

# Kia UK Ltd. Carbon Reduction Plan

Supplier name: Kia UK Limited

Publication date: February 2024

## Commitment to achieving Net Zero

Kia UK Limited is committed to achieving Net Zero emissions by 2045 at the latest.

In line with PPN 06/21 guidance Kia UK has taken steps to understand its environmental impact and carbon footprint relevant to the delivery of relevant contracts as specified in the Public Contracts Regulations 2015.

Kia UK are committed to the following initiatives:

- Making an organisational commitment to reducing emissions over time to achieve Net Zero before 2045
- Annually quantifying and declaring emissions of GHGs defined within the Kyoto protocol; carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFC), perfluorocarbons (PFC), sulphur hexafluoride (SF<sub>6</sub>) and nitrogen trifluoride (NF<sub>3</sub>).
- Developing a Carbon Reduction Plan in line with PPN 06/21 Technical Standard for Completion of Carbon Reduction Plans outlining environmental management measures that will be applied in the performance of relevant contracts and wider business operations.
- The Carbon Reduction Plan will be supported and signed off by top management (or equivalent) within the organisation, and published on our website.

# Baseline Emissions Footprint

The following Baseline Emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline Emissions are the reference point against which current and future Emissions reductions can be measured.

<b>Baseline Year: 2021 (1<sup>st</sup> January – 31<sup>st</sup> December)</b>	
Additional Details relating to the Baseline Emissions calculations:	
SECR data used to complete GHG calculations for relevant sources.	
This has been re-established as a base year following quantification of additional data for Scope 3 sources. Emissions calculated in alignment with ISO 14064-1. Scope 3 categories refer to GHG Protocol as reference in PPN 06/21 guidance.	
Baseline year emissions:	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b>	282
<b>Scope 2</b>	199
<b>Scope 3 (Included Sources)</b>	627 <ul style="list-style-type: none"> <li>■ Category 1. Purchased goods and services (water supply): &lt;1</li> <li>■ Category 3. Fuel and energy related activities (T&amp;D): 18</li> <li>■ Category 4. Upstream transportation and distribution: 66</li> <li>■ Category 5. Waste generated in operations: 1</li> <li>■ Category 6. Business Travel: 153</li> <li>■ Category 7. Employee commuting: 366</li> <li>■ Category 7. Employee commuting (teleworking): 22</li> </ul>
<b>Total Emissions</b>	<b>1,107</b>



# Current Emissions Reporting

Reporting Year: 2022 (1 <sup>st</sup> January – 31 <sup>st</sup> December)	
EMISSIONS	TOTAL (tCO <sub>2</sub> e)
Scope 1	290
Scope 2	231
Scope 3 <b>(Included Sources)</b>	793 <ul style="list-style-type: none"> <li>■ Category 1. Purchased goods and services (water supply): 1</li> <li>■ Category 3. Fuel and energy related activities (T&amp;D): 21</li> <li>■ Category 4. Upstream transportation and distribution: 83</li> <li>■ Category 5. Waste generated in operations: 1</li> <li>■ Category 6. Business Travel: 312</li> <li>■ Category 7. Employee commuting: 347</li> <li>■ Category 7. Employee commuting (teleworking): 28</li> </ul>
<b>Total Emissions</b>	<b>1,315</b>

The rise in overall emissions in 2022 primarily due to increases in upstream transportation. This is a linked to a higher demand for vehicles, particularly EVs and hybrids, following the peak of COVID-19 restrictions.

Business travel includes grey fleet, air, rail and sea journeys, as well as emission from the use of hotels.

Supporting data for downstream transportation that Kia UK are responsible for, are not currently available. We are working to include these figures within the 2023 reporting period and will update historic figures where practical, including our base year. Due to the high volume of vehicle sales this is a complex emission source to quantify.

## Emissions Reduction Targets

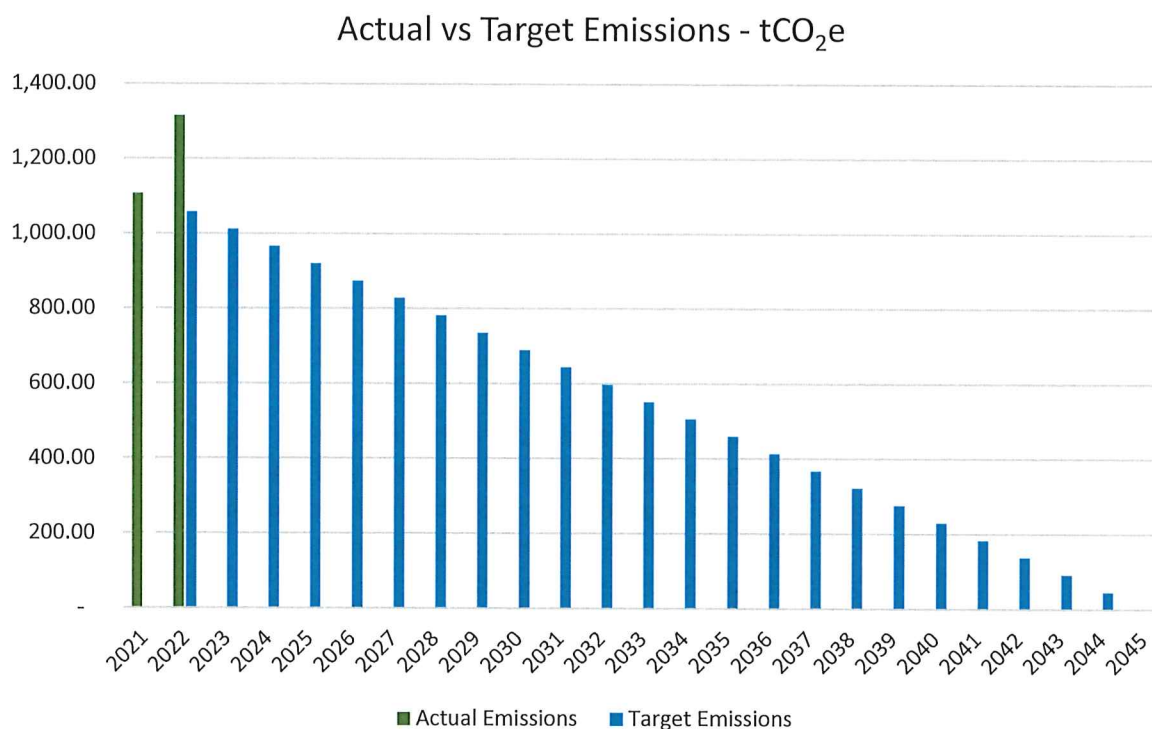
We are committed to reducing emissions through reduction projects, including the use of electric vehicles, the manufacture and supply of which is a core part of our business activity.

GHG emissions have been independently verified by a UKAS accredited third-party (BSI) to limited level of assurance. This involved a series of audits to confirm alignment with the requirements of ISO 14064-1, with a verification opinion issued (verified as satisfactory).

In order to continue our progress to achieving Net Zero, we have adopted the reduction target of reducing emissions by 38% by 2030, and 79% by 2040 relative to the 2021 base year.



Progress made by Kia UK Limited since 2021 against the 2045 Net Zero target can be seen in the graph below:



We project that carbon emissions will decrease over the next five years to 828 tCO<sub>2</sub>e by 2027. This is a reduction of 25% compared to the 2021 base year.

## Carbon Reduction Projects

### Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2021 baseline.

- Increased the proportion of hybrid, plug-in hybrid and electric vehicles with the company's fleet and Employee Car Ownership Scheme
- Completed a comprehensive electric vehicle charging project at Head Office available to all employees and visitors
- Regular and documented maintenance of HVAC systems to ensure no leaks
- Progressive increase in the proportion of electric vehicles within the company Fleet
- Expansion of the EV Charging facilities on sites
- Car sharing among staff for commuting
- Increased hybrid working to minimise business travel and commuting
- Implementation of Emissions Monitoring System to track GHGs across Scopes 1- 3
- GHG results for 2022 verified following ISO 14064-1 audits

We are currently developing plans to implement further measures to assist us to identify significant Sets of our Scope 3 Emissions in the near future.





In the short term, we hope to implement further measures such as:

- Photo voltaic panels
- Instructions to suppliers
- Sustainable travel policy
- Gradual phase out of gas for heating purposes from operations

## Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard<sup>1</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>2</sup>.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the available subset of Scope 3 emissions have been reported. We recognize that further Scope 3 subsets need to be evaluated and this is work in progress.

Future Scope 3 Emissions will be reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard<sup>3</sup>.

This Carbon Reduction Plan has been reviewed and signed off by Kia UK Ltd.'s CEO.

### Signed on behalf of Kia UK Ltd.:



Name: PAUL ALLCOTT

Position: PRESIDENT & CEO

Date: 29/2/24

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<sup>1</sup> <https://ghgprotocol.org/corporate-standard>

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

<sup>3</sup> <https://ghgprotocol.org/standards/scope-3-standard>



