

ARVAL UK SUSTAINABILITY REPORT 2022

YOUR RESPONSIBLE PARTNER
TOWARDS SUSTAINABLE MOBILITY
ARVAL BEYOND



ARVAL
BNP PARIBAS GROUP

For the many journeys in life

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TOWARDS SUSTAINABLE MOBILITY**

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WITH OUR SUSTAINABILITY STRATEGY BEING A KEY PART OF OUR WIDER ARVAL BEYOND STRATEGIC PLAN...

...we continue to focus on enabling our customers to achieve their own sustainable mobility goals.

Government figures show that, in 2022, transport accounted for 34%¹ of all the UK's carbon dioxide emissions. This is a major contributor to our changing climate that we must all work to address. Active efforts to decarbonise transport do exist – the ban on sales of new petrol and diesel vehicles scheduled for 2030, clean-air and lower-emission zones being put in place across the country, and low benefit-in-kind (company car) tax to incentivise electric cars all accelerate the adoption of electric vehicles by employees.

Our business and services are set up to help our customers achieve our shared sustainability goals. We work hard to develop our product range to meet today's social and environmental challenges, so I am pleased when I hear complimentary feedback about the positive changes we have helped to enable in our customers' businesses. The share of electrified vehicles in our leased fleet continues to grow, and our own UK company fleet has reached 94% electrified by the end of 2022.

Another aspect of our sustainability work involves supporting our employees, both to steer our business to our ambitious sustainability goals and to enable them to support our customers in achieving their own sustainability agenda.

During 2022, we continued to embed a culture of sustainability within our UK business, through strong actions and internal awareness-raising. The UK Executive team and I are directly involved with the progression of the strategy within our business, with dedicated Executive sponsorship across the four sustainability pillars that support

our strategy. This includes our goals to build not only a more sustainable business with our customers, but to give back to the communities we are part of, while also building a better and more inclusive workplace for our employees.

I also enjoy being involved with the actions of our employee led working groups and our wider company voluntary community activities which support all these critical pillars.

We recognise we, like many other businesses in the UK and globally, still have a long road ahead on our journey towards greater sustainability. While we have clear commitments directing our efforts to 2025, we are already thinking about where we should be headed beyond that point, keeping diversity and inclusivity at the forefront of our minds, protecting our people, whilst respecting the evolving UK legislative and reporting landscape.

Lakshmi Moorthy
Managing Director
Arval UK

¹ Sourced from https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1147372/2022_Provisional_emissions_statistics_report.pdf



Zoe Maitland
Head of Sustainability
Arval UK

Over the course of the year, we have been working hard in support of our sustainability strategy which builds on Corporate Social Responsibility (CSR). Alongside our work to help customers transition to low-carbon mobility, we have continued to develop and execute a wide-ranging set of initiatives across our four pillars, from increasing the number of trees being managed through our global biodiversity initiative, 1 Electrified Vehicle = 1 Tree, to proactively sharing information with our teams about important environmental topics.

We have held activities to mark several high-profile awareness events, including World Environment Day and Mental Health Awareness Week, and in support of our ongoing focus on diversity, equity and inclusion, we held our inaugural Diversity Week with multiple activities and a guest speaker.

Community activity continues to be a stand-out component of our company culture. Throughout the year, we supported more than 30 charities through financial donations, and increased our employee volunteering hours by 98% against the previous year as we came out of lockdown, generating benefits for community projects in the areas where we are based.

Through a multifaceted communications campaign 'Leading the Charge', which included press interviews, webinars, and social media posts, we have shared insight and some of the great work going on within Arval UK and across our customers and community partners. Some of these collaborative highlights feature within this 2022 report, and we are excited to further deepen the integration of sustainable activity within our business in 2023.

Toward the end of 2022, we asked our employees

and were delighted to hear that 93% of respondents felt Arval UK was an environmentally responsible company. Our past efforts have given us a great base to build upon, and we will continue to challenge ourselves to help deliver the transition to low carbon mobility and take good care of the people around us for the long term.

Zoe Maitland
Head of Sustainability
Arval UK



Karen Brunot
Chief Sustainability Officer
Head Office, Paris

With the world's attention increasingly centred on the climate crisis, we recognise the part Arval can play in decarbonising transport and strive to support and develop solutions that meet local and global goals. We are also proud of our commitments to our people, communities and the United Nations Sustainable Development Goals.

Within the rapidly developing landscape of sustainability, a key focus for me is to reinforce our governance, centrally and locally, in order to cover both the challenges and opportunities of doing good. It is great to see how our teams in the UK support our overall objectives and commitments, working closely together as a global sustainability community to share ideas and best practice that inspire us all to have a more positive impact on our world.

To read the global Arval Group report, [click here](#)

Karen Brunot
Chief Sustainability Officer
Head Office, Paris

OUR APPROACH TO SUSTAINABILITY REPORTING

At Arval UK, we take our responsibilities seriously. Whether that's supporting our people, lending a helping hand in the communities where we live and work, doing all we can to make our customers' lives easier, educating young people or helping tackle climate change.

Sustainability is considered within everything we do, and our approach to it aligns with the ambitions of our group-level strategy, which has been informed by a materiality exercise. As such, we adopt the four sustainability pillars of Arval Group. Within each pillar, we've established three areas of focus that relate directly to our business, and by concentrating on these commitments, aligned to the UN Sustainable Development Goals (SDGs), we work to support our group in achieving the aims of our collective five-year strategy.

This report is broken into four sections, with each chapter representing a pillar of our sustainability strategy. Within those sections, we set out our progress against our sustainability commitments during 2022, demonstrating how our actions to develop individual initiatives support us towards our overall ambitions.



PILLAR 1
THE ECONOMY
DEVELOPING OUR BUSINESS IN AN ETHICAL AND SUSTAINABLE WAY

1. Promote Sustainable Mobility with a positive impact
2. Ethics of the highest standard
3. Include responsible sourcing in our contracts with suppliers



PILLAR 2
OUR PEOPLE
DEVELOPING AND ENGAGING OUR PEOPLE RESPONSIBLY

4. Promote diversity, inclusion & sustainability in the workplace
5. Be a good place to work with responsible employment management
6. Be a learning company supporting dynamic career management



PILLAR 3
THE COMMUNITY
BEING A POSITIVE AGENT FOR CHANGE

7. Influence & act for driver safety
8. Supporting R&D for the future of sustainable mobility
9. Sustain corporate philanthropy actions related to our core business



PILLAR 4
THE ENVIRONMENT
COMBATTING CLIMATE CHANGE

10. Partnering with our clients in the transition to a low-carbon mobility
11. Reducing the environmental impact of our operations
12. Advance awareness and sharing of best environmental practices

CONTRIBUTING TO 15 UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGs)



WHAT ARE THE SDGs?

The Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by the United Nations in 2015 during the Paris Agreement as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity.

The 17 SDGs and their 169 integrated targets, recognise that action in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability.

The private sector, including Arval, plays a critical role in the implementation of the SDGs globally.

OUR TARGETS

Our goal is to support society, act positively for our environment and make the switch to low-carbon mobility as attractive and inclusive as possible. That's why we've set ourselves ambitious sustainability targets to achieve by 2025.

OUR 2022 ACHIEVEMENTS AND OBJECTIVES AT THE END OF 2025

DRIVING THE ENERGY TRANSITION

2022 achievement

29% Electrified vehicles ^①

in Arval UK total leased fleet

2022 achievement

17% Battery electric vehicles ^②

in Arval UK total leased fleet

DRIVING THE ENERGY TRANSITION

Target by 2025

50% Electrified vehicles

in Arval UK total leased fleet

Target by 2025

25% Battery electric vehicles

in Arval UK total leased fleet

PROMOTING GENDER EQUALITY

2022 achievement

54% of women

on the Arval UK Executive Committee

Target by 2025

45% of women

on the Arval UK Executive Committee

REDUCING THE CARBON FOOTPRINT OF OUR FLEET

2022 achievement

-17% average CO₂ ^③

reduction per vehicle per km

Target by 2025

-35% average CO₂

reduction per vehicle per km

EMPOWERING OUR TEAM TO ACT FOR GOOD

2022 achievement

2,856 Volunteering hours

accomplished by Arval UK employees since 2020

Target by 2025

5,000 Volunteering hours

accomplished by Arval UK employees by 2025

1. Electrified vehicles including battery electric, plug in and full hybrid;
2. The 2025 ambition assumes similar or better supporting measures from the relevant governments on battery electric vehicles, as well as charging infrastructure & supporting services being further upgraded;
3. Average emissions of CO₂ are calculated as a weighted average of the Arval UK fleet (Passenger cars and LCVs). In a context of regulation change (NEDC, WLTP), the CO₂ emissions will be adjusted to the WLTP, making use of the results of an NEDC-WLTP correlation internal study, to ensure comparable stringency. The calculations are made starting January 1st 2020 vs December 2025.

“The future development of a sustainable economy will not happen without changes to the way we travel, hence our focus on the expansion and progression of sustainable mobility, including our external partners.”

Joel Lund

Commercial Director, Arval UK



PILLAR 1

THE ECONOMY
DEVELOPING OUR BUSINESS
IN AN ETHICAL
AND SUSTAINABLE WAY

/ THE ECONOMY

We're fully committed to operating in an economically ethical way. To support the energy transition, we focus on developing sustainable products, services and tools for our customers that will help them to make informed decisions when it comes to managing their own environmental impact.

OUR COMMITMENTS

1 PROMOTING SUSTAINABLE MOBILITY WITH A POSITIVE IMPACT

2 UPHOLDING ETHICS OF THE HIGHEST STANDARD

3 INCLUDING RESPONSIBLE SOURCING IN OUR CONTRACTS WITH SUPPLIERS

SDGs

THE SDGs ALIGNED TO THE ECONOMY PILLAR:



OUR TARGETS

- PROVIDE SUSTAINABLE MOBILITY SOLUTIONS
- SUPPORT CUSTOMERS WITH THEIR ENERGY TRANSITION
- ASSESS ALL CUSTOMERS AGAINST ONBOARDING GUIDELINES
- PROVIDE MANDATORY TRAINING FOR ANTI-CORRUPTION, ANTI-MONEY LAUNDERING, SANCTIONS AND EMBARGOES
- INCLUDE SUSTAINABILITY CLAUSES IN NEW SUPPLIER CONTRACTS
- INTEGRATION OF SUSTAINABILITY CRITERIA INTO TENDER PROCESSES
- ASSESSING CURRENT PREFERRED SUPPLIERS ACCORDING TO SUSTAINABILITY CRITERIA

OUR HIGHLIGHTS

Provided electric cargo bike leasing as a sustainable mobility solution

Carried out over 70 sustainable mobility missions with our customers helping them to achieve their low carbon mobility goals

Launched CSR and Environmental Social Governance (ESG) training to all employees

Piloted Arval Car Sharing with our employees

Highly Commended in the WhatVan Awards 2022 - Green Initiative

Launch of an electric vehicle education programme for employees and customers

Continued to build on our supply chain engagement with sustainability criteria

Produced our first Arval UK Sustainability Report



“With the importance of developing our business in an ethical and sustainable way, it’s been fantastic to make a tangible difference for a diverse group of internal and external stakeholders. We retained a big focus on sustainable mobility, with activities including new product development, the donation of plug-in vehicles to local charities, and education and awareness programmes for our employees so they can support our customers with their sustainability goals. We also continued to engage with our supply chain regarding their approach to sustainability and what that means for our customers.”

Graham Nichols
Head of Sales and Marketing
Lead for the Economic Pillar

THE ECONOMY OUR 2022 PROGRESS

E-CARGO BIKES

We believe we became the first major UK leasing company to offer e-cargo bikes as part of our fleet solutions this year.

E-cargo bikes are just like ordinary electric bikes, except they're designed to carry bigger, heavier loads. As they produce no emissions in use, the bikes provide low-carbon goods movement and don't contribute to urban pollution. They also take up less road space than conventional vans, helping to ease congestion.

We partnered with two manufacturers to supply a global retail customer with an operating lease for more than 30 e-cargo bikes and a range of supplementary services and fleet management solutions, such as storage and maintenance.

As we strive to become the partner of choice for environmentally conscious retail and delivery customers, we intend to expand the provision of these bikes

in 2023 and beyond by collaborating with other, more local, manufacturers and buying a demonstration bike for customer evaluation.

CAR SHARING

During the year, at two of our sites, we piloted Arval Car Sharing with our employees driving company pool vehicles. Using a simple app, drivers could browse available vehicles by location, see when they're free and book by the hour, using keyless technology to collect and drive the cars at any time. The feedback from 12 employees is enabling us to improve our solution ahead of offering it to our external customers.

In 2023, drivers using our Swindon and Manchester pilot sites will also be able to take advantage of electric vehicle car sharing, and we are now investigating fitting car-sharing technology into all remaining Arval UK pool cars, as well as planning a wider customer roll out.

ARVAL CONNECT

Our telematics system, Arval Connect, provides customers with valuable data about their fleet that helps to reduce costs, increase efficiency and promote road safety. In 2022, we upgraded the system, providing better customer functionality and simpler pricing.

During the year, we supported more than 40 customers, including our own Mid-Term Rental fleet, with Arval Connect to manage over 6,500 UK vehicles. The system allows us to highlight opportunities to reduce CO₂ emissions through fleet electrification, monitor driver behaviour to recommend where safety interventions can reduce accidents, and is part of Arval's global strategy to achieve a connected fleet rate of 80% by 2025.



LEADING THE
CHARGE
TO 2030

ARVAL FLEX-EV

This new product, launched in May 2022, supports customers to test and learn what it's like to use electric vehicles in real-world conditions. From launch to the end of October 2022, 90% of customers who tried electric vans in their fleet have retained them following their first hire.

RIDECCELL PARTNERSHIP

Arval UK was pleased to implement the partnership with Ridecell, a global provider of fleet automation solutions, to support and develop our mobility offers during 2022. Through this partnership, we aim to reduce CO₂ emissions by improving the usage rate of vehicles and encouraging the adoption of electrified cars as the solution gets rolled out to our UK customers in 2023.

SUSTAINABILITY MARKETING

Throughout 2022, our business was an active promotor of sustainable mobility, including:

- Contributing to the British Vehicle and Rental Leasing Association's (BVRLA) Road to Zero report card
- Exhibiting and speaking at the BVRLA Fleets in Charge conference. The event ran under the title of 'The Journey to Zero-Emission Fleets', with 240 attendees for our session
- Speaking as part of a GreenFleet panel of experts on the topic of 'The Road to Zero'
- Exhibiting at Employee Benefits Live and attracting over 1,200 visitors to our stand, promoting sustainable mobility options, such as e-Bike leasing for employees.

SUSTAINABILITY TRAINING

We conduct training to help our people drive our business towards a sustainable, ethical future, in conjunction with mandatory e-learning topics. In 2022, we delivered training to enhance awareness of our sustainability strategy and its alignment with our ESG objectives. This was an important update as we've strengthened our ESG risk analysis process by aligning with the wider BNP Paribas Group. Over 98% of our UK employees completed the sustainability training, and we have further ESG risk training planned for 2023.



THE ECONOMY OUR 2022 PROGRESS

MODERN SLAVERY

Human rights abuse and modern slavery have no place in our business or supply chain. As part of our responsible sourcing programme, we implemented a range of measures to help us identify, monitor and act to prevent modern slavery. This includes conducting targeted risk assessments and additional due diligence for high-risk supplier categories and territories. We also rolled out awareness-raising and training campaigns for our buyer population.

During 2022, 100% of new suppliers were assessed against our stated criteria, and the contracts for all new suppliers contain clauses requiring compliance with our sustainability standards.

PARTNERING WITH JAGUAR LAND ROVER (JLR)

In 2022, we worked with JLR to support their first steps on one of their sustainability initiatives to develop a new direct sales model. This involved us assisting with a new policy for localising orders. On average, 50% of JLR's end users opt to receive their new vehicle via a showroom handover. Thanks to their new policy, which Arval UK has helped to promote the benefits of with our own customers, drivers can now enjoy a more positive handover experience, while contributing toward a reduced environmental impact.

SUSTAINABLE SUPPLIERS

We're continually seeking ways to collaborate with our supply chain partners to create long-term value and compete in the global economy. For instance, we work with our garage network to ensure we prioritise vehicle repair over replacement.

One of our longstanding relationships through our catering partner, BaxterStorey, is with Olleco, a UK-based company that specialises in converting waste resources into renewable energy. Olleco collects waste cooking oil from our Swindon office and transforms it into biodiesel for use in adapted vehicles. During 2022, they collected 360 litres of waste oil from us.

We also source filter coffee from Change Please Coffee, a social enterprise that commits 100% of its profits to support homeless people through housing, training and employment.

In 2023, we'll work with our catering supplier to ensure the fruit and vegetables used in our head office are primarily sourced from farmer over-production, and we're exploring options to donate leftover packaged food to our local community.

"Having joined the business in 2022, it's great to be part of an organisation that put environmental topics at the forefront of its agenda. I enjoy being a key influencer, helping to drive local and national initiatives to further enhance the sustainability of the Facilities functions."

James Spiller
Facilities Manager
Arval UK

LOCAL PARTNERSHIPS

Arval UK is a member of Business West, a Certified B-Corp which supports around 21,000 business members ranging from SMEs to large Corporates in our Head Office region. Each quarter they run an MPs' forum, featuring local MPs and the leader of the Council, which we were happy to host at Arval Swindon. It gave local businesses the chance to hear updates from across the region, network with fellow members, and ask questions of our local politicians.





PILLAR 2
OUR PEOPLE
DEVELOPING AND ENGAGING
OUR PEOPLE RESPONSIBLY

“Our people make all the difference to everyone we interact with, internally and externally. Our focus on their development and wellbeing, including our diversity and inclusivity, is imperative to everything that we strive to achieve.”



Gary Burns
Remarketing Director
Arval UK

/ OUR PEOPLE

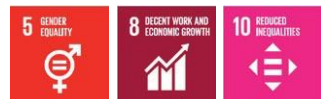
We know that the success of our company depends on our people. We want to attract the right mix of skills, talent and diversity, create a healthy and safe working environment, and provide our employees with all of the opportunities, training and motivation they need to be the best they can be.

OUR COMMITMENTS

- 1 PROMOTING DIVERSITY, INCLUSION AND SUSTAINABILITY IN THE WORKPLACE
- 2 BEING A GOOD PLACE TO WORK WITH RESPONSIBLE EMPLOYMENT MANAGEMENT
- 3 BEING A LEARNING COMPANY, SUPPORTING DYNAMIC CAREER MANAGEMENT

SDGs

THE SDGs ALIGNED TO THE PEOPLE PILLAR:



OUR TARGETS

- CONTINUE TO DELIVER OUR WOMEN IN ACTION PROGRAMME FOR FUTURE FEMALE LEADERS
- DEVELOP DISABILITY COMMITMENTS ALIGNED WITH THE INTERNATIONAL LABOUR ORGANISATION (ILO) STANDARDS
- MEASURE OUR EMPLOYEE SATISFACTION RATINGS THROUGH A NET PROMOTER MECHANISM
- DEVELOP, DELIVER AND ENCOURAGE PERSONAL DEVELOPMENT THROUGH TRAINING
- ENABLE CONTINUOUS DEVELOPMENT THROUGH EMPLOYEE FEEDBACK MECHANISMS

OUR HIGHLIGHTS

Became accredited as a Living Wage employer	Continued support for Swindon & Wiltshire Pride from our UK Head Office
Commenced employee parent and carer meet-ups to provide connection and support	Organised two significant health and wellbeing challenges raising money for charity
Held a dedicated Diversity week across our offices, including inviting guest speakers	Launched a new menopause policy and trained a number of Menopause Champions
Introduced free sanitary products in our washrooms	Highly Commended for Fleet News Wellbeing Award 2022
Delivered a comprehensive internal communications programme throughout the year, covering a wide range of health and wellbeing topics	



Pamela Davey
Corporate Business Manager and D&I Lead
Arval UK

“During 2022, we launched our Arval UK diversity and inclusion survey, following on from the one held in 2018. Over 85% of our workforce feel that Arval UK is an inclusive place to work and, just as important, over 80% felt comfortable being themselves at work. We have also taken on board the feedback provided by our colleagues to help develop our strategy for 2023 and beyond. Last year saw us continuing to support organisations such as Swindon and Wiltshire Pride’s annual summer event, and we worked with new local charities across all our business locations. Being our authentic selves continues to be an important part of our company culture and is fully supported by our whole business.”



Heather Messenger
HR Business Partner and H&W Lead
Arval UK

“Supporting our employees’ physical and mental health activity continued with vigour. We trained all People Managers in Mental Health Awareness, carrying this forward for all new People Managers into 2023. We launched the Thrive wellbeing app as an additional support function for our employees, a new Menopause policy and enabled a number of our employees to partake in the 3 peaks physical challenge.”

OUR PEOPLE OUR 2022 PROGRESS

SWINDON & WILTSHIRE PRIDE

We were thrilled to support Swindon & Wiltshire Pride for the 2nd year, celebrating the region's LGBTQ+ communities and allies.

More than 3,500 people attended the festival at Queen's Park in the summer, and as well as sponsoring a stall, we funded the provision of an accessible Mobiloo toilet and changing facility, removing one of the barriers that often exclude disabled adults and children from participating in activities and events.

Swindon Wildcats – the ice hockey team we sponsor – joined us at Queen's Park, bringing an inflatable hockey goal and sharing the day with over 3,300 Wildcats followers on social media.



DIVERSITY AND INCLUSION

In June 2022, we held our inaugural Diversity Week, organised by our employee-led diversity and inclusion working group. During the week, we shared employee stories highlighting neurodiversity, hosted two speakers from the Proud Trust, an organisation that supports LGBT+ young people, and welcomed television and radio personality, Paul Sinha.

In addition to the awareness-raising activities, we launched an internal survey asking for feedback on how we should further encourage greater diversity and inclusion in our business. With a 61% response rate, over 85% felt that Arval UK was an inclusive place of work and that they were comfortable being themselves in the workplace. More than 75% felt their managers were inclusive in their behaviours.

“With the continued help and support of Arval UK, we are able to ensure that our event is as accessible as possible. Their support has enabled us to include sign language interpreters so that anyone hard of hearing can enjoy everything we have to offer on stage, and enabled us to invite Mobiloo, which provides an accessible bathroom to anyone who may need it.”

Lee Hare

Sponsorship Manager, Swindon & Wiltshire Pride

“I want to ensure all colleagues feel valued and included irrespective of their gender, race or sexuality. To help ensure Arval UK continues to embrace what makes each of us unique and no one feels ashamed to be who they are.”

Kieron Hollis

Sales Team Manager, Arval UK

Throughout 2022, one of our areas of focus was ensuring people felt supported at work, encouraging consistency across all departments so that we can provide the same, positive experience for everyone. Looking forward, we will also further explore the factors that employees feel could affect their progression.

Separately, we also reported that, in 2022, 54% of the leaders on our UK Executive Committee were women.



SUPPORTING MENOPAUSE

Menopause has long been an under-discussed topic in the UK, despite the significant impact it can have on those going through it, as well as on friends, families and colleagues.

Alongside the launch of our new menopause policy, we ran an internal awareness-raising campaign to coincide with World Menopause Day. We also trained 10 employees as Menopause Champions, with the session delivered by Henpicked, an organisation specialising in supporting menopause in the workplace. The training gave insight into what it means to live with menopause and provided specific guidance about how to open up and hold supportive conversations.



PARENTS AND CARERS GROUP

We encourage and support our employees to join in together and explore topics that matter to them. One such group that does this is our employee-led parents and carers group. Established in 2021, the group continued its regular meetups last year, providing an informal space for people to share experiences and discuss the challenges and opportunities of being a working parent or carer.



“My mum had dementia for three years. Arval UK as a company were fantastic and let me work from home as I was the sole carer for mum. The carers group allowed you to talk, cry, share and laugh about things that you were going through as a carer.”

Jane Hitchin

Sales Account Manager, Arval UK

OUR PEOPLE OUR 2022 PROGRESS

LIVING WAGE CERTIFICATION

In recognition of the importance of financial wellbeing and the pressure of the cost-of-living crisis, we're proud to announce that we became an accredited Living Wage Employer in 2022, helping every employee working for us to have a basic level of financial security and stability.

The real living wage is independently calculated by the Living Wage Foundation and based on real-world costs. There are now more than 12,000 accredited Living Wage Employers in the UK and over 400,000 workers have received pay rises as a result.



EPIC AWARDS

Our business is made by our people, so it's important for us to take time to celebrate their successes. Our annual Epic Awards ceremony spotlights employees who bring our core behaviours to life and make a

positive impact for our customers, business and communities. For 2022, with 141 nominations, we celebrated the achievements of 11 outstanding employees and 1 team, with 17 runners up. The 12 awards included Employee of the Year, Making a Difference to People, Making a Difference to the World, The Collaborator, The Innovator and Unsung Hero.

NET PROMOTER EMPLOYEE SCORE (NPE)

Just as NPS measures the satisfaction of customers, NPE tracks the extent to which employees would recommend Arval as an employer of choice. We're pleased that our NPE score has been consistently improving since January 2021. At the end of 2022, our NPE was +25, indicating that our employees are highly engaged. We'll continue to work hard to create an organisation that our people feel proud to be a part of.



HEALTH AND WELLBEING CHALLENGES

During 2022, we maintained our longstanding focus on our employees' physical and mental wellbeing as part of our charitable and fundraising efforts. This year, we added an emphasis on awareness of biodiversity and climate change issues.

CHARITY BIKE RIDE

Held during June's Bike Week, our charity bike ride saw 20 employees from across our business tackle one of two circular routes from our Swindon head office. The riders represented all three of our UK sites, with all levels of proficiency welcomed. Many chose to tackle the 'rolling' terrain of the longer, 60km-plus route, and some employees even took to a tandem. Through the ride, we generated more than £1,300 for Buglife, believed to be the only organisation in Europe devoted to the conservation of all invertebrates.

NATIONAL THREE PEAKS CHALLENGE

Covering 26 miles of trekking with over 3,000m of climb, scaling the UK's three highest peaks in a single day is a tough challenge – but lots of our employees are up to it. Nearly 50 employees have taken part since 2017, including 13 last year alone who raised £3,800 for Buglife.

DEVELOPING OUR PEOPLE

We're a regulated business, and we take training, learning and development seriously because we recognise it benefits our people, our customers and our company's ongoing success.

Mandatory training for all employees is an essential part of our business responsibilities and includes financial security, competition law, cybersecurity, data protection and responsible communication.

In 2022, over 97% of our people took part in development activities that go beyond mandatory e-learning, including:

- 28 managers took part in our You Drive leadership development programme
- 12 employees attended the Arval UK Emerging Talent programme
- 4 employees were selected for the Global Arval Talent programme
- 2 candidates put forward for

MENTAL HEALTH

During Mental Health Awareness Week, we began making the Thrive mental wellbeing app available to all our people. Using evidence-based digital technology, Thrive supports the prevention and management of stress, anxiety and other related conditions. It is recommended and used by the NHS.

In addition, we announced Mental Health Skills for Managers training for all our



our dedicated global female development programme

- 3 employees attended the RISE programme, aimed at supporting mid-career women from across UK BNP Paribas entities

We will be launching Voice of the Customer training early in 2023.

EMERGING TALENT PROGRAMME

The year-long Arval UK Emerging Talent programme provides training on a wealth of business and interpersonal skills that apply to all roles, as well as a transversal project for them to work on to put those skills into practice. It aims to get participants thinking about their strengths, development areas and career aspirations, and culminates in a career conversation with their manager and a member of our executive team.

From our first cohort, 90% of participants moved roles internally within six months of the programme's completion.

people managers. While our engagement survey reports that 90% of employees feel well-supported by their managers, we know just how vital that relationship is. The training session was facilitated online by Mental Health First Aid England and has helped over 90% of our managers role model positive self-care, challenge stigma and inspire their teams to prioritise their wellbeing.



“As a responsible business, and to support sustainable change, Arval UK is proactive in the local communities in which we operate, helping current and future generations.”

Ailsa Firth
HR Director
Arval UK

PILLAR 3
THE COMMUNITY
BEING A POSITIVE AGENT
FOR CHANGE



/THE COMMUNITY

We're great believers in giving something back and making a positive impact in our communities – and our people are always ready, willing and able to get involved. That's why we support a whole host of good causes, through community education programmes, fundraising and volunteering.

OUR COMMITMENTS

- 1 INFLUENCING AND ACTING FOR DRIVER SAFETY
- 2 SUPPORTING RESEARCH AND DEVELOPMENT FOR THE FUTURE OF SUSTAINABLE MOBILITY
- 3 SUSTAINING CORPORATE PHILANTHROPY ACTIONS RELATED TO OUR CORE BUSINESS

SDGs

THE SDGs ALIGNED TO THE COMMUNITY PILLAR:



OUR TARGETS

- OFFER ECO AND SAFETY DRIVER TRAINING
- DEVELOP AWARENESS OF VEHICLE SAFETY FEATURES AND REDUCE FAULT INCIDENTS
- PROVIDE OUR STAKEHOLDERS WITH INSIGHTS ON MOBILITY PATTERNS
- PROVIDE COMMUNITY AND CHARITABLE SUPPORT THROUGH MONETARY DONATIONS
- PROVIDE COMMUNITY AND CHARITABLE SUPPORT THROUGH EMPLOYEE VOLUNTEERING

OUR HIGHLIGHTS

Supported the donation of over £70,000 to good causes	Volunteered more than 1,700 hours within our local communities	Increased engagement and support with local schools through our Arval Inspires working group
Volunteered more than 1,700 hours within our local communities	Supported local charities with electric vehicles, enabling their energy transition while promoting sustainable mobility	Continued to publish market research for sustainable mobility to a wide range of audiences
Sponsored the provision of virtual reality headsets for local road safety awareness campaigns	Highly Commended in the UK Fleet Champions Awards for Road Safety in the Community (joint submission with Dorset and Wiltshire Fire and Rescue Service)	



“During 2022, we continued to get the best from our sponsorship partners. This added to a great line-up of events, social media posts and education to raise awareness for various topics.

Having used some of my volunteering time to help out at the ‘Safe Drive, Stay Alive’ roadshow, I was able to see first-hand the impact this event has on young people who are reaching driving age.

The biggest success was volunteering, with almost double the number of hours given back to our local communities.”

Stuart Chamberlain
 Head of B2B and Partnerships, Remarketing, and Lead for the Volunteering Working Group Arval UK

THE COMMUNITY OUR 2022 PROGRESS

ROAD SAFETY

We continued to be a headline sponsor of Road Safety Week. The week is organised by Brake, a road safety charity who we have partnered with for many years

Across our business, we ran a series of complementary events, including a 22-mile e-Bike ride that raised over £1,000 for Brake. We also trialled virtual reality headsets to bring to life the consequences of driver decision-making and launched new customer educational material, containing safety advice and information about Highway Code changes.

Through our sponsorship of Swindon Wildcats ice hockey team, our road safety messaging reached an even wider audience thanks to player videos and social media engagement, among other tie-ins.

We also enabled the safety team within our local fire service to reach over 10,000 schoolchildren with road safety education.



“Supporters like Arval UK are important to the success of Road Safety Week as they amplify the life-saving messages to their employees, families, customers, suppliers and local communities, as well as providing Brake with vital funding. In 2022, we estimate that our Road Safety Week message, calling for Safe Roads For All, reached 6.8 million people.”

Scott Williams
Head of Programme Delivery, Brake



PROSPECT HOSPICE

We're delighted to have donated two electric vans to our local charity partner, Prospect Hospice. The Wiltshire-based hospice has installed two charging points at its warehouse and is using the vans to support its network of 15 shops, collecting and delivering stock used to raise funds for the charity.

“The new vans are being put to work every day, helping us raise much-needed funds for Prospect Hospice, saving us money in terms of running costs and helping us to reduce our carbon footprint. The vans and their livery get a positive reaction wherever they go in our community and the drivers are really impressed with them. Kick-started by the generous donation of the electric vans, sustainability now forms one of our four new strategic objectives.”

Paul Baker
Head of Commercial Development
Prospect Hospice

ARVAL MOBILITY OBSERVATORY

The Arval Mobility Observatory annual Global Fleet Barometer studies, analyses and interprets developments in mobility, based on in-depth interviews with more than 7,500 key decision-makers in 26 countries across a wide range of sectors. We then break down this information into key trends and findings for the UK, including electrification, sustainable mobility and fleet growth.

There were five key takeaways from the 2022 UK Fleet Barometer research, many of which will have a significant bearing on future transport emissions:

1. Fleet growth: A net 27% of organisations are predicting an expansion of their vehicle operations.
2. Electrification: Managing the transition to zero emission vehicles by 2030 was mentioned by 43% of all respondents as one of the main challenges for fleets.
3. Semiconductor shortage: Three out of four fleets reported no effect, possibly due to re-contracting lower -mileage vehicles as a result of the pandemic.
4. Electricity as a power source: By 2025, fleets expect electricity to be the dominant power source, predicting only one in four company cars (28%) will still use petrol or diesel power.



5. Charging access: Three of the top four concerns for fleets waiting to switch to electric vehicles relate to this issue.

As a result of the observatory's research, in 2022, 21 stories were produced in the UK that shared and analysed the findings across multiple media outlets and on social media channels.

For the full report [click here](#)

For more information about the observatory's findings on electrified van adoption, its research into telematics and driver safety, and more [click here](#)

THE COMMUNITY OUR 2022 PROGRESS

LOCAL COMMUNITY SUPPORT

Before Christmas, our Product and Marketing team met offsite for a chance to reflect on 2022 and plan for 2023. As part of the day, we crafted and personalised 66 Christmas crackers which we donated to Threshold Housing Link, a charity that's been helping homeless people in Swindon for 50 years.

The crackers contained sustainable gifts, such as body wash and shampoo bars, recycled gloves and beanies, bamboo toothbrushes and Fairtrade chocolate, for people in need.

“It was wonderful to see so many people showing their artistic flair in creating such fantastic Christmas crackers filled with personalised gifts for those that we accommodate across our homeless resettlement projects. This will certainly ensure that our guests feel the care and kindness of others and show that they are not alone.”

Michael Keenan
Chief Development Officer, Threshold Housing Link

ARVAL INSPIRES

The Arval Inspires initiative is driven by 10 employees who are passionate about helping young people transition from education to working life. We have built robust relationships with 11 schools in local communities across Swindon, Manchester and Birmingham.

In 2022, we were involved in 18 different activities, including conducting mock interviews, engaging with students and parents at a sixth form careers fair, inviting Year 9 students to a taster morning at our office, and taking part in a successful 'meet the employee' event.

In addition, we're thrilled that our Arval Inspires lead, Emma Johnson, was asked to become an Enterprise Ambassador for Arval UK, working in partnership with Lydiard Park Academy in Swindon.

“Our pupils thoroughly enjoyed the opportunity to learn about your industry and to experience activities, which brought those career roles to life for them. Their comments to us revealed a cohort of pupils who had begun the day not necessarily having made the link between study routes and the ability to choose a career that they would most enjoy. By the end of the session, each of the pupils had been shown how a little extra thought now could lead them in future directions that they hadn't yet considered.”

Phil Anley
Co-Head of Computing, IT and Business, Lydiard Park Academy



EMPLOYEE GIVING

Thanks to our employee-led Arval Cares working group, company initiatives and the fundraising efforts of many other employees, we supported the donation of over £70,000 to charitable causes in 2022.

On top of this, more than 200 of our employees gave their time to good causes, volunteering for diverse local initiatives such as beach and canal clearing, CV writing, insect pollinator counts, weeding and animal care. Of these activities, 19% supported young people, 40% helped with activities to encourage or support biodiversity, and the remainder was put towards improving local communities.

In total, employees gave over 1,730 hours of their time in 2022, making a big difference to many good causes. We'll continue volunteering our time to benefit local communities throughout 2023.



“Arval UK's donation contributes toward supporting people with disabilities to lead a more independent life wearing clothes of their choice, including children who are able to 'fit in' wearing adapted school uniform and have fun choosing their own clothes tailored to fit them perfectly.”

Sharon Tombs
Manager, Dressability





PILLAR 4
THE ENVIRONMENT
COMBATTING
CLIMATE CHANGE



“While we have a good understanding of the carbon emissions from the operation of our offices, we need to get the bigger picture, which includes emissions from home working, commuting and our supply chain, so we can understand how to manage them better”

Frank de Visscher
Chief Financial Officer
Arval UK

/THE ENVIRONMENT

We take our commitment to the environmental accreditation standard ISO14001 very seriously and are always looking for ways we can reduce our operational carbon footprint and help our customers with their energy transition.



OUR COMMITMENTS

- 1 PARTNERING WITH OUR CLIENTS IN THE TRANSITION TO LOW-CARBON MOBILITY
- 2 REDUCING THE ENVIRONMENTAL IMPACT OF OUR OPERATIONS
- 3 ADVANCING AWARENESS AND SHARING OF BEST ENVIRONMENTAL PRACTICES

SDGs

THE SDGs ALIGNED TO THE ENVIRONMENT PILLAR:



OUR TARGETS

- INCREASE THE NUMBER OF ELECTRIFIED* VEHICLES ON OUR LEASED FLEET
- REDUCE THE CO₂ OF OUR LEASED FLEET
- DEVELOP GREEN ENERGY MANAGEMENT AND VEHICLE TO GRID SOLUTIONS AND CONNECTIVITY
- INCREASE THE ELECTRIFIED* VEHICLE SHARE IN OUR OWN COMPANY FLEET
- CARBON FREE COMPANY FOR OWN OPERATIONS BY REDUCING AND FULLY OFFSETTING ALL THE CO₂ EMISSIONS OF ARVAL'S OWN OPERATIONS (COMBUSTION OF FOSSIL FUEL, ELECTRICITY IN OWN BUILDINGS, PROFESSIONAL TRAVEL)**
- REDUCE PAPER CONSUMPTION PER EMPLOYEE
- MEASURE EMPLOYEE AWARENESS FOR ENVIRONMENTAL RESPONSIBILITY
- SHARE COMMUNICATIONS ON SUSTAINABILITY INTERNALLY AND EXTERNALLY

*Battery electric vehicles, hybrid vehicles (plug-in and full hybrid)

** Since 2017, BNP Paribas is reducing as much as possible its direct impact in order to decrease its carbon footprint and is offsetting its residual GHG emissions

OUR HIGHLIGHTS

Improved employee engagement with environmental activities such as new planters in our office courtyard to attract insects and providing seeds to encourage biodiversity		Empowered our employees with information about the importance of biodiversity to the future of our planet
Launched a training programme for climate awareness	Reduced paper usage* by more than 55% since 2019 <small>*Kg per FTE per annum</small>	Committed to the planting of more than 41,000 trees, one for every electrified vehicle delivered since the start of the initiative in 2021 until the end of 2022
Created a carbon summary document detailing our activity and impact	Electrified 94% of our own company fleet	Rolled out an internal electric vehicle training programme to increase employees' knowledge



“Leading the Environmental Impact and Engagement Group means I get to work with a really great group of people who are passionate about the environment and how we can help to make a positive difference as part of the day job. We see so many great initiatives around the business and we’re proud that sustainable behaviours are so well embedded in what we do.”

David Knill
Data Protection Correspondent and Environmental Pillar Lead, Arval UK

THE ENVIRONMENT OUR 2022 PROGRESS

FLEET ELECTRIFICATION

We continue to partner with our customers in their transition to low-carbon mobility. At the end of 2022, the number of electrified vehicles (battery electric, plug-in hybrid and full hybrid) within our leased fleet has increased to over 53,000, of which more than 28,000 are battery electric vehicles. This transformation has helped drive an average CO₂ reduction of 17% per vehicle per kilometre across the UK leased fleet during the period between December 2019 and December 2022.*

One longstanding customer pursuing an aggressive timeline to electrification is Abbott Laboratories, which is on track to switch all its 475-strong UK car fleet to fully electric vehicles by the end of 2023.

Les Muggeridge, UK Human Resources Director at the global healthcare company, explains that the move has both environmental and financial imperatives. "As a healthcare specialist, we have continually worked to make our fleet as environmentally friendly as possible, simply because it is the right thing to do. [But] working towards a zero emissions fleet also helps us win contracts.

Christina Harbour, Fleet, Risk and Finance Projects Manager at Abbott,

adds: "We've tried to make BEV adoption as easy as possible for our employees. Drivers can choose almost any model currently available in the UK [and] are allowed to add their own contribution of up to 20%. Many have chosen to do this, especially in relation to a new 90-car Tesla opportunity that Arval has been able to secure. This is especially attractive because the cars are price protected.

"Additionally, we've worked with Arval to make charging as easy as possible, with the cost of installing home charging included in the monthly lease payments, which is quite an innovation. There are also extensive charging facilities available at almost all of our UK sites."

Jamie Williams, Head of IBO and Large Corporate Sales at Arval UK, applauds Abbott's leadership: "They are very much a best practice example to the sector, showing how the advantages of electrification can be accessed to the benefit of an entire business."

As well as working with our customers to reduce the emissions of their fleets, we're also well on track to achieve our own goal of transitioning our company car fleet to 100% electrified by 2025. At the end of 2022, 94% of our company cars were electrified.

*Average emissions of CO₂ are calculated as a weighted average of the Arval UK fleet (Passenger cars and LCVs) between Dec 2019 and Dec 22. In a context of regulation change (NEDC, WLTP), CO₂ emissions will be adjusted to the WLTP, making use of the results of a NEDC-WLTP correlation internal study, to ensure comparable stringency.



ARVAL IGNITION

Our Arval Ignition salary sacrifice scheme helps employers encourage employees to adopt electric vehicles by enabling businesses to lease the car and deduct the payment before tax from the employee's salary.

Global healthcare company Sanofi is doing exactly that as part of its efforts to reduce its CO₂ footprint and make its entire, global car fleet carbon neutral by 2030. We're working with Sanofi to encourage the take-up of fully electric and plug-in hybrid cars via Arval Ignition. By the end of 2022, around 130 Sanofi employees had received their new vehicles with another 50 on order.

With 29% of our UK leased fleet being electrified, we're proud to have committed to planting more than 41,000 trees since our 1 Electrified Vehicle = 1 Tree initiative launched in 2021 until the end of 2022. Working with experts Reforest'Action, which oversees the planting, we've supported the introduction of additional trees at five locations around the UK, helping to boost biodiversity and compensate for carbon emissions.



« Our carbon commitment is very important to us and we wanted to offer all our employees a wide choice of vehicles, including electric cars, as a benefit.

USAMAN KHAN

SANOFI UK CHIEF FINANCIAL OFFICER



THE ENVIRONMENT OUR 2022 PROGRESS

OUR CARBON DATA

Our annual carbon reporting period ran from 1 October 2021 to 30 September 2022. Total emissions across all measured scopes have fallen 19% against the previous year.

We're seeing a continued improvement in the quality of utilities data captured by our landlords' agents, and 100% of the electricity we purchased came from Renewable Energy Guarantees of Origin (REGO)-certified renewable sources.

Hybrid working remains an important part of working practice for our people and contributes towards the maintenance of our current energy usage. We are investigating ways in which we can reduce energy usage in future.

Combined emissions have decreased by more than 40% compared to our 2019 baseline, and we participate in the offsetting scheme of our parent company, BNP Paribas, to account for the residual greenhouse gases that we emit.

While Scope 3 emissions increased, they remain very low compared to our pre-pandemic levels. We attribute this to a reduction in business travel and the ongoing utilisation of digital meeting technologies.

Separately, we've held ISO 14001 certification continuously since 2009, and our paper usage is still decreasing year on year: in 2022, it dropped a further 8%.

The data in the table above covers a reporting period from 1st October to 30th September. Data collection, processing and verification periods do not allow reporting on a current calendar year.

Scope 1 includes emissions generated from natural gas.

Scope 2 includes emissions from purchased electricity and are reported using the GHG Protocol dual-reporting methodology, stating two figures to reflect the GHG emissions from purchased electricity, using both a location-based method that reflects the average emission intensity of the national electricity grids from which consumption is drawn. In addition, a market-based method that reflects emissions from electricity specific to each supply/contract. Where electricity supplies are known to be from a certified renewable source, a zero emissions factor is used, otherwise residual mix factors are used.

Scope 3 includes emissions generated from business travel including air, rail, company-leased vehicles and employee owned vehicles. Note emissions generated by company-leased vehicles are reported under Scope 3 to maintain continuity with the BNPP Group methodology. GHG emissions and kWh consumption related to electric vehicles is reported under Scope 2 as charging primarily occurs in the buildings of the Group.

Greenhouse Gas Emissions					
Absolute Emissions (tCO ₂ e)		2022	2021	2020	2019
Scope 1: Direct GHG emissions from natural gas		359.04	538.09	164.62	189.61
Scope 2: Indirect GHG emissions from purchased electricity	Market-based	0	0	72.97	47.01
	Location-based	229.37	250.31	374.36	415.66
Total Scope 1 and 2	Market-based	359.04	538.09	237.58	236.62
	Location-based	588.41	788.40	538.98	605.27
Scope 3: Indirect emissions from business travel including air, rail, company-leased and employee owned vehicles		56.25	11.67	244.40	471.75
Total Scope 1, 2 and 3	Location-based	644.66	800.06	783.37	1077.02

40.14% decrease compared to baseline of 2019. Current reporting year is 2022

ENVIRONMENTAL

Throughout 2022, we developed a relationship with Buglife, a specialist charity that aims to encourage recognition of the critical role that invertebrates play in ensuring our planet's ecosystems keep functioning.

Alongside a programme of internal and external communications highlighting various initiatives during the year, the charity's representatives visited all three of our UK locations to highlight the importance of invertebrates to the future of life on Earth.

We also gave every team member a packet of beebombs – wildflower seedballs that, when planted, germinate pollinator-friendly plants. In the summer, we planted flowers beneficial to wildlife in planters within our office courtyard – the planters were produced locally by a social enterprise that provides employment and learning opportunities to adults with learning difficulties.



“Buglife is extremely grateful for the support from Arval UK and their staff during 2022, which has raised over £10,000 for our charity. We are particularly pleased to generate funds which can be applied to our aim to halt the extinction of invertebrate species and to achieve sustainable populations of invertebrates.”

Paul Hetherington
Fundraising and Communications
Director, Buglife

CLIMATE AWARENESS TRAINING

As part of a global programme, we introduced climate awareness training using the interactive Climate Fresk workshop, delivered by internal facilitators who have all undertaken training to be able to run this.

The rollout began towards the end of the year, with 22 employees taking part so far, including our Executive Committee. Further sessions are already scheduled for 2023.



Join the Arval **#PositiveMobility** movement and drive the change with us.
Each of us can make the difference.
Together we can make it happen!

Arval UK

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