

## Sovereign Corporate Environmental Policy (CEP)

Sovereign recognises implicitly that the nature of its business decrees that a high level of carbon dioxide is produced and equally, the company recognises the importance of reducing this and other environmental impacts of its operations.

Environmental sustainability is a key priority at Sovereign. In 2010 we appointed one of the UK's leading consultancies in their field to assist us with the aim of becoming the first "Carbon Positive" Chauffeur business in the UK. The first part of this has been the creation of a deliverable Environmental Policy, which we present herewith

This policy exists to drive all operations relating to the business undertaken by Sovereign, its suppliers, partners and staff in relation to the company's environmental targets, which are;

- **To achieve ISO 14001 by Autumn 2011 (Achieved October 2011)**
- **To operate a carbon neutral business by end 2012**
- **To operate a carbon positive business by end 2013**

Definitions: Carbon Neutral: CO<sub>2</sub> produced is reduced to zero or offset through carbon absorption activities.  
Carbon Positive: Activities to reduce the level of CO<sub>2</sub> over and above that produced by the company.

To meet this policy aim, we will ensure through our commitment to continuous improvement to:

- ✓ To comply with relevant applicable legal requirements and to other requirements which relate to our environmental aspects.
- ✓ Minimise energy use and its associated CO<sub>2</sub> emissions
- ✓ Maximise the use of renewable energy sources where possible
- ✓ Minimise the generation of waste
- ✓ maximise the re-use of materials and products
- ✓ Maximise the use of recycled materials and products
- ✓ Maximise the recycling of materials and products
- ✓ Minimise raw material consumption
- ✓ Maximise the use of material from renewable sources
- ✓ Prevent polluting emissions to air, land and water
- ✓ Assess the environmental impacts of all working practices
- ✓ Maximise the use of local products and local workforce.
- ✓ Minimise the use of water

To further the aims of this policy we will:

- ✓ Provide adequate environmental training for all staff
- ✓ Assess the environmental performance of all suppliers
- ✓ Develop a set of environmental targets and action plans
- ✓ Review this environmental policy and its action plans periodically with a view to continuous improvement

These targets will be achieved through the adherence of the following:

**Office staff:** All office staff to receive regular training and communication on their impact to the environment. Specific measures include training and mentoring for:

- Provision of desk-side and office waste segregation for recycling.
- Provision of company food digester for food and organic waste
- Encouragement and incentives to car-share
- Encouragement and incentives to use public transport
- Awareness and implementation of the CEP

**Chauffeurs:** Our chauffeurs receive training to drive in built-up areas as responsible and environmentally aware citizens. This training sensitises our chauffeurs to driving responsibly in urban areas, which represents over 90% of journeys and means both substantial savings through better fuel efficiency and a better environment. Specific driving techniques that are deployed include those recommended by the Institute of Advanced Motoring and include:

- Making sure the tyre pressure is correct
- Adherence to the speed limits
- Feathering the throttle once at cruising speed
- Breaking smoothly
- Accelerator sense using good observation and onward planning in heavy traffic
- Reverse parking to enable most efficient drive away when the car is cold
- Carrying adequate fuel but not overburdening the tank

**Fleet:**

#### Selection

The nature of Sovereign's business dictates the use of luxury vehicles and therefore restricts flexibility when selecting vehicles. Following extensive research Sovereign has chosen to predominate its fleet with Mercedes and BMW vehicles, as tests have shown that these manufacturers models are on average over 75% recyclable – considerably greener than most other vehicles in their class, and therefore less damaging to the environment. As an example the S-class Mercedes exceeds 2014 European emissions standards.

The Mercedes E and S-class vehicles exceed the UK government's 2012 recyclability standards requiring cars built after that date to be at least 98% recyclable.

Over 85% of Sovereign's fleet fall into this category.

#### Operation

As part of the driver-training programme, methods of operation to deliver environmental improvements are deployed to follow government guidelines to include:

- Smooth driving at all times
- Correct use of gears

- Parking to enable easier move aways
- Correct tyre pressures
- Regular and thorough maintenance

#### Hybrid vehicles

Sovereign has given serious consideration to the incorporation of hybrid vehicles into its fleet, but following research with clients and environmental consultants, made the decision not to incorporate hybrid vehicles at this stage of their development, but to make available to clients, through third party supply, a range of hybrid vehicles on request.

**Premises:** Sovereign's head office in Docklands is part of an environmental award winning office complex constructed from recycled containers and employing rain water harvesting for non-potable purposes and wind power energy creation. Lighting uses low-energy bulbs and is controlled using motion sensors. Computers and other electrical equipment yield above minimum environmental standards. Segregated waste collection containers have been introduced for recycling with suitable waste contractors appointed to handle this aspect of our operation.

**Planning:** Sovereign's driver management software allows its controllers to choose the nearest driver to a booked pick-up point in order to minimise on fuel usage and CO2 emissions. In addition, every attempt is made to ensure that drivers leaving shifts are, where possible, allocated journeys in the direction of their homes to minimise on mileage, fuel usage and CO2 emissions

#### **Internal**

**Consumption:** Policies introduced have led to a 75% cut in paper usage over the past 18 months with a commensurate reduction in toner consumption.

Office management improvements have seen a 45% drop in other stationery consumables usage.

Policies and procedures have also lead to a reduction in energy usage. Figures so far lead us to expect at least a 22% reduction over the 12 months to December 2010 compared to the same period in 2009.

**Waste:** We currently separate paper, cardboard, cans, glass, plastic (types 1,2 and 3) and food for recycling or composting. This has cut waste (from Sovereign) going to landfill to just 38% of total waste arisings over the 12 months to October 2010 compared to the same period in 2009.

**Operations:** Through careful monitoring and client consultation we have managed to reduce drivers waiting time, fuel usage and non-essential mileage by more than 14% over the last 3 years. This has been achieved through a combination of more strategic waiting points within London and driver instruction to cease engine use whilst waiting for clients.

## **Audit processes**

Sovereign has numerous processes for environmental auditing which can be provided on request. These include:

- Vehicle service schedules (specific to environmental maintenance)
- Mileage: Fuel use ratio (for use in carbon calculations)
- Energy usage
- Office consumables ledger

These are in the process of being refined and updated by our environmental consultants and will increase the scope of data to be audited,

## **Suppliers**

Our CEP requires our suppliers to have a similar dedication to environmental improvement and management as Sovereign. We select our suppliers with great care and request their commitment to these issues which we consider a primary factor in selecting suppliers. (See Sovereign Corporate Procurement Policy).

## **Future developments**

This CEP also sets out a number of development areas for further continual environmental improvements including:

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| Alternative fuels: | Consistent review of suitability of biodeisel and bioethanol as alternative fuels, implementation of policy to use them as and when viable to do so. |
| Hybrid cars:       | Consistent review of suitability of hybrid vehicles into the Sovereign fleet.  |
| Community:         | Sponsorship and support of local community activities that seek to improve the environment and environmental awareness.                              |

Details regarding the specific elements set out in the CEP can be made available on request. These include measurement techniques, benchmark analysis and management protocols to ensure adherence to the policy.

All new employees are made aware of the policy through induction training and a hard copy is available for viewing at all our offices. The policy is made available to the 3<sup>rd</sup> parties in response to enquiries.

The policy is reviewed annually and provides the framework for the setting and reviewing of our objectives and targets.

Signed .....

Date .....

*Revised January 2013*