



Reducing your CO2 emissions

Introducing alternative fuel solutions



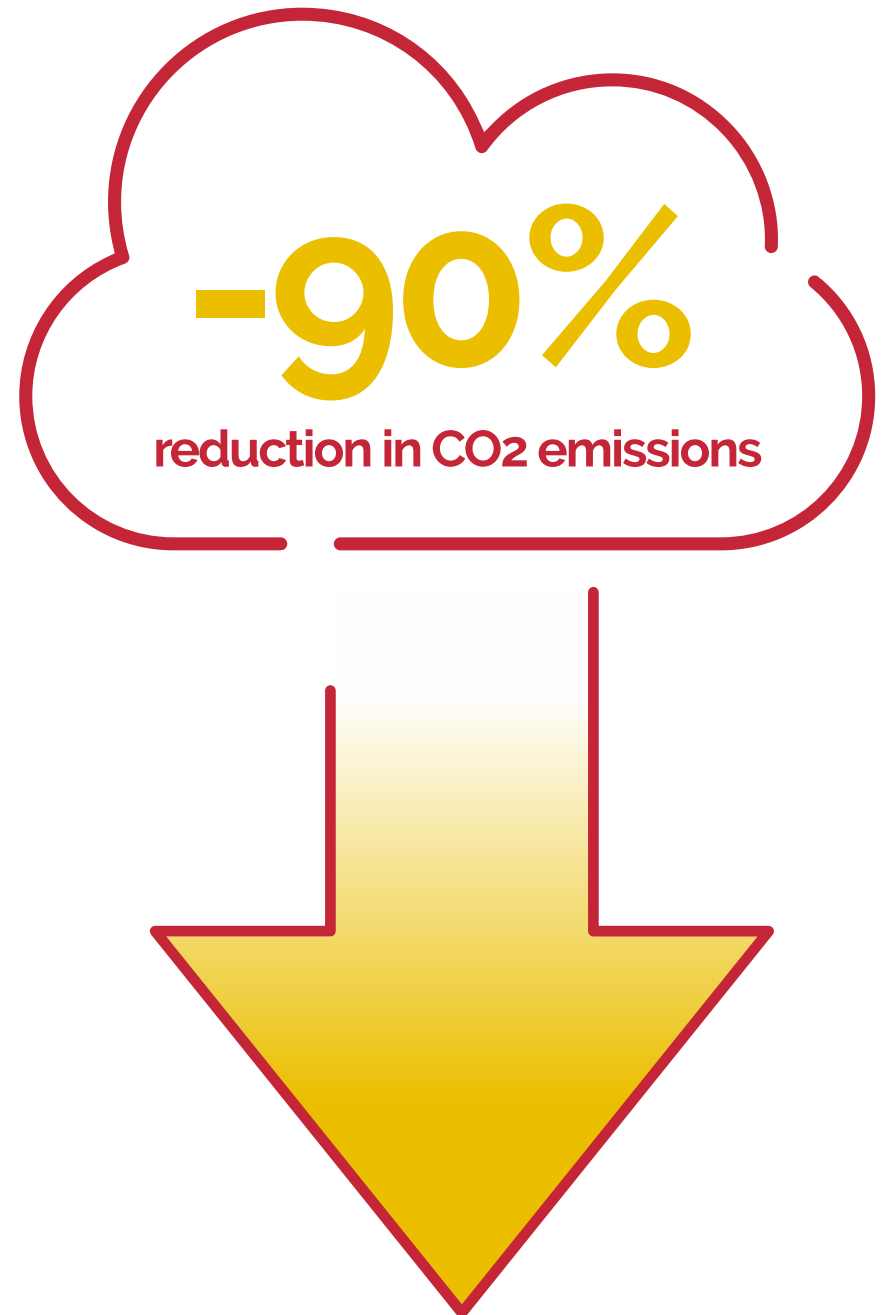
Alternative Fuel Solution - MTL's Commitment to aligning with your Environmental Strategy

At McLanachan Transport Ltd (MTL), we are steadfast in our commitment to leading the logistics industry towards a more sustainable future.

Anchored in our robust Environmental Social and Governance (ESG) framework, our dedication to improving traditional logistics methods with modern initiatives that significantly reduce the environmental impact of our operations is essential to our customer-centric approach.

We are excited to share a pioneering step in our sustainability journey. MTL has recently undertaken a ground-breaking alternative fuel exercise. The fuel initiative involved using Hydrotreated Vegetable Oil (HVO) instead of conventional diesel for three specific European consignment journeys. The purpose of the exercise and data gathered is to present sustainable options that align with our customers' environmental strategy.

The results are encouraging and transformative. We achieved an astounding 90% reduction in CO₂ emissions across these combined three journeys, marking a significant milestone in our endeavour to reduce the carbon footprint of our supply chain operations. This achievement is a testament to our forward-thinking approach and dedication to environmental stewardship at MTL.





As we continue to innovate and lead by example, we assure our customers that every step aligns with our ESG principles. Our efforts are not just about compliance; they are about setting new sustainability and social responsibility standards. We are proud to share this journey with you as we collectively strive for a greener, more responsible future in logistics.

Within the following pages, we have provided more information on HVO fuel solutions and details on our ESG framework and strategy.



Understanding Hydrotreated Vegetable Oil (HVO) and the Advantages



HVO is produced through the hydrotreatment of vegetable oils or animal fats, which involves a process of hydrogenation. Unlike biodiesel, which is produced through transesterification and results in glycerol as a byproduct, HVO's production process does not create glycerol.

The hydrogenation process transforms the feedstock into hydrocarbons with high oxidation stability, effectively turning it into a form of diesel ideally suited to standard engines.



Advantages of HVO

- **Substantial CO2 Emission Reduction:** Numerous HVO tests and results show a significant reduction in CO2 emissions by up to 90% compared to traditional diesel, demonstrating a considerable advantage for companies that aim to reduce their carbon footprint.
- **Compatibility with Existing Engines:** One of the most significant benefits of HVO is its compatibility with diesel engines without any modifications. It is a 'drop-in' fuel, meaning it can replace diesel entirely or be blended in any proportion.
- **Improved Storage Stability:** HVO's storage stability is superior to that of traditional biodiesel and even fossil diesel, which is particularly advantageous for backup power systems and other applications where fuel might be stored for extended periods.
- **Lower Emissions of Other Pollutants:** Besides reducing CO2, HVO decreases particulate emissions by over 40% and nitrogen oxide emissions by up to 8%.



Environmental Protection:

- **Sustainable Business Practice:** Utilising HVO fits into the circular economy concept, using waste materials to create a sustainable fuel source.
- **Energy Transition:** HVO represents a step towards the energy transition, offering a renewable alternative to petroleum-based diesel.



Considerations:

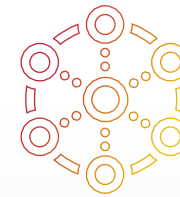
Using HVO through MTL's transportation services aligns with environmental goals and showcases a proactive stance on sustainable practices. The use of HVO can help to:



Align with corporate sustainability goals and reduce environmental impact.



Benefit from the high energy density and performance of HVO without significant alterations to logistics infrastructure.

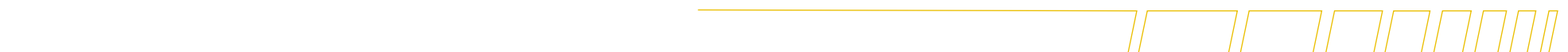


Demonstrate a commitment to innovative and responsible supply chain management across your organisation.

In summary, HVO represents a significant advancement in sustainable fuels, and MTL is delighted to present this solution.

Using HVO can be a powerful component of a larger strategy to reduce CO₂ emissions and demonstrate leadership in sustainable logistics.

We look forward to discussing the integration of HVO with MTL across your supply chain.



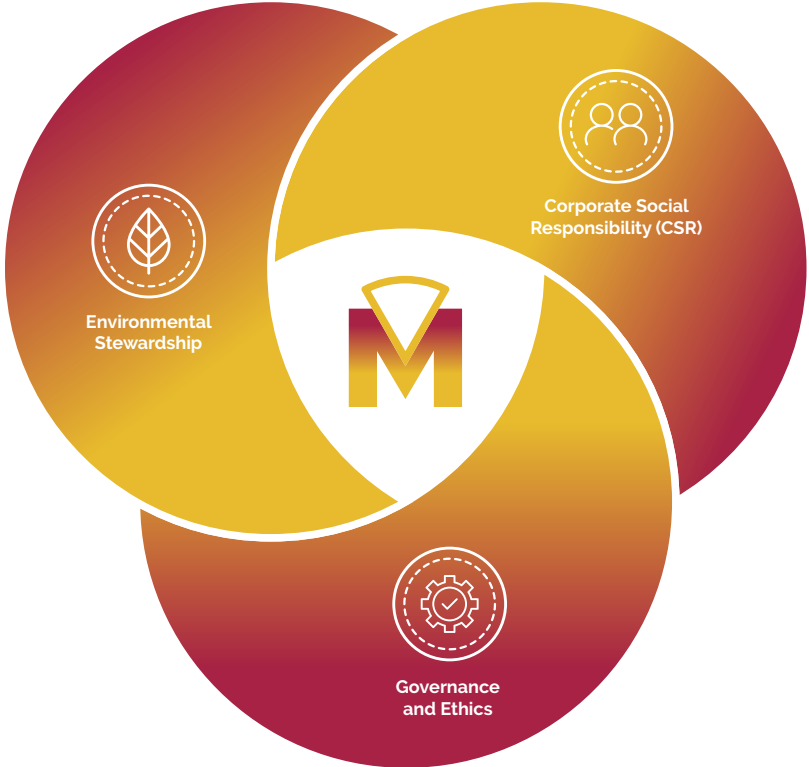
Exploring McLanachan Transport's ESG Commitment

At McLanachan Transport Ltd (MTL), we recognise that our responsibility extends beyond the delivery of goods; it encompasses a commitment to the environment, a dedication to social impact, and adherence to stringent governance standards.

As a leading logistics provider specialising in transporting pharmaceutical products and temperature-sensitive goods, we are acutely aware of the importance of sustainable and ethical operations within the complexities of global supply chains.

Our Environmental, Social, and Governance (ESG) framework is not just a corporate mandate; it reflects our core values and the essence of our people and brand. This document presents a comprehensive overview of MTL's strategic ESG approach, illustrating our commitment to sustainability, community engagement, and governance. We take pride in our proactive measures to ensure that while we excel in service delivery and Service Level Agreements, we also contribute positively to our planet and society and lead with integrity and excellence.

Explore the steps we are taking to pave the way for a more sustainable, socially responsible, and ethically governed future for MTL and the logistics industry.



Environmental Stewardship

At McLanachan Transport Ltd (MTL), our commitment to environmental stewardship is integral to our operations, especially in the logistics and transportation of goods, including pharmaceutical products.

Our approach is twofold: minimising our environmental footprint while optimising our customer services for efficiency and sustainability.

Our environmental strategy focuses on modernising our fleet and operations. We proudly operate Euro 6 vehicles, recognised with the Ecostars 4-star award, ensuring compliance with the highest emissions standards. We further demonstrate our dedication to sustainability through our transition to ThermoKing eco-friendly fridge trailers, a testament to our pledge to reduce energy consumption and greenhouse gas emissions across our cold chain logistics.



Environmental Stewardship Activities

- We are upgrading to ThermoKing eco-friendly fridge trailers. Twelve are operating within our fleet and targeting a complete fleet renewal within 3 years, with an Investment of 6 Million pounds.
- We continually implement longer overnight boat crossings to minimise mileage and environmental impact.
- The transition to electric management and pool cars has begun, and by 2026, we want to be completely electric.
- We've installed electric car charging points now and will continue with more to meet electric vehicle requirements.
- We've installed Solar P.V. panels at our head office and operational base for our energy consumption and are now exploring on-site battery storage (BESS).
- We've developed twenty-two three-phase plug-in points for trailers to reduce fuel dependency.



Corporate Social Responsibility (CSR)

A firm belief in nurturing a positive social impact drives all decisions at MTL. Our management team has created a culture that puts our people and communities at the forefront, ensuring that every decision aligns with our core values of integrity and respect.

As a pivotal player in supply chain logistics, we understand the importance of positively impacting society. We actively engage with local communities to support charities and good causes, ensuring that our business success contributes positively and upholds the highest social responsibility standards.



Corporate Social Responsibility Activities

- We've developed a customer and employee-centric organisation focused on respect, diversity, and inclusion.
- We continually engage with local communities to ensure our operations bolster social value, supporting good causes.
- We deliver employment opportunities, helping individuals advance careers through our transportation learning and development initiatives and approaches.



Governance and Ethics

Robust governance underpins every aspect of MTL's operations. We maintain a structured approach to managing our internal and customer-related processes, emphasising transparency and accountability.

Our governance framework ensures that we meet the stringent requirements of the pharmaceutical supply chain, including GDP Cold Chain logistics. We adhere to rigorous standards to manage risk, safeguard our employees' well-being, and ensure the integrity of the products we transport.



Governance and Ethics Activities

- Comprehensive internal management structures for employee and operational guidance.
- Development of an Employee Hub to facilitate effective communication and protocol adherence for all staff.
- Implementation of advanced vehicle monitoring systems for real-time operational analytics.
- Regular customer engagement through quarterly reviews and reports to maintain service excellence and trust.



McLanachan Transport's dedication to ESG principles and commitment goes beyond box-ticking and is a cornerstone of our business ethos. Our dedication to every ESG area drives our business success and effective relationships, enhancing our service offerings and positioning us as a trusted transportation partner you can rely on. Throughout our company structure, people, systems and operations, doing what is right across our organisation will pave our future.

“ MTL is focussed on continuous improvement and advancing our ESG principles, integrating environmental efficiency, social responsibility, and robust governance into the heart of our operations, adding continued value to our customers. ”

Damian McLanachan, Managing Director, McLanachan Transport





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