

Quality, Health, Safety, Environmental & Energy Manual:

Document No: SM-40

Energy Use & Conservation

This document is to outline TMHUK's approach when it comes to energy use and conservation. By ensuring legal compliance and best practice to lower costs and carbon footprint. Looking to gain a competitive edge and raising company profile in this area. Management will lead and promote energy efficiency programs with principles established through the relevant ISO Standards and best practice.

Procedure

- 1.0 Procurement of energy to be undertaken with environmental impact as a consideration, purchasing energy from green sources if financially viable. Although this is a good way of lowering our carbon footprint, lowering energy usage must be the overall priority.
- 1.1 To ensure that the best environmental options are exercised, all energy-consuming product will be sourced in accordance with the purchasing procurement policy (see SM-45 Purchasing procedure). In other words full consideration must be given to the energy consumption and saving characteristics of any equipment purchased, without prejudicing any other environmental or commercial requirement.
- 1.2 Depot responsible persons are to ensure that best practice is maintained where energy conservation is concerned, ensuring 'switch it off' policy is adhered to for example.
- 1.3 An Energy Management Team consisting of QHSE, Fleet Management Centre Leaders, Business Centre Leaders, Procurement Specialist, Service Operations Leaders and Fleet Manager will help formulate and drive new initiatives that will be implemented to reduce energy use.
- 1.4 Tools such as ISO50001 Standard, Energy Saving Opportunity Scheme (ESOS) Audits and Streamlined Energy and Carbon Reporting (SECR) to be both referred to and utilised to monitor and lower energy consumption.
- 1.5 Quarterly reporting to TMHE through the TMHE Reporting platform. Any exceptions and irregularities to be investigated by the QHSE team. Monthly tracking data is to be supplied to the Senior management team
- 1.6 The Energy Management Plan will record all opportunities and initiatives to reduce energy consumption. This plan will identify potential CO² and cost savings where available. The plan will be reviewed and updated at least annually.
- 1.7 The QHSE Manager will maintain an annual log of energy consumption. These records will be used to demonstrate our compliance with company policy and may constitute a benchmark for future action in any attempt to reduce energy consumption.

Energy Management (EnM)

- 2.0 As an overview total energy used for each financial year will be calculated the offset against company turnover. The aim is to reduce energy consumption, however factors such as business growth may impact upon operations and need to be taken into account. Although using this method is good for overall energy performance to better manage individual usage more comprehensive methods may also be used.

Date of Issue: February 2024	Page 1 of 8	Revision 4
------------------------------	-------------	------------

Quality, Health, Safety, Environmental & Energy Manual:

Document No: SM-40

Energy Use & Conservation

- 2.1 To effectively manage energy consumption, we must first ascertain where the most energy is used. These are called **Significant Energy Usage (SEU's)** and for TMHUK they consist of the following:
1. Fuel. Consumed from Service vans and cars, namely Diesel and Petrol.
 2. Gas Used as Primary heating for business centres, workshops and network offices.
 3. Electricity Used operationally in all business centres, workshops and network offices.
- 2.2 Diesel and Petrol account for over 70% of TMHUK's total energy usage and as such constitutes the largest opportunity to reduce energy consumption.
- 2.3 The provision of and type of company car offered is subject to constant review. Aspects such as safety, carbon dioxide (CO₂) emissions, energy performance and fuel efficiency are considered when selecting vehicles.
- 2.4 In order to reduce the company's carbon footprint, energy consumption and reduce risks to health and safety all team members are appointed to work in the vicinity of their home address wherever possible. Route planning and telematics are used to manage driver performance and to keep travel distance to as minimum as practicable
- 2.5 Service vans are fitted with the Masternaut Telematics system. All drivers also have access to the app, this shows each individual their driving habits and is a clear and explicit way of communication. This is leading to safer and more eco friendly driving throughout the service van fleet.
- 2.6 Company car drivers are to be subject to a new app, which will coach drivers in various aspects, including safety and eco driving.
- 2.7 Decarbonisation of the entire fleet is ongoing with the switch to ZEV's planned by 2033, with at least a 50% reduction by 2030.

Data Sources

- 3.0 Data will be gathered from the following sources:
- a. Diesel and Unleaded data will be obtained through the fleet department. The data will consist of the reports from AllStar, who manage the fuel card system.
 - b. Gas and Electric will be obtained from billing information and / or meter readings.
 - c. Degree days information will be obtained direct from the Degree Days website.
 - d. Financial information (turnover) will be obtained from the company annual reports.

Monitoring and Reporting

- 4.0 Significant Energy Use (SEU) must be monitored and trends assessed to best decide upon action plans to lower energy use and carbon footprint. This will be done monthly, for TMHUK verification and quarterly for the TMHE Central Reporting platform. All data will be entered into and controlled by the Energy Assessment spreadsheet.

- 4.1 By retrieving historical data we can set our Baseline at 2020
- 4.2 All individual data will be inputted into TMHE Central Reporting platform and the energy assessment worksheet on a quarterly basis.
- 4.3 All combined data will be reviewed via the energy assessment performance indicator spreadsheet on an annual basis.
- 4.4 All significant deviations are to be investigated by the QHSE Team. The TMHE Central Reporting platform, automatically flag up deviations over 20%

Variables

5.0 The following activities contribute to fluctuations in energy usage:

- Service and breakdown visits by Technicians
- Customer visits (sales, account management etc)
- New Equipment modifications in workshops
- Refurbishment of rental equipment
- Storage of Hire Fleet
- Parts distribution activities
- Training
- Technical and administration support
- Internal and external meetings
- Weather
- Seasonal deviations for rental demand

5.1 All of these contribute, either directly or indirectly to the overall performance of TMHUK, therefore we will calculate energy usage by using total energy (kWh) and company turnover (£)

Energy Performance Indicators (EnPI)

6.0 All energy will be calculated into kWh and then cross referred to company turnover to allow for business growth. In addition:

- Vehicle fuel usage will be converted into kWh and then cross referred to company turnover.
- MPG will be used to monitor trends such as driving behaviour, vehicle types etc so that initiatives can be more closely monitored.

6.1 For gas and electricity, total kWh will be calculated then cross referred to company turnover.

6.2 To better understand trends of energy usage in our business centres we will further measure energy usage using the parameters of energy (kWh), size of centre (M²), and the degree days calculation obtained direct from the Degree Days website with an offset of 15.5 degrees Celsius.

Objectives and Targets

- 7.0 All objectives and targets will be designated and monitored through the Energy Management Plan. All objectives and targets will be in line with the TICO and TMHE commitment to sustainability and energy reduction.

The baseline is set at FY2020, where 14,316,073kWh of energy was consumed. The target is to not exceed this quantity in any Financial Year. Energy is tracked month by month with reports to senior management team

Verification

- 8.0 Where possible all initiatives are to have a method of verification to ensure the effectiveness of the process/infrastructure change. As examples, this could include before and after energy measurements or power consumption of new equipment against the item it has replaced etc.

Training

- 9.0 All team members will undertake induction and periodic training which will include energy use and conservation. Team members with specific roles such as the Energy Management Team and some members of the QHSE team are to undergo training through the Ihasco training suite.

Vehicles

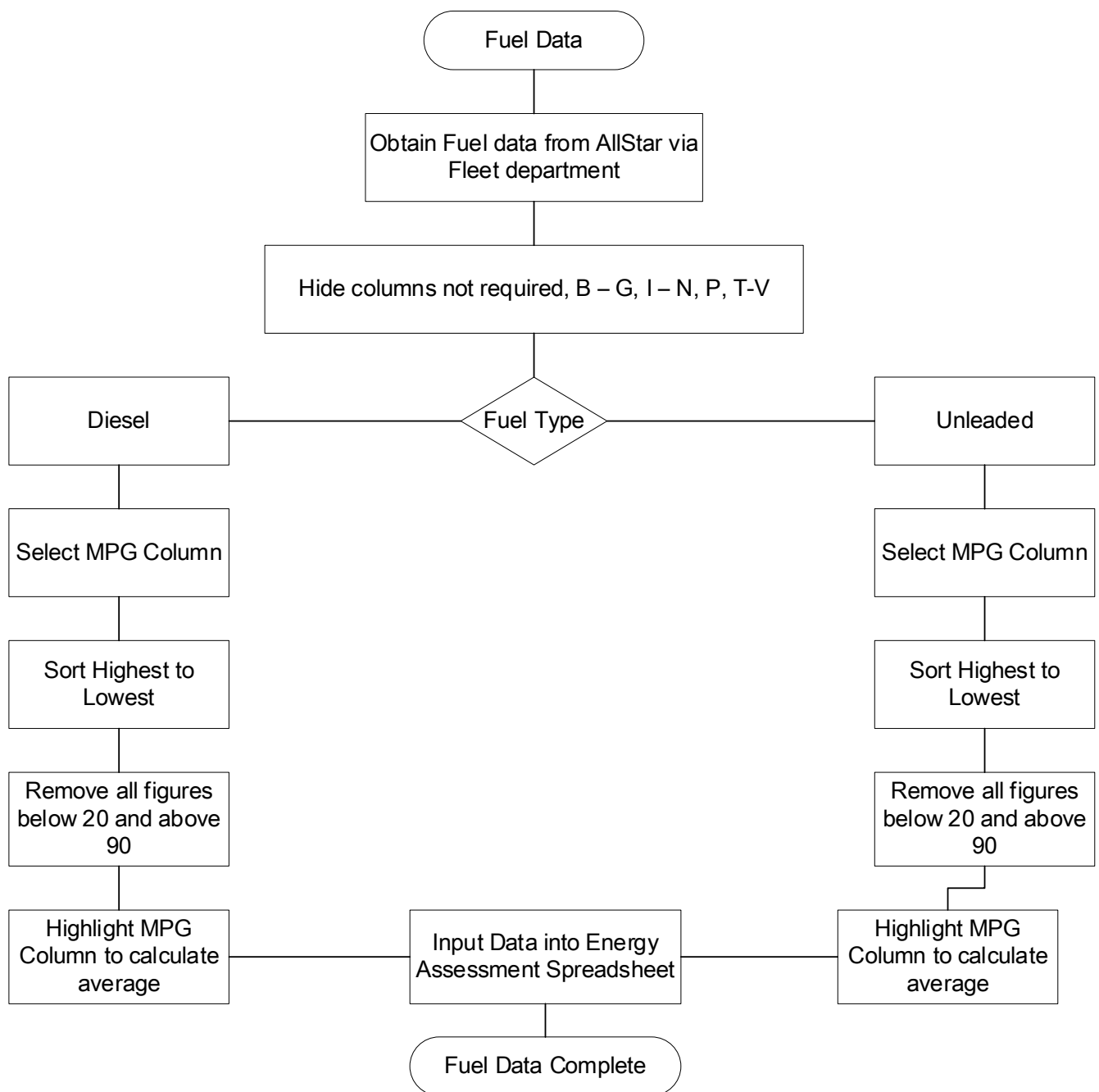
- 10.0 Vehicles and their usage constitute the majority of energy usage and can be calculated by using the Miles Per Gallon (MPG) data from Allstar at the pumps. This does require accurate accounting by drivers, however we can formulate a factor to allow for inaccurate mileage input. Total fuel usage will also be recorded.

Service Vans

- 10.1 The majority of service vans are Toyota Pro Ace and are renewed periodically. MPG is measured and the average taken as a reference point for technician audits. Technicians are also now given access to their driving behaviour through the Masternaut App.

Company Cars

- 10.2 Company cars are now either Hybrid or Plug-in Hybrid with a minor exception. Charging units are installed at Leicester with plans to be incorporated into other business centres. Planning for transition to Electric Vehicles (EV's) underway.
- 10.3 This data can then be used to work out driving efficiency and look for trends to help lower overall fuel usage. The fuel spreadsheets can also be used for auditing purposes, checking a drivers average MPG against like vehicles / roles.



Business Centres

11.0 The two main SEU's for business centres are Gas and Electricity.

Leicester Depot

11.1 Leicester depot houses office areas and the national parts distribution centre. The centre has recently been re-cladded with insulation included and is currently under refurbishment in many of the office areas.

Warrington

11.2 Office and new equipment workshop / warehouse. New gas heating system fitted a few years ago. Office area recently refurbished

Castleford

11.3 Office areas and workshop warehouse. Office area refurbished, new HVAC and AC system installed with centralised control panel.

Fleet Management Centre.

11.4 Used equipment and fleet workshops with warehousing. Old buildings. Gas heating only in workshop area. PIR lighting throughout warehouse.

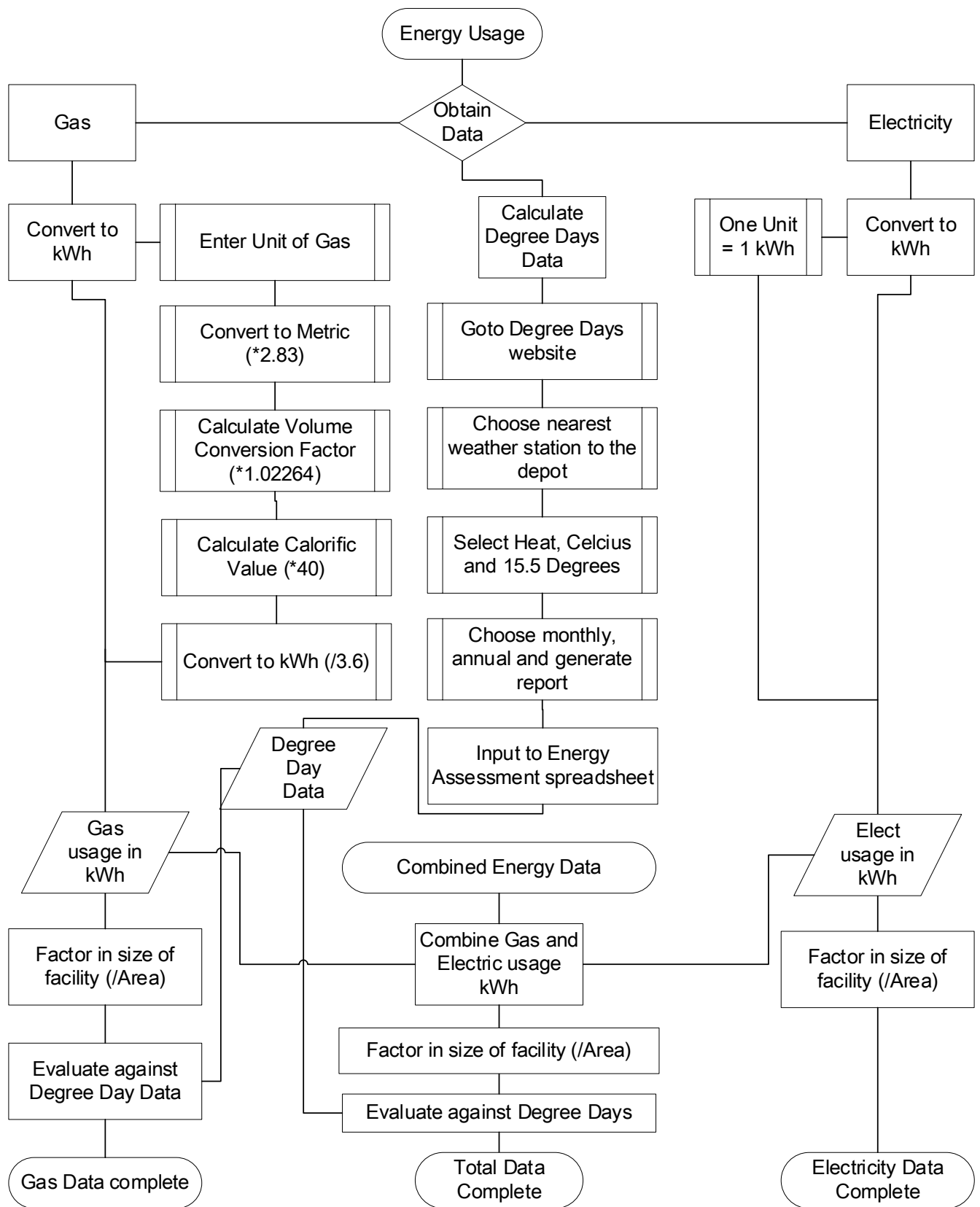
Slough

11.5 Office with small warehouse facility. This facility is awaiting closure, with operations moving to a new eco friendly building

Network offices

11.6 There are three network offices used, Baillieston, Gloucester and Sittingbourne. All of these are modern buildings consisting of small office and workshop / display areas. The energy usage for these is proportionately lower than the main business centres and as such, target wise we would look at no increase of energy year on year

11.7 To formulate a comparison the Energy Assessment spreadsheet will be used to automatically convert to factors so that energy efficiency can be gauged. The spreadsheet also allows for various units to be used when reporting, Units, kWh, M³ for example:



RECORDS

13.0 The annual energy consumption log will be retained in perpetuity by the QSE Manager.