Pelican Yutong Bus + Coach
Carbon Reduction Plan (PPN 06/21 Compliant)
Reporting Year: 2025/26

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Confidentiality | Public
CRP – Yutong Bus + Coach

Briefing Summary

Pelican, Yutong Bus + Coach (YBC) is committed to achieving Net Zero emissions across its UK operations by **2045**, aligning with the Scottish Government's Net Zero Roadmap and exceeding the minimum requirement of PPN 06/21. This Carbon Reduction Plan (CRP) consolidates:

- Calculated baseline emissions from **2020/21**, supported by internal energy and fuel records
- Updated emissions reporting period **1st April 2025 – 31st March 2026**
- Energy and fuel data extracted from internal data
- Best practice narrative and structure drawn from the supplied CRPs
- Completed and future carbon reduction initiatives

This CRP covers all UK operations under Pelican Yutong Bus + Coach's operational control and has been prepared to align with the requirements of **PPN 006**, formerly PPN 06/21. This CRP has been prepared to support submissions for relevant UK public-sector procurements where a Carbon Reduction Plan is required.

Our Approach to Net Zero

As a UK-based business, Pelican Yutong Bus + Coach operates within the legal framework established by the Climate Change Act 2008, which sets a national Net Zero target of 2050. We also recognise that major public sector contracts, particularly those governed by PPN 06/21, now expect suppliers to demonstrate a clear and credible plan to reduce their carbon footprint.

However, we believe that simply meeting the minimum legal requirement is not enough. That is why we have chosen to align our operational Net Zero commitment with the Scottish Government's more ambitious 2045 target. This earlier deadline pushes us to act sooner, not later, and reflects our genuine intention to cut emissions faster across our UK operations than companies in our sector.

By taking this approach, we aim to support those customers and contracting authorities who are themselves working to tighter climate timelines, and to demonstrate that we are serious about playing our part in the transition to a low-carbon future.

Commitment to Achieving Net Zero

Commitment to Achieving Net Zero

Pelican Yutong Bus & Coach (YBC) is committed to achieving **Net Zero emissions across all UK operations by 2045**, aligning with the Scottish Government's Net Zero target and exceeding the minimum requirements of PPN 06/21.

This commitment applies to all activities under YBC's **operational control**, including offices, workshops, fleet operations and distribution activities within the UK.

YBC supports the transition to lower-carbon passenger transport by supplying a comprehensive range of electric buses, coaches, charging infrastructure and fuel-efficient diesel coaches. These solutions enable public- and private-sector customers to reduce transport-related emissions and progress towards their own climate goals. YBC's Yutong Electric Safety Standard (YESS) provides one of the most advanced systems globally for safe electric bus operation.

YBC's Net Zero target is aligned with:

- The **Scottish Government's 2045 Net Zero target**
- A 1.5°C-aligned science-based reduction trajectory; targets have not currently been formally validated by SBTi
- The requirements of **PPN 006**, formerly PPN 06/21, and its associated reporting standard

Achieving Net Zero requires YBC to deliver:

- A **minimum 4.2% annual reduction** in total emissions from the 2020/21 baseline
- A **90% absolute reduction** in Scope 1, Scope 2 and relevant Scope 3 emissions by 2045
- The use of **high-quality carbon removals** to neutralise any residual emissions that cannot be eliminated through operational abatement

YBC recognises that achieving this target will require sustained investment in energy efficiency, renewable electricity procurement, fleet transition, operational controls and improved value-chain engagement. Progress will be monitored annually and reported transparently through this Carbon Reduction Plan.

GHG Emissions Footprint

YBC calculates its greenhouse gas (GHG) emissions footprint in accordance with the methodologies set out in the **GHG Protocol Corporate Standard**. Emissions are categorised into:

- **Scope 1 (direct emissions)**
- **Scope 2 (indirect emissions from purchased energy)**
- **Scope 3 (other indirect emissions)**

In line with the requirements of **Procurement Policy Notice (PPN) 006**, formerly PPN **06/21**, YBC reports Scope 1 and Scope 2 emissions, along with the following mandatory Scope 3 categories:

- Category 4 – Upstream transportation and distribution
- Category 5 – Waste generated in operations
- Category 6 – Business travel
- Category 7 – Employee commuting
- Category 9 – Downstream transportation and distribution

These categories represent the Scope 3 categories required under PPN 006, formerly PPN 06/21, and have been reviewed for applicability to YBC's UK operations. Activity data for the mandatory Scope 3 categories is currently incomplete. YBC is implementing improved data collection processes to quantify these categories in future reporting periods. Where reliable activity data is not currently available, this has been disclosed as a reporting limitation rather than reported as zero emissions.

- Corporate Standard | GHG Protocol

- Procurement Policy Note 06/21: Taking account of Carbon Reduction Plans in the procurement of major government contracts - GOV.UK

Baseline Emissions Footprint (2020/21)

Baseline emissions were calculated using the GHG Protocol Corporate Standard and UK Government conversion factors. Energy-use data was taken from our **2020/21 adjusted baseline spreadsheet**.

Baseline Year: 2020/21

Additional Details

- Baseline includes all UK operations active during 2020/21.
- A new parts distribution centre and showroom built in 2022/23 is **excluded** from the baseline, in line with PPN 06/21 rules.
- Emissions include gas, electricity, transport fuel consumption and F-gases.

Baseline Emissions

Emissions Category	Total (tCO_2e)
Scope 1	459.05
Scope 2	133.59
Scope 3 (Included Categories)	*Activity-based data for these categories is currently limited; YBC is implementing improved data collection processes to enable quantification in future reporting years*
Total Emissions	**592.64**

These values are supported by the spreadsheet data showing:

- **Gas:** 1,035,826.66 kWh
- **Electricity**: 629,181.01 kWh
- **Fuel**: Usage derived from general ledger transport costs

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Current Emissions Reporting (2025/26)

Emissions have been calculated using the same methodology as the baseline to ensure comparability.

The 2025/26 reporting year figures are based on the latest available internal energy and fuel data and should be reviewed before final publication and senior sign-off.

Reporting Year: 2025/26

Emissions Category	Total (tCO_2e)
Scope 1	486.68
Scope 2	225.59
Scope 3 (Included Categories)	*Activity-based data for these categories is currently limited; YBC is implementing improved data collection processes to enable quantification in future reporting years*
Total Emissions	**712.27**

Notes

- Scope 1 increased due to higher gas and fleet fuel consumption.
- Scope 2 increased due to expanded operational sites.

Scope 2 emissions are reported on a location-based basis for consistency with the 2020/21 baseline; the renewable electricity procurement referenced later reflects a separate market-based reduction in purchased electricity emissions.

- Scope 3 categories required under PPN 006, formerly PPN 06/21, have been reviewed for applicability. Activity data is currently incomplete for Categories 4, 5, 6, 7 and 9, and YBC is implementing improved data collection processes so these categories can be quantified more robustly in future reporting years. These categories have therefore been disclosed as a reporting limitation rather than reported as zero emissions.

YBC recognises the increase and has already initiated targeted reduction measures to reverse this trend from 2026 onward

Carbon Reduction Modelling

YBC's Net Zero target is aligned with the **Paris Agreement objective** to limit global temperature rise to **1.5°C** above pre-industrial levels. To remain consistent with this pathway, YBC must achieve an **average annual emissions reduction of at least 4.2%** across Scopes 1, 2 and 3 from the 2020/21 baseline through to 2045.

YBC has modelled its long-term emissions reduction trajectory using this minimum reduction rate. The model incorporates forecast decarbonisation of the UK electricity grid and assumes continued operational efficiency improvements.

Once YBC has achieved the maximum feasible abatement, defined as a **minimum 90% absolute reduction** in emissions compared to the baseline, any residual emissions will be neutralised using **high-quality, verified carbon removal credits**, enabling YBC to achieve true Net Zero.

Business-as-Usual (BAU) Scenario

To understand the scale of decarbonisation required, YBC has modelled a **business-as-usual (BAU)** emissions scenario. This scenario projects how emissions would evolve in the absence of any carbon-reduction actions, considering expected business growth and the natural decarbonisation of the UK grid.

The combined BAU graph compares the projected **Total Scope 1 & 2 BAU** emissions trajectory with YBC's **1.5°C-aligned Scope 1 & 2 reduction pathway**. The BAU trajectory is shown as a dashed line, while the 1.5°C pathway is shown as a solid black line. The shaded area between these two lines represents the **emissions gap to close** through sustained carbon-reduction action.

Scope 1 & 2, 1.5°C Reduction Pathway

Year	Scope 1 pathway (tCO_2e)	Scope 2 pathway (tCO_2e)	Total Scope 1 & 2 pathway (tCO_2e)
2020/21 baseline	459.05	133.59	**592.64**
2025/26	370.48	107.81	**478.29**
2030	273.29	79.53	**352.82**
2035	220.66	64.21	**284.87**
2040	178.17	51.84	**230.01**
2045	45.91	13.36	**59.27**

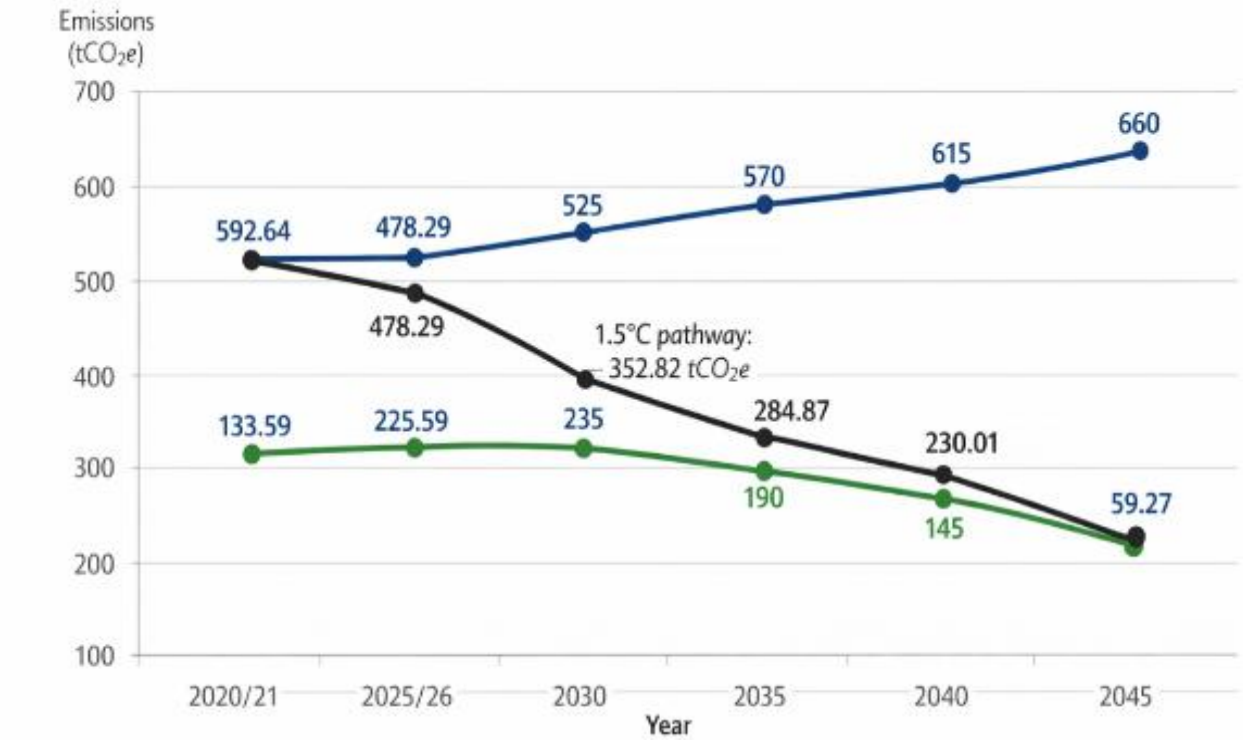
Explanatory note: The 1.5°C pathway shows the level of Scope 1 and Scope 2 emissions reductions required for YBC to remain aligned with a science-based decarbonisation trajectory.

It uses the verified 2020/21 Scope 1 and Scope 2 baseline of 592.64 tCO_2e and applies an annual absolute reduction trajectory of 4.2%, which is consistent with the level of reduction generally required to support a 1.5°C-aligned pathway.

Under this pathway, combined Scope 1 and Scope 2 emissions reduce from 592.64 tCO_2e in the 2020/21 baseline year to 352.82 tCO_2e by 2030, supporting the near-term target of a 40.5% reduction. By 2045, the pathway reaches 59.27 tCO_2e, representing approximately a 90% absolute reduction before any residual emissions are neutralised through high-quality, verified carbon removals.

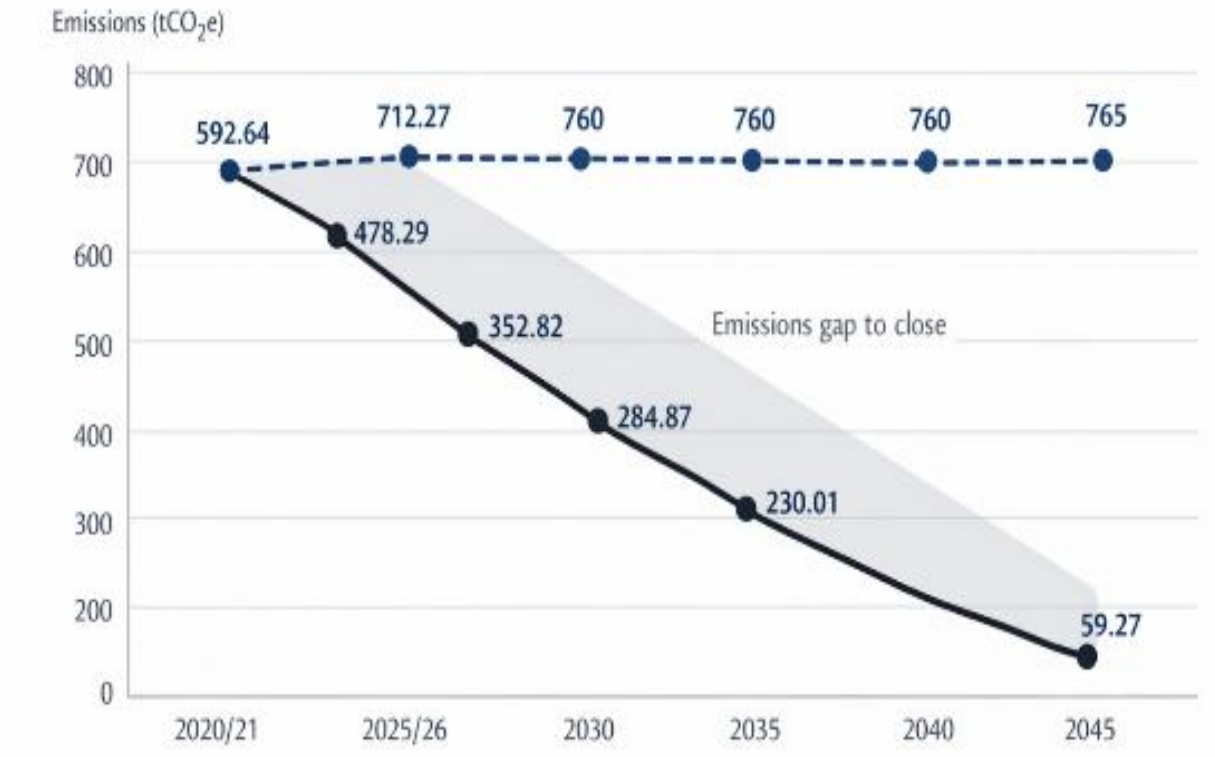
In the combined graph, the dashed BAU line shows projected Total Scope 1 and Scope 2 emissions without additional reduction measures, while the black line represents the 1.5°C target pathway. The shaded area between them illustrates the cumulative emissions gap that must be closed through energy efficiency, renewable electricity procurement, fleet transition, operational controls and wider value-chain engagement. The pathway is not a forecast of expected emissions; it is a target trajectory against which annual performance will be monitored.

Scope 1 & 2 Emissions: BAU Scenario vs 1.5°C Reduction Pathway



Scope 1 BAU **Scope 2 BAU** **Scope 1 & 2, 1.5°C pathway**

Scope 1 & 2 Emissions: BAU vs 1.5°C Reduction Pathway



---- Total Scope 1 & 2 BAU **Scope 1 & 2, 1.5°C pathway** Emissions gap to close

The shaded area shows the emissions gap between projected BAU emissions and the 1.5°C pathway. This represents the additional reductions required through planned carbon-reduction measures to remain on track for Net Zero by 2045.

- Green Book supplementary guidance: valuation of energy use and greenhouse gas emissions for appraisal - GOV.UK

Emissions Reduction Targets

YBC has adopted the following targets:

Long-Term Target

- **Net Zero by 2045**
- **90% absolute reduction** in Scope 1, 2 and 3 emissions from the 2020/21 baseline

Near-Term Target

- **Approximately 40.5% reduction in Scope 1 & 2 emissions by 2030**, aligned with a 1.5°C pathway

The 40.5% reduction by 2030 is informed by 1.5°C-aligned science-based reduction principles. YBC's targets have not currently been formally validated by SBTi.

Projected Emissions Pathway

YBC models emissions reductions using:

- A minimum **4.2% annual reduction** requirement
- Forecast grid decarbonisation
- Operational efficiency improvements

Modelled 1.5°C pathway emissions by 2030: **352.82 tCO_2e** (Scopes 1 & 2), compared with the projected BAU trajectory shown in the combined graph.

Actual vs Projected Emissions

YBC tracks its annual emissions against the modelled 1.5°C-aligned reduction pathway. Variations from the pathway are expected due to operational changes, weather-related energy demand and fleet utilisation patterns.

In the 2025/26 reporting year, **Scope 1 emissions increased** relative to the baseline due to higher gas consumption and increased fuel use in operational vehicles.

Scope 2 emissions also increased, reflecting the expansion of operational sites and associated electricity demand.

In 2025/26, total Scope 1 and Scope 2 emissions were **712.27 tCO_2e**, compared with the modelled 1.5°C pathway value of **478.29 tCO_2e** for the same reporting year. This represents a gap of **233.98 tCO_2e** above the pathway, primarily driven by increased gas, fleet fuel and electricity consumption linked to operational expansion. YBC recognises that accelerated reductions are required from 2026 onward and will focus on energy efficiency, renewable electricity procurement, fleet transition, operational controls and improved Scope 3 data collection to close this gap and maintain progress towards Net Zero by 2045.

Carbon Reduction Projects

Completed Initiatives

Since the 2020/21 baseline, YBC has implemented a range of carbon-reduction measures across its operations. These initiatives are summarised below and replace the duplicated content previously presented across two separate sections.

Energy Efficiency Improvements

- LED lighting upgrades across operational sites
- Installation of energy-efficient compressors and air-conditioning systems
- Paint-booth optimisation to reduce electricity demand
- Consolidation of office space to reduce heating and electricity consumption
- Annual savings exceeding **268 tCO_2e**

Renewable Electricity Procurement

- Transition to renewable electricity contracts in 2024
- Significant reduction in market-based Scope 2 emissions, including a reported **94% reduction**

Fleet Electrification

- Company car policy updated to require EV or PHEV vehicles for eligible drivers
- Current fleet composition: **47% EV**, **50% PHEV**, **3% diesel**

Energy Governance

- Establishment and engagement of senior leadership team to oversee energy performance
- Implementation of an Energy Management Framework to benchmark monthly consumption and identify inefficiencies

Future Carbon Reduction Initiatives

YBC will implement the following measures:

Fleet Transition

- Expansion of EV fleet to include service vans where possible
- Replacement of older diesel equipment with low-carbon alternatives

Improved Data Collection

- Upgrading meters to AMR for half-hourly data
- Increasing accuracy of Scope 3 calculations

Supply Chain Engagement

- Working with key suppliers to gather product-level emissions data
- Targeting embodied-carbon reductions in purchased goods and services

Fossil Fuel Reduction

- Evaluating opportunities to replace gas heating systems with electric heating supported by onsite solar generation, where feasible
- Exploring alternative fuels for operational equipment
- Optimising lighting through time clocks, photocells, presence detection, LED upgrades and BREEAM-aligned controls
- Exploring solar PV systems with Northern Powergrid and other suppliers for grid-connected renewable energy solutions

YBC will implement a structured programme of future carbon reduction initiatives to close the identified emissions gap and support progress towards Net Zero by 2045.

These initiatives will focus on reducing Scope 1 and Scope 2 emissions while improving the quality and completeness of Scope 3 data.

Progress will be reviewed regularly through YBC's energy governance arrangements, with actions updated as new technologies, supplier data and operational opportunities become available.

Initiative	Scope Impacted	Expected Outcome	Timescale	Status / Ownership
Expand EV fleet to include service vans	**Scope 1**	Reduced diesel and petrol consumption from operational fleet activity	**2026–30**	Planned – Operations / Fleet Management
Replace older diesel equipment with low-carbon alternatives	**Scope 1**	Lower direct fuel-related emissions from site and operational equipment	**2026–30**	Planned – Operations
Review gas heating systems and low-carbon heat options	**Scope 1**	Reduced reliance on natural gas through heating optimisation and electric heating supported by onsite solar generation, where feasible	**2026–32**	Under review – Facilities / Energy Senior Leadership
Continue renewable electricity procurement	**Scope 2**	Reduced market-based electricity emissions and continued support for low-carbon electricity	**Ongoing**	In progress – Finance / Procurement
Upgrade meters to AMR half-hourly monitoring	**Scope 1 and Scope 2**	Improved visibility, faster identification of inefficiencies, accurate consumption reporting	**2026–27**	Planned – Facilities / Energy Governance Committee
Introduce enhanced energy controls	**Scope 1 and Scope 2**	Reduced unnecessary energy use through photocells, presence detection, LED upgrades and BREEAM-aligned controls	**2026–28**	Planned – Facilities
Explore solar PV and grid-connected renewable options	**Scope 2**	Increased onsite renewable generation and reduced reliance on grid electricity where technically and commercially viable	**2026–30**	Under review – Facilities / Northern Powergrid and suppliers
Improve Scope 3 data collection	**Scope 3**	More accurate reporting, waste, business travel, employee commuting and downstream transport	**2026 onward**	Planned – Finance / Procurement / HR
Engage key suppliers on emissions data	**Scope 3**	Improved product-level and supplier-specific emissions information to support future Scope 3 reduction planning	**2026 onward**	Planned – Procurement
Target embodied-carbon reductions in purchased goods and services	**Scope 3**	Reduced value-chain emissions through supplier engagement, supplier review and low-carbon procurement choices	**2027 onward**	Planned – Procurement / Senior Leadership

The initiatives above will be prioritised according to their expected emissions impact, operational feasibility, cost effectiveness and contribution to YBC's **2045 Net Zero** commitment.

YBC will monitor delivery through its Energy Senior Leadership Team and will update this Carbon Reduction Plan annually to reflect progress, revised emissions data and any changes to its operational activity.

YBC is progressing new solar PV development opportunities, with feasibility assessments underway for onsite and grid-connected renewable generation:

Voluntary Environmental & Social Impact Initiatives
(Tree Planting & Carma Partnership)

“In addition to the operational carbon-reduction measures outlined in this plan, Pelican Yutong Bus & Coach delivers wider voluntary environmental and social value initiatives, including a long-standing partnership with Carma to fund UK tree-planting and veteran support programmes.”

These voluntary initiatives are reported separately from YBC’s operational emissions inventory and have not been deducted from the Scope 1, Scope 2 or Scope 3 emissions reported in this CRP.

Declaration and Sign-Off

This Carbon Reduction Plan has been prepared in accordance with **PPN 006**, formerly PPN 06/21, and the associated guidance and reporting standard for Carbon Reduction Plans, using the emissions data currently available.

Emissions have been reported in accordance with:

- The **GHG Protocol Corporate Standard**
- The **Corporate Value Chain (Scope 3) Standard**
- UK Government **GHG Conversion Factors**
- **SECR** reporting requirements

This Carbon Reduction Plan has been reviewed and approved by senior leadership of Pelican Yutong Bus + Coach.

Signed on behalf of the Supplier:

Richard Crump

Managing Director
Pelican Engineering Group

01/07/2026

APPENDIX A — Supporting Images & Evidence

Voluntary Environmental & Social Impact (Carma Partnership)

Pelican Yutong Bus & Coach delivers voluntary environmental and social value through its partnership with **Carma**, supporting UK tree-planting projects and veteran wellbeing programmes.

Carma Partnership Summary

- 10 UK trees planted for every vehicle sold
- Supports habitat restoration, biodiversity and local employment
- Donations to:
  - **High Ground Charity**
  - **Standing Tall Foundation**
- Impact delivered:
  - **6,023 trees planted**
  - **60 workdays created**
  - **1,806.9 tCO_2e removed**
  - *Reported separately from operational emissions and not deducted from this CRP's Scope 1, Scope 2 or Scope 3 totals*
  - **29 species planted**

A.1: Tree-Planting Activity (Team Participation)

Pelican team members, including Managing Director Richard Crump and Director Amelia Crump, participating in UK tree-planting activities.

A.2: Newly Planted Saplings (Protected Establishment Phase)

Newly planted saplings protected with tree guards at a UK restoration site.

A.3: Team Participation & Recognition

Pelican team members receiving recognition for contributions to environmental regeneration.

A.4: Hands-On Tree Planting Activity

Pelican staff actively planting saplings at a UK site.

Visit our website to see where these are planted:

https://pelicanyutong.co.uk/sustainability/