

Quality Freight Services Limited

Carbon Emissions Report

Financial year 2024 & 2025

Carbon Neutral Group

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Welcome

Carbon Neutral Group is pleased to present our Carbon Footprint Baseline Report for the team at Quality Freight Services Limited (QFS). This report forms a key part of our communication strategy with you, a strategy which is designed to promote effective two-way communication throughout the emissions calculation process with governance and ESG reporting stakeholders.

The report highlights the emission factors within the project scope, followed by a breakdown of each emission area with the corresponding carbon footprint. The report has used data provided by the optometrists and aligns with their fiscal year 2024/25.

The measuring and reporting approach that has been taken by Carbon Neutral Group has followed Defra's Guidelines on how to measure and report greenhouse gas emissions. Emissions are reported in tonnes of CO2 equivalents (CO2e).

This report contains matters which should properly be considered by the team to help and guide any carbon reduction strategies.

We anticipate discussing this plan with you and welcome any of your input on the findings.

Kind Regards

George Curtis

Director

Carbon Neutral Group Ltd

Executive Summary

This report outlines the greenhouse gas emissions arising from the activities of the team at QFS during the period aligning with the fiscal years of 2024/25. The requirement was to explore the scope of one, two and part of three emissions.

In response to the climate crisis and the threat that the crisis poses, the UK Government has written into legislation that UK businesses must be net zero by 2050. In addition to the UK-wide target, Scotland has set its own and is aiming to become a net-zero economy by 2045. The UK has also committed to a 68% reduction in emissions by 2030, as part of its Nationally Determined Contribution towards the Paris Agreement.

The findings from this exercise have all been broken down into subsections and areas within each scope. This will help identify the high-risk areas for the group and highlight where the team needs to focus time and attention as they strive towards their Net Zero goals.

The calculations to create the Carbon Emission figures are based on the guidelines provided by the UK Government GHG Conversion Factors for Company Reporting, the Department for the Environment, Food & Rural Affairs, as well as the Department for Business, Energy & Industrial Strategy.

The data of the factors used in the report all align with the relevant year's government DEFRA reporting period. As the report is for the QFS Financial Year of 2024 & 25, this crosses two DEFRA emission factors, including emission factor changes. We have incorporated this into our calculations.

We have made assumptions on items where the data has not been available, and these are commented on within the sections.

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Overview of Emissions

With assistance from the team at Quality Freight Services (QFS), we have been able to produce the report below on the emissions for the financial year of 2024 to 2025. The report aims to start the team at QFS on their journey to Net Zero. The report will help by showing areas that the team are doing well in and where they need to focus their efforts on emission reductions.

From the data we have gathered from the project's in-scope areas, we can see that QFS has emitted 201.64 tonnes of CO2e. This is the same as a team member taking **104 return flights from Manchester to New York.** If the team are going to offset all their emissions, they will have to offset: **202 tonnes of CO2e.**

We have seen an overall reduction in emissions from QFS from 245 tonnes in 2022/23 of CO2e to 201.64. This is a fantastic achievement. The key reasons for this are the changes that the business put in place to help drive the right behaviours from the team. In the 2022/23 report, we say a large proportion of the emissions comes from the team's commute. This was down to 108.55 tonnes from the previous year's 124.1 tonnes. This decrease was driven by the move away from diesel cars to hybrid or Electric Vehicles (EVs). It is key to note that only the direct emissions for travel were included for Hybrid and EV. We are adding in charging, WTT and Transmission or Distribution emission in next year's report to ensure that all angles of the electric/Hybrid are included.

The table below shows the breakdown of emissions between each scope.

Line Item	Carbon Emission Tonnes CO2e
Scope 1	
Gas	12.56
Company-Owned Vehicles	0.00
Refrigerant Gases	0.00
Scope 1 Total	**12.56**
Scope 2	
Electricity (office use)	30.18
Scope 2 Total	**30.18**
Scope 3	
Business Travel	20.63
Home Working	20.64
Staff Commuting	108.55
Virtual Offices	5.6
Water	0.49
Transmission & Distribution	2.99
Scope 3 Total	**158.9**
Total Emissions	**201.64**

Section 1

Section one covers QFS Scope 1 Emissions. These emissions are what QFS owns or controls directly. In this section, we are covering the following areas: gas consumption, company-owned vehicles & fugitive emissions.

Scope 1 Emission Area	CO2e Tonnes
Gas	12.56
Company-Owned Vehicles	0.00
Fugitive Gases	0.00
Total	**12.56**

Gas

Gas consumption across the organisation has decreased significantly compared with the previous reporting year. Total Scope 1 gas emissions for this period are 12.56 tCO_2e, down from 23.02 tCO_2e reported in 2022/23 and 12.24 in 23/24. From the initial report, this represents a reduction of 10.46 tonnes CO_2e, a positive development for the business and a continuation of the trend toward lower direct emissions. From the 2022/23 report to this year, we have seen a decrease of 45.43%.

There are two primary reasons for this reduction:

1. Office relocations to more energy-efficient buildings

Several offices have moved from older, gas-heated premises into newer, more energy-efficient spaces. As a result, several locations no longer use gas for heating at all, directly reducing Scope 1 emissions.

2. Unavailable landlord data for certain sites

In some cases, gas consumption data could not be obtained from landlords. Where this occurred, emissions have been estimated using the most accurate available information. Because the reporting period spans two different GHG emissions factor datasets, both sets of factors were applied appropriately to ensure accurate estimation of kWh consumption and associated CO_2e.

The reduction in emissions is therefore a combination of genuine operational improvements and changes in data availability. Importantly, the shift away from gas-heated buildings is expected to have a lasting impact on future reporting cycles.

Scope 1 Emission Area	KWh Consumption	CO2e Tonnes
Belfast (new office)	0	0
Birmingham	20,066.89	3.67
Bradford (Shipley)	20,754.30	3.8
Bristol (EDF Renewable)	0	0
Cannock	0	0

East Midlands	3,728	0.68
Folkestone	0	0
Felixstowe	3,855	0.71
London - Heathrow (Datchet)	0	0
Liverpool	3,724	0.68
Leeds	0	0
Leicester	7,186.52	1.31
Manchester - Lowry Mill	1,476.07	0.27
Milton Keynes	772.00	0.14
Newcastle	0	0
Sheffield	5,808.57	1.06
Southampton	1,303.63	0.24
Total Gas Emissions	**68,674.98**	**12.56**

- The data was calculated from the data that the team received from QFS and the invoices that the landlord provided for their gas consumption.
- The associated emissions were calculated using the relevant emission factors from the DEFRA 2024 & 2025 conversion factors.

Quality Freight Services has achieved a substantial reduction in Scope 1 gas emissions this year. The shift to more efficient buildings, reduced reliance on gas heating, and improved energy performance across the estate have all contributed to this positive outcome. As more offices transition away from gas, Scope 1 emissions are expected to continue declining in future reporting periods.

Company-Owned Vehicles

The company does not own its own vehicles. It does lease cars for the employees, and this data is in Scope 3, leased vehicles.

Fugitive Emissions - Refrigerant Gases

None of the business premises has air conditioning facilities, and the business does not manufacture products that need these types of gases, so no fugitive emissions are included in this scope.

Section 2

Scope 2 Emissions for Quality Freight focus on their procurement and consumption of electricity even though they are not responsible for emission for creating the electricity.

Scope 1 Emission Area	CO2e Tonnes
Electricity	30.18

Electricity

Electricity consumption data was collected from all offices for the reporting period. Most sites provided complete figures; however, one office did not submit data this year, so the previous year's verified consumption has been used as a proxy to maintain continuity. Two virtual offices have also been added to the organisational boundary; each is assigned a small electricity-related emission value in line with virtual-office methodology.

Total electricity consumption for the year was 175,935.59 kWh, resulting in 30.18 tCO_2e of Scope 2 emissions (location-based). The Bristol office continues to operate on a renewable electricity tariff, resulting in zero market-based emissions for that site.

Some offices now allow staff to charge electric vehicles on-site. While this is a positive step in supporting low-carbon commuting, it does contribute to higher electricity consumption and should be considered when interpreting year-on-year changes. In addition, several offices have transitioned away from gas heating, meaning a greater proportion of heating demand is now met through electricity. This shift is another key driver of increased consumption across the estate.

The Shipley office benefits from rooftop solar panels, which help offset a portion of its electricity demand and increase the share of renewable energy used on-site. This contributes positively to the organisation's overall decarbonisation profile.

Comparison With the Previous Year

Last year's total electricity consumption was 148,995.35 kWh, generating 30.84 tCO_2e. Compared with this year:

- Electricity use increased by 26,940.35 kWh (+18.085)
- Scope 2 emissions decreased slightly by 0.74 tCO_2e (-2.4%)

The increase in electricity consumption is consistent with operational changes, including:

- Reduced reliance on gas heating
- Increased use of electric heating systems
- Staff EV charging at certain offices
- Natural variations in occupancy and operational patterns

Despite higher consumption, emissions have decreased slightly due to the continued decarbonisation of the UK electricity grid and the presence of renewable tariffs and on-site solar generation at selected locations.

Scope 2 Emission Area	KWh Consumption	CO2e Tonnes
Belfast (new office)	0.00	0.00
Birmingham	10,797.24	1.91
Bradford (Shipley)	17,209.5	3.05
Bristol (EDF Renewable)	1,380.95	0.00
Cannock	9,001.20	1.59
East Midlands	5,454	0.97
Felixstowe	14,119.4	2.50
Folkestone	31,428	5.56
London - Heathrow (Datchet)	15,112.13	2.67
Liverpool	1,358.00	0.24
Leeds	23,584	4.14
Leicester	4,304	0.76
Manchester - Lowry Mill	9,282.43	1.64
Milton Keynes	4336	0.77
Newcastle	0.00	0.00
Sheffield	19,209.68	3.40
Southampton	3,492.12	0.62
Total Electric Emission	**175,935.59**	**30.18**

Overall, Scope 2 emissions remain broadly stable year-on-year despite an increase in electricity consumption. This reflects:

- The decarbonisation of the UK electricity grid
- Renewable tariffs at selected sites
- On-site solar generation at Shipley
- The shift from gas to electric heating
- EV charging availability at some offices

With a complete multi-year dataset now established, this year's audit will focus on identifying any remaining reduction opportunities and developing clear, actionable recommendations

- The data was calculated from the data that the team received from QFS and the invoices that they had been paying their electricity provider.
- The associated emissions were calculated using the relevant emission factors from the DEFRA 2024 & 2025 conversion factors.

Section 3

Scope 3 Emissions

Scope 3 emissions represent the indirect greenhouse gas emissions that occur across QFS's wider value chain and are not directly controlled by the organisation. These emissions typically make up the largest proportion of a company's total carbon footprint, and this is reflected in QFS's results. For the 2024/25 reporting period, Scope 3 emissions totalled 158.48 tCO_2e, compared with 156.13 tCO_2e in 2023/24. This is an overall increase of 3.477 tCO_2e.

This category includes a diverse range of activities such as business travel, staff commuting, homeworking, virtual offices, water supply and treatment, and transmission and distribution losses. These activities are essential to QFS's operations but occur outside the organisation's direct control, making them a critical focus area for long-term decarbonisation planning.

Scope 3 Emission Area	Tonnes CO2e 2023/24	Tonnes CO2e 2024/2025	Comparison +/-
Leased Cars	7.89	2.80	-5.09
Private Cars	15.04	7.69	-7.35
Ferry	0.25	0.0044	-0.2456
Taxi	0.10	0.53	0.43
Train	0.14	2.88	2.74
Flights	4.36	3.27	-1.09
Hotel Stays	0.29	0.8	0.51
Other Business Expenses	0.00	2.22	2.22
Home Working	1.24	20.64	19.4
Virtual Offices	0.00	5.6	5.6
Staff Commuting	124.10	108.55	-15.55
Water	0.373	0.51	1.217
Transmission & Distribution	2.35	2.99	0.55
Total	**156.133**	**158.48**	**2.3514**

The year-on-year changes reflect a combination of operational behaviour, improved data completeness, and shifts in working patterns.

- **Staff commuting remains the largest contributor**, although emissions have decreased significantly due to reduced petrol and diesel mileage and increased hybrid/EV use.
- **Homeworking emissions have increased**, driven by more accurate survey data and the application of DEFRA's updated homeworking methodology.

- **Business travel emissions have risen slightly**, reflecting increased operational activity and improved reporting of reimbursable expenses.
- **Transmission & distribution and water emissions have increased**, largely due to better data availability and more complete reporting.

Scope 3 emissions are a critical focus area for QFS's sustainability strategy. As the organisation continues to refine its data collection processes and expand the categories included in future reporting cycles, the accuracy and completeness of Scope 3 reporting will continue to improve. This will support more targeted carbon reduction initiatives and strengthen alignment with the GHG Protocol, ISO 14064-1, and EcoVadis expectations.

Business Travel

Business travel represents an important component of QFS's Scope 3 emissions and includes all travel undertaken by employees for work purposes using non-company-owned transport modes. This category covers leased vehicles, private vehicles used for business mileage, public transport, flights, taxis, ferries, hotel stays, and other reimbursable travel-related expenses.

For the 2024/25 reporting period, total business travel emissions were 30.03 tCO_2e, compared with 28.07 tCO_2e in 2023/24 — an overall increase of 1.96 tCO_2e. While the total footprint has risen slightly, the underlying data shows a mixed pattern of reductions and increases across different travel modes.

Scope 3 Emission Area	Tonnes CO2e 2023/24	Tonnes CO2e 2024/25	Difference in Emissions
Leased Cars	7.89	2.80	-5.09
Private Cars	15.04	7.69	-7.35
Ferry	0.25	0.44	0.19
Taxi	0.10	0.53	0.43
Train	0.14	2.88	2.74
Flights	4.36	3.27	-1.09
Hotel Stays	0.29	0.8	0.51
Other Business Expenses	0.00	2.22	2.22
Total	**28.07**	**20.63**	**-7.44**

QFS has demonstrated measurable progress in reducing emissions from higher-impact travel modes such as leased vehicles and flights, while increasing the use of lower-carbon alternatives such as rail. The organisation has also improved the completeness of its travel reporting, resulting in more accurate Scope 3 data. QFS will continue to promote

sustainable travel behaviours, prioritise low-carbon modes, and implement targeted reduction initiatives as part of its ongoing carbon management strategy.

- The data for the business travel section was collected from the QFS team, who had reviewed their company expenses for travel.
- The associated emissions were calculated using the relevant emission factors from the DEFRA 2024 & 2025 conversion factors.

Hotel Stays

Hotel-related emissions have been calculated using a spend-based methodology, as most of the hotel activity is processed through the organisation's expenses portal. This approach is fully compliant with the GHG Protocol Corporate Value Chain Standard, which allows spend-based calculations where activity data (e.g., number of nights, room type, star rating) is unavailable. The calculation uses recognised DEFRA/BEIS emission factors for "Hotels per £ spent", ensuring alignment with ISO 14064 principles and EcoVadis expectations.

Year-on-Year Performance

Over the past three reporting years, hotel-related emissions have shown the following trend:

- 2022/23: 0.63 tCO_2e
- 2023/24: 0.28 tCO_2e
- 2024/25: 0.80 tCO_2e

This represents:

- A reduction of 0.35 tCO_2e between 2022/23 and 2023/24
- A subsequent increase of 0.52 tCO_2e in 2024/25

The reduction observed in 2023/24 reflects a period of reduced business travel, consistent with wider economic conditions and hybrid working patterns. However, the slight increase in 2024/25 is aligned with broader economic recovery and a return to in-person engagement across the UK. As organisations re-establish face-to-face meetings with clients, suppliers, and partners, hotel stays have naturally increased.

This increase is therefore considered operationally normal and not indicative of inefficiency. It reflects:

- Higher levels of client engagement
- Increased supplier interaction
- A general rise in business travel across the economy

Summary

Hotel-related emissions remain low overall and continue to represent a small proportion of the organisation's total Scope 3 footprint. The slight increase in 2024/25 is consistent with wider economic trends and increased business activity, rather than a decline in environmental performance. Continued monitoring will ensure that travel remains efficient and aligned with the organisation's sustainability objectives

Emission Area	Hotel Stay CO2e (Tonnes)
Hotel Emissions	0.80
Total	**0.80**

- The data for the business travel section was collected from the QFS team, who had reviewed their company expenses for hotel accommodation.
- The associated emissions were calculated using the relevant emission factors from the DEFRA 2024 & 2025 conversion factors and using spend analysis.

Home working & Virtual Offices

Homeworking emissions have been calculated in accordance with the GHG Protocol Corporate Value Chain Standard and the UK Government GHG Conversion Factors for Company Reporting. As the organisation operates a hybrid working model, an internal survey was conducted to determine the number of days per week employees typically work from home. This approach provides a more accurate representation of actual homeworking patterns than using a single company-wide assumption.

The survey results were grouped into homeworking frequency bands (0–5 days per week). For each band, the number of employees was multiplied by their reported homeworking days, standard working hours per day (7 hours), and working weeks per year (48 weeks) to calculate total annual homeworking hours. Across the workforce, this resulted in 61,824 FTE homeworking hours for the reporting period.

Work from home days	Number of people	**Total Hours Working from Home**	**Tonnes of CO2e – per annum**
0	72	0.00	20.64 tonnes
1	31	10,416.00	
2	19	12,768.00	
3	2	2,016.00	
4	6	8,064.00	
5	17	28,560.00	
Total	**147**	**61,824.00**	

- The DEFRA homeworking emission factor of 0.33378 kg CO_2e per FTE working hour was applied to this total. This factor incorporates emissions associated with typical home energy use during working hours, including electricity for IT equipment and heating requirements.
- Total homeworking emissions for the reporting year are therefore calculated at:
- These emissions are reported under Scope 3, Category 7 – Employee Commuting (homeworking component). This methodology is fully aligned with ISO 14064-1 principles, GHG Protocol guidance, and EcoVadis expectations for transparent, data-driven reporting.

Virtual Offices

The organisation operates two virtual offices, which have no physical premises and therefore do not directly consume energy. As a result, they do not generate Scope 1 or Scope 2 emissions. Instead, emissions associated with virtual offices arise from the homeworking activities of staff assigned to these locations. Each of these locations has 5 people working from it.

Virtual Office Location	No of Employees	Annual Working Hours	Tonnes of CO2e
Hull	5	8,400	2.8
Essex	5	8,400	2.8
Total			**5.607**

- Homeworking emissions have been calculated in accordance with the DEFRA Environmental Reporting Guidelines and the GHG Protocol Corporate Standard. As the organisation operates a virtual office with no physical premises, all associated emissions fall under Scope 3, Category 7: Employee Commuting (Homeworking).
- The DEFRA homeworking emission factor of 0.33378 kg CO_2e per working hour has been applied. This factor represents the average UK household energy consumption attributable to an employee working from home, including electricity and heating.
- The emissions we calculated using the relevant emission factors from the DEFRA 2024/25 conversion factor. Scope 3, Category 7 – Employee Commuting (Homeworking)

Staff Commuting

A total of 147 out of 168 employees completed the annual commuting survey for the 2024/2025 reporting period, representing an 87.5% response rate. Using the mileage data provided by respondents and applying the latest DEFRA UK Government GHG Conversion Factors for Company Reporting, total staff commuting emissions for the year were calculated at 108.55 tCO2e

This represents a reduction of 15.55 tCO_2e compared with the previous reporting year (2023/2024 total: 124.10 tCO_2e). The reduction is primarily driven by:

- Lower petrol and diesel mileage
- Increased uptake of hybrid vehicles
- Higher public transport usage
- Minimal change in EV, walking, and cycling emissions (all zero-emission modes)

Scope 3, Category 7 – Employee Commuting. In line with the GHG Protocol Corporate Value Chain Standard and ISO 14064-1:2018, staff commuting is reported as an indirect Scope 3 emission source.

Data Collection

- Data was collected via an annual employee commuting survey.
- 147 valid responses were received.
- Employees provided estimated annual commuting mileage by transport mode.
- Where mileage was unclear or incomplete, conservative estimates were applied based on typical commuting patterns and working days

	2023/2024		2024/2025		
Method of Commute	Estimated Annual Mileage	Annual CO2e Emissions (Tonnes)	Estimated Annual Mileage	Annual CO2e Emissions (Tonnes)	Net Change -/+
Car – Petrol	204,897.60	61.32	162,096.00	43.57	17.75-
Car – Diesel	100,798.40	29.36	35,232	9.83	19.53-
Car – Petrol Hybrid	154,416.00	33.42	227,764	48.61	15.19+
Electric Vehicles	98,592.00	0.00	103,680	0	0
Walk	900.00	0.00	3,336	0	0
Train	2,880.00	0.003	43,848	1.25	1.25+
Bus	5,448.00	1.132	12,168	1.5	0.37+
Bicycle	1,632.00	0.00	2,544	0	0
Taxi	624.00	0.148	17,784	3.68	3.53+
Total TCO2e	**588,948.00**	**124.10**	**612,216**	**108.55**	**-15.55**

- This survey included the employee's mode of transport, distance travelled and frequency of travel.
- The emissions are based on the data received from the survey.
- The emissions from employee commuting were calculated using relevant emission factors from DEFRA 2024 & 25 conversion factors.
- All mileage figures represent return journeys unless otherwise stated.
- Emission factors are applied on a tank-to-wheel basis for commuting, in line with DEFRA guidance.
- EV commuting emissions are reported as zero tailpipe emissions.
- Non-respondents are excluded from the calculation to avoid over-estimation.

Water

Water-related emissions form a small but important part of QFS's Scope 3 footprint. This category includes emissions associated with the supply of fresh water and the treatment of wastewater. For the 2024/25 reporting period, only water supply data could be collected, as several landlords were unable to provide complete or verified consumption figures for their sites. As a result, the emissions reported this year represent the best available data and are based solely on the volumes that were successfully obtained.

Total water-related emissions for 2024/25 are 1.59 tCO_2e, compared with 0.37 tCO_2e in 2023/24. This increase is primarily due to improved data availability for certain offices and the inclusion of additional supply data that was not captured in the previous reporting cycle. It does not necessarily reflect a material increase in water use across the organisation.

Scope 3 Emission Area	Water Supply	Water Supply CO2e (KG)	Total Tonnes CO2e
Birmingham	31.62	6.05	0.00605
Bradford (Shipley)	0.0183	0.0035	0.00004
Bristol	0.0025	0.00048	0.0000005
Cannock	0	0	0
Derby	0	0	0
Felixstowe	0	0	0
Folkestone	0	0	0
London - Heathrow (Datchet)	0	0	0
Hull	0	0	0
Liverpool	0	0	0
Leeds	0	0	0
Leicester	23.94	4.58	0.00458

Manchester - Lowry Mill	94.29	18.04	0.01804
Milton Keynes	0	0	0
Newcastle	0	0	0
Sheffield	0	0	0
Southampton	2,412	461.415	0.461
Totals	**2,561.87**	**490.09**	**0.49**

Data Availability and Limitations

Water data is one of the most challenging areas for multi-tenant office environments, as many landlords:

- Do not sub-meter individual units
- Include water within service charges
- Are unable to provide consumption data for specific tenants
- Provide incomplete or estimated figures

This challenge affected several QFS locations. Where landlords could not provide data, no estimates were applied to avoid overstating emissions. This approach is consistent with ISO 14064-1 principles of accuracy, transparency, and conservatism.

As a result:

- Only water supply emissions are included
- Wastewater treatment emissions are excluded where consumption data was not available
- Reported emissions represent a partial footprint for this category

Future reporting cycles will aim to improve completeness as more landlords provide metered data.

Transmission and Distribution

Transmission and distribution (T&D) factors should be used to report the Scope 3 emissions associated with grid losses (the energy loss that occurs in getting the electricity from the power plant to the organisations that purchase it)

Electricity Consumption	Emission Tonnes
161,712.09 KWh	2.99 Tonnes

- The associated emissions were calculated using the relevant emission factors from the DEFRA 2024 & 2025 conversion factors.

Recommendations

This section outlines targeted, practical and measurable actions that Quality Freight Services (QFS) can take to reduce emissions across all scopes. Recommendations are aligned with the GHG Protocol, ISO 14064-1, and EcoVadis expectations, and are based on the emissions profile identified throughout this report.

Scope 1 – Gas, Company Vehicles & Refrigerants

Gas Consumption

Gas emissions totalled 11.85 tCO_2e, with several offices already transitioning to electric-heating or more efficient buildings. To continue this positive trend, QFS should:

- Prioritise leasing electric-heated or heat-pump-equipped buildings when offices relocate.
- Request full landlord energy data as part of lease agreements to eliminate estimation and improve reporting accuracy.
- Where possible, install smart thermostats and heating controls to optimise heating schedules.
- Conduct heating efficiency reviews to reduce unnecessary consumption (e.g., zoning, temperature set-points).
- Encourage staff to adopt energy-saving behaviours, such as closing doors and reporting heat-loss issues.

Company-Owned Vehicles

QFS does not own vehicles, which avoids Scope 1 transport emissions. To maintain this low-emission position:

- Continue the no-owned-fleet policy.
- Ensure all leased vehicles (reported under Scope 3) follow a zero-emission-first procurement approach.
- Expand access to EV salary-sacrifice schemes to accelerate the shift to electric mobility.

Refrigerant Gases

No refrigerant emissions were reported. To maintain this:

- Avoid leasing buildings with older, high-GWP HVAC systems.
- If AC is installed in future, ensure F-gas compliant maintenance and low-GWP refrigerants.

Scope 2 – Electricity

Electricity emissions totalled 27.68 tCO_2e. Consumption increased due to EV charging and the shift away from gas heating, but emissions decreased slightly due to grid decarbonisation and renewable tariffs.

Energy Efficiency

- Roll out LED lighting upgrades across all offices.
- Install occupancy sensors in meeting rooms, corridors and low-use areas.
- Implement a standardised IT and equipment shutdown protocol.
- Benchmark kWh per employee across offices to identify high-consumption sites.

Renewable Energy

- Expand renewable electricity tariffs to all eligible offices.
- Request REGO-backed renewable tariffs from landlords where QFS cannot procure directly.
- Assess the feasibility of solar PV installations at additional sites, building on the success at Shipley.

EV Charging

- Install smart EV chargers to avoid peak-grid times.
- Introduce a charging policy to manage demand and reduce unnecessary consumption.

Scope 3 – Business Travel

Business travel emissions increased slightly to 30.03 tCO_2e, with reductions in leased/private car emissions but increases in rail, taxi and hotel stays.

Travel Hierarchy & Behaviour Change

- Implement a travel hierarchy prioritising virtual meetings, rail, EV/hybrid vehicles, and flights only when essential.
- Require manager approval for domestic flights.
- Promote rail-first travel for journeys under five hours.

Taxi Use

- Switch to electric taxi providers where available.
- Encourage public transport reimbursement over taxi use.

Hotel Stays

- Develop a preferred hotel list prioritising sustainability-certified hotels.
- Encourage same-day travel where feasible to reduce overnight stays.

Homeworking & Virtual Offices

Homeworking emissions increased to 20.64 tCO_2e due to improved data accuracy. Virtual office emissions totalled 5.6 tCO_2e.

Homeworking Efficiency

- Provide energy-efficient IT equipment (e.g., low-energy monitors, LED desk lamps).
- Offer home energy efficiency guidance to staff.
- Consider a homeworking energy allowance tied to efficiency improvements.
- Encourage shared co-working hubs for staff living in close proximity.

Virtual Offices

- Apply all homeworking reduction measures to virtual-office teams.
- Provide energy-efficient equipment bundles for virtual-office staff.
- Explore co-working space options to reduce individual home heating loads.

Staff Commuting

Staff commuting remains the largest emission source at 108.55 tCO_2e, though significantly reduced from the previous year.

Low-Carbon Commuting

- Introduce a company-wide EV salary-sacrifice scheme.
- Expand the cycle-to-work scheme and improve bike storage facilities.
- Offer public transport subsidies to encourage modal shift.
- Promote car-sharing groups for high-density commuting routes.
- Explore compressed working weeks to reduce commuting frequency.

Data Quality

- Introduce annual mileage verification (e.g., odometer photos).
- Implement a commuting policy encouraging low-carbon travel modes.

Water

Water emissions increased due to improved data availability.

Water Efficiency

- Request metered water data in all new leases.
- Install low-flow taps and dual-flush toilets where QFS controls facilities.
- Encourage staff to report leaks promptly.
- Work with landlords to improve sub-metering and data transparency.

Transmission & Distribution (T&D)

T&D emissions (3.0 tCO_2e) are directly linked to electricity use.

Reduction Measures

- Reduce electricity consumption through Scope 2 actions.
- Expand renewable tariffs to reduce T&D intensity.
- Consider voltage optimisation equipment where feasible.

Cross-Cutting Recommendations

Governance & Strategy

- Establish a Carbon Reduction Steering Group to oversee progress.
- Set annual reduction targets for each emission category.
- Publish a Net Zero Roadmap aligned with SME Climate Hub or SBTi guidance.

Data Quality & Reporting

- Standardise landlord data requests across all offices.
- Implement a centralised travel and energy data system.
- Require suppliers to provide GHG-aligned invoices and activity data.

Methodology

This Methodology chapter outlines the standards, data sources, calculation methods, and assumptions used to produce the 2024/25 Carbon Footprint Report for Quality Freight Services (QFS). The approach is fully aligned with the GHG Protocol Corporate Accounting and Reporting Standard, the GHG Protocol Corporate Value Chain (Scope 3) Standard, and the requirements of ISO 14064-1:2018. It also meets the transparency and evidence-based reporting expectations of EcoVadis, ensuring that all emissions are calculated using recognised methods and traceable data.

All emissions are reported in tonnes of carbon dioxide equivalent (tCO_2e) and calculated using the UK Government's DEFRA/BEIS GHG Conversion Factors for Company Reporting for the relevant reporting year(s).

1. Reporting Period and Purpose

The carbon footprint covers the 2024/25 financial year, reflecting all relevant Scope 1, Scope 2, and Scope 3 emissions arising from QFS's operations. The purpose of this assessment is to:

- Establish an accurate and auditable emissions baseline
- Identify material emission sources
- Support Net Zero planning and reduction strategies
- Meet stakeholder, governance, and EcoVadis reporting requirements

2. Organisational Boundary

QFS's organisational boundary has been defined using the operational control approach, in accordance with ISO 14064-1 and the GHG Protocol. Under this approach, QFS reports emissions from all operations where it has full authority to implement policies and operational controls.

Included within the boundary:

- All leased office locations
- Two virtual offices
- All employees (office-based, hybrid, and home-based)
- All business travel undertaken for work purposes
- All commuting activity captured through the annual staff survey

QFS does not own any vehicles or manufacturing assets and therefore has no Scope 1 emissions from mobile combustion or industrial processes.

3. Reporting Boundary

The assessment includes all material emission sources across Scopes 1, 2, and 3, in line with the GHG Protocol and ISO 14064-1 principles of relevance, completeness, consistency, transparency, and accuracy.

Scope 1 – Direct Emissions

- Natural gas consumption in offices

- Fugitive emissions (none reported)
- Company-owned vehicles (none owned)

Scope 2 – Indirect Energy Emissions

- Purchased electricity (location-based and market-based where applicable)

Scope 3 – Other Indirect Emissions

- Leased vehicles
- Private vehicles used for business travel
- Rail, air, taxi, ferry travel
- Hotel stays (spend-based methodology)
- Other reimbursable business expenses
- Staff commuting
- Homeworking
- Virtual offices
- Water supply and wastewater treatment
- Transmission & distribution losses

These categories represent the most significant emission sources for QFS and align with EcoVadis expectations for comprehensive Scope 3 reporting.

4. Data Collection

Activity data was collected from multiple internal and external sources:

- Energy consumption: landlord invoices, meter readings, and historical data where current-year data was unavailable
- Business travel: expense reports, mileage claims, travel booking records
- Staff commuting: annual commuting survey (87.5% response rate)
- Homeworking: internal survey capturing days worked from home per week
- Virtual offices: standardised working hours for employees assigned to virtual locations
- Water: consumption data provided by landlords where available

Where data gaps existed, conservative estimates were applied in accordance with ISO 14064-1 and clearly noted in the relevant sections of the report.

5. Emission Factors

All emissions were calculated using the UK Government GHG Conversion Factors for Company Reporting (DEFRA/BEIS) for 2024 and 2025. These include:

- Fuel combustion factors
- Electricity grid factors (location-based and market-based)
- Transmission & distribution losses
- Business travel factors (road, rail, air, hotel stays, ferries, taxis)
- Water supply and wastewater treatment

- Homeworking emission factor (kg CO_2e per working hour)

The DEFRA homeworking factor of 0.33378 kg CO_2e per working hour was applied in line with updated government methodology.

6. Calculation Method

All emissions were calculated using the standard GHG Protocol formula:

Activity Data × Emission Factor = Total Emissions (kg or tCO_2e)

Examples include:

- Gas and electricity: kWh × DEFRA factor
- Business travel: miles travelled × mode-specific factor
- Hotel stays: spend (£) × DEFRA spend-based factor
- Homeworking: total working hours × homeworking factor
- Commuting: annual mileage × tank-to-wheel factor

All calculations were performed using the most accurate and complete data available for the reporting period.

7. Assumptions and Limitations

In line with ISO 14064-1 and EcoVadis transparency requirements, the following assumptions were applied:

- Where landlord energy data was unavailable, previous year's verified consumption was used as a proxy
- Non-respondents to the commuting survey were excluded to avoid overestimation
- Hybrid and EV commuting emissions include tailpipe emissions only; upstream electricity emissions will be added in future reporting cycles
- Virtual office emissions are treated as homeworking emissions, as no physical premises exist
- Hotel emissions are calculated using spend-based methodology, as permitted by the GHG Protocol

These assumptions are consistent with best practice and do not materially affect the accuracy of the overall footprint.

8. Quality Assurance

To ensure accuracy and compliance:

- All calculations were cross-checked against DEFRA factor guidance
- Data sources were validated for completeness and consistency
- Methodology aligns with ISO 14064-1 principles of relevance, completeness, consistency, transparency, and accuracy
- The report meets EcoVadis expectations for traceability, factor disclosure, and methodological clarity

9. Future Methodology Enhancements

To further strengthen reporting quality, QFS will:

- Request full energy and water data from all landlords

- Expand Scope 3 categories (e.g., waste, purchased goods and services)
- Include upstream EV charging emissions (WTT + electricity)
- Improve commuting data verification
- Introduce supplier engagement for value-chain emissions

These enhancements will support more robust reporting and strengthen QFS's alignment with Net Zero best practice.