



# SECURING YOUR TOMORROW

ESG REPORT 2023





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# WELCOME FROM OUR CEO

## A FORCE FOR GOOD - EVERY DAY OF THE WEEK

Menzies Distribution is one of the most well-established businesses in the UK. With a strong Scottish heritage, we were founded over 187 years ago when a Victorian entrepreneur built up a small newsagent business into a national chain. Fast forward almost two centuries and our national network and time critical logistics expertise see us handle complex supply chain solutions and provide routes to market for many organisations and sectors.

Sustainability wasn't a recognised imperative when we started out in 1833, but we've been designing sustainable routes to market since the outset. As such, we are somewhat pioneering in the field and take our responsibilities to climate change seriously, specifically in relation to clean air, a clean network and transition to zero emission vehicles. Our mantra is 'tomorrow delivered today' with our sustainable business model shaping logistics now and for generations to come. Sustainability is a core pillar of our business because we believe circular processes are the only ones that will stand the test of time.

Long-term thinking is essential when building a business that's ready for the future. A lot has changed since we started, not least our commitment to doing the right thing and hard-wiring sustainable practices into every aspect of our business. But there's always more that can be done.

Innovative thinking is a part of our culture. We're continually learning, looking for ways to refine and streamline the way we work and create a more sustainable future for people, businesses and the planet. We bring this mentality to the solutions we create for our partners too – making sure they don't have to compromise between people, profit or the planet.

Focus within our business is not however solely on environment and CO2 reduction. Like many businesses we consider our broader sustainability plans to embrace all the factors of ESG – Environmental, Social, and Governance.

- Environmental factors include the contribution a company or government makes to climate change through greenhouse gas emissions, along with waste management and energy efficiency. Given renewed efforts to combat global warming, cutting emissions and decarbonising have become more important.
- Social includes human rights, labour standards in the supply chain, any exposure to illegal child labour and more routine issues such as adherence to workplace health and safety. It also includes how well a company is integrated with its local community.
- Governance refers to a set of rules or principles defining rights, responsibilities and expectations between different stakeholders in the governance of corporations. A well-defined corporate governance system can be used to balance or align interests between stakeholders and can work as a tool to support a company's long-term strategy.

We are pleased to share this ESG report publicly, to give all our stakeholders a deeper overview of our achievements to date and our plans for an even better future.

*Greg Michael*

CEO, MENZIES DISTRIBUTION



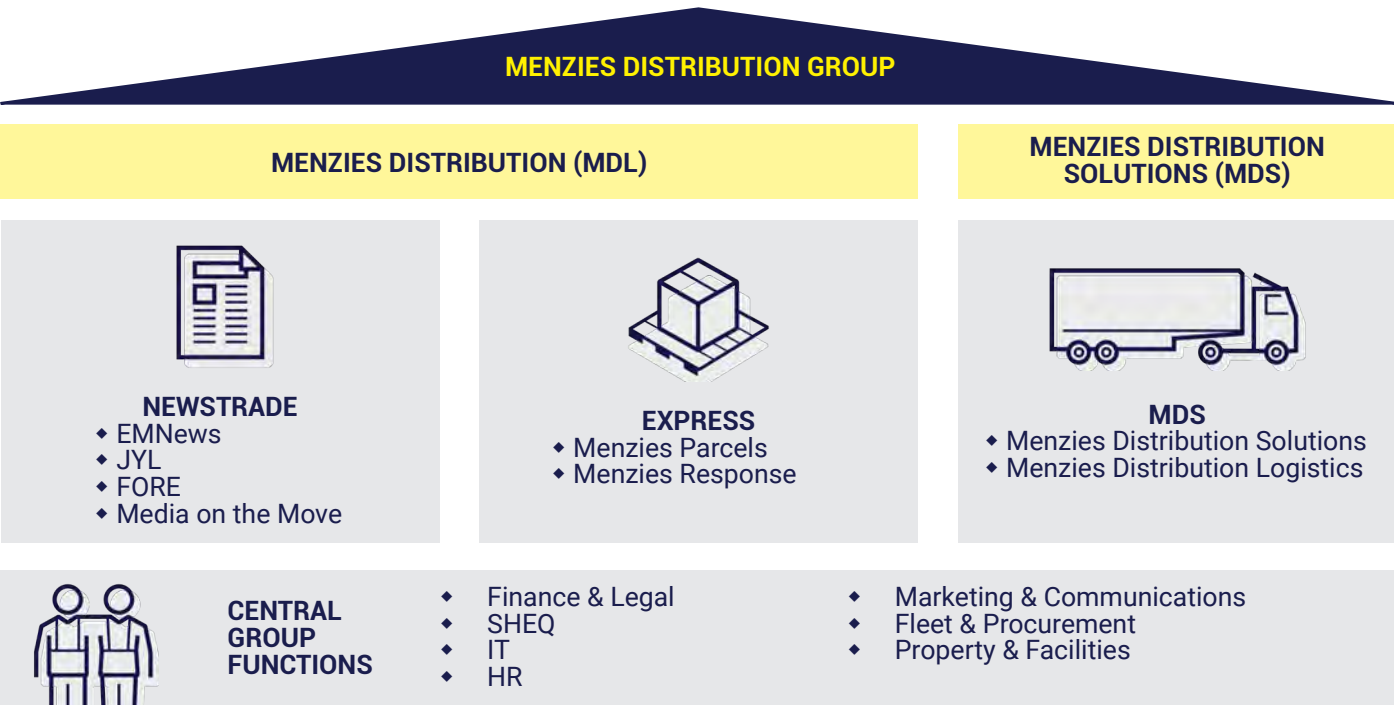


# SMART, AGILE & SUSTAINABLE

At Menzies Distribution we've been delivering across the UK since 1833 – to and from every high street, as well as reaching the areas others can't. Today, we've been named Logistics UK's most innovative business of the year. With a strong focus on the future, sustainability and innovation – we keep moving forwards.











## OUR DIVISIONS

Our business (Group) consists of three Business Units, supported by Menzies Distribution Central Group Functions.



## OUR CHOSEN MARKETS

By combining deep expertise with a creative approach, we make our customers' supply chain smarter, more flexible, more sustainable and ensure capacity grows as quickly as demand.

NEWSTRADE		RETAIL & E-COMMERCE	
PHARMA & HEALTHCARE		PARCELS & FREIGHT	
FOOD, INGREDIENTS, LIQUIDS & POWDERS		INDUSTRIAL & ENGINEERING	
PAPER & PACKAGING		INTERNATIONAL	
MARKETING & MEDIA		TRAVEL & TOURISM	

# RESPONSIBLE BUSINESS

## UNDERSTANDING THE SCALE OF THE PROBLEM

As a responsible business we know the decisions we make today will have a long term impact, not just for ourselves, but for our customers, the end-to-end supply chain and the communities in which we live and work.

### OUR BUSINESS IN NUMBERS



We focus on three key areas to make our business more sustainable and our network and transport cleaner including: fleet, energy consumption, and recycling and re-use - for ourselves and our partners. Focus within our business is not however solely on environment and CO2 reduction. Like many businesses we consider our broader sustainability plans to embrace all the factors of ESG – Environmental, Social and Governance. With widespread acknowledgement of a climate emergency we must continue to evolve. We will build on our achievements and environmental credentials to ensure that we remain a truly sustainable business for the future. As such we have committed to:

- A **NET ZERO CO2 AMBITION** for our Scope 1 & 2 emissions, with a target date of no later than 2035. (In 2022 our overall Scope 1 and Scope 2 CO2 footprint was 93,505 tonnes of which 95% is from vehicle operations.)
- Using validated **SCIENCE BASED TARGETS** to provide a clearly defined path to reduce emissions in line with the Paris Agreement goals by 2023.
- Utilising our **FLEET STRATEGY** to deliver and evolve our decarbonisation strategy.
- Establishing, implementing and monitoring **WIDER SUSTAINABILITY AND ESG TARGETS**.

## GOVERNANCE FOR CLIMATE RISKS

The Board and Leadership Team have overall responsibility for assessing, managing and responding to climate risks and opportunities relevant to our business. They are supported by specialist in our SHEQ Team (Safety, Health, Environment & Quality) as well as the technical expertise in our Fleet team (95% of our direct climate impact is from our vehicles) along with our Property and Facilities team. Underpinning this is the never-ending drive for efficiency and safety in our operations that is the day-to-day responsibility of our operational teams in all our business areas.

### ASSESSMENT OF CLIMATE RISKS AND OPPORTUNITIES

As a responsible business we are continually taking steps to reduce our impact on the environment and our contributions to global warming through our Net Zero CO2 Ambition. We also fully appreciate that climate change will likely present risks to our business in coming years these include:

- Physical risks from the increased likelihood of extreme weather events such as flooding, high winds, extreme temperatures. These have potential to cause disruption to our physical business operations (and those of our customers and suppliers) both locally and on a national scale.
- Transitional risks from increased compliance costs, changing legislation and fuel, energy, waste disposal and raw materials costs for ourselves and also for our customers and suppliers.
- Liability risks should we fail to comply with relevant legal requirements including pollution incidents from our operations.

Climate change does however present Menzies Distribution with opportunities as well as risks. As a business primarily focused on logistics and distribution of goods, we work tirelessly to provide the most efficient, lowest impact solutions to help our customers get their goods to market, safely and efficiently. As part of our 'Fantastic Service' ethos, we work hard to help our customers optimise supply chains in particular within our shared user networks. We are often a significant part of our customers' own Scope 3 CO2 emissions and are ideally placed to help clients reduce their impacts through efficiency, use of technology, alternative fuels and collaboration with shared use of facilities and vehicle for maximum efficiency. At the same time we work hard to help our customers to recover materials and reduce waste. As a CCA accredited business for 12 years, our commitment to customer service is unwavering.

# ESG STRATEGY

## INTRODUCING R2Z

Our Road to Zero is about the relentless pursuit of the highest standards to ensure our employees suffer zero harm each and every day and that our impact on the world around us is positive. This is embedded in our cultural DNA.



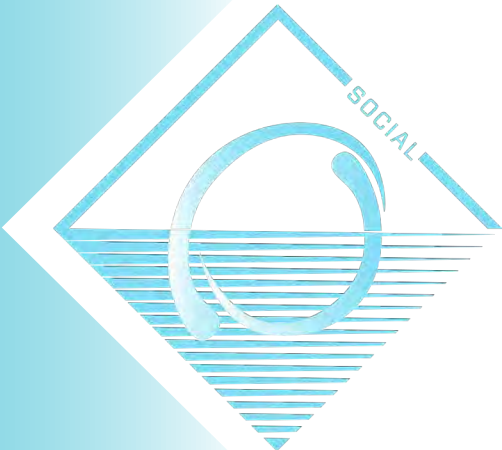
### ENVIRONMENT

- Assessing Climate Risk
- Greenhouse Gas (GHG) Emissions
- Alternative Fuels
- Fleet & Energy Efficiency
- Resource Management
- Waste & Recycling



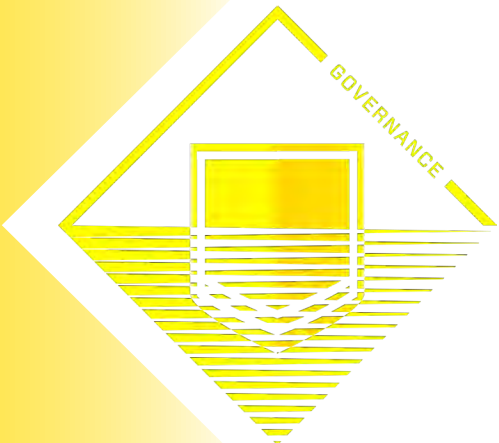
### SOCIAL

- Health & Safety
- Working Conditions
- Employee Benefits & Relations
- Diversity & Inclusion
- Human Rights
- Impact on Local Communities
- Charity & Volunteering



### GOVERNANCE

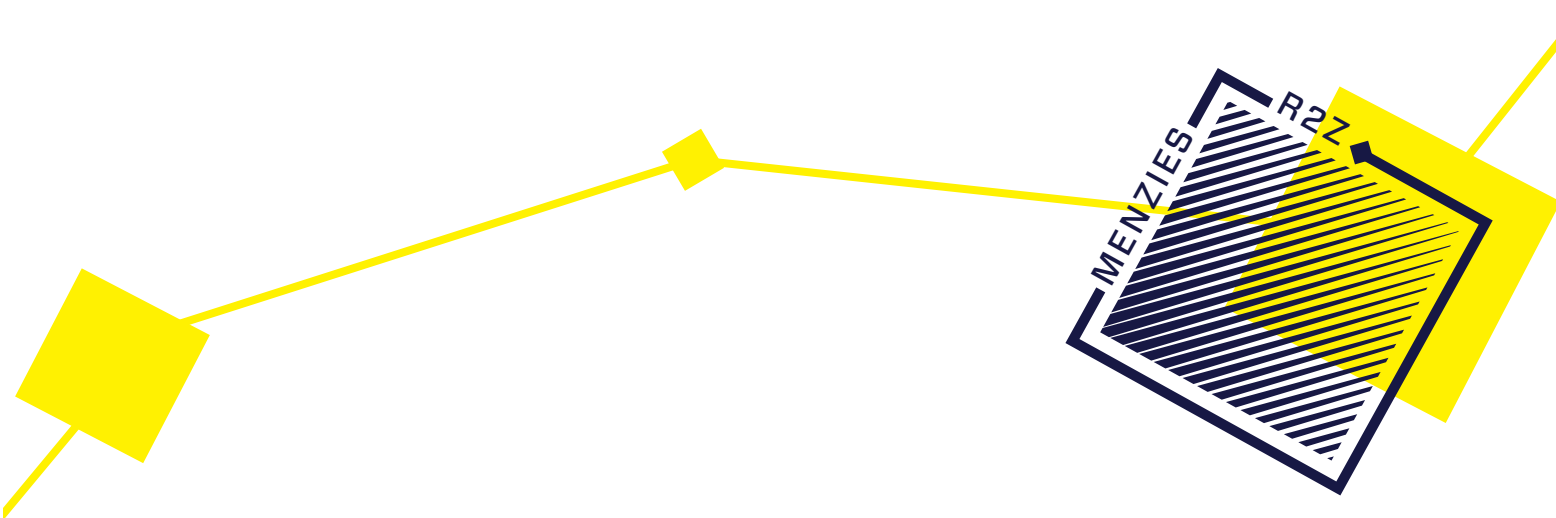
- Compliance
- Ethical Standards & Procurement
- Leadership Team Diversity
- Shareholder & Stakeholder Engagement
- Tax & Pay Strategy
- Transparency, Bribery & Corruption
- Data Protection



# UNDERSTANDING OUR STAKEHOLDERS

Understanding the needs of our key stakeholders has never been more important.

STAKEHOLDER GROUP	ENGAGEMENT REQUIREMENT
Customers	A high level of service underpinned with robust compliance on ESG matters, continual reduction in environmental impact long term collaborative partnerships that reduce risk and develop sustainably.
Consumers	Safe products (including food and pharmaceuticals) delivered in perfect condition on safe vehicles that are well driven.
Employees/Staff	Ensure safe and healthy working environments, goods jobs, engagement, effective communication, good working conditions free from discrimination and harassment. Good work environment, fair compensation and appropriate training.
Public and Local Community	Wants our company to hire and retain local workers, and be a good neighbour, maintain good community relationships, focus on road safety, prevent pollution and nuisance, support positive interactions by our employees.
Owners and other investors/ shareholders	Ensure safe, compliant and sustainable operations where risks are managed appropriately and ESG managed effectively.
Government Regulatory Bodies	Must comply with all applicable regulations and statutes.
Suppliers and Industry Partners	Ensure high ESG standards throughout the supply chain. Proactive partnerships to continually improve ESG standards and performance.
Charity Partners	Charitable giving, fundraising events, support through employee volunteering, specialist logistics and technical support where appropriate.
Media	Foster and develop positive relationships with trade, regional and national media.



OUR INFLUENCE

OUR COMMITMENT TO THE UN SUSTAINABLE DEVELOPMENT GOALS

In shaping and referencing our sustainability and ESG strategy we recognise the importance of the UN Sustainable Development Goals.

We aim to reduce our environmental impact, act as a responsible business and make a positive contribution to the communities that we operate in. We expect our suppliers and wider supply chain to also take this approach.

We support all the 17 UN Sustainable development goals but in particular we align our Sustainability and ESG plans to the following:

3 GOOD HEALTH & WELLBEING

Our Road to Zero plans, our high focus on health and safety as well as our people and wellbeing programmes aim to support the health and wellbeing of our employees and set standards in our wider supply chains.

5 GENDER EQUALITY

Our people policies set our standards for a diverse, inclusive and equitable workplace that promotes opportunities for all.

7 AFFORDABLE & CLEAN ENERGY

We aim to reduce our overall direct Scope 1 & 2 CO2 emissions to net zero by 2035. We will work to also reduce our Scope 3 emissions within our wider supply chain. We are investing in alternative fuelled vehicles and renewable energy usage at our sites.

8 DECENT WORK & ECONOMIC GROWTH

With our long history we aim to grow as a sustainable business providing good jobs in safe working environments. We work with suppliers who are committed to our sustainability and ESG ambitions.

9 INDUSTRY, INNOVATION & INFRASTRUCTURE

We are committed to a culture of safety and regularly compliance in our operations. We work hard to develop and deploy innovative logistics solutions to help our customers reduce their environmental impacts.

11 SUSTAINABLE CITIES & COMMUNITIES

We're on every high street, every day. Which makes us connected to people nationally as well as locally – and that means our deliveries are the lifeblood of communities across the UK. As for our own business, our aim is to be a good neighbour and a sustainable, responsible employer.

12 RESPONSIBLE CONSUMPTION & PRODUCTION

We work hard to reduce energy and material usage, and reduce waste in our own operations. We support our customers to reduce and recover, reuse, or recycle waste materials and deliver efficient supply chains.

13 CLIMATE ACTION

We acknowledge the need for action on the climate and aim to reduce our overall direct Scope 1 & 2 CO2 emissions to net zero by 2035. We will work to also reduce our Scope 3 emissions within our wider supply chain.

16 PEACE, JUSTICE & STRONG INSTITUTIONS

We are committed to high standards of business governance in our business and from our suppliers. Including, but not limited to, health and safety, and policies against modern slavery, child labour, bribery, corruption and promoting human rights.

17 PARTNERSHIPS FOR THE GOALS

We work with our customers to help them achieve their sustainability and ESG goals, and reduce their impacts. We expect our suppliers and wider supply chain to support our own ambitions.





## ROAD TO NET ZERO

A Net Zero CO2 ambition for our Scope 1 & 2 emissions, with a target date of no later than 2035.



## FLEET

Dedicated electric fleet. The rest of our fleet is Euro 6 compliant meeting the lowest and toughest standards in history.



## ENERGY

100% of the power used across our sites is from clean renewable sources.



## RESOURCE MANAGEMENT, WASTE & RECYCLING

26,993 tonnes of material recovered and recycled every year - the equivalent of 135 blue whales!



## HEALTH & SAFETY

We operate an integrated Safety, Health, Environment and Quality (SHEQ) management system designed to meet the requirements of all relevant international standards.



## PEOPLE

We are committed to providing equal opportunities in employment and to avoiding unlawful discrimination against our colleagues and customers.



## COMMUNITY

We're on every high street, every day. Which makes us connected to people nationally as well as locally – and that means our deliveries are the lifeblood of communities across the UK and Ireland.



## CHARITY

We are committed to delivering support and driving change for our employees, workplace, wider community and across the globe.



## LEGAL & COMPLIANCE

We conduct all of our operations based on sound, ethical and legal practices.



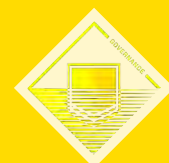
## QUALITY

The quality of the services we deliver to our clients is fundamental to our operating model.



## SUPPLY CHAIN

We recognise the scale of the challenge both our industry and society faces and remain committed to building the supply chains of the future.





# OUR COMMITMENT: ENVIRONMENT

At Menzies, we are committed to hard wiring sustainable practices into every aspect of our business.

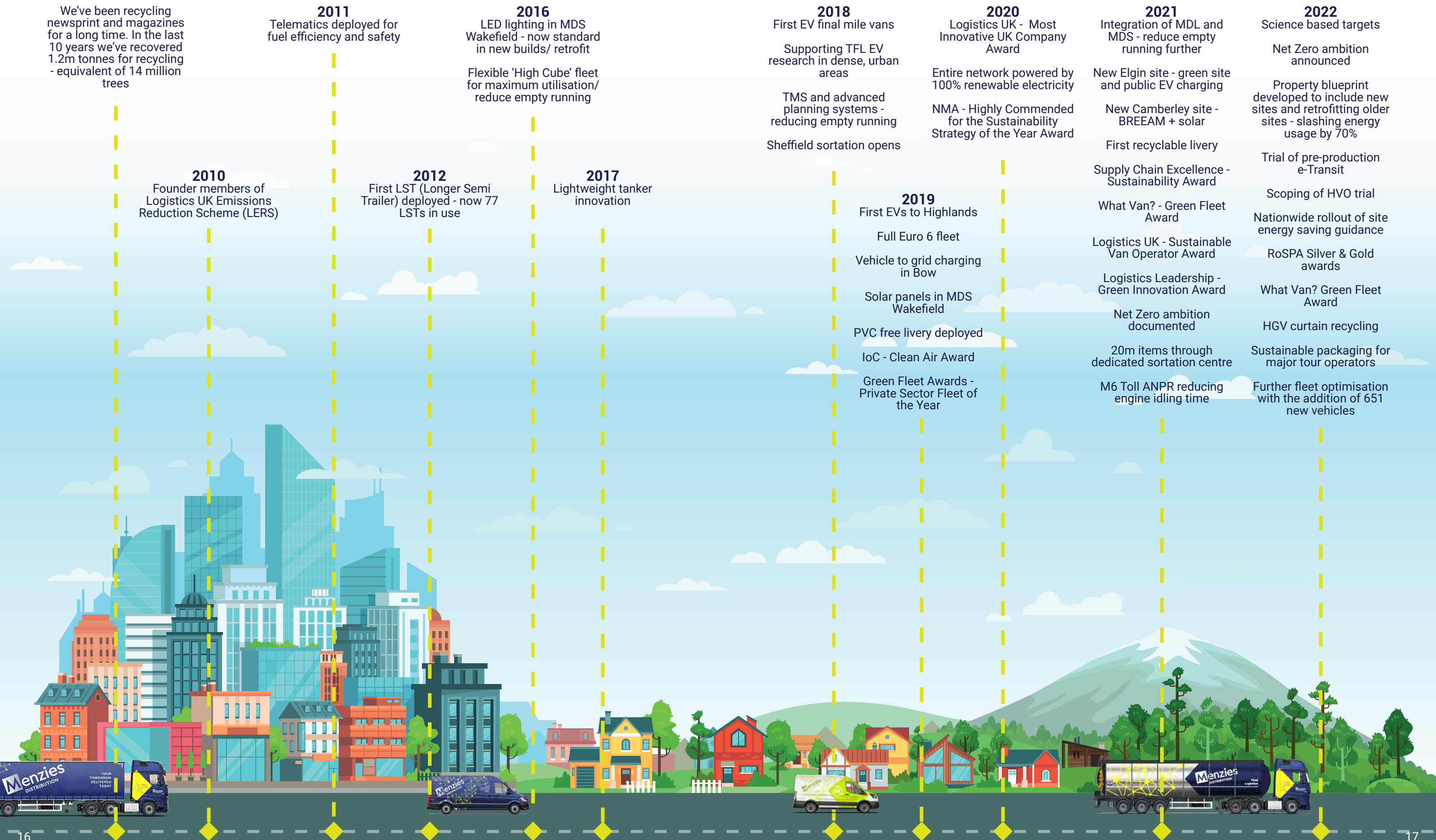
Long-term thinking is essential and we have been designing sustainable routes to market since we started out in 1833.







# ROAD TO NET ZERO





# OUR NET ZERO AMBITION FOR SCOPE 1 & 2 EMISSIONS

This is an important target for our company. We recognise the scale of the challenge, particularly given the nature of our business, but we also know it is the right thing to do for our own future, as well as for our customers, our people and the country as a whole. While there will be significant hurdles to overcome, we are determined to play our part in building the sustainable supply chains of the future.

- 1. BURN LESS
- 2. BURN BETTER
- 3. OFFSET THE BALANCE





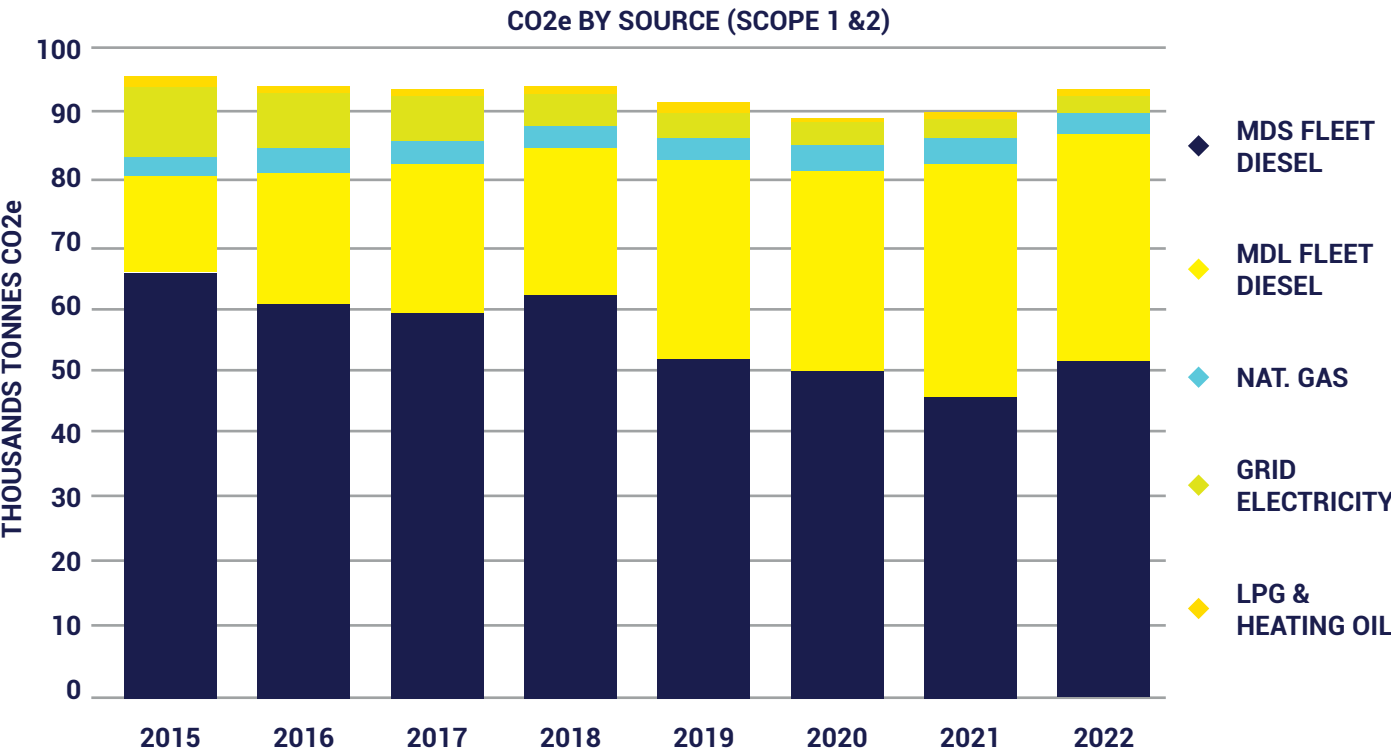
# UNDERSTANDING OUR IMPACT & WHAT'S REQUIRED

We plan to become net zero for Scope 1 & 2 emissions by no later than 2035 – 15 years ahead of the target date set under the Paris Agreement and in UK legislation.

Scope 1 emissions are those produced directly by a business in its operations, such as the emissions from fuel usage in vehicles. Scope 2 are those made indirectly, in Menzies' case, predominantly the electrical energy used to power offices and depots. In 2022, the business produced 93,505 tonnes of CO2e, with 95% coming from its vehicle fleet operations.

Menzies Distribution's road to net zero will be founded on validated scientific targets under the international Science Based Targets initiative (SBTi). They will focus on a fleet strategy that delivers and evolves a decarbonisation strategy, minimising emissions through efficiency and optimisation, and maximising the use of clean fuels. We will also improve resource management and recycling to support the circular economy. The targets provide a clearly defined path to reduce emissions in line with the Paris Agreement goals.

## NET ZERO: CLOSING THE GAP



MEASURED IN TONNES CO2E	2015 (BASELINE)	2021	2022
Scope 1 - Diesel, natural gas, LPG etc.	85,012.1	86,731.5	91,038.4
Scope 2 - Grid electricity*	10,463.3	2,878.6	2,466.6
<b>Total Gross Scope 1 &amp; 2</b>	<b>96,097</b>	<b>89,839</b>	<b>93,505</b>
Fleet direct CO2 per km driven	0.719	0.620	0.632
Scope 3 - Business travel**	622.0	229.0	670.5
Scope 3 - Subcontractor calculated CO2***			23,853.9
<b>Total Scope 1, 2 &amp; 3</b>			<b>117,359</b>

\* The CO2 as stated is location based for all MDL sites which have been on a full renewable green tariff since late 2020. All other sites were brought onto this tariff in October 2021.

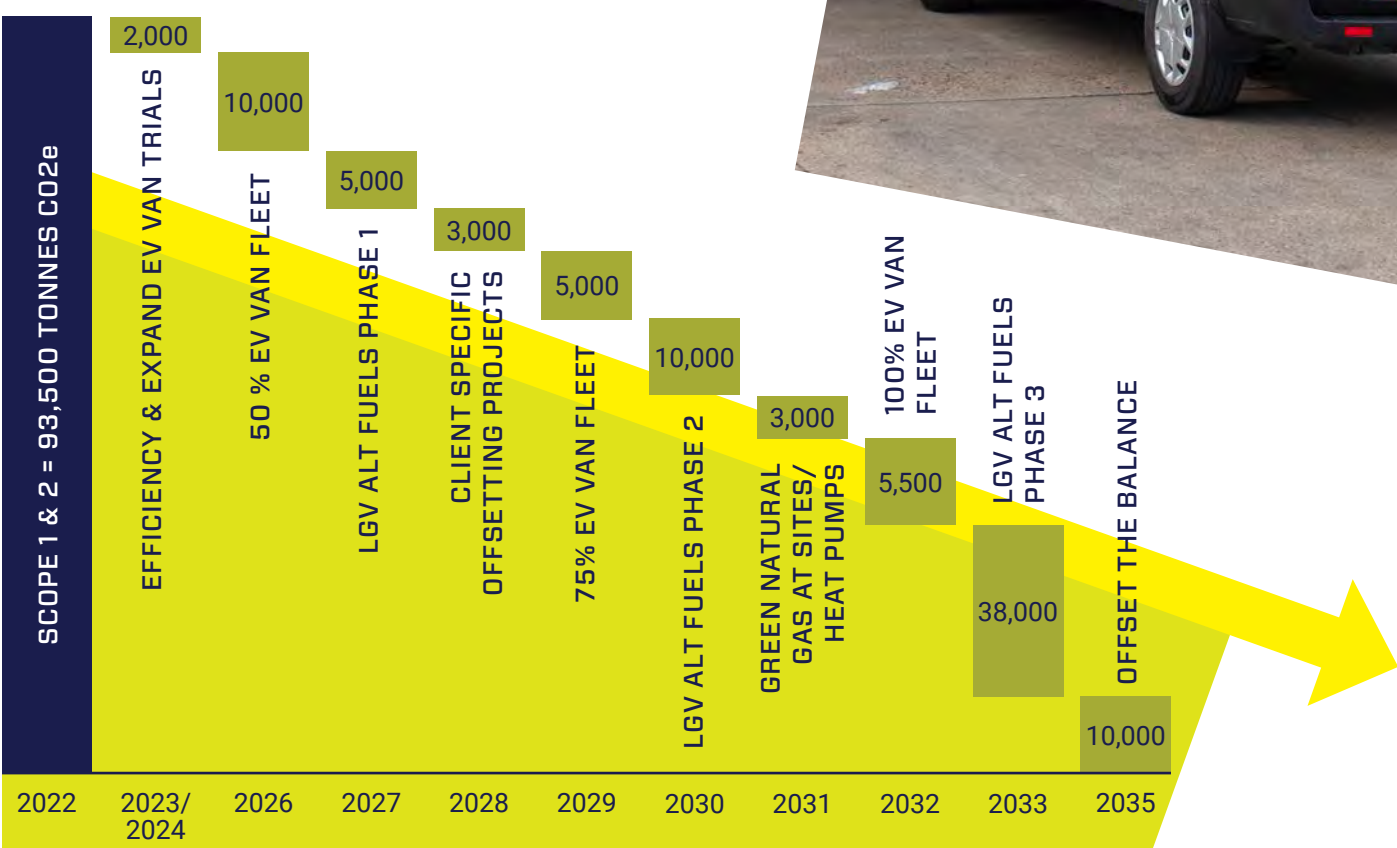
\*\* Increase in 2022 relates to more complete data for whole business being available, plus return to more normal operations post pandemic.

\*\*\* New measure included in 2022 as part of our work towards Science Based Targets.

## POTENTIAL GROWTH IMPACT

- Our impact was 93,505 tonnes of CO2e in 2022.
- 95% of the total CO2e comes from our diesel vehicle fleet.
- We plan to grow, so in the short term the total CO2e may increase.
- We have 4-5 fleet replacement cycles until 2035 to decarbonise our fleet. We must therefore optimise opportunities for a phased approach and use the best technology available at the time.
- With regards to our LGV fleet, technology is moving fast and we must match the different options to our different operations.

## POTENTIAL STEPS TO NET ZERO



### VANS FIRST

- Vans equated to circa 65% of MDL fuel use.
- Full electrification of van fleet (on green energy tariff) equates to circa 20% of total Group CO2 reduction.
- Following vans and moving to heavy fleet, best fit fuels to be used for LGVs in partnership with customers until technology matures and stabilises for whole fleet adoption.
- HVO gives a short term fix (90% CO2 reduction) where relevant and commercially balanced.

### OFFSETTING

- We see offsetting as a last resort to 'mop up' residual CO2.
- Offsetting may be used sooner in some customer settings.



# A BETTER FLEET MAKES A BRIGHTER TOMORROW

275,400 miles are driven by our fleet every day. So making sure we do it in a way that's best for the planet makes a material difference. Through our relentless focus on efficiency and adoption of new technology our fleet has become less carbon intensive over the last 6 years with the specific highlights below.

0.632kg	10 - 15%	EURO 6
CO2e EMITTED PER KM TRAVELLED IN 2022 COMPARED TO 0.719 KG CO2e IN 2015, AN IMPROVEMENT OF 12%	INCREASE IN FUEL EFFICIENCY THROUGH VEHICLE AERODYNAMICS	COMPLIANT FLEET IN PLACE AHEAD OF OUR PLAN
FLEET INNOVATION	RECYCLABLE & PVC-FREE LIVERY	ZERO EMISSION RURAL DELIVERIES
RELENTLESS FOCUS ON VEHICLE & TRAILER DESIGN TO MAXIMISE EFFICIENCY & VEHICLE FILL	BIODEGRADABLE & FREE FROM TOXIC CHEMICALS	INCLUDING THE SCOTTISH HIGHLANDS & ISLANDS



## ALTERNATIVE FUELS & EVs

### BEST FIT ALTERNATIVE FUELS

When it comes to alternative fuels for combustion engine vehicles, particularly LGVs, we realise there are a range of different options, some more suited to specific operations than others. Through our partnerships with our supplier base we can work with customers to deploy LPG, LNG, Biomethane and HVO fuelled vehicles where they are the best fit for that customer and operation.

### THE FUTURE'S ELECTRIC

We introduced our dedicated electric fleet across our final mile operations because we know fossil fuels aren't sustainable. Our priority is to expand it at pace – far ahead of regulatory deadlines. We were the pioneers in electric vehicle (EV) technology and the first organisation to introduce an electric fleet to the Scottish Highlands & Islands. For every EV we introduce, we're improving air quality, cutting particulates and reducing harmful nitric oxide emissions.

### A CHARGING ECOSYSTEM

Charging infrastructure is critical to the transition to EVs and Menzies is quite literally leading the charge! To enable our fleet to make as many carbon neutral deliveries as possible, we've established a large commercial charging infrastructure and we're working to broaden the wider charging ecosystem. Through extensive trials, we have developed an energy efficient vehicle-to-grid (V2G) charging process – meaning we charge at off-peak times and return spare charge to the grid at peak times when demand for energy is high.

## FLEET EFFICIENCY - UTILISATION MAXIMISED AND MINIMUM EMPTY RUNNING

Core to our net zero ambition is our never ending mission to ensure our emissions are as efficient as possible. Through best utilisation of our fleet that covers all geographic areas we can ensure that utilisation is maximised and empty running kept to an absolute minimum. Our centralised planning centres ensure that the fleet is always optimised.

To continue to reduce the carbon footprint of our fleet, we are also changing driver behaviour to make our fleet operations even safer. Our telematics system is actively used to monitor carbon-inefficient and potentially risky activities, such as harsh acceleration or braking. This allows us to create tailor-made training packages for each individual driver to improve the carbon efficiency and safety of their driving. One key focus area while using our telematics systems has been to reduce excess idling. Through focus on telematics, our average excess idling has reduced consistently to around 2% across our fleet. This is considered to be world class by our telematics partner Microlise. A combination of reduced idling and improved driver behaviours equates to a 3,000 tonne carbon saving each year.

We are proud to count some Microlise award winners as part of our driver team.

## TRAILER FLEET INNOVATION

### LONGER SEMI TRAILERS

- Menzies have been using new longer semi-trailers (LST) for several years under the Government Trial.
- The Group are now operating 77 LST trailers for several of its customers making us one of the largest operators.
- To aid further operational efficiency, 11 LSTs are also double deck configuration .
- With an increased capacity of 35%, the Group can significantly reduce road miles and increase efficiency.
- A lifting roof LST - the first in the industry has also been developed and joined our fleet.

### LIFTING ROOF & DOUBLE DECK TRAILERS

- The Group makes best use of double deck trailers in our fleet to maximise fill and take vehicles off the road. These are beneficial for larger and difficult to stack freight.
- The group are operating 54 Lifting Roof Trailers to further improve load fill. Lifting roof trailers provide an addition 8% capacity gain vs a standard trailer, maximising operational efficiency.

### TANKER INNOVATION

- The Group runs a large fleet of highly specialised bulk tankers for leading food customers.
- Innovation in lighter tankers and other leading technologies means the Group can increase payload, reducing customer deliveries and taking out road miles to achieve significant CO2 savings.





## EFFICIENT BUILDINGS & CLEAN ENERGY

The Group has reduced its Scope 2 emissions by nearly 8,000 tonnes from 2015 to 2022. This reduction in grid energy use across our estate by investment in energy efficiency such as LED lighting and replacing older less efficient sites has been the key determining factor. Our estate now also operates on a 100% renewable green energy tariff.

## CLEAN TRANSPORT, CLEAN NETWORK

The Group has introduced smart LED lighting into its new sites and is actively retrofitting our older sites. This combines ultra-efficient LEDs with advanced motion sensing control equipment to slash the energy usage on lighting by around 70%. We have recently retrofitted sites in Sheffield, Newbridge, Dundee and East Kilbride and continued this with a major refit of our large site in Scunthorpe.



The Group installed solar panels on the roof of its Wakefield site. These are now generating around 200,000 kwh of renewable energy per year. This will be used to power the site during the day and return any surplus to the grid. This helped avoid over 42 tonnes of CO2 emissions in 2021.

Our new Camberley site is our first BREEAM Excellent rated site and also has solar panels. It has an EPC rating of A+ which improves significantly on the EPC D rating of the site it replaces.

### ELGIN

Our new Elgin facility has been built with environmental sustainability at its heart with the facility being powered entirely by clean and renewable energy sources.

To support the continuing expansion of Menzies' electric vehicle fleet across Scotland and the adoption of electric vehicles more widely, the site has electric vehicle charging points accessible to all.

## THE FACILITY OF THE FUTURE: CAMBERLEY

### SELF-SUSTAINING, MULTI-USE & GOOD FOR BUSINESS

Working with our landlords we have brought to life the distribution facility of the future. A self-sustaining multi-use facility that also benefits the community.

Our new 18,826 sq ft Camberley site replaced a long-standing operation in Weybridge. Selected for its proximity to the M3 (thus lowering stem mileage), Camberley became our first BREEAM Excellent rated site. BREEAM is the world's leading science-based suite of validation and certification systems for sustainable built environment.

With its innovative integrated solar panels, we are able to power the site from what is generated and return any overage to the grid (a similar principle to our pioneering vehicle to grid technology). Should we require more than is generated, this is taken from the grid. The model not only ensures the site is as self-sufficient as possible, but also works with the wider sector, delivering economic benefits for our landlords – who retain the panels. The panels generate an additional revenue stream when the energy is purchased by Menzies (at a lower rate).

The facility has an Energy Performance Certificate (EPC) rating of A+, a massive improvement on the EPC D rating of the site it replaces and meeting MEES Regulations. As required by the Energy Act 2011, MEES regulations govern energy efficiency in non-domestic building space. These are the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 (SI 2015/962), which require a minimum energy efficiency standard ("MEES") to be met before properties can be let in specified circumstances.

### SPACE & FLEET OPTIMISATION

As well as being self-sustaining and clean, the site cleverly uses space. Housing multiple operations with multiple capabilities serving different markets, this multi-hub sees a daytime parcel hub in the form of the Menzies 'Express' service transform into a newspaper and magazine operation overnight, meaning the same space and same fleet assets are fully utilised to deliver maximum efficiencies. We run one site, not two. We run one fleet, not two – sweating the assets.

### IT'S NOT JUST THE SITE – IT'S HOW WE USE IT

The building and the use of space are only part of the story. Menzies' third component of the property programme on the road to net-zero is its people.





# OPTIMISING EFFICIENCIES WITH THE HELP OF OUR PEOPLE

Optimising the efficiency of each of our sites ultimately comes down to our people. That is why we have implemented energy saving measures guidance as standard across all sites.

## GUIDANCE FOR SAVING ENERGY ON SITE



### LIGHTS

Turn off the lights - never leave lights on in unoccupied rooms. Use natural light where possible and safe to do so. If you ensure that 10 lights around your workspace are switched off every night, each year you could save as much CO2 as would be produced from a return flight from London to New York.



### POWER OFF

Switch off, at the wall, all appliances and equipment not in use.



### CANTEEN SAVVY

- **The kettle** - only boil as much water as you need.
- **The microwave** - switch it off at the plug after use.
- **The fridge** - keep it efficient by cleaning regularly and making sure they have enough space so they don't overheat.

If everyone boiled only the water they needed every time they used the kettle, we could save enough electricity in a year to power the UK's street lights for nearly seven months.



### WARM OUTSIDE

Turn down the heating - it is not needed in Summer. If you use aircon or fans, is there a safe way to allow fresh air in instead? Turning your office thermostat temperature 1°C down in winter and 1°C up in Summer can reduce your energy bill by up to 10%.



### COLD OUTSIDE

Keep as much heat in the building as possible. Close windows and doors where appropriate.



### PRINT RIGHT

Be as paperless as possible to avoid having the printer on all the time.

Turning your printer from standby to off overnight for a year could reduce your CO2 by as much as would be produced by driving from Cambridge to Paris and back again.

# RESOURCE MANAGEMENT, WASTE & RECYCLING

In a sector with much recyclable waste material, Menzies is leading the change by providing a rapid route to market for reuse and resale, and is subsequently reducing potential landfill waste.

## WATER

We recognise the importance of water and that of its conservation.

## WASTE

We are committed to significantly reducing the amount of waste that ends up in landfill each year.

## ENERGY

100% of the energy used to power our network comes from clean renewable sources. We have in place clear energy reduction protocols and guidance.

## RECYCLING

In a sector with much recyclable material, we have implemented a waste management strategy, recovering and recycling **26,993** tonnes of material each year.

## REUSE

Our dedicated returns sortation centre recently passed the **33 million** items mark, adding value for our customers by providing a cost-effective rapid route to market for reuse and resale and reducing potential landfill waste.

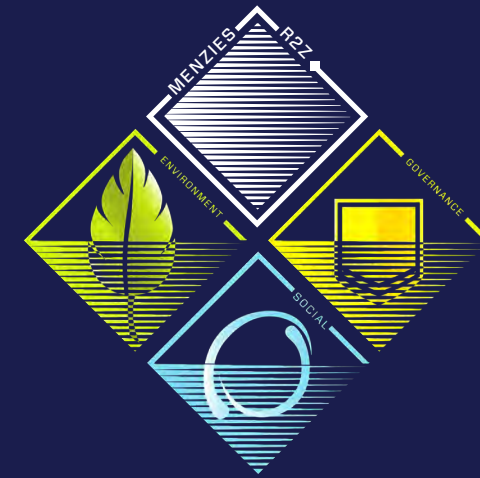
## SHEFFIELD

In its first month of operation in 2018, our dedicated sortation centre in Sheffield processed a modest 147,000 units.

In 2023 it carried out a large-scale sortation exercise for one customer, processing over 275,000 units and scanning over half a million barcodes in a little over a week!







# OUR COMMITMENT: SOCIAL

At Menzies, we are committed to being a responsible employer and doing whatever we can to have a positive impact on the communities we serve.







# OUR HEALTH & SAFETY VISION

## SAFETY FIRST

Our employees are part of the wider community, and their continued health and safety is our number one priority.

Our DNA is pointed directly at ensuring compliance with all legal requirements, ensuring all employees, and others affected by our activities, should not suffer detrimental effects to their health and safety, as a result of our activities.

Our Metrics for 2022, contained in the table, are a result of our continued commitment to this principle and demonstrates the continuous improvement we have achieved in the last few years.

MENZIES 2022 HEALTH & SAFETY PERFORMANCE			
AREA	2021	2022	% DIFFERENCE YOY
Internal Audit Scores	79%	88%	+9%
Total Accidents	400	351	-13%
Total *RIDDORs - Over 7-Day	28	22	-24%
Total *RIDDORs - Major Injuries	13	8	-38%
Major RTIs	32	16	-50%

\*Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR).

- These results indicate positive progress, with the following aspects making a significant contribution towards achieving them:
1. A real, visible, and tangible commitment to the safety and wellbeing of everyone from our Senior Leadership team.
  2. Investment in key areas such as vehicle technology.
  3. Increasing engagement with our employees.
  4. A 3-fold increase in the number of safety observations completed.
  5. Regular communication to support learning across the whole business.

We have achieved significant progress, however, we remain relentless and focussed on our march towards excellence.



## THE WAY AHEAD

Despite our great results in 2022, we are not resting on our laurels and to continue our journey we undertook an in-depth analysis of our approach to health and safety during the second half of the year. This analysis indicated we need to continue to evolve and improve in this area. To that end, we have designed a safety strategy that will take us from good to excellent and beyond legal compliance supported by a new vision “Road to Zero” we have set out our long-term aspiration to achieve Zero Harm.



This will see us further enhance our approach and we will relentlessly utilise the principles, detailed in the diagram, to direct us on that journey. This will allow us to grow and enhance our approach to safety which in turn will reduce risk and improve our safety climate/culture.

Safety, as with all other areas of business, cannot stand still, it has to evolve, be dynamic and allow us to learn from ourselves and others. This updated approach will allow us to do that in a smart, informed, and targeted manner. To further support our journey from stage 2 to stage 3 we will be redefining safety performance, in line with the most up to date thinking, and balancing performance metrics in a more comprehensive manner.

BY NATURAL INSTINCTS	DRIVEN BY MANAGEMENT	DRIVEN BY SELF
<b>STAGE 1</b> Immediate Level of Effort <ul style="list-style-type: none"><li>♦ Enforcement Action</li><li>♦ Disciplinary &amp; Grievance</li><li>♦ Unclear Standards</li><li>♦ Intermittent Rules</li><li>♦ Low Competence</li><li>♦ Poor Staff Retention</li></ul>	<b>STAGE 2</b> Intermediate Level of Effort <ul style="list-style-type: none"><li>♦ Utilising Data &amp; Technology</li><li>♦ Solving the Right Problems</li><li>♦ From Directive to Coaching</li><li>♦ Positive Conversations</li><li>♦ Redefining Safety Performance</li></ul>	<b>STAGE 3</b> Ultimate Level of Effort <ul style="list-style-type: none"><li>♦ Lean Behavioural Change</li><li>♦ High Level of Capability</li><li>♦ Safety Engagement</li><li>♦ Just Culture</li><li>♦ Performance Review Embedded</li></ul>
HARMONISE & SIMPLIFY APPROACH		
DELIVERY GOALS		

We will also seek to de-clutter our safety management system to support focus on climate/cultural improvement and relentlessly drive us towards our ultimate goal. In essence we remain committed and driven to keeping our employees, and others safe, and healthy and introducing the most up to date thinking to allow us to achieve that aim.



# OUR PEOPLE

At Menzies, we know our people are our greatest asset. That’s why we are committed to being a responsible and inclusive employer, doing whatever we can to have a positive impact.

We recognise that a team consists of diverse individuals; we are therefore committed to equality of opportunity, diversity and to zero tolerance of discrimination. Striving to ensure that the work environment is free of harassment and bullying and that everyone is treated with dignity and respect is an important aspect of ensuring equal opportunities and diversity and inclusion in employment. We aim to create a workforce and Leadership Team that is reflective of the communities where we live and work, the customers we serve and the suppliers we work alongside.

We’ve been providing good jobs and equal opportunities to local people for generations, making sure those in the communities in which we’re based have the job security and stability that helps them to thrive. We care for our employees’ wellbeing and offer a variety of support programmes for those who need it. We’re also challenging the ‘norms’ of the logistics industry, running campaigns aimed specifically at encouraging women and young people into the industry and all it has to offer.

As signatories of the Armed Forces Covenant and holders of an MoD Employers’ Recognition Scheme Award, we’re a Forces friendly organisation supporting the employment of veterans, reservists and those with family members actively serving. We’ll do whatever we can to continue working like this for many more generations to come, making Menzies an employer of choice.



Inspiring people who inspire others



developing a talented workforce



building the future of logistics



## HUMAN RIGHTS

We are committed to promoting human rights and conducting business ethically and with integrity at all times.

We oppose any activity that involves the deprivation of an individual’s liberty by another in order to exploit them for personal and/or commercial gain. We expect our supplier base to follow the same principles.



5,000 employees



EVERY HIGH STREET & every post code, every day



NATIONAL NETWORK including the UK & Ireland



MULTIPLE COMMUNITIES & multiple markets

# WORKING CONDITIONS

We ensure we have clarity over:

- ◆ Information
- ◆ Rules
- ◆ Policies
- ◆ Procedures and other terms and conditions which apply to all employees.

Our network utilises a variety of shifts to satisfy customer demand and employees will normally be allocated to a fixed start time of either dayshift or nightshift.

Rates of pay are stated on any offer letters attached to their terms and conditions of employment. Working Time Regulations 1998 (the “Regulations”) impose a restriction on the average number of hours (48 hrs) which employees can work per week over a rolling period. The Company is committed to the enforcement of these restrictions. Employees are entitled to opt out of these restrictions, provided this is confirmed in writing to the Company. Each employee who might be affected by the restrictions should give careful consideration to his or her personal circumstances before deciding whether to opt out of the Regulations.

## EQUAL PAY

We aim to ensure we operate a fair and transparent pay system based on objective criteria and free from bias.

We achieve this by:

- ◆ Carrying out reviews/audits of pay and benefits for existing workers and initial pay and benefits for new workers, including those on maternity leave or sick leave, considering the findings and acting to address any pay discrimination.
- ◆ Preparing an annual gender pay gap report to identify any differences in the average pay between male and female workers.
- ◆ Have a job evaluation scheme and taking appropriate action to address any discrimination in pay.
- ◆ Carrying out a two-yearly check of the pay grading structure in the organisation’s pay system to ensure it is free from bias; that there are no unjustifiable differences between average rates of pay for male and female workers within each pay grade; and that there is no discrimination in the progression within and through the grades.

## EMPLOYEE WELLBEING

Employee wellbeing is a priority in the business and we have a programme in place that develops our understanding of employee wellbeing and how a person’s job affects their overall health and happiness - both positively and negatively. We have a range of support that focusses on five key areas;

HEALTH (Physical & Mental)

WORKLIFE BALANCE

FINANCIAL

SOCIAL

PERSONAL



# COMMITMENT BEYOND THE DAY JOB

We're committed to delivering support and driving change for our employees, workplace and the communities in which we live and work.

Nominated by the people of Menzies and led by our CSR committee, throughout the year we hold, support and participate in a number of sponsored activities to help raise vital funds for our charity partners, by using our creativity and determination to do something beyond our day jobs and give something back.

Menzies' CSR strategy encompasses fundraising, support and awareness raising on behalf of our charity partners; Blue Sky Autism, Hope2Sleep and NewstrAid. We also provide additional support including use of our network and logistics capabilities to other charities including; Whizz-Kidz, Standing Tall Foundation and the Jo Cox Foundation.



## 2022 CSR HIGHLIGHTS



### MARCH THE MONTH

Marched 2,039 miles.



### GREAT MENZIES GET TOGETHER - BAKE OFF!

Tested our baking skills and shared sweet treats with colleagues.

### UPPED THE ACTIVITY

Participated in various sponsored walks, runs and triathlons for multiple charities.

### FIFA WORLD CUP SWEEPSTAKE

Supported the home nations and tested our luck in the Fifa World Cup Sweepstake.

### BIG WINTER RAFFLE

Celebrated the 12 days of Christmas with a winner a day on the Big Winter Raffle.

### CHARITY FLEET

We introduced two charity trailers, proudly displaying our support of The Standing Tall Foundation and the NewstrAid Benevolent Fund.

### LOOKED OUT FOR MENZIES

Raised awareness and promoting engagement of Prostate Cancer UK's '30 second risk checker'.



### CHARITY BIKE RIDE

Supported the Jo Cox Foundation's bike ride, providing transport for equipment from West Yorkshire to London.

### PRIORITISED WELLBEING

Prioritised physical and mental wellbeing via the Wellbeing Club on Strava and site 'get togethers' with delicious treats.

### PHOTO CHALLENGE

Got creative and tested our photography skills in the photo challenge.



### FOOD BANKS

Made food donations and volunteered to support food banks over Christmas.



## GOOD NEIGHBOUR, GOOD JOBS SUPPORTING LOCAL COMMUNITIES

We're on every high street, every day. Which makes us connected to people nationally as well as locally – and that means our deliveries are the lifeblood of communities across the UK. As for our own business, our aim is to be a good neighbour and a sensible, responsible employer.

Our support extends beyond fundraising for our charity partners because we know it's not just the big gestures that make a difference. In addition, we encourage greater employee involvement in shaping our charitable giving and supporting our local communities, empowering our people to contribute time and energy to this area.

Utilising our passionate workforce and unique capabilities, we also use our network (property and fleet) to benefit local and national charity initiatives requiring supply chain input. From Christmas tree collections with funds donated to local hospices and storage, pack and distribution of goods to supporting those impacted by war in Ukraine, to charity bike rides, food bank and National Literacy Trust support, shoe collections and storage in support of Barnardo's, to movement of critical PPE to support the NHS in the heights of the pandemic – the Menzies property programme is required to deliver way more than a contribution to net-zero. For some – it has been the lifeblood.

### A FORCE FOR GOOD ON THE GLOBAL STAGE

We are also a force for good on the global stage. As partners of Transaid, Menzies shares knowledge and expertise to transform lives through safe, available, and sustainable transport across the globe.



“

“I wanted to thank your company and all the drivers who have kept us going throughout lockdown. They have provided a service that has helped us all cope with the most difficult of times. As I drove into Oban early one morning I was met by a small fleet of your vans. The first thing that popped into my head was ‘the blue vans of happiness’. Odd you might say, but these deliveries have made many people happy. The drivers have continued to be pleasant and helpful each and every day. Thanks to you all for your service.”

“

“Your donations made a great impression. We got feedback from one of the care homes who has a resident who is 100 - her face lit up when she got a copy of The People's Friend! Thanks again your support, it is very much appreciated.”

“

“I've just heard about Menzies Distribution's wonderful donation to the Beatson of magazines and puzzle books. Thank you for your generosity and kind gift.”

“

“Together you made it possible to help make 50 mums very, very happy, very appreciated and very tearful. We could not have done it without you.”

“

“Thank you so much for the delivery of 150 Easter Eggs. You will be pleased to know we distributed them to patients in the outpatient clinics and they were just about gone in 10 minutes. Once again, thanks so much for the thoughtful gifts this Easter. You certainly put a smile on many faces.”

“

“Being a small charity, we rely heavily on fundraising to keep our services going, and continue to bridge the gap in provision for families of young children with developmental challenges. We are incredibly grateful for Menzies' support in helping us to keep supporting families and children in the best way possible. The generous donation will be used to help support our specialist nursery classes; helping our children to reach their full potential within their social communication, as well as their EYFS goals.”

“

“It's really satisfying to be able to work with firms like Menzies to make a positive difference to the lives of ex-service personnel. Far too many are still not getting the support they need, despite having served their country and making huge sacrifices, both visible and invisible. I look forward to continuing to work with Menzies to help change things for the better.”





# OUR COMMITMENT: GOVERNANCE

At Menzies, we are committed to conducting our operations based on sound ethical practices. We are compliant with all legislation and aim to create a workforce that is reflective of the communities and customers we serve.

The Board expects the Group to conduct its operations based on sound ethical practices.

GOVERNANCE





# LEGAL & COMPLIANCE

We are compliant with all legislation and committed to maintaining an open dialogue with all stakeholders, ensuring that operations are performed in a safe, ethical, and efficient way and all policies are in place. Menzies is committed to preventing acts of modern slavery and human trafficking from occurring within our business and supply chain and imposes the same high standard on our suppliers.

On this basis, the Group will regularly evaluate the nature and extent of our exposure to the risk of modern slavery and will ensure all our suppliers adhere to the Modern Slavery Act 2015 and other relevant legislation. The Group will enforce a strict code of compliance.

ETHICAL STANDARDS & PROCUREMENT

**SUPPLIER CODE OF CONDUCT FOR ETHICAL TRADING, SAFETY & SUSTAINABILITY**

*Menzies Distribution suppliers are required to acknowledge the significance of social, environmental and ethical matters in their conduct, and to work towards improving Standards and performance in these areas. We encourage and expect the adoption of responsible behaviour throughout our suppliers' supply chains.*

DATA SECURITY

**COMMITTED TO PRIVACY AND RESPECTING THE RIGHTS OF INDIVIDUALS WITH REGARD TO PERSONAL DATA**

*GDPR related policies include; Data Protection Policy, Data Breach Policy, Privacy Policy, Employee Privacy Notice, Contracted Drivers Privacy Notice, Cookie Policy.*

PAY & TAX STRATEGY

**WE ARE COMMITTED TO FULL COMPLIANCE WITH TAX LEGISLATION**

*The Group recognises its responsibility to contribute to those economies in which we carry out our business, which includes paying the right amount of tax at the right time. We also have Financial Crime and Competition Compliance Policies to ensure we conduct all of our business in an honest and ethical manner and minimise the risk of being exposed to financial crime.*

TRANSPARENCY, BRIBERY & CORRUPTION

**ZERO TOLERANCE APPROACH TO BRIBERY AND CORRUPTION. ENSURING THERE IS TRANSPARENCY IN OUR BUSINESS AND IN OUR APPROACH TO TACKLING MODERN SLAVERY**

*Related policies include; Anti-Bribery & Corruption Policy, Anti-Slavery & Human Trafficking Policy.*

# MENZIES IS COMMITTED TO THE ETHICAL TRADING INITIATIVE (ETI) BASE CODE

<div>EMPLOYMENT IS FREELY CHOSEN</div> <div>Slavery and bonded labour are totally unacceptable. Menzies has a Modern Slavery Policy in place.</div>	<div>FREEDOM OF ASSOCIATION &amp; THE RIGHT TO COLLECTIVE BARGAINING ARE RESPECTED</div> <div>Menzies recognises this principle and has a Freedom of Association policy in place.</div>	<div>WORKING CONDITIONS ARE SAFE &amp; HYGIENIC</div> <div>Menzies is committed to continually improving safety performance. Please refer to page 30 for more detail.</div>
<div>CHILD LABOUR SHALL NOT BE USED</div> <div>Menzies Distribution does not engage in or condone the unlawful employment or exploitation of children in the workplace or the use of forced labour. We have policies in place to support this.</div>	<div>LIVING WAGES ARE PAID</div> <div>Menzies Distribution believes "a fair day's work deserves a fair day's pay".</div>	<div>WORKING HOURS ARE NOT EXCESSIVE</div> <div>Long working hours are the norm for most of the world's workers. This damages people's health and undermines family life. Please refer to page 33 for more information.</div>
<div>NO DISCRIMINATION IS PRACTISED</div> <div>We have policies in place for Equal Opportunities and to prevent Discrimination.</div>	<div>REGULAR EMPLOYMENT IS PROVIDED</div> <div>People are our greatest asset and we are committed to being a responsible and inclusive employer.</div>	<div>NO HARSH OR INHUMANE TREATMENT IS ALLOWED</div> <div>We do not tolerate abuse of any form in our workplace.</div>



## QUALITY OVERVIEW

Menzies Distribution places a high focus on compliance. The quality of the services we deliver to our clients is fundamental to our operating model. We operate an integrated SHEQ (Safety, Health, and Environment & Quality) across all our sites that is designed to meet the requirements of all major international standards including ISO 9001, ISO 14001, ISO 45001, BRCGS Storage and Distribution and Good Distribution Practice for pharmaceutical goods.

Within MDS we operate a network of dedicated food and consumer warehousing for ambient goods, and a specialist food tanker fleet. Menzies provides safe, secure and reliable food and ingredients delivery nationwide for some of the world's most recognisable brands. Our BRCGS Global Standards Storage and Distribution (S&D) certification provides assurance to our customers that the products we handle remain safe, legal and of high quality. The standards specifically cover our logistics operations dealing with food, packaging and consumer products. Reflecting our growth in these sectors, Menzies is delighted to have received accreditation for three more sites, with 12 sites now certified with the top AA grade through the transition to Version 4 of the S&D standard. Compliance to the strict BRCGS standards is nothing new for MDS as we have held certification at our key sites for over 15 years. In addition, we hold Organic Storage licences with the Soil Association at six sites.

We operate a suite of Standard Operating Procedures that gives a consistent approach across our sites to how we ensure the safety, quality and legality of the goods that our customers entrust us to store, handle and distribute. These cover all the fundamental areas of hygiene, pest control, security, traceability, vehicle and equipment control, training and facility management. Our food safety management system is based on a robust HACCP approach. Our security procedures are founded on the TACCP/VACCP models as well as drawing best practice from TAPA standards.

Within MDL we have been working with major pharmaceutical distributors in the Highlands and Islands of Scotland for 30 years. We ensure safe final mile delivery of medicines to pharmacies and patients in remote areas. As we have recently expanded our final mile pharmaceutical operations in Scotland we have developed and deployed a new suite of Operating procedures and driver training to support and ensure that compliance and customer expectations are met. We have based these on our well established BRCGS and ISO 9001 controls with appropriate enhancements for the expectations of MHRA and clients for GDP (Good Distribution Practice) of medicines and healthcare products.

All this is combined with recent accreditations from the Fleet Operator Recognition Scheme (recognising exemplary best practice in safety, efficiency and environmental protection), Logistics UK's Van Excellence scheme (focused on compliance and best practice) and the successful implementation of the ISO 9001:2015 quality assurance standard at our Norton and Ashford sites, the awards and certifications demonstrate our commitment to continual improvement across our operations. In particular at our Norton site our ISO 9001 certification is fundamental to our operations with a key client for the storage and handling of a wide variety of equipment and materials into the UK MoD and brings in enhanced processes for inspection and checking of goods alongside the expected security standards.

## SUPPLY CHAIN

To ensure a consistent approach throughout our supply chain, we expect our suppliers to have or adopt similar business principles to our own. All our suppliers are required to acknowledge the significance of social, environmental and ethical matters in their conduct, and to work towards improving their Standards and performance in these areas. In short, we encourage and expect the adoption of responsible behaviour throughout the supply chain. We expect all suppliers to be able to demonstrate compliance with all UK, EU and international legislation that applies to their business operations from Modern Slavery, Anti-Bribery and Health & Safety laws.

To ensure this, we have a Supplier Code of Conduct which is based on four key principles:

### 1 PUTTING SAFETY FIRST

### 2 ENVIRONMENTAL RESPONSIBILITY

### 3 SOCIAL RESPONSIBILITY

### 4 CONDUCTING BUSINESS WITH INTEGRITY & FAIRNESS



**Menzies**  
DISTRIBUTION

BAY 2

BAY 1





APPENDIX 1

TABLE OF CARBON FOOTPRINT

EMISSIONS / CONSUMPTION DATA									
SCOPE 1 EMISSIONS									
	Unit	2015	2016	2017	2018	2019	2020	2021	2022
Diesel fuel (Litres)	Litres	31,042,587	30,951,695	31,564,462	32,349,606	31,855,015	32,031,000	32,864,358	33,998,050
Natural Gas Consumption	KWh	18,562,380	18,534,217	19,198,799	18,900,905	19,537,214	20,171,884	19,875,394	16,860,143
LPG usage	Litres	691,739	478,476	486,267	359,607	512,625	470,284	505,620	517,754
Heating oil	Litres	90,198	94,191	72,497	99,265	93,188	85,021	129,705	70,013
SCOPE 2 EMISSIONS									
		2015	2016	2017	2018	2019	2020	2021	2022
Electricity consumption	KWh	22,638,427	21,508,968	19,380,560	17,007,747	16,241,808	13,819,846	13,557,189	12,755,013
SCOPE 3 - SUBCONTRACTORS									
		2015	2016	2017	2018	2019	2020	2021	2022
MDS Subcontractors apportioned miles (LGV)	miles								10,406,178
MDL Subcontractors apportioned miles (van)	miles								23,830,139
INTENSITY MEASURES									
		2015	2016	2017	2018	2019	2020	2021	2022
Commercial fleet size					1,522	1,897	1,959	1,689	1,625
kms driven	kms	111,247,201	110,615,939	181,384,016	184,951,895	127,533,420	129,196,506	132,690,178	137,512,263
£ of revenue	£	1,345,000,000	1,274,891,000	1,235,628,000	1,122,300,000	1,176,300,000	1,079,931,000	1,269,600,000	1,268,500,000
CARBON EMISSIONS CO2e									
SCOPE 1 EMISSIONS									
		2015	2016	2017	2018	2019	2020	2021	2022
Natural gas	kg CO2e	3,423,831	3,410,296	3,532,579	3,474,931	3,594,066	3,709,004	3,640,377	3,077,651
LPG usage	kg CO2e	1,114,979	720,116	731,841	546,265	780,523	731,465	787,296	806,190
Fleet diesel	kg CO2e	80,210,941	80,834,375	82,072,650	84,980,475	82,635,413	81,551,886	82,566,112	86,961,384
Heating oil MDL	kg CO2e	262,372	279,344	214,121	294,866	257,032	234,468	357,800	193,136
TOTAL SCOPE 1 (TONNES CO2e)	tonnes CO2e	85012.1	85244.1	86551.2	89296.5	87267.0	86226.8	87351.6	91038.4
SCOPE 2 EMISSIONS									
TOTAL SCOPE 2 (TONNES CO2e)	tonnes CO2e	10463.3	8862.8	6813.4	4814.4	4151.4	3222.0	2878.6	2466.6
TOTAL SCOPE 1 & 2 CO2		95,475	94,107	93,365	94,111	91,418	89,449	90,230	93,505



APPENDICES

TABLE OF CARBON FOOTPRINT CONTINUED

CARBON EMISSIONS CO2e CONTINUED									
INTENSITY FACTORS									
		2015	2016	2017	2018	2019	2020	2021	2022
Fleet direct kg CO2 per KM		0.719	0.728	0.451	0.458	0.646	0.629	0.620	0.632
Total Scope 1 & 2 kg CO2 per KM		0.864	0.857	0.518	0.512	0.722	0.694	0.677	0.682

SCOPE 3 EMISSIONS 2022	TONNES CO2e
Total Business Travel	670.5
MDS Subcontractors (LGV)	13,410.7
MDL Subcontractors (Vans)	9,772.7
Packaging usage	610.0
Waste disposal and recycling	1,685.5
TOTAL SCOPE 3 (TONNES CO2E)	26,149.4

TOTAL SCOPE 1, 2 & 3 CO2	119,654
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APPENDIX 2

CO2 BY SCOPE

- Scope 1: Diesel fuel
- Scope 1: Natural gas, LPG, heating oil
- Scope 2: Grid electricity
- Scope 3: Subcontractor usage
- Scope 3: Waste & recycling (inc. newsprint)
- Scope 3: Business travel
- Scope 3: Packaging usage

