



EMISSION REDUCTION & SUSTAINABILITY POLICY

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ENVIRONMENTAL SUSTAINABILITY AND EMISSION REDUCTION POLICY

1. INTRODUCTION

As a vehicle leasing and fleet management company, the very nature of our operations has an impact on the environment. Therefore, the way we run our business will have a direct impact on the environment.

At the moment, almost all the vehicles in our fleet including sedans, vans, pickups, light trucks and heavy-duty trucks run on internal combustion engines. These vehicles, based on the engines they use emit CO₂ and other greenhouse gases into the atmosphere and is a major contributor to global warming.

This policy is developed to provide clear guidelines to VEF SOL on the reduction of emissions on our current fleet and to promote environmental sustainability throughout our entire operation.

Additionally, we have consciously to implemented systems and procedures that ensures that our operations continually result in the reduction of greenhouse gases into the atmosphere with specific focus on the introduction lower emission vehicles and encourage the uptake of energy efficient vehicles like hybrid or electric vehicles (EVs) as a critical part of our operations.

2. OBJECTIVES

- To consciously and continuously run our business in an environmentally sustainable manner by identifying various ways of reducing the impact of our operations on the environment through implementation of environmentally sustainable practices, engagement with key stakeholders, training and communicating environmentally sustainable practices through our various channels.
- To lead the vehicle leasing and fleet management industry in Ghana in promoting environmentally sustainable practices and economic performance.

3. COMMITMENTS

- When selecting vehicles for our operations or leasing vehicles to our clients, we will prioritize vehicles with lower emissions and with lower fuel consumption.
- We will consciously promote and encourage the uptake of energy efficient vehicles including hybrid and Electric vehicles when leasing vehicles to our customers.

- We have developed environmental impact indicators and systems of monitoring and tracking emissions of the vehicles in our current fleet and potential vehicles with the objective of reducing the total emissions of our fleet.³
- We have established benchmarks, in-line with international best practice and we will continuously monitor our progress against the set benchmarks.
- We will share our reports and results of our environmental sustainability with all stakeholders including our staff, customers and the general public through our website and other communication channels.
- Provide training for our stakeholders, including staff, customers, and suppliers on environmental sustainability and emission reduction strategies.
- We will promote and implement environmentally friendly measure in our office operations including reducing our printing by 50% through the implementation of digital communication and approvals and also reduce the use of non-biodegradable materials like plastic bags.
- Reviewing this policy annually and measuring targets and performance as part of that review

4. OUR INPUTS

4.1 Vehicle Emissions Reduction

- Install vehicle Trackers and OBD's on all our vehicles to track vehicle indices and driver performance
- Conduct regular servicing and maintenance of our vehicles to ensure optimal engine performance as efficient vehicles release lower CO2 emissions.
- Monitor and manage vehicle fuel consumption to ensure efficient usage, thereby reducing CO2 emissions.
- We will improve fuel efficiency of our existing fleet by tracking fuel efficiencies of each vehicle, with the aim to reduce the liters of fuel consumed per kilometer.
- Undertake effective route planning and reduce unnecessary mileage to minimize fuel consumption and associated CO2 emissions.
- Implement policies to reduce vehicle idling time by using telematics to track vehicle idling time with the objective of reducing vehicle idling by 50% by year-end 2024 and keeping vehicle idling to less than 30% of total usage.
- We will continuously provide comprehensive training to staff and drivers on eco-friendly driving techniques to reduce fuel consumption and emissions.
- Establish reward systems or incentives for staff and drivers who demonstrate significant reductions in fuel consumption and CO2 emissions.
- Conduct comprehensive evaluations of vehicle usage to identify opportunities for fleet re-sizing, aligning vehicles with actual demand.

³ ERSP-01/10-2024

4.2 Eco-Administrative Practices:

- Adopt electronic document signing practices in all departments to minimize the number of documents printed for signing hence reducing the use of paper.
- Adopt electronic approvals for 80% of all documents, including electronic approval of all vouchers. This will minimize the volume of documents printed for signing and the frequency of printing. Where printing is required, we will print on both sides of the paper.
- Employees are encouraged to use environmentally friendly materials, such as eco-friendly packaging for meals and office items, to reduce waste in the workplace.
- Consciously source and use eco-friendly office supplies, such as recycled paper, reusable paper towels, and biodegradable cleaning products.
- Ensure all office equipment, including computers, printers, and kitchen appliances, are energy-efficient models. Encourage staff to switch off equipment when not in use to save energy.
- Encourage remote work where possible to reduce commuting.

5. OFFSETTING

We understand that Ghana does not have the required legislation, infrastructure or policies that will drive the adoption of green technology in the vehicle and leasing industry. VEFSOL aspires to be the leader in EV leasing in Ghana and will adopt the following initiatives to drive the adoption of green mobility.

- Engage in CSR initiatives like involving employees in tree planting activities as part of volunteer programs or team-building exercises. This fosters a sense of environmental responsibility among staff while promoting teamwork and morale.
- Use our website and social media platforms to promote environmental awareness and sustainability practices.
- Explore funding opportunities that prioritize environmentally friendly initiatives which will enable us offer leasing of Electronic Vehicles and other efficient vehicle technologies at a lower interest and price.
- Consciously introduce EVs and hybrid vehicles into our office operational fleet.
- Encourage clients to adopt EVs and hybrids by highlighting any tax benefits and also funding charging infrastructure as part of our lease offerings.

6. REPORTING AND ACCOUNTABILITY

VEFSOL is committed to transparency and accountability in our efforts to reduce emissions and promote sustainability. The following outlines our reporting procedures to ensure continuous improvement and compliance with our environmental goals:

- **Monthly Reports:** Our Fleet department will submit monthly reports detailing fuel consumption, mileage, vehicle idling time, and any maintenance activities performed. These reports will be reviewed to identify trends and areas for improvement.
- **Quarterly Reviews:** VEFSOL will conduct quarterly reviews of our emission reduction progress, comparing current data against set targets. This will include assessments of all our vehicle's fuel efficiency, CO2 emissions, vehicle idling, vehicle mileage usage amongst others.
- **Annual Sustainability Report:** An annual report will be compiled and published, highlighting our sustainability achievements, challenges, and future plans. This report will be shared with all stakeholders, including clients, employees, and on our social media platforms.

6.1 Key Performance Indicators (KPIs):

- **Fuel Efficiency:** Monitor and report on the average liters of fuel used per 100 kilometers for our fleet.
- **CO2 Emissions:** Track and report total CO2 emissions from our fleet operations.
- **Vehicle Utilization:** Assess and report on the efficiency of vehicle use, including the percentage of idling time and overall mileage.
- **Fleet Composition:** Report on the integration of electric and hybrid vehicles into our fleet.
- **Operations:** Track metrics like paper usage, rate of electronic approvals amongst other metrics.

6.2 Stakeholder Engagement:

- Regularly update clients on our sustainability efforts and progress. Provide them with detailed reports on how their leased vehicles are contributing to emission reduction targets.
- Engage employees in sustainability initiatives through training and development programs. Encourage them to contribute ideas for improving our environmental performance.
- Work closely with suppliers to ensure that the materials and services we procure align with our sustainability goals. This includes sourcing eco-friendly tires, batteries, and fluids.

6.3 Audit and Verification:

- Conduct regular internal audits to verify the accuracy of our emission and sustainability data. This ensures that our reporting is reliable and meets the highest standards.

6.4 Continuous Improvement:

- Establish a feedback mechanism for employees, clients, and other stakeholders to share their suggestions and concerns regarding our sustainability practices.
- Develop and implement action plans based on the insights gained from our reports and stakeholder feedback. These plans will focus on areas where we can further reduce emissions and enhance sustainability.

7. CONCLUSION

VEFSOL aspires to make sustainability an integral part of our business strategy and operations. By embedding sustainability into our core values and practices, we aim to make a positive impact on the environment, society, and economy. This policy is a living document that will evolve as we continue to learn and grow on our sustainability journey, and all VEF SOL staff is expected to live by it.

We are committed to transparency, accountability, and continuous improvement in all our sustainability efforts.

SIGNATORY

Signed:

Name:

Designation:

Date:

Signed:

Name:

Designation:

Date:

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⁶ ERSP-01/10-2024