PDI TECHNOLOGIES

Fleet Sustainability Guide

Contents

Glossary

CO_2e: Carbon Dioxide Equivalent

A way to express the global warming potential of various greenhouse gases as a common unit.

CSR: Corporate Social Responsibility

Usually refers to specific actions that a company engages in to improve their positive impact in society.

EPA: Environmental Protection Agency

An independent executive agency of the United States federal government for environmental protection.

ESG: Environmental, Social, and Governance

A set of criteria that organizations use to evaluate and disclose their performance along societal measures.

FHWA: Federal Highway Administration

A division of the United States Department of Transportation that specializes in highway transportation.

GHG: Greenhouse Gas

There are 7 major gases commonly included in this group: CO_2, CH_4, N_2O, SF_6, NF_3, HFCs, and PFCs.

GHG Protocol: Greenhouse Gas Protocol Corporate Accounting and Reporting Standard

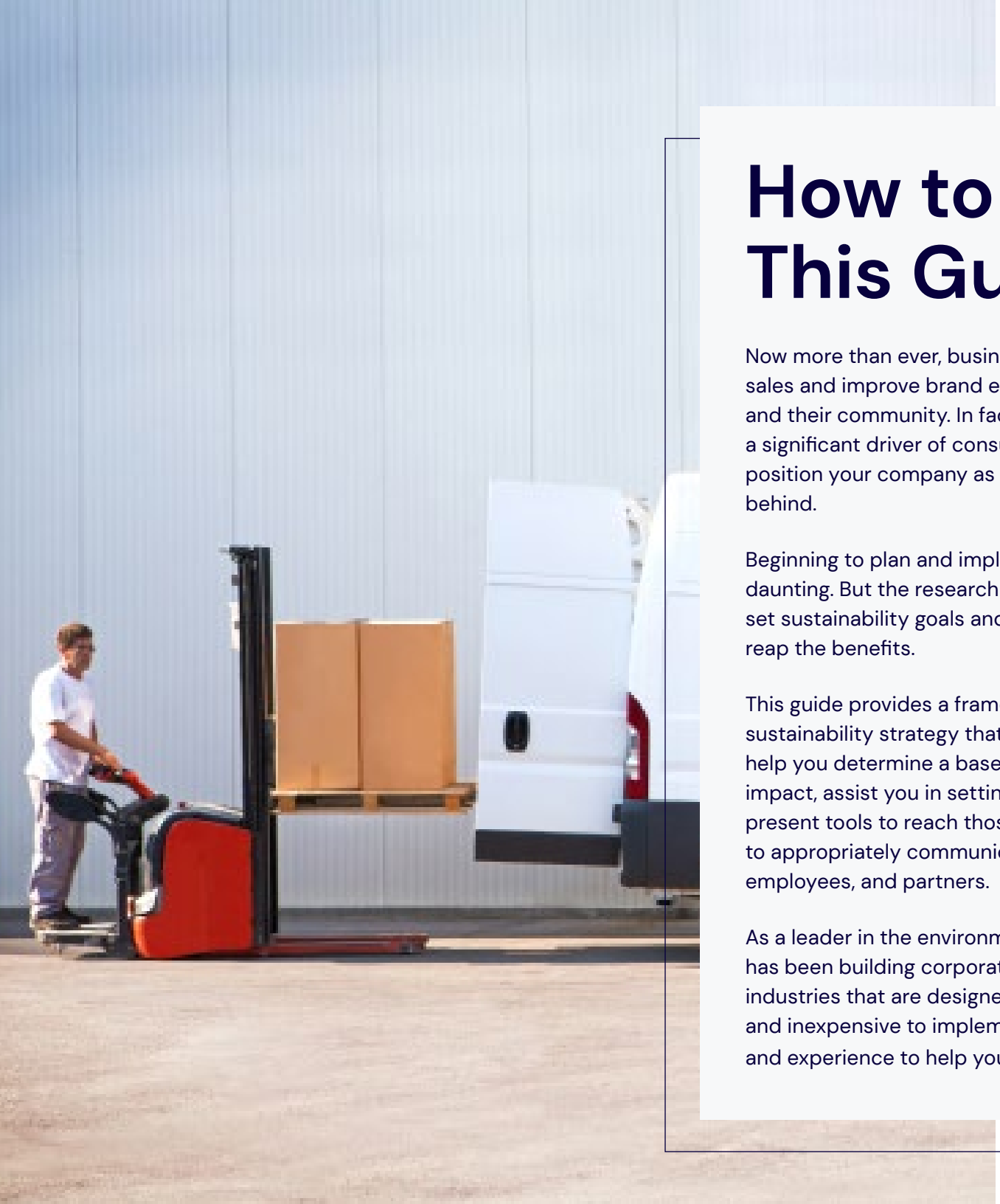
The most widely used, global standardized framework to measure and manage greenhouse gas emissions from private and public sectors.

ICE: Internal Combustion Engine

Typically used to describe traditional vehicles that run on gasoline and diesel, as opposed to electric vehicles.

IMP: Inventory Management Plan

Describes an organization's process for completing a high-quality, corporate-wide inventory. Organizations use an IMP to institutionalize a process for collecting, calculating, and maintaining GHG data.



How to Use This Guide

Now more than ever, businesses have the opportunity to increase sales and improve brand equity by doing good for the environment and their community. In fact, with climate change concern becoming a significant driver of consumer behavior, if you are not taking steps to position your company as a sustainable business, you may risk falling behind.

Beginning to plan and implement a sustainability strategy can be daunting. But the research shows that companies that successfully set sustainability goals and communicate them to their customers reap the benefits.

This guide provides a framework for your company to implement a sustainability strategy that is both achievable and actionable. It will help you determine a baseline of your fleet's current environmental impact, assist you in setting and defining goals for your organization, present tools to reach those goals, and outline best practices for how to appropriately communicate your progress to your customers, employees, and partners.

As a leader in the environmental industry, PDI Sustainability Solutions has been building corporate sustainability programs across several industries that are designed to be easy to understand, simple to start, and inexpensive to implement. We are happy to share our knowledge and experience to help you start your own sustainability journey.

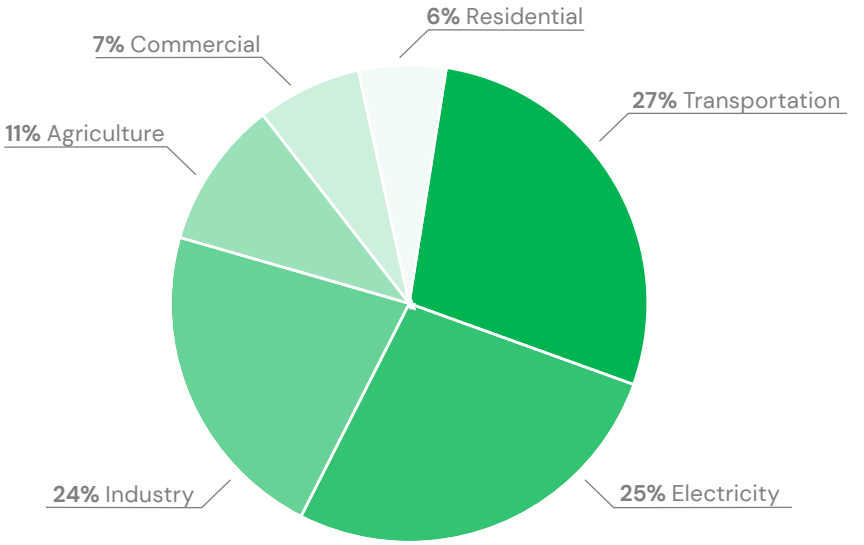
The Urgent Case for Sustainability

The majority of climate scientists (97%) agree that climate-warming trends over the past century are extremely likely caused by human activity[1]. With 61% of people worldwide concerned about climate change[2], fleets have a unique opportunity to address those concerns.

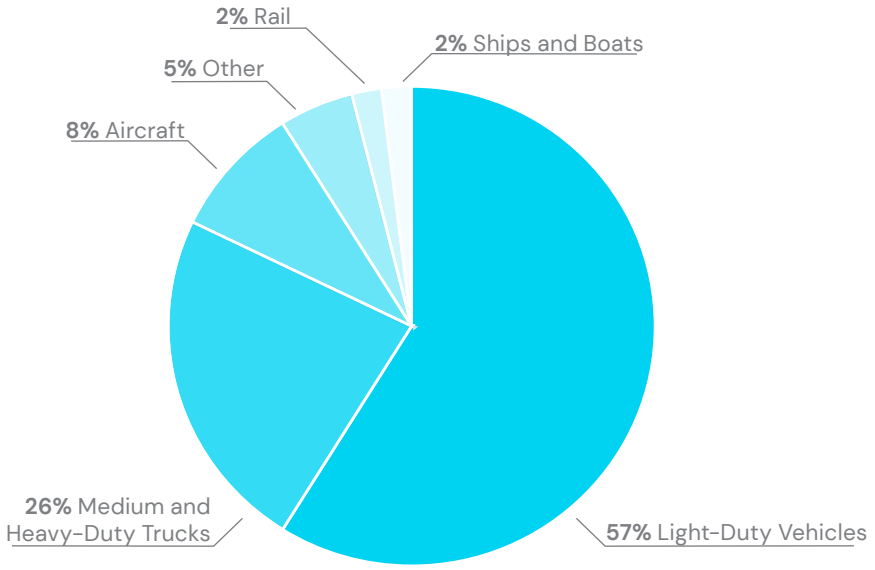
In the United States, the single largest source of greenhouse gas (GHG) emissions is the transportation sector[3]. By measuring and offsetting vehicle emissions, fleets can take immediate action and have a direct impact on global climate change.

27% **of U.S. greenhouse gas emissions are from the transportation sector[3]**

83% **of transportation sector emissions are emitted from cars and trucks[3]**



2020 U.S. GHG Emissions by Sector



2020 U.S. Transportation Sector GHG Emissions by Source

The Business Case for Sustainability

In the past decade, brands recognized as having a commitment to purpose have grown at twice the rate of their competitors[4]. Consumers are expecting companies to do more to solve social problems and will go out of their way to support those that are. With over 89% of consumers responding that they would switch to a brand with a good cause[5], companies that embrace these demands for responsible action are growing loyalty and sales in the process.

89%

of consumers would switch to a brand with a good cause, given similar price and quality

64%

of people are purpose-driven buyers across all age groups[6]

2x

Companies recognized for strong commitment to purpose have grown at more than twice the rate of others

Taking Action

Given the urgency of climate change and the compelling business case of addressing sustainability as a company, you can take action and begin implementing a sustainability strategy by following the general industry guidelines of measure, reduce, offset, and communicate.

The first step towards a sustainable fleet is understanding your company's environmental impact and measuring your carbon footprint. Once you know your baseline, your company can begin to define sustainability goals and create an actionable plan to meet those goals. And finally, you must consider how you will communicate your efforts to your customers and employees. By following these steps, you will be able to differentiate your company from the competition and start to do well by doing good.

1 Understand and Measure

Understand how emissions are categorized and measured, calculate and report your current greenhouse gas emissions, and create an inventory management plan for your company

2 Reduce

Implement best practices to reduce your vehicles' emissions during day-to-day operations, train drivers on how to reduce emissions, and consider options for alternative power vehicles

3 Offset and Give Back

Understand carbon offsetting and certified carbon reduction projects and consider how you can go beyond reducing emissions to enrich your local community

4 Communicate

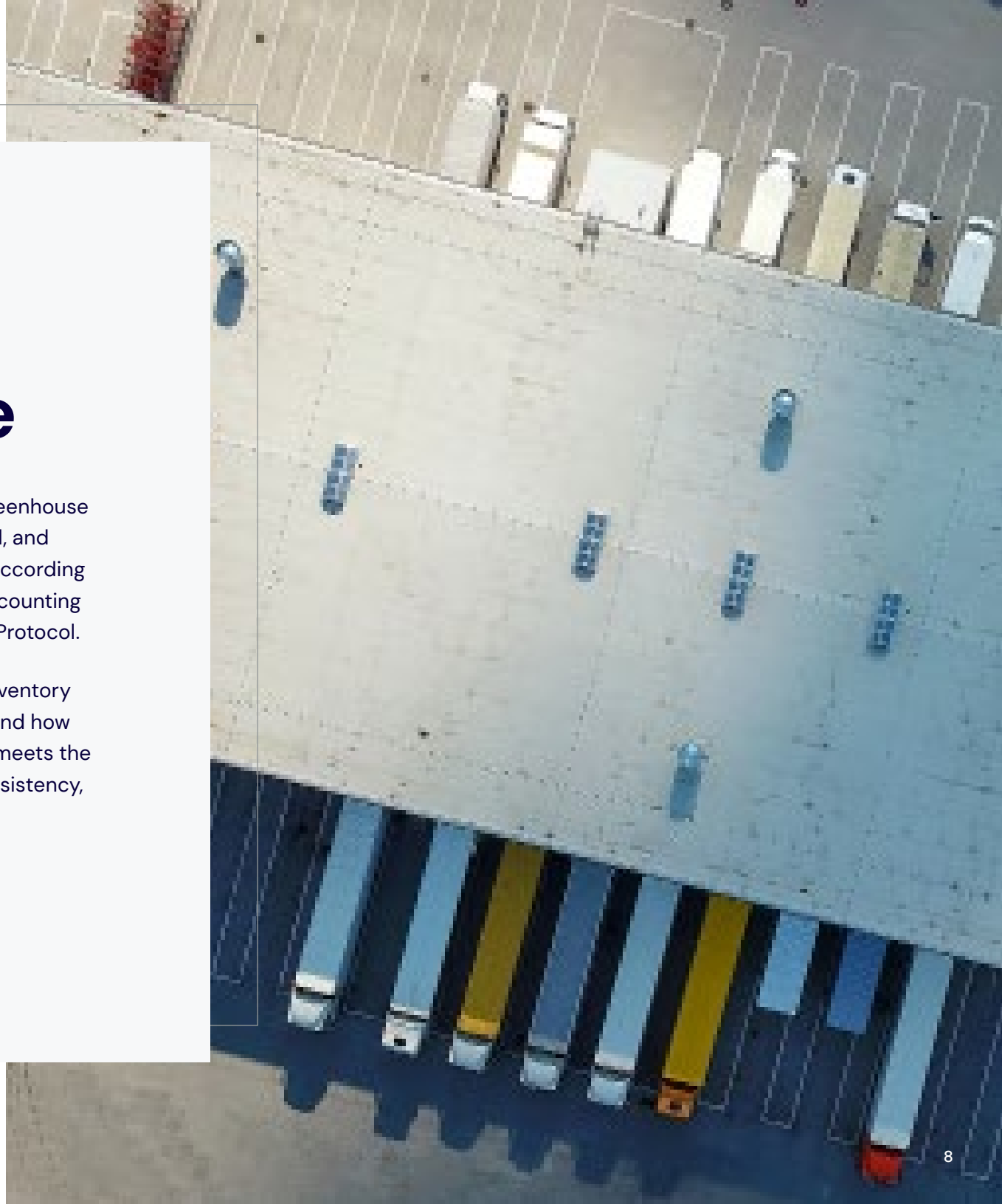
Effectively communicate your sustainability story to your customers, supply partners, and stakeholders to drive goodwill and brand loyalty

STEP 1

Understand and Measure

This section will provide an overview of how greenhouse gas (GHG) emissions are defined and classified, and how to accurately inventory and report them according to the internationally recognized Corporate Accounting and Reporting Standards set forth in the GHG Protocol.

It will also introduce the steps to develop an Inventory Management Plan (IMP) for your organization, and how to ensure your emissions accounting process meets the five principles of relevance, completeness, consistency, transparency, and accuracy.



Understanding Emissions

The internationally recognized reporting and accounting standards in the GHG Protocol categorizes emissions into three distinct groups (or "scopes") based on their source and the degree to which an organization has control over them. A company's emissions are often referred to as its "GHG Inventory".

Scope 1
Direct Emissions

Those emissions originating from sources owned or controlled by an organization. This includes stationary sources like boilers, furnaces, and generators, and mobile sources like owned or leased fleet vehicles.

SCOPE 1 EMISSIONS EXAMPLES

company-owned facilities

air-conditioning & other refrigerants

company vehicles

Scope 2
Indirect Emissions

Those emissions originating from the generation of electricity, heat, or steam, used by the organization but physically occurring at sources owned or controlled by another organization.

SCOPE 2 EMISSIONS EXAMPLES

purchased electricity

purchased steam

purchased heating & cooling

Scope 3
Indirect Emissions

Those emissions originating from sources not owned or controlled by an organization but released as a consequence of that organization's business activities.

SCOPE 3 EMISSIONS EXAMPLES

employee commuting

business travel

supply chain emissions

Greenhouse Gas Inventory Management Plans

An Inventory Management Plan (IMP) describes an organization's process for completing a high-quality, corporate-wide inventory. Organizations use an IMP to institutionalize a process for collecting, calculating, and maintaining GHG data.

Establishing a GHG Inventory Management Plan (IMP) for your company will ensure consistency in how your fleet's emissions are calculated and allow for accurate tracking over future years. The IMP will serve as a record of the internal procedures used to determine what emissions are included and how they are measured, what personnel or departments will be responsible for collecting data, and how to set goals and track performance over time. Engaging multiple stakeholders in the development of your IMP—from employees to investors to customers—builds trust and transparency into the process and increases the likelihood of company-wide adoption and support of your sustainability policies.

Inventory Management Plans vary from one organization to the next, and the outlines on the following pages may be more detailed than many companies need. For companies that are just beginning their sustainability initiatives, our GreenerMiles fleet program makes this process easy to navigate and simple to execute.

01 Identify your plan's objectives and company goals

02 Define your plan's boundaries and which emissions to include

03 Outline how you will measure and collect emissions data

04 Establish a process to manage your emissions data

Making a Plan

1 Identify Your IMP Objectives

The first step in establishing an IMP is identifying your company's objectives.

Make a point to list these objectives in your IMP document and communicate them to your company stakeholders once finalized. As you further build out your emissions accounting process and set your goals, these objectives should serve as a guide to keep your organization focused as you build your sustainability strategy.

2 Define Your IMP Boundaries

Next, define which emissions sources to include in your IMP using the appropriate organizational and operational boundary approaches. Once your IMP boundaries are defined, list which operations or facilities will be included and which GHGs from each source will be calculated.

Organizational Boundary

Select a boundary based on the ownership structure of your company. *Note, an organizational boundary is not needed if all operations are wholly-owned.*

EQUITY SHARE APPROACH

Include emissions from sources based on percent-ownership

CONTROL APPROACH

Include emissions from sources you have financial or operational control over

Operational Boundary

Define which emissions scope to track in your IMP.

SCOPE 1 & 2 EMISSIONS

Smaller companies may elect to omit scope 3 emissions as they may be small or immaterial

SCOPE 1 & 2 WITH RELEVANT SCOPE 3 EMISSIONS

Larger companies may elect to include scope 3 if their sustainability goals are more advanced

Making a Plan

3 Outline Data Collection Methodologies

Now that you have defined which emissions you are including in your IMP, you need to determine how you will measure those emissions.

Outline the methodologies and emissions factors that will be used to calculate emissions, and indicate the procedure to collect emissions data from each source, including:

Who will collect the data?

How frequently will the data be collected?

Where will the data be kept?

Note that during calculations, all emissions are converted into carbon dioxide equivalents (CO_2e) for ease of reporting. This is done using Global Warming Potentials, a system used to measure the global warming effects of different gases.

To learn more about Global Warming Potentials, go to epa.gov/ghgemissions/understanding-global-warming-potentials

4 Establish Data Management Procedures

Lastly, determine how you will track and verify the results of your emissions data collection by establishing project owners and processes.

Choose the most recent year (calendar or fiscal) with available data as the base year and determine if you will use any normalizing factors to estimate emissions intensity, for example: total emissions per square foot, total revenue, or FTE (full time equivalent). Include mechanisms to validate and certify your results, such as regular audits and management review.

Independent review and certification of your calculations adds credibility and legitimacy, and will be an important verification to your customers and stakeholders. The big-four accounting firms offer attestation services, and all PDI Sustainability Solutions programs undergo an annual review by EY.

Measuring: Methodology

After determining which emissions sources you will be including in your GHG inventory, you will need to adopt a methodology for how you will perform your calculations each reporting period. This will assure that emissions are being quantified consistently each year and enable you to track progress toward your goals. The EPA Center for Corporate Climate Leadership offers a tool that can execute robust calculations for scope 1 and 2 emissions, and there are also several online calculators available for businesses with limited emissions sources (for example, office energy use and employee travel and commuting).

At PDI, we've built a proprietary emissions software that can accept multiple inputs from our fleet and transportation customers, including fuel usage, telematics and ELD data, miles driven, or vehicle class. We use the most recent data from the Federal Highway Administration and the Department of Energy on fuel consumption and efficiency by vehicle class, model year specific data from OEMs, and carbon factors from the EPA to calculate total fleet emissions.

If you are just getting started and need help with your calculations, we offer free carbon reports to fleets of any size. Click here to request a carbon assessment.

Setting Sustainability Goals

Once you have the procedures in place to measure and track your emissions, the next step is setting goals to reduce your footprint. Your goals should be ambitious but achievable, and should send a clear signal to customers and employees alike of your organization's commitment to social causes. Your emissions targets can be measured in a number of ways:

Absolute Emissions

The reduction in total emissions of a defined amount relative to your base year.

For example, if a company is emitting 10,000 mt/year, with a goal to reduce that to 7,000.

Emissions Intensity

A percentage reduction in emissions that can scale with your organization as it grows.

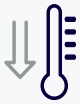
For example, a company may have an intensity of 20 mt/employee, with a goal to reduce that to 10 mt/employee.

Carbon Neutral

Refers to achieving net zero carbon emissions by balancing a measured amount of carbon released with an equivalent amount sequestered or offset through carbon credits, or buying enough credits to make up the difference.

Carbon Negative

Also confusingly referred to as climate positive—goes one step further than carbon neutrality, aiming to remove more carbon from the atmosphere than the organization emits.



Science-Based Targets

Specific goals that align with the 2015 Paris agreement and limit global warming to 1.5°C.

STEP 1

Resources

Do not feel discouraged if some of these processes and methodologies seem overwhelming. The important thing to remember is that whatever sustainability program you choose is right for your organization.

If you are unsure where to start we are happy to talk, and if you would like more information on our turnkey fleet offering please **click here** to learn more about GreenerMiles. Additional information on the actions outlined in this section can be found listed to the right.

Understanding Emissions

Guide to Greenhouse Gas Management for Small Business & Low Emitters | EPA

A Corporate Accounting and Reporting Standard
The Greenhouse Gas Protocol

Making a Plan and Setting Sustainability Goals

Understanding Global Warming Potentials | EPA

Center for Corporate Climate Leadership Annual GHG Inventory Summary and Goal Tracking Form | EPA

Science-Based Targets Criteria and Recommendations
Science-Based Targets

Measuring Emissions

Fleet Emissions Assessment and Report
GreenerMiles Carbon Reduction Alliance

Center for Corporate Climate Leadership GHG Inventory Guidance for Low Emitters | EPA

Alternative Fuel and Vehicle Data Trends
Alternative Fuels Data Center

Carbon Footprint Calculator | The Nature Conservancy

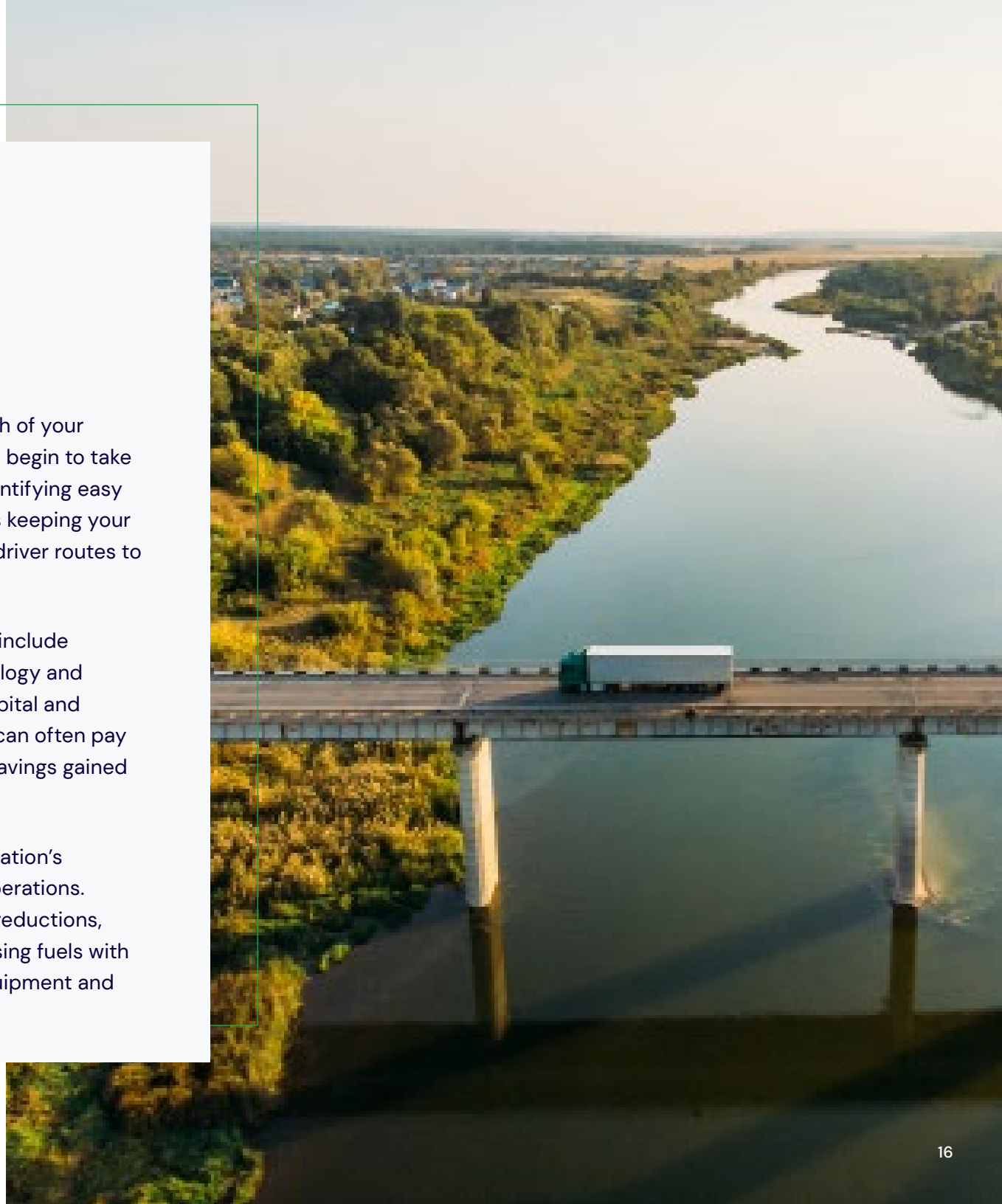
STEP 2

Reduce

Once you understand and measure the breadth of your organization's environmental footprint, you can begin to take steps toward reducing the impact. Start by identifying easy changes to promote greater efficiency, such as keeping your vehicles property tuned up or rethinking your driver routes to promote more efficiency[7].

Other opportunities to reduce your emissions include upgrading hardware or investing in new technology and equipment. These options will require more capital and should be part of your long term strategy, but can often pay for themselves in only a few years due to the savings gained from decreased energy use.

As a fleet business owner, most of your organization's emissions will originate from your daily fleet operations. Fortunately, there are several ways to achieve reductions, from boosting your current fuel economy, to using fuels with a lower carbon intensity, to upgrading your equipment and vehicles.



Boost Fuel Economy

Perhaps the simplest way to reduce your fleet's environmental footprint is to find ways to improve your fuel economy. Small increases in your mileage per gallon can add up to significant reductions in fuel use across your fleet, not only lowering your emissions but also lowering fuel costs. Below are a few tips for how your drivers can improve efficiency by simply changing certain behaviors.

Reduce Your Speed

The easiest way to improve a vehicle's fuel economy is watching your speed.

According to the ATA, reducing your speed from 75 mph to 65 mph uses 2 7% less fuel[7].

Eliminate Idling

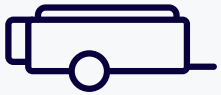
Aside from unavoidable idling at traffic lights, some truck drivers idle at rest stops for hours.

According to a study done by FleetOwner, rest stop idling leads to 1.1 billion gallons of wasted fuel every year.

Turn Down the A/C

Though studies on the impact of air conditioning on fuel usage in trucks are few and far between, it has been well documented in cars.

A Consumer Reports study with Honda Accords showed air conditioning reduced fuel mileage by up to 3%.



Travel Lighter

Get rid of any unnecessary cargo and watch out for exterior elements that may cause wind resistance.

Even an empty rack could reduce a car's speed by 5mph when traveling at 65mph.

Fleet Management.

A more involved approach to reducing your environmental footprint is ensuring your drivers' behavior is reflective of your new goals. Mandating new practices will only be successful if your whole organization understands the importance and reasoning of these new initiatives.

Hold a company-wide informational meeting.

Set aside time to address any questions and explain these new initiatives to all employees.

Coach your drivers.

Illustrate to your drivers the importance of increasing fuel economy through the steps previously mentioned. The more you express why this is important to your organization, the more likely employees are to adopt these same values.

Create a best practices document.

Clearly and concisely communicate any changes in expectations or operations for transparency and accountability. This document should include tactical practices your drivers can implement, such as the four steps previously mentioned.

Outside of modifying behavior and better driver training, there are some operational changes that can help an operator realize further improvements in fuel economy. From proper maintenance to aftermarket products and routing software, any new efficiencies gained will help save money, time, and also reduce your emissions.

Keep your fleet tuned up.

With your hardworking fleet covering thousands of miles per day, wear and tear is inevitable. All trucks should receive routine maintenance to ensure that each part is operating properly for optimal fuel economy[8]. This also includes proper tire inflation, which can negatively affect fuel usage as well as driver safety.

Rethink your routes.

Although some of your employees may be driving the same tried-and-true route for years now, it may be time to ensure that each route is still the most efficient. Construction of new roads or city infrastructure may lead to extreme delays that can otherwise be avoided by determining a temporary work-around or permanent reroute.

Install additional parts and equipment.

Installing aftermarket aerodynamic devices such as airfoils and side skirts can reduce drag, and replacing dual tires with a single wide-base tire, or buying low-rolling resistance tires can improve efficiency by up to 5%[9]. New electronic systems like idle reduction devices, speed control modules, and fuel tracking and telematics can also improve efficiencies while providing valuable fleet and vehicle data.

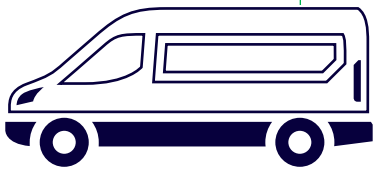
Alternative Fuels

Selecting fuels with a lower carbon intensity (CI) is another easy way to reduce tailpipe emissions. Most traditional vehicles are capable of running on fuels mixed with a small amount of biofuels, and many gas stations already sell gasoline pre-blended with 10-15% ethanol.

Higher ethanol concentrations are approved to run in Flex-fuel vehicles (FFVs), and this fuel is available at over 3,500 filling stations in 42 states[10]. Similarly, many diesel vehicles are approved to run on blends up to 20% biofuel (B20), but most fleets choose a blend of 5% to avoid potential issues with separation and colder temperatures due to oxygenation. It is always recommended to check with your vehicle manufacturer on what types of fuel are best for your conditions.

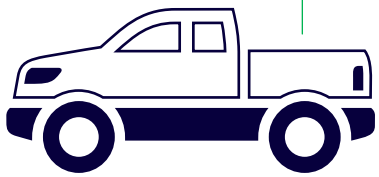
A newer fuel that can be run in a traditional diesel engine is Renewable Diesel, also called second-generation biofuel. Capable of reducing emissions by up to 90%[11], this product is processed through hydrogenation which eliminates concerns over performance issues and has a higher cetane number than conventional (petroleum-based) diesel.

Note that these fuels are not available at all gas stations and truck stops. However, the Low Carbon Fuel Standards adopted in California and other jurisdictions have accelerated the availability of some of these fuels in certain parts of the country. The Alternative Fuels Data Center has an online station locator: afdc.energy.gov/data/categories/alternative-fueling-stations



Gasoline Vehicles

Blended gasoline with 10-15% ethanol
Widely found at most gas stations



Flex-fuel Vehicles

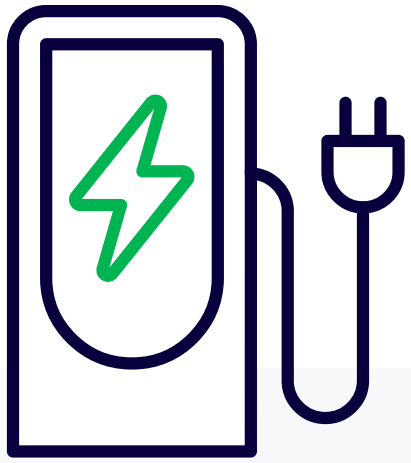
Blends of up to 85% ethanol (E85)
E85 more common in the Midwest

Diesel Vehicles

Blends of up to 20% biofuel (B20)
Blends of 5% most commonly used
Renewable Diesel

Advanced Technology Vehicles

Another opportunity to reduce emissions related to the fleet is to opt for advanced technology vehicles that combine new engine, power, or drivetrain systems to significantly improve fuel economy. This includes hybrid power systems and fuel cells, as well as some specialized electric vehicles.



Fuel Cell Electric Vehicles

Some of these technologies are in the early stages of implementation, such as the Fuel Cell Electric Vehicles (FCEVs) which are powered by hydrogen and produce no tailpipe emissions. Several vehicle manufacturers have begun making light-duty hydrogen fuel cell electric vehicles available in select markets including southern and northern California, where there is access to hydrogen fueling stations. Heavy-duty tractors and buses also have hydrogen options available on a demonstration basis.

Natural Gas Vehicles

These vehicles (NGVs) burn either compressed gas (CNG) or liquefied gas (LNG), with the latter offering a greater range and commonly used in long-haul vehicles. NGVs still produce GHG tailpipe emissions, but they are often 15-20% below comparable ICE models with fewer particulates and nitrogen oxide (NOx) concentrations. In addition to new OEM options, there are many economical retrofit systems available to convert gas and diesel vehicles.

Hybrid & All-Electric Vehicles*

HYBRID ELECTRIC VEHICLES (PHEVS & HEVS)

Reduced tailpipe emissions, but still burn conventional fuel

Operate on electric-only over limited distances

Cheaper option than EVs

ALL-ELECTRIC VEHICLES (EVS)

Zero tailpipe emissions, run off a battery charge

Range is improving, with 200-300 miles per charge in newer models

More expensive than PHEVs or HEVs, but battery technology advances are dropping prices

*The actual amount of GHG reduction these vehicles provide is dependent on when and where drivers charge their vehicles and a region's electricity source.

STEP 2

Resources

In Step 2, we listed many ways to begin reducing your environmental footprint. If you are feeling overwhelmed, just remember the two key aspects of reducing your fleet's footprint are focusing on fuel economy and driver behavior. Even if you plan to purchase a gasoline or diesel-powered vehicle, you can still reduce your environmental footprint by choosing among the cleaner models. The EPA SmartWay program ranks the top 20% of passenger vehicles each model year with the lowest GHG and smog emissions. Search the SmartWay certified clean vehicles at fueleconomy.gov/feg/SmartWay.do

This process may be somewhat tedious, but outlining a plan to achieve these goals and finding helpful resources jumpstart your sustainability journey. We've compiled a few favorites to get you started.

If you are interested in learning more about EV options for your vehicle type and driving range, we provide free consultations that include Total Cost of Ownership (TCO) analysis and state and federal rebate assistance. To learn more, please contact us at gp.info@pditechnologies.com.

Boost Fuel Economy

Keeping Your Vehicle in Shape | fueleconomy.gov

Vehicle Parts and Equipment to Conserve Fuel
Alternative Fuels Data Center

Smart Fuelling Canada

How to Improve Fuel Economy in a Truck | Tech.co

Fuel Economy 101 | FleetOwner

Fleet Management

Modifying Driver Behavior | EPA

Strategies for Fleet Managers to Conserve Fuel
Alternative Fuels Data Center

Alternative Fuel and Advanced Technology Vehicles

Alternative Fuels & Advanced Vehicles | Alternative Fuels Data Center

Flex-fuel Vehicles | fueleconomy.gov

Alternative Fueling Stations | Alternative Fuels Data Center

Renewable Diesel vs. Biodiesel | Trucking Info

What You Need to Know About Renewable Diesel
Government Fleet

STEP 3

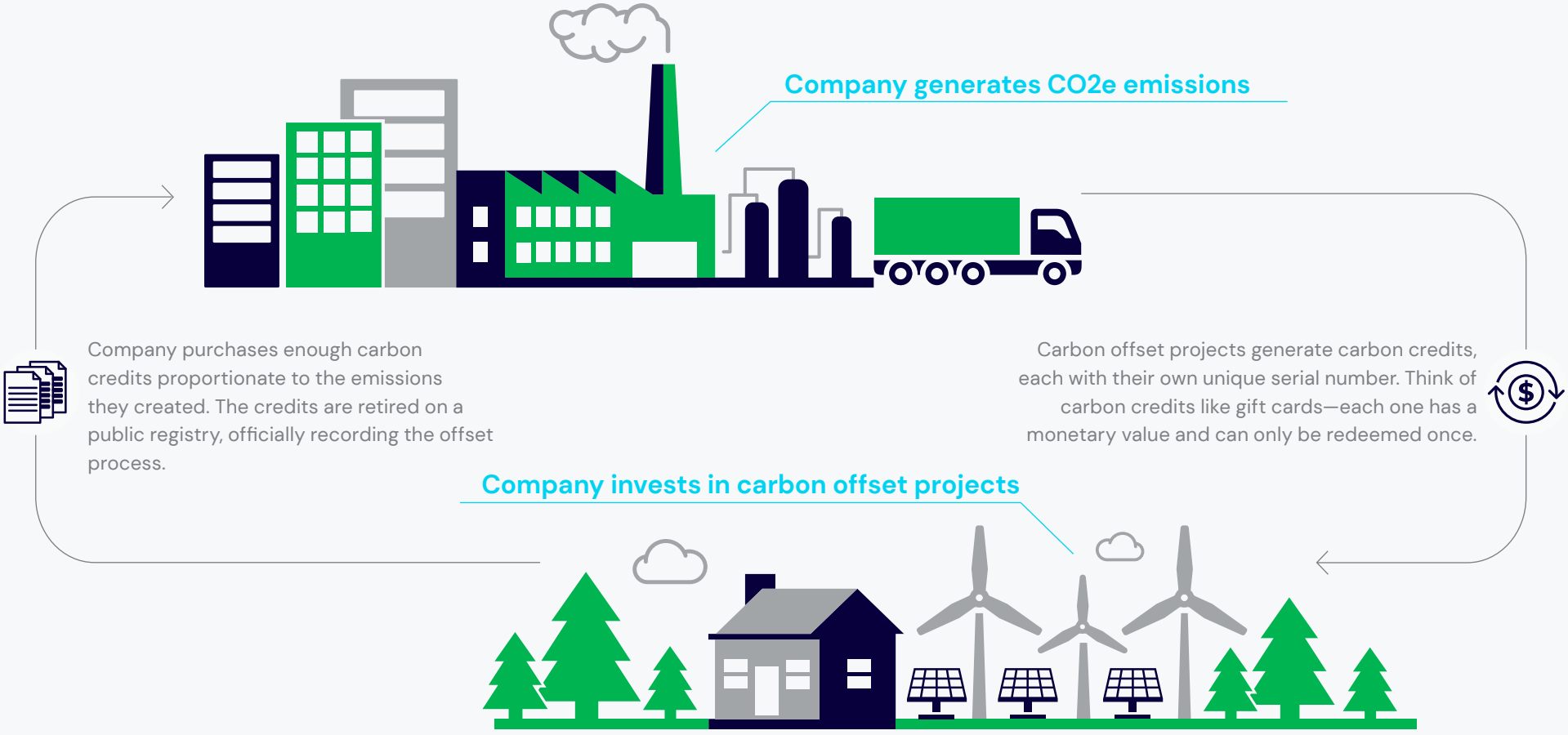
Offset and Give Back

Carbon offsetting should be another vital component to your organization's overall carbon management program. While reducing carbon emissions should always be the top priority for companies, certain emissions will always be unavoidable. Carbon offsetting allows corporations to mitigate the impact of those emissions while investing in effective, sustainable innovation.

For those unfamiliar with the workings of environmental markets, the task of carbon offsetting may seem daunting. However, the process is actually quite simple and does not interrupt your organization's logistics.

What Is a Carbon Offset?

A carbon offset is a certificate representing the reduction of one metric ton (2,205 lbs) of carbon dioxide emissions. It is a scientifically quantified reduction in greenhouse gas emissions created when one metric ton of greenhouse gas is captured, avoided, or destroyed in order to compensate for an equivalent emission made elsewhere.



How Do Offsets Work?

Think it's all about planting trees? Think again. Carbon offsets reduce the amount of greenhouse gases in the atmosphere in one of three ways (and some projects include more than one of these activities at the same time):

1. By capturing and destroying a greenhouse gas that would otherwise be emitted into the atmosphere. An example of this is a methane gas capture project at a landfill.

2. By producing energy using a clean, renewable resource that eliminates the need to produce that same energy from fossil fuels, the burning of which releases greenhouse gas into the atmosphere. An example of this is wind power.

3. By capturing and storing (or "sequestering") greenhouse gases to prevent their release into the atmosphere. An example of this is a reforestation project that promotes the healthy growth and maintenance of woodlands.

Types of Carbon Offset Projects

Reforestation

Tree plantings and sustainable forestry practices increase the natural storage of carbon

Landfill Gas Capture

As decomposing material releases methane gas into the air, the gas is captured and destroyed

Alternative Energy

Investment in alternative energy technology decreases reliance on traditional methods

Methane Reduction

Methane gas emissions from many sources are captured and eliminated

Industrial Process

Investment in new or alternative manufacturing processes with the aim to reduce GHG emissions

Carbon Offset Project Qualifications

Not only must projects prove emissions have been offset, but the emissions reduction must meet a specific set of qualifications in order to ensure that the offsets are robust, credible, and precise.

01 Quantifiable

Every metric ton of CO_2 equivalent captured, destroyed, or prevented must be accounted for.

02 Verifiable

It must be proven that CO_2 equivalent reduction has occurred as a result of the project.

03 Auditable

Validation reports delivered by third-party verifiers must be available for review.

04 Registered

Carbon offsets must be serialized and retired on a public third-party registry.

05 Permanent

The project's environmental impact must be durable and lasting.

06 Additional

The project's reduction of emissions must be dependent on the funding of carbon offsets.

International Carbon Standards

CSA GROUP
CLIMATE ACTION RESERVE
Verified Carbon Standard A VERRA STANDARD
American Carbon Registry
Gold Standard for the Global Goals

Standards and Registries

Projects are also monitored on an ongoing basis with independent verification of results. The organizations listed to the right develop and maintain the international standards for carbon offset projects.

Once carbon offsets are purchased, they are then retired on a public registry, thereby ensuring that they cannot be used or sold again. The organizations listed to the right run and maintain these public registries.

Carbon Registries

CSA GROUP
APX
American Carbon Registry
Gold Standard for the Global Goals
CLIMATE ACTION RESERVE
VERRA
IHS Markit

Carbon Offsets and UN Sustainable Development Goals

Another important aspect that you might want to consider as part of the carbon offsetting project selection process is the UN Sustainable Development Goals (SDGs). So that projects are not only chosen based on emissions reductions potential but also on their broader impact on society and the environment.

The SDGs, also known as Global Goals, were introduced in 2016 and build on the success of the Millennium Development Goals but aim to go further and end all forms of poverty. They recognize that ending poverty must go hand-in-hand with strategies that build economic growth and address a range of social needs including education, health, social protection, and job opportunities while tackling the climate challenge and environmental protection.

As part of your process, you should ask offset project suppliers to disclose their impact on a range of SDGs, such as good health and wellbeing, affordable and clean energy, decent work, and economic growth.

Going Beyond and Giving Back

Perhaps the most important aspect to reducing your environmental footprint is the "Why?" behind it all. Ask yourself why this is a priority for your organization. According to a recent study done by Accenture[12], over 60% of consumers want companies to stand up for the issues they are passionate about. Long gone are the days that companies are not held responsible for their environmental impact. By making sustainability a priority, your organization will stand out as an industry leader, and your employees will proudly boast as members of your team.

Want to take it a step further? Partner and invest in local non-profits that give back to the community where your team lives and works. By supporting organizations that are doing good in your own neighborhood, you can directly see the positive impact you are having on the environment. There are numerous companies, of all sizes, across a variety of industries that act as leaders in their space by giving back.

PDI Sustainability Solutions provides partnerships with 2,000+ nonprofit organizations worldwide to our clients. One way we make it easy for our GreenerMiles members to increase their positive impact is by partnering with Arbor Day Foundation to plant one tree for each vehicle enrolled in the program every year.

1% for the Planet

An international organization whose members contribute at least one percent of their annual sales to environmental causes of their choice. Their mission is to "build, support and activate an alliance of businesses financially committed to creating a healthy planet." Each member is a part of a global network of like-minded, purpose-driven companies making corporate social responsibility a priority.

Arbor Day Foundation

Arbor Day Foundation acts as both an educational and action-driven organization operating internationally, offering impressive tree-planting initiatives and city programs to foster an understanding for the importance of the environment.

STEP 3

Resources

By offsetting and giving back, your organization can begin to make a powerful impact. But most importantly, having quantifiable, verified data from these projects and donations will ensure transparency amongst stakeholders and bolster your efforts. These investments in carbon offsets along with global and/or local non-profits will strengthen your sustainability story even more.

Any business, regardless of size, can make an impact by giving back. Take the first step by determining your core values as a company, and identifying which organizations can help you fulfill that larger purpose. Here are some resources to get you started.

More About Carbon Offsets

What is Offsetting? | United Nations Carbon Offset Platform

Bottom Line on Offsets | World Resources Institute

Climate Change Lexicon, Acronyms and Terms
United Nations Climate Change

How to Start Offsetting

How To Buy Carbon Offsets: 6 Certified and Vetted Options
Green Business Bureau

How to Offset | United Nations Carbon Offset Platform

Carbon Market Readiness Training Guide | B-PMR

GreenerMiles Carbon Reduction Alliance

Giving Back

United Nations Sustainable Development Goals

Arbor Day Foundation

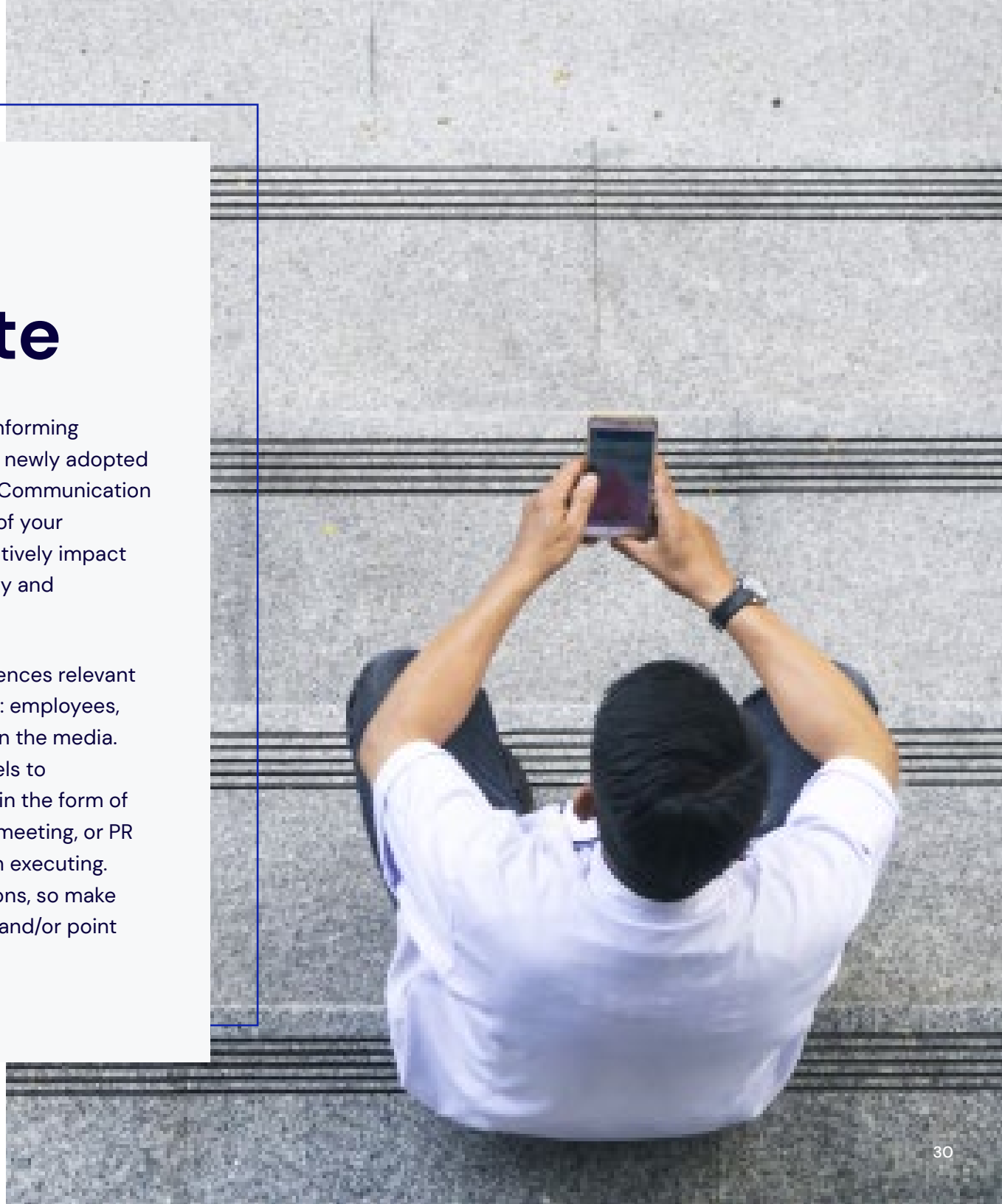
1% for the Planet

STEP 4

Communicate

You've heard it before: communication is key. Informing your internal and external stakeholders of your newly adopted environmental initiatives is a critical final step. Communication illustrates the positive environmental impacts of your sustainability plan and leverages it to help positively impact the bottom line through increased brand loyalty and competitive differentiation.

Communication plans should consider all audiences relevant to the organization, including but not limited to: employees, clients/customers, partners, investors, and even the media. From there you can determine the best channels to communicate to these audiences. This can be in the form of an email, newsletter, social media posts, team meeting, or PR blast—whatever you are most comfortable with executing. Keep in mind your audiences may have questions, so make sure you are ready to answer them accurately and/or point them to reliable resources.



Why You Should Tell Your Sustainability Story

Simply put, telling your sustainability story informs key stakeholders that your business stands for something more, and research is proving that will help your business grow faster. Summarizing the business impact of sustainability, Kantar's Purpose 2020 report[13] concluded that brands recognized for their strong commitment to purpose grew at twice the rate of others during the previous 12 years.

Critical to that finding is the element of recognition. These companies succeeded because they were widely known for doing good and communicated their efforts. For a sustainability program to boost your company, customers need to know about it and understand it.

It's paramount for companies today to create, market and support a narrative that resonates with climate-conscious customers. While taking the first steps might seem daunting, a growing amount of research on consumer habits and business performance shows that your company stands to do well by doing good.

How to Tell Your Sustainability Story

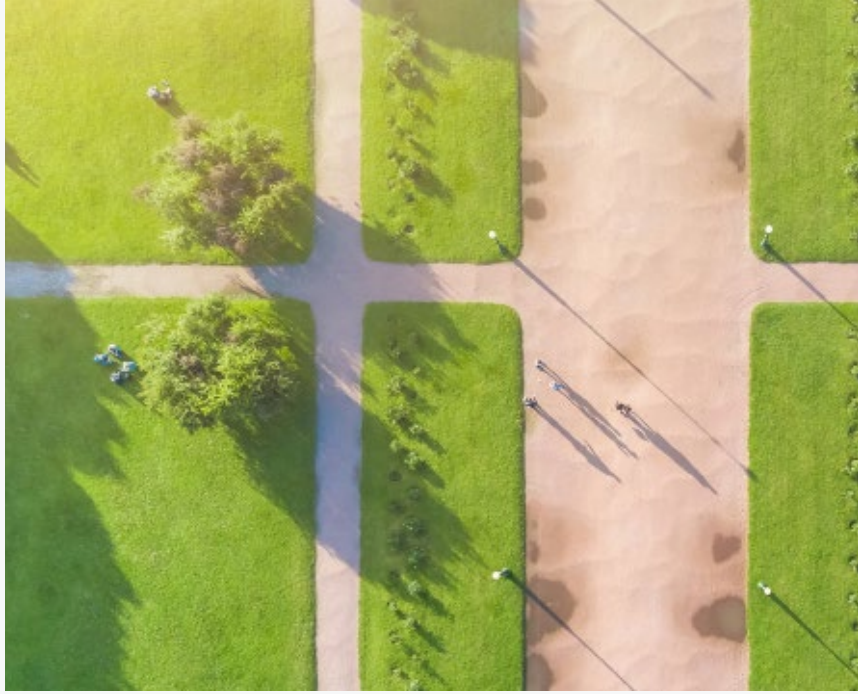
To develop a holistic sustainable message consider these steps:

1. Start with your "Why". Ideally this is a seamless and/or clear reflection of your highest brand values. Many common business values include: honesty, transparency, and serving customers. Your sustainability program should support and enhance your organization's values.

2. List your goals and the specific actions that have been put in place to achieve them. This doesn't have to be complex to start and it can build over time.

3. Share how or where you will update audiences on the progress you are making towards your goals. This can be as fancy as an annual report with a coordinated earned media strategy and an internal all hands meeting. Or it can be as simple as some real estate on your corporate website or an email delivered to key stakeholders.

4. Customize your messages by audience and think about the best channels to reach each audience. Do you have a customer newsletter, does it make sense to include or incorporate your sustainability story there? Do you typically issue many press releases? Does it make sense to weave your sustainability story into your company's boilerplate?



A Note on Greenwashing

A word of caution when crafting your sustainability story: it is critical to be transparent and accurate. Businesses that fail to support messages like "our fleet is 100% carbon neutral" with actual evidence they are engaged in verified sustainable practices, can introduce reputational risk.

Greenwashing (a compound word modeled on "whitewash"), is a form of marketing spin in which green PR (green values) and green marketing are deceptively used to persuade the public that an organization's products, aims and policies are environmentally friendly and therefore "better." The Federal Trade Commission's Green Guides are designed to help marketers avoid making environmental claims that mislead consumers. We have included a link to them in the Resource section.

Marketing Collateral

A key part of communication in your marketing strategy is implementing effective messaging on various collateral. This can take many forms, but deciding which form of communication(s) are most fitting for your organization will help inform your strategy. Think about where you will place and promote these materials, and what channels make most sense for your target audience. Keep your goals in mind when marketing your initiatives, and always ensure that messaging is accurate and echoes your company values.

Digital Stamp

A digital seal to advertise your company's participation in a carbon reduction program can be used on your website, email signatures, office documents, or business cards.

Press Release

Promote your company's goals and milestones to the local media. A press release template can give you a jump start on communicating your impact to the community.

Annual Certificate

Share your company's positive impact with a verified carbon certificate. Frame it in your office or include it in your Annual Report.

Vehicle Decals

Bumper stickers drive awareness that your vehicle is reducing its CO2e emissions. Anyone who sees your vehicles will know that your company is committed to the environment and the community you serve.

One example of this is our customizable **GreenerMiles marketing kit.** Use these examples as thought starters for communicating your business's sustainability story.

STEP 4

Resources

The task of communication may seem overwhelming, but the goal is simple: it's all about packaging your sustainability story into a succinct, effective, and ongoing narrative.

Take into consideration any key audiences and what channels or forms of content will speak to them most powerfully. But don't forget–ensuring transparency and accuracy of information will pay off in the long run, as stakeholders will see your business as an industry leader with proof of concept. Always ensure every goal coincides with an actionable item that leads back to your "Why?"

The best part? You're in good company! It's no secret by now that consumers and partners value thoughtful, purpose-driven efforts on behalf of the companies they support and work with. Building a foundation of purpose will strengthen every pillar of your organization for years to come, benefiting employees and consumers alike.

Telling Your Sustainability Story

Green Guides | Federal Trade Commission

The Formula for Telling Sustainability Stories That Stick
GreenBiz

How to Communicate Sustainability | The Guardian

Marketing Collateral

Member Marketing Collateral Kit
GreenerMiles Carbon Reduction Alliance

Summary

Thank you for taking the time to read through our sustainability guide. Just by taking this first step, you're on your way to creating a more sustainable future and holding your company to a respectable standard to better our environment. Remember that small actions lead to big change, and staying diligent in your efforts will produce great reward. Now more than ever, people value transparent, effective sustainability initiatives, and by implementing these changes you are indicating to your stakeholders that you're listening and you pledge to do better. Be an industry leader and take the first step today.

Check out our simple, four step checklist to start your sustainability journey.

PDI TECHNOLOGIES

Sustainability Goal Checklist

Step 1: Understand and Measure

- [ ] **Create your Inventory Management Plan (IMP)**
  - [ ] Engage employees and stakeholders to specify objectives
  - [ ] Define boundaries and emissions sources
  - [ ] Outline collection and measurement methodologies
  - [ ] Select project owners and establish a base year
- [ ] **Choose a tool for making consistent calculations**
- [ ] **Establish quality control and verification protocols**
- [ ] **Set your emissions reduction goals**

Step 2: Reduce

- [ ] **Communicate program goals to fleet operations and drivers**
- [ ] **Identify opportunities for efficiency improvements**
  - [ ] Schedule regular vehicle maintenance
  - [ ] Analyze routes for optimization
  - [ ] Research aftermarket vehicle equipment and software
- [ ] **Switch to low carbon intensity fuels where possible**
- [ ] **Consider advanced technology vehicles for new and replacement purchases**

Step 3: Offset and Give Back

- [ ] **Determine the amount of emissions offsets needed to hit reduction goals**
- [ ] **Source your carbon credits**
  - [ ] Find a reputable vendor
  - [ ] Use company values and locality to guide types of carbon projects to support
  - [ ] Research available projects and costs
  - [ ] Document the retirement of all credits on a public registry
- [ ] **Request process certifications**
- [ ] **Search other ways to give back to your community and causes that your company supports**
  - [ ] Choose a credible and recognized non-profit group
  - [ ] Decide on donation amounts and/or opportunities to volunteer and participate

Step 4: Communicate

- [ ] **Start communicating your business purpose and values**
- [ ] **List your goals and the projects you support to achieve them**
- [ ] **Consider all the appropriate stakeholders to reach and the best channels to target these audiences**
- [ ] **Strive for authenticity, honesty, and transparency**
- [ ] **Develop a cadence for updates**

GreenerMiles: A Sustainable Solution for Fleets of Any Size

The good news about all this? We're here to help!

Through a partnership with PDI Sustainability Solutions, making your fleet eco-friendly is easy. Our turnkey GreenerMiles program enables you to create a powerful competitive advantage for your company without any upfront capital investments. We offer solutions for fleets of any size, empowering your organization to implement the same robust sustainability programs as Fortune 500 companies.

Wondering how it works? It's three simple steps:

Fleet operators provide some basic information on their vehicles, distances traveled, or fuel consumption

Our proprietary software calculates the total GHG tailpipe emissions for the fleet using data from sources including the EPA, EIA, and the FHWA

Operators are presented with options to cancel out their emissions, up to 100%

Whether your company is just charting its sustainability course, or you need help reaching tougher emissions targets, GreenerMiles can clean up your fleet's environmental impact for as low as $10/vehicle per month. Learn more at greenermiles.eco.

GreenerMiles™ Carbon Reduction Alliance

GreenerMiles is proudly powered by PDI Sustainability Solutions, a global environmental technology business that offers sustainability as a service with patent-protected programs that deliver environmental impact and bottom-line results.

A member of 1% Percent for the Planet, PDI's turnkey offerings help companies meet sustainability goals while increasing brand value and customer loyalty – making it easy for businesses to do well by doing good. PDI Sustainability Solutions is on pace to offset over 30 million metric tons of carbon by 2025.

PDI offers enterprise level sustainability solutions to multiple industries, across multiple areas of environmental impact, including consumption of water resources, use of plastics, and GHG emissions. To learn more about options to address your footprint in other areas, visit www.pditechnologies.com/sustainability

Appendix: Endnotes

1—Climate Change: How Do We Know? climate.nasa.gov/evidence

2—Figures represent global medians across 38 countries: Spring 2017 Global Attitudes Survey, Pew Research Center pewresearch.org/global/dataset/spring-2017-survey-data/

3—Fast Facts on Transportation GHG Emissions, EPA epa.gov/greenvehicles/fast-facts-transportation-greenhouse-gas-emissions

4—Best of BrandZ 2019, Kantar kantar.com/-/media/project/kantar/global/campaigns/brandz/best-of-brandz-2019-v8.pdf

5—2017 Cone Communications CSR Study conecomm.com/research-blog/2017-csr-study#download-the-research

6—2018 Edelman Earned Brand edelman.com/earned-brand

7— How to Improve Fuel Economy in a Truck, Tech.co tech.co/fleet-management/truck-fuel-economy

8—Modifying Driver Behavior: An Important Piece to Greening Your Fleet, EPA SmartWay epa.gov/sites/production/files/2016-05/documents/modifying-driver-behavior-09-24-14.pdf

9—Vehicle Parts and Equipment to Conserve Fuel, Alternative Fuels Data Center afdc.energy.gov/conserve/equipment.html

10—E85 (Flex Fuel), Alternative Fuels Data Center afdc.energy.gov/fuels/ethanol_e85.html

11—Neste MY Renewable Diesel: High-performing low-carbon biofuel, Neste neste.com/products/all-products/renewable-road-transport/neste-my-renewable-diesel

12—From Me to We: The Rise of the Purpose-Led Brand, Accenture accenture.com/_acnmedia/thought-leadership-assets/pdf/accenture-competitiveagility-gcpr-pov.pdf

13—Igniting Purpose-Led Growth, Kantar Purpose 2020 Report consulting.kantar.com/wp-content/uploads/2019/06/Kantar-Purpose-2020-Report.pdf

Appendix: Resources

Step 1: Understand and Measure

Understanding Emissions

https://www.epa.gov/sites/default/files/2017-01/documents/guide_to_greenhouse_gas_management_for_small_business_low_emitters.pdf

https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf

Making a Plan and Setting Sustainability Goals

https://www.epa.gov/ghgemissions/understanding-global-warming-potentials

https://www.epa.gov/climateleadership/center-corporate-climate-leadership-annual-ghg-inventory-summary-and-goal-tracking

https://sciencebasedtargets.org/wp-content/uploads/2019/03/SBTi-criteria.pdf

Measuring Emissions

https://www.epa.gov/climateleadership/center-corporate-climate-leadership-ghg-inventory-guidance-low-emitters

https://afdc.energy.gov/data/

https://www.nature.org/en-us/get-involved/how-to-help/carbon-footprint-calculator/

https://greenermiles.eco/assessment/

Step 2: Reduce

Boost Fuel Economy

https://www.fueleconomy.gov/feg/maintain.jsp

https://afdc.energy.gov/conserve/equipment.html

https://www.smartfuelling.ca/

https://tech.co/fleet-management/truck-fuel-economy

https://www.fleetowner.com/running-green/fuel/article/21660208/fuel-economy-101

Fleet Management

https://www.epa.gov/sites/production/files/2016-05/documents/modifying-driver-behavior-09-24-14.pdf

https://afdc.energy.gov/conserve/behavior_strategies.html

Alternative Fuel and Advanced Technology Vehicles

https://afdc.energy.gov/fuels/

https://www.fueleconomy.gov/feg/flextech.shtml

https://afdc.energy.gov/data/categories/alternative-fueling-stations

https://www.truckinginfo.com/160500/renewable-diesel-vs-biodiesel

https://www.government-fleet.com/156621/what-you-need-to-know-about-renewable-diesel

Appendix: Resources

Step 3: Offset and Give Back

More About Carbon Offsets

https://offset.climateneutralnow.org/aboutoffsetting

https://www.wri.org/publication/bottom-line-offsets

https://unfccc.int/fr/processus-et-reunions/la-convention/lexique-des-changements-climatiques-acronymes-et-termes#c

How to Start Offsetting

https://greenbusinessbureau.com/green-practices/energy/how-to-buy-carbon-offsets/

https://offset.climateneutralnow.org/howtooffset

https://www.ieta.org/Carbon-Market-Readiness-Training-Guide

https://greenermiles.eco/

Giving Back

https://sustainabledevelopment.un.org/sdgs

https://www.arborday.org/

https://onepercentfortheplanet.org/

Step 4: Communicate

Telling Your Sustainability Story

https://www.ftc.gov/news-events/media-resources/truth-advertising/green-guides

https://www.greenbiz.com/article/formula-telling-sustainability-stories-stick

https://www.theguardian.com/sustainable-business/blog/how-to-communicate-green-business

Marketing Collateral

https://greenermiles.eco/resources/