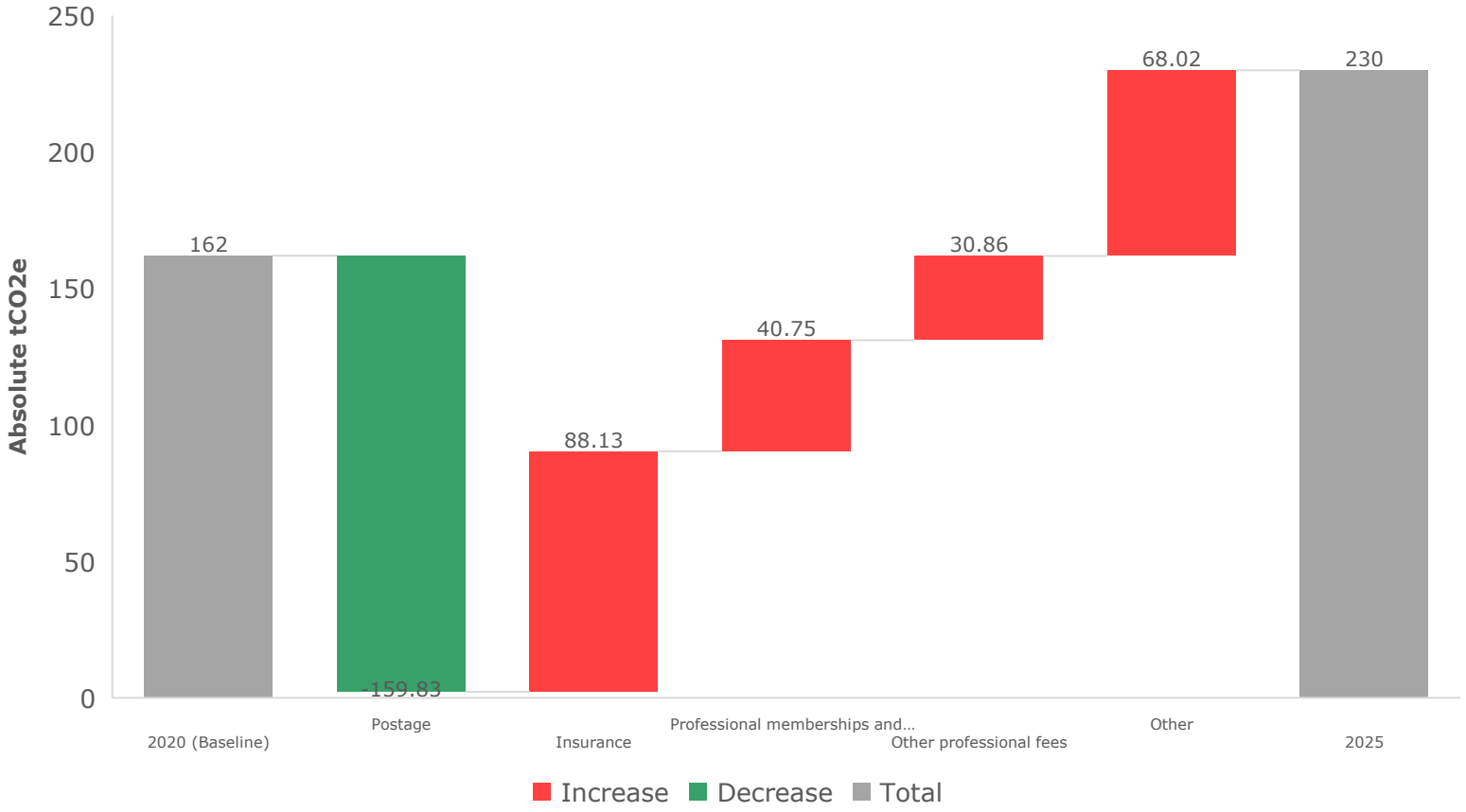
Initiative	Date Completed
Obtain gas usage by unit (kWh) for all sites	23/04/2025
Convert all office lighting to LED - engage landlord	27/06/2024
Reduce office-based hours to reduce energy use	21/01/2025

Planned actions in 2025

Initiative	Due Date
Obtain electricity usage by unit (kWh) for large sites (Leeds, London, Manchester, Newcastle)	04/04/2025
Implement an energy audit to identify key priorities	28/03/2025

Impact Areas – Supply Chain

Engagement with the supply chain is crucial to the net-zero plan. Sustainable procurement practices will be developed by prioritising options with a low environmental and climate impact. In alignment with circular economy principles, the aim will be to minimise waste generation and optimise the use of raw materials, energy, and other resources. You can see below what has changed in your supply chain emissions from this year to last as well as to the right, what reduction initiatives have been completed and planned.



Completed actions in 2024 & 2025

Initiative	Date Completed
Engage and collaborate with your Insurance suppliers	02/09/2024
Digital Sobriety: Length the expiry date of hardware to 5 years	06/02/2025
Digital Sobriety: Length the expiry date of end user devices such as mobiles to 5 years	06/02/2025
Deliver impactful and sustainable digital advertising	21/01/2025
Plus many more...	

Planned actions in 2025

Initiative	Due Date
Educate employees on ways to reduce online emissions	11/10/2025

Impact Areas – Governance

The governance framework will embed sustainability into core values, business strategies, and daily operations. Risks and opportunities in the shift to a low-carbon economy will be assessed, ensuring active stakeholder participation in achieving net-zero goals. Sustainability will be a central element of decision-making and long-term planning. Unlike the other impact areas, governance actions have no direct emissions savings, and no footprint is measured relating to governance, but through their implementation they can help drive sustainability and reduction indirectly across the other impact areas.
Below are details of the governance initiatives completed and planned this year and last.

Completed actions in 2024 & 2025

Initiative	Date Completed
Innovate to offer low carbon product and services	02/09/2024
Publicly commit to interim and long term net zero targets	17/07/2024
Incorporate sustainability into mission statements and company values	02/09/2024
Become a BCorp Certified organisation	10/06/2024

Planned actions in 2025

Initiative	Due Date
Embed Sustainability into core strategy	01/04/2025
Create a supply chain engagement strategy	01/08/2025
Apply to get net zero targets approved by the SBTi	30/11/2025
Utilise the Flotilla policy checker to ensure you're compliant with all necessary legislation	28/02/2025

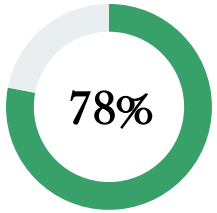
Employee Suggested Actions and Attitudes

Sustainability actions voted for by your employees which are included in your project plan:

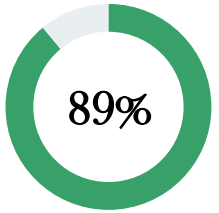
1. Investigate flexible working — People — 54 Votes
2. Improve waste & recycling practices — Buildings — 47 Votes
3. Reduce unnecessary business travel — Governance — 46 Votes
4. Focus on energy-efficient behaviours in the office — Buildings — 41 Votes
5. Promote and incentivise public transport initiatives — People — 39 Votes

Ideas shared by your employees:

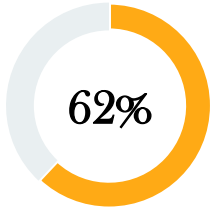
- Expand low-carbon transport options: Improve company car schemes, increase allowances for EVs, and offer incentives to encourage green car choices, making them accessible across all staff levels.
- Improve office energy efficiency: Implement better energy management (lighting, heating, temperature control), ensure lights are turned off at night, and use motion-sensitive systems.
- Support active commuting: Provide facilities such as showers to encourage cycling and lower-carbon travel options.
- Go paperless: Transition to digital working practices to reduce waste and resource use.
- Invest in nature-positive offsetting: Fund carbon offset projects that also deliver biodiversity and environmental co-benefits.



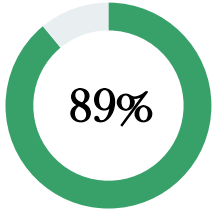
Of your employees want to work for an organisation that focuses on reducing emissions.



Of your employees are willing to support you to reduce your emissions.



Of your employees are interested in undertaking training related to climate action in the context of their work.



Of your employees acknowledge personal responsibility to reduce their impact at work and home.

Section 5

Appendix

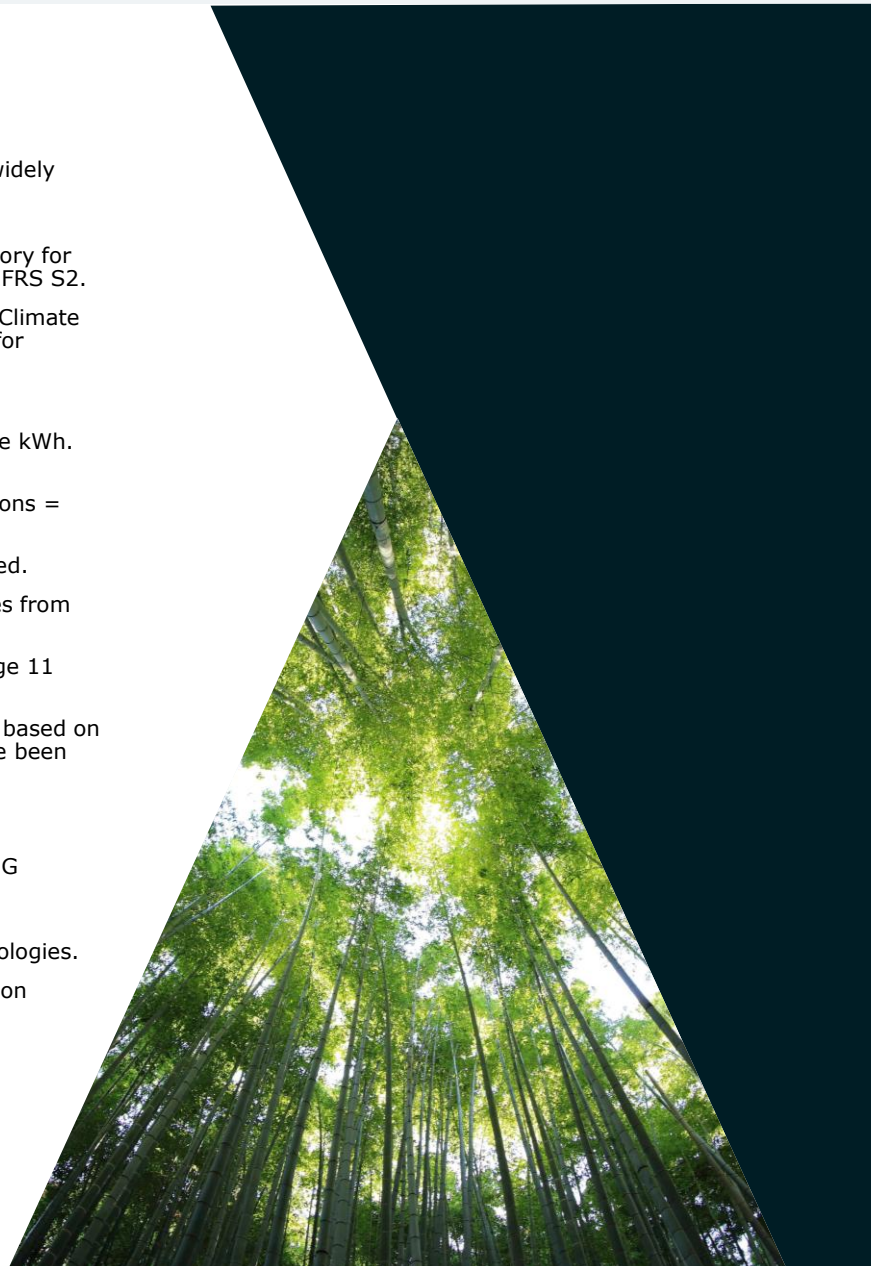
Appendix 1 – Methodology and Scope

Methodology

- Flotilla's carbon accounting platform is developed in accordance with the Greenhouse Gas (GHG) Protocol which provides the world's most widely used accounting standards. The report issued covers scope 1, 2 and 3 in line with this protocol. The GHG Protocol principles of relevance, completeness, consistency, transparency and accuracy have been followed throughout.
- Flotilla's reporting is designed to align to the Government's SECR (Streamlined Energy and Carbon Reporting) guidelines which are compulsory for large organisations. This in turn is aligned with the ISSB (International Standards Sustainability Board) upcoming regulations IFRS S1 and IFRS S2.
- Flotilla's methodology has been reviewed and endorsed by Prof Piers Forster, Climate Scientist at Leeds University and Interim Chair of the Climate Change Committee (CCC). Piers has served on the CCC since December 2018. He is founding Director of the Priestley International Centre for Climate and has acted as lead author for several Intergovernmental Panel on Climate Change (IPCC) reports.
- The data collection process gives the option of providing activity data or spend data.
- Activity data allows a more accurate footprint as it measures the activities themselves. For example, activity data for electricity use would be kWh. Spend data can be retrieved directly from the company's financial accounting systems and indicates the total spend in specific categories.
- Both activity data and spend data are converted to emissions of carbon dioxide equivalent using relevant emission factors such that: Emissions = Business Data x Emission factor.
- The primary source of activity emission factors is the annual UK government factors, additional data collected from ONS and DEFRA is utilised.
- Flotilla have captured the full impact of the business operations using the data submitted in the platform, and the activities of the employees from the employee questionnaire, which are often missed despite forming a significant proportion of a business' carbon footprint.
- The footprint calculated by Flotilla may omit specific operations when the associated footprint is immaterial (<5% of the total footprint). Page 11 shows what emission categories have been included and excluded.
- It is important to note that it is impossible to accurately guarantee the impact of all activities; as referenced herein, certain calculations are based on the information provided, the current available conversion data, and governmental resources. Page 11 shows what emission categories have been included and excluded.

Carbon footprints are subject to change

- Flotilla routinely updates emission factors to reflect the latest data, methodologies, and industry standards, including alignment with the GHG Protocol.
- These updates ensure carbon accounting remains accurate and consistent by incorporating changes in economic conditions, inflation, and methodology. This means that your carbon footprint calculations remain accurate, transparent, and reflective of the latest data and methodologies.
- **Please note** that updated factors may result in changes to previously reported emissions due to improvements in data quality and calculation methods.
- Our team is here to help you understand the impact of these updates and support you to communicate these changes to your stakeholders, reassuring them that these changes reflect your commitment to best practice in sustainability reporting.



Appendix 2 – Estimation

Estimation and uncertainty in carbon footprinting

Carbon footprinting, like any measurement, comes with its share of uncertainty. These uncertainties can arise from a variety of factors, making it crucial to understand their existence and potential impact. Here are some key reasons why carbon footprint calculations can be uncertain:

- **Activity data:** Measuring our activities that generate emissions, like fuel usage or electricity consumption, isn't always precise. Estimations or incomplete records can lead to inaccuracies in footprint calculations.
- **Emission factors:** Emission factors, which convert activities into their equivalent carbon emissions, can vary depending on factors like location or specific technology used. Flotilla use the UK government factors as a primary source which are regarded amongst the most reliable in the UK. However, there remains estimation in the emission factor which considers the UK average emissions by activity.

Where primary activity data could not be collected, the following assumptions and estimations were used by Flotilla:

- **Employee survey:** The footprint associated with employees (homeworking and commuting) has been derived using an employee survey. This is extrapolated across the employee population when a response rate of 100% is not obtained.
- **Working day:** There is an assumption that for a full-time employee there are 8 hours in a working day for 48 weeks a year. The number of days an employee works is collected within the employee survey.
- **Public transport:** The employee survey details commute by public transport but not by transport type and thus an average of the UK government emission factors for public transport is used.

Appendix 3 - Glossary

Key terms explained:

Term	Description
Baseline	A reference point against which emissions reductions are measured.
Boundaries	GHG accounting and reporting boundaries can have several dimensions, i.e. organisational, operational, geographic, business unit, and target boundaries. The inventory boundary determines which emissions are accounted and reported by the company.
Carbon dioxide (CO2)	The most significant GHG, primarily emitted from burning fossil fuels like coal, oil, and natural gas. CO2 traps heat efficiently and remains in the atmosphere for centuries.
Carbon footprint	The total amount of GHG emissions produced by an individual, organisation, event, or product. Measured in metric tonnes of carbon dioxide equivalent (CO2e).
Carbon neutral	Investing in offset projects that reduce GHG emissions elsewhere, to counter-balance GHG emissions generated by the business.
CO2-equivalent (CO2e)	The amount of CO2 that would cause the same integrated radiative forcing over a given time horizon as an emitted amount of another GHG or mixture of GHGs. Conversion factors vary based on the underlying assumptions and as the science advances.
Consolidation approach	Refers to how an organisation sets boundaries for GHG accounting. Types include equity share approach, financial control, and operational control.
Dual reporting	The disclosure of two separate Scope 2 electricity emissions figures: one based on the average grid emissions (location-based) and another based on the company's specific energy contracts (market-based).
Emission factor	A value that represents the average amount of GHG emissions produced per unit of activity, such as the amount ofCO2 emitted per kilowatt-hour of electricity generated.
Emission scopes	The GHG Protocol Corporate Accounting and Reporting Standard classifies an organisation’s GHG emissions into three scopes. Scope 1 emissions are direct emissions from owned or controlled sources. Scope 2 emissions are indirect emissions from the generation of purchased energy. Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting organisation, including both upstream and downstream emissions.

Appendix 3 - Glossary

Key terms continued:

Term	Description
GHG Protocol	Comprehensive global standardised frameworks to measure and manage GHG emissions from private and public sector operations, value chains, and mitigation actions. The GHG Protocol supplies the world's most widely used GHG accounting standards. The Corporate Accounting and Reporting Standard provides the accounting platform for virtually every corporate GHG reporting program in the world.
Greenhouse gases (GHG)	Greenhouse gases (GHGs) are atmospheric gases that absorb and re-emit heat radiation, creating a warming effect on the planet. This phenomenon, known as the greenhouse effect, is essential for maintaining Earth's habitable temperature. However, increased GHG concentrations due to human activities are causing an intensification of the greenhouse effect, leading to global warming and climate change.
Hexafluoride (SF6)	Man-made greenhouse gas used in electrical equipment, windows, and soundproofing. Extremely potent GHG (23,000x more effective than CO2), very long atmospheric lifespan (3,200 years).
Hydrofluorocarbons (HFCs)	Man-made synthetic greenhouse gases used in refrigerants, air conditioners, and foams. Thousands of times more effective at trapping heat than CO2, variable atmospheric lifespans.
Intensity metric	Expresses the amount of GHG emissions per unit of some activity or output. It helps normalise emissions and allows for better comparison and tracking of progress over time.
Indirect emissions	Emissions that are a consequence of the activities of the reporting entity but occur at sources owned or controlled by another entity.
Impact area	Categories of emissions, aligned with business functions and suppliers. There are 4 impact areas in the Flotilla report: Travel, Energy, Facilities, Supply Chain.
Location-based method	This figure calculates GHG emissions for electricity using average emissions intensity of the grid from which the company purchases electricity. In the UK this is the national grid.
Market-based method	This figure calculates GHG emissions for electricity using the specific energy contracts or instruments held by the company. It therefore shows lower emissions for renewable tariffs and higher emissions for non-renewable tariffs.

Appendix 3 - Glossary

Key terms continued:

Term	Description
Materiality	The relevance of an ESG issue to a company's business.
Methane (CH4)	A potent GHG released from natural sources like wetlands and human activities like livestock farming, landfills, and energy production. Methane traps heat about 25 times more effectively than CO2 but has a shorter lifespan in the atmosphere (around 12 years).
Nitrogen Fluoride (NF3)	Man-made greenhouse gas used in electronics and semiconductor production. Highly potent GHG (7,200x more effective than CO2), very long atmospheric lifespan (740 years).
Nitrous Oxide (N2O)	Emitted during fertiliser use, land clearing, and combustion processes. It's less abundant than CO2 and methane but traps heat about 300 times more effectively than CO2 and persists in the atmosphere for over 100 years.
Operational boundary	Operational boundaries outline the specific activities and emissions sources that an organisation includes within its GHG inventory. They define which emissions fall under Scope 1 (direct emissions) and Scope 2 (indirect emissions associated with purchased energy) for reporting purposes.
Perfluorocarbons (PFCs)	Man-made synthetic gases used in semiconductors, electronics, and some industrial applications. Extremely potent GHGs (thousands of times more effective than CO2), very long atmospheric lifespans (thousands of years).
Scope 1 emissions	Direct GHG emissions that occur from sources owned or controlled by the reporting company i.e., emissions from combustion in owned or controlled boilers, furnaces, vehicles, etc.
Scope 2 emissions	Indirect GHG emissions from the generation of purchased or acquired electricity, steam, heating, or cooling consumed by the reporting company. Scope 2 emissions physically occur at the facility where the electricity, steam, heating, or cooling is generated.
Scope 3 emissions	All other indirect GHG emissions (not included in Scope 2) that occur in the value chain of the reporting company. Scope 3 can be broken down into upstream emissions and downstream emissions: Upstream emissions include all emissions that occur in the life cycle of a material/product/service up to the point of sale by the producer, such as from the production or extraction of purchased materials. Downstream emissions include all emissions that occur because of the distribution, storage, use, and end-of-life treatment of the organisation’s products or services.

Appendix 4 – Flotilla Accreditations

Trust Flotilla with your carbon accounting and Net Zero journey.

"The Flotilla carbon accounting platform enables real, evidence-driven change. With science-based measurement and reporting, Flotilla allows businesses to take an honest look at their emissions, set achievable goals, make wise data-led decisions and become genuinely sustainable."

Professor Piers Forster
Founder Director of the Priestley International Centre for Climate, University of Leeds, IPCC Sixth Assessment Report, Lead Author, Nobel prize winner for climate action

"The United Nations Climate Change Initiative is pleased to recommend Flotilla's science-based carbon reduction service, supporting businesses on their crucial journey to net zero. The Flotilla approach creates positive action throughout the entire ecosystem of a company, involving, motivating and empowering every individual to drive meaningful change."

Miguel Naranjo
Programme Officer - UN Climate Change

Information Security Management System ISO 27001 Certified

Certified B Corporation

Carbon Accounting Alliance

SCIENCE BASED TARGETS

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