

Playing Our Role in Fleet Decarbonisation

Driving for the Future



Introduction

This report focuses specifically on Scope 3 Category 13 (Downstream Leased Assets) emissions associated with the use of our vehicle fleet by customers. While we have other Scope 3 emissions sources, emissions from fleet use represent – by far – our most material emissions category, and therefore the primary focus of our decarbonisation efforts.

Changes in vehicle technology, customer behaviour, and fleet composition have a significant impact on our overall carbon footprint and on the wider transition to low-emission transport.

This report covers FY23 to FY25 and examines trends in absolute emissions, emissions intensity, and the underlying drivers across both cars and light commercial vehicles (LCVs).

“

The data outlined in this report reveals the positive impact we are making, as Global continues to make significant developments in the transition to alternative fuelled vehicles.



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Stephen Chater
Commercial Director
Global



How our fleet is de-carbonising and what's influencing the overall picture.



Rapid Decarbonisation of the Car Fleet

Falling emissions intensity

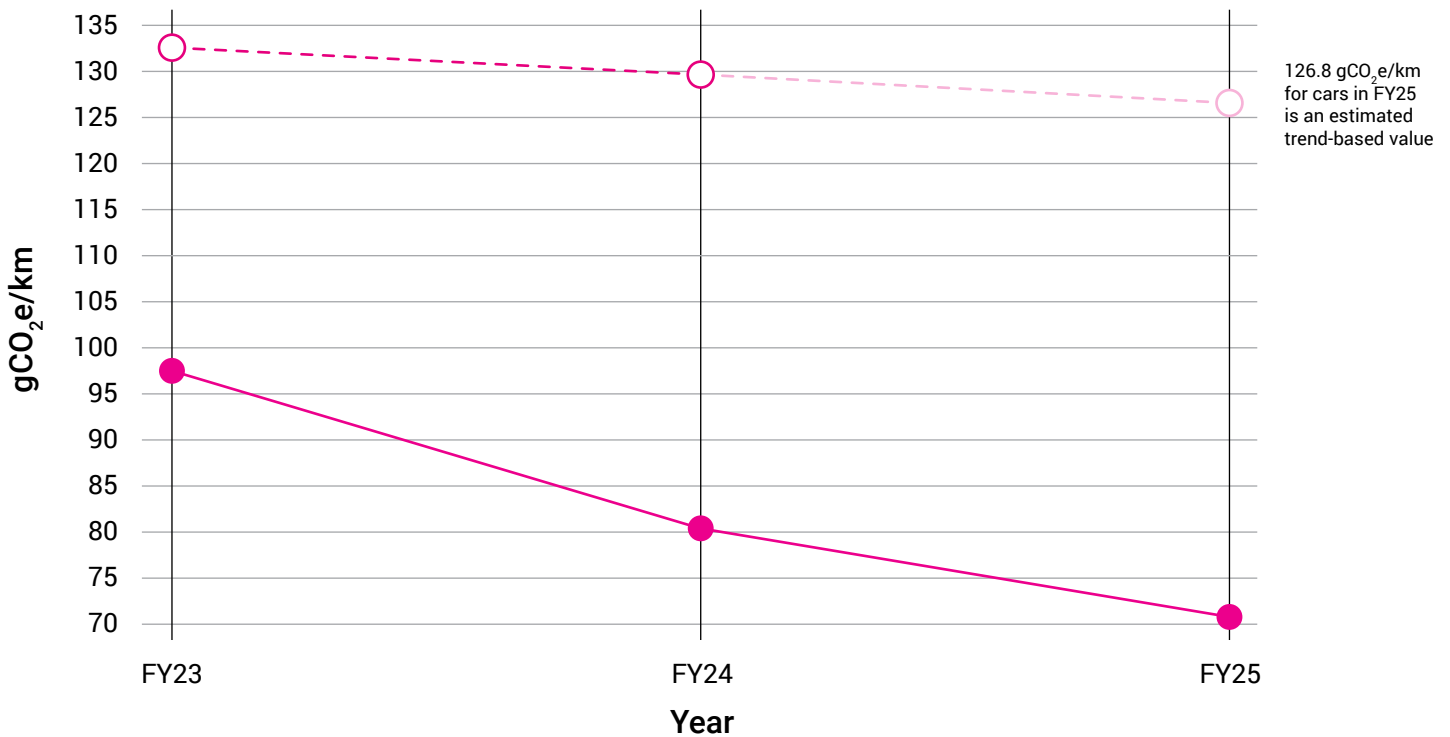
Between FY23 and FY25, the average emissions intensity of our car fleet fell from 97.9 gCO₂e/km to 71.0 gCO₂e/km, representing a 27.5% reduction in emissions per kilometre.

This improvement reflects a deliberate shift in vehicle mix rather than changes in driving behaviour. Our procurement strategy, vehicle availability, and customer engagement have all been aligned to increase uptake of electrified vehicles.



- - Average UK Car Emissions Intensity¹
- - Global Car Fleet Emissions Intensity

Car Fleet Emissions Intensity (gCO₂e/km)



¹UK Government Department for Transport: www.gov.uk/government/statistics/vehicle-licensing-statistics-2022/vehicle-licensing-statistics-2022

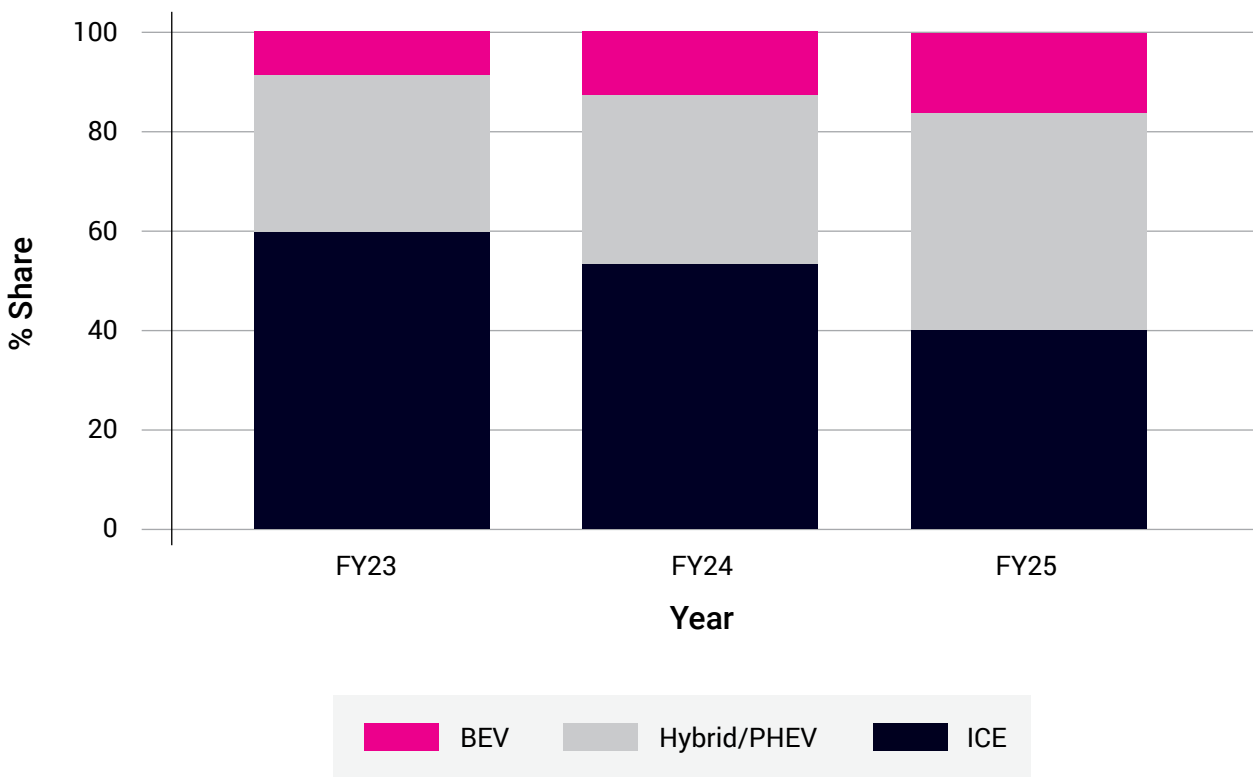




How customers are driving

A growing share of car kilometres is now driven in hybrid, plug-in hybrid electric vehicles (PHEVs), and battery electric vehicles (BEVs), while ICE vehicle kilometres continue to decline.

Car Powertrain Mix (% of km)



Car fleet emissions intensity fell by 27.5% in just two years, driven by a rapid shift to lower-emission powertrains.





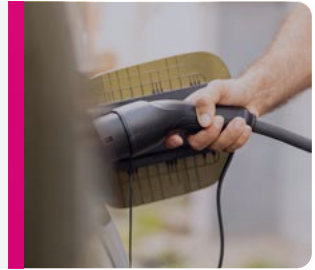
Key changes in the car fleet

A growing share of car kilometres is now driven in hybrid, plug-in hybrid electric vehicles (PHEVs), and battery electric vehicles (BEVs), while kilometres driven in internal combustion engine (ICE) vehicles continue to decline.

BEV share increased from **9%** to **16%**, with BEV kilometres almost doubling.



Hybrid/PHEV share rose from **31%** to **44%**.



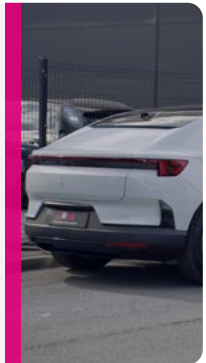
ICE vehicles fell from **60%** to **40%** of car kilometres and no longer account for the majority of car usage.



Electrified vehicles increased from **40%** of total car kilometres in FY23 to **60%** in FY25.



Emissions intensity of Hybrid/PHEVs improved from **37 gCO₂/km** to **31 gCO₂/km**.



These changes demonstrate the scale and pace of decarbonisation within our car fleet and reflect both customer demand for lower-emission vehicles and our proactive efforts to expand low-carbon options across our offering.



What's Driving Our Scope 3 Emissions

Overall Scope 3 emissions from fleet use move broadly in line with customer mileage and fleet size. As more vehicles are deployed and customers travel further distances, absolute emissions tend to increase.

However, we are actively shaping the composition of our fleet to accelerate decarbonisation. Our strategy prioritises the availability, promotion, and uptake of lower-emission vehicles – particularly electrified cars – while supporting customers as they transition away from internal combustion engine (ICE) vehicles.



Two structural trends dominate our emissions profile:

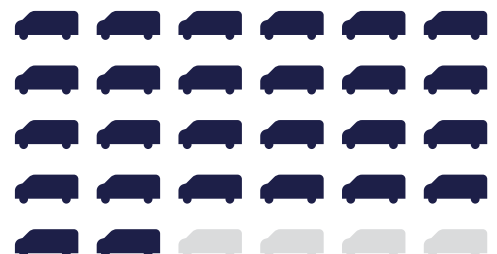
Rapid decarbonisation of the car fleet

Driven by increased availability of electrified vehicles, regulatory requirements (such as ZEV mandates), corporate fleet targets, and rising customer demand for low-carbon mobility.



Strong growth in LCV activity

Reflecting customer operational needs, but currently constrained by the slower pace of technological change in this segment.





By FY25,
over 60% of
all car kilometres
were driven in
electrified
vehicles.



The Growing Influence of Light Commercial Vehicles

Increased LCV activity

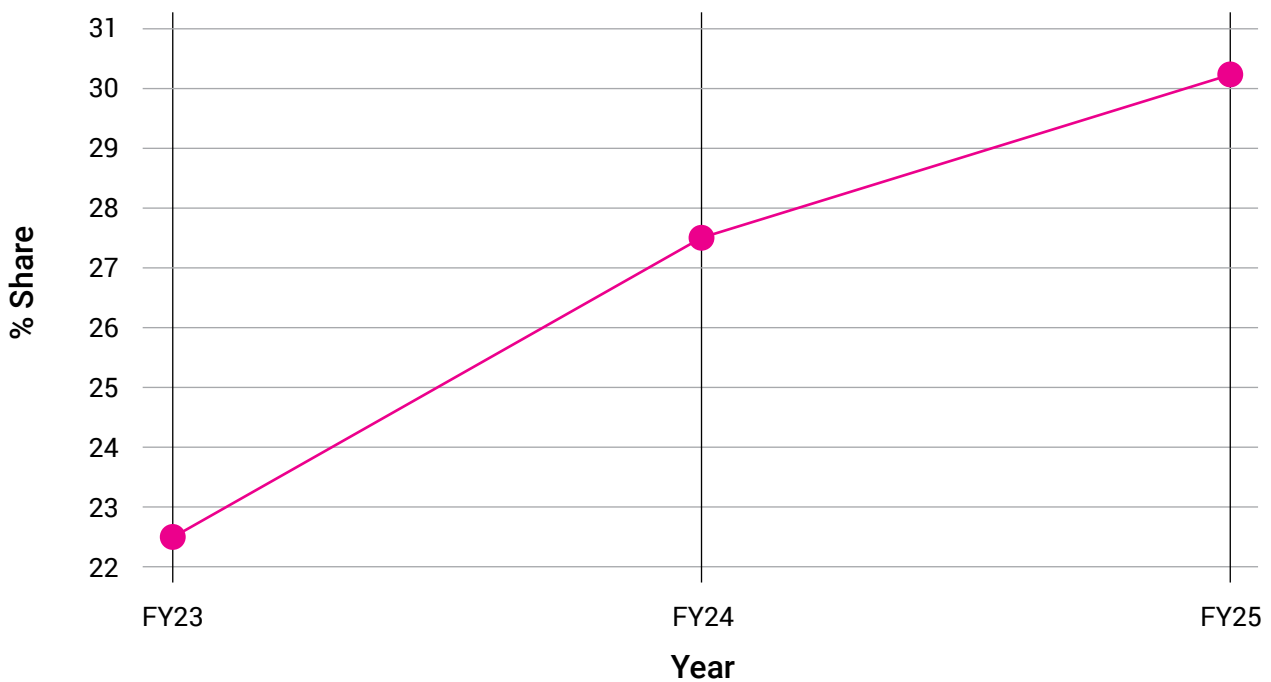
While the car fleet is decarbonising rapidly, overall fleet emissions intensity is improving more gradually due to the increasing contribution of LCVs.

Between FY23 and FY25:

- LCV kilometres increased by approximately 65%.
- LCVs' share of total kilometres rose from approximately 22.6% to 30.1%.



LCV Share of Total Kilometres (%)



Why LCVs matter

LCVs are essential for many customer operations, but they currently emit more CO₂ per kilometre than cars because they:

- Are larger and heavier
- Carry greater payloads
- Have fewer low-emission alternatives currently available
- Complete more miles due to commercial use.

As a result, rising LCV activity moderates the visible impact of the strong decarbonisation achieved in the car fleet when results are viewed at an aggregated level.

Our approach to LCV decarbonisation

We recognise that the decarbonisation of LCVs is largely constrained by market availability and technological readiness. However, we are actively:

- Monitoring developments in electric and low-emission LCV technology and ensuring we procure state-of-the-art and low emission ICE vehicles.
- Offering lower-emission LCV options where available and appropriate.
- Supporting customers who request lower-carbon alternatives and trialling new models as they become viable.
- Installing telematics to help our customers monitor and reduce emissions.
- Monitoring aged vehicles and swapping customers into newer vehicles if applicable.



This positions us to accelerate LCV decarbonisation as soon as market conditions allow.





Our car fleet is decarbonising rapidly, while growing LCV activity moderates improvements at a fleet-wide level.

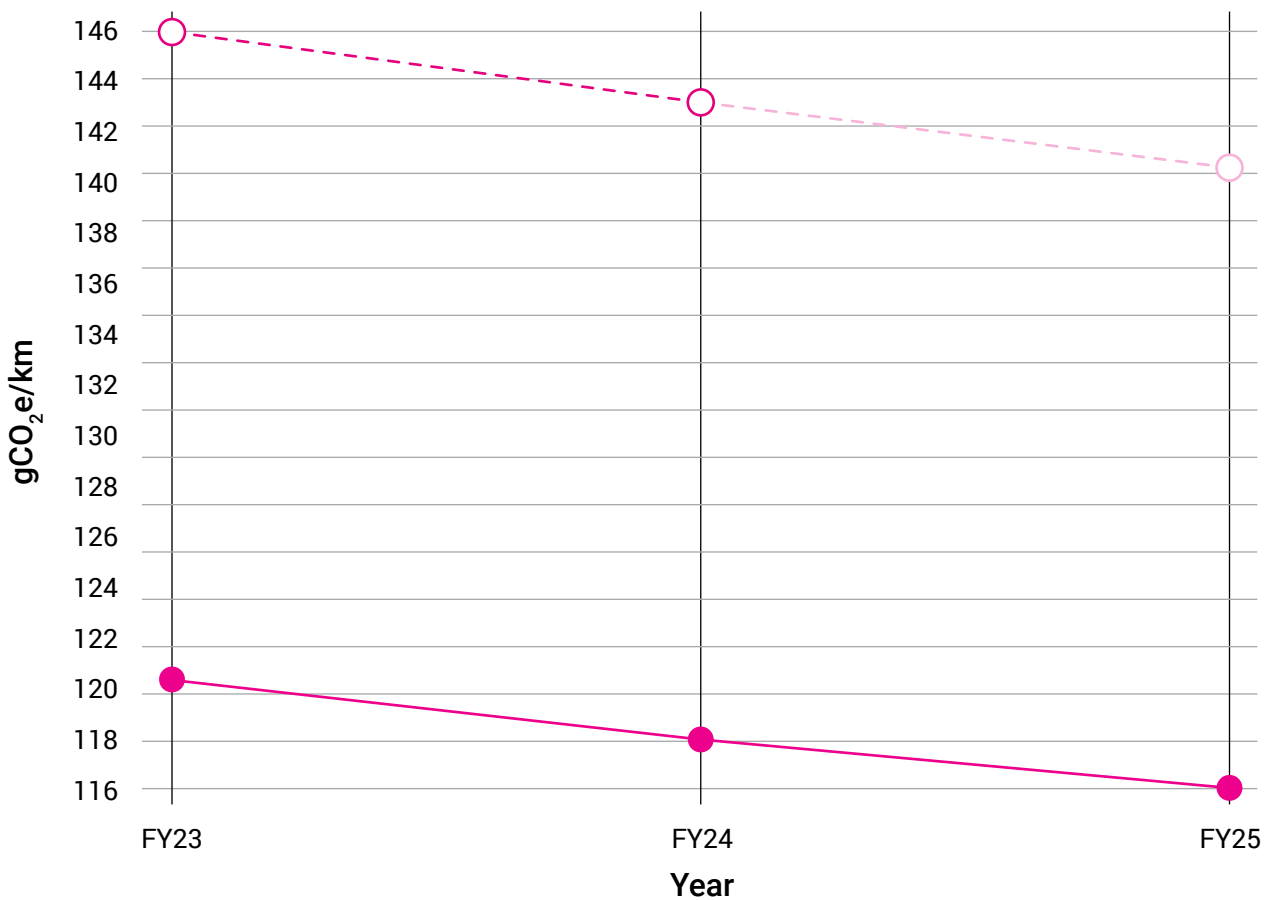


Overall Fleet Picture

When cars and LCVs are combined, our total fleet emissions intensity improved from 120.4gCO₂/km in FY23 to 116.2gCO₂/km in FY25 – a reduction of 3.6%.



Combined Fleet Emissions Intensity (gCO₂e/km)



○ - - Average Car & LCV Emissions Intensity^{1,2} ● - Global Combined Fleet Emissions Intensity

NB: Combined fleet emissions intensity is calculated as a distance-weighted average of vehicle-specific emissions factors across all cars and LCVs. FY25 UK car emissions is an estimated value based on trends, and LCV data is based on EU standards and trends.

¹UK Government Department for Transport: www.gov.uk/government/statistical-data-sets/vehicle-licensing-statistics-data-tables

²European Commission: climate.ec.europa.eu/eu-action/transport-decarbonisation/road-transport/cars-and-vans_en



Total Fleet Emissions and Avoided Emissions

In addition to emissions intensity, we estimate total fleet emissions using vehicle-specific emissions factors and total distance travelled.

Total Scope 3 Category 13 emissions (fleet use) in FY25:

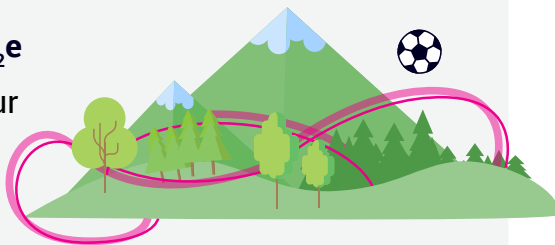
 Cars: **9,878 tCO₂e**  Cars and LCVs: **23,521 tCO₂e**

Despite growth in total kilometres driven, emissions have been significantly lower than they would have been under a static fleet mix.

We estimate that, compared to maintaining the FY23 vehicle mix, the shift towards electrified vehicles has avoided approximately:

3,735 tCO₂e

Saved from our car fleet in FY25 alone.



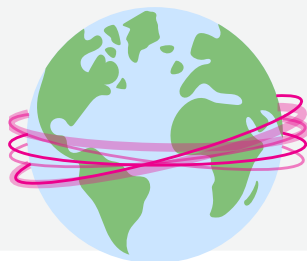
That's equal to:

The carbon absorbed annually by over 4,600 acres of forest

(That's more than 2,200 football pitches of woodland.)

4,898 tCO₂e

Saved from our car fleet in FY24 and FY25.

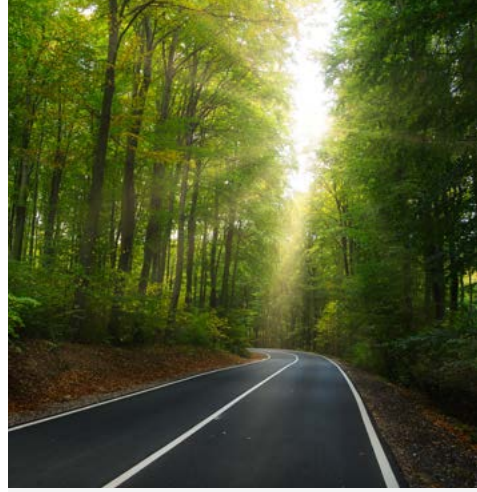


That's equal to:

16.9 million miles driven by a typical petrol car

(That's over 650 times around the Earth.)

These avoided emissions illustrate the tangible impact of our fleet transition strategy and the enabling role we play in reducing transport emissions across our customer base.



What is tCO₂e?

t (Tonne/Metric Ton): A unit of weight equal to 1,000 kilograms.

CO₂ (Carbon Dioxide): The most common greenhouse gas emitted by human activity.

e (Equivalent): A conversion factor that allows other greenhouse gases to be compared to CO₂ based on their global warming potential.



Summary

Our Scope 3 Category 13 emissions profile is shaped by two major structural trends:

- **Rapid decarbonisation of the car fleet**, driven by deliberate fleet strategy, regulatory signals, and strong customer demand for low-emission vehicles.
- **Rising LCV activity**, which currently moderates improvements at the total fleet level but represents a future opportunity as low-emission alternatives scale.

We are intentionally supporting the low-carbon transition by expanding access to electrified vehicles, guiding customers toward lower-emission options, and preparing for the next phase of LCV decarbonisation.

While we do not control vehicle manufacturing, we play a critical enabling role in accelerating the uptake of low-carbon mobility across the markets we serve.



Want to learn more about how we are driving sustainability?

Visit: globalautocare.co.uk/ourimpact