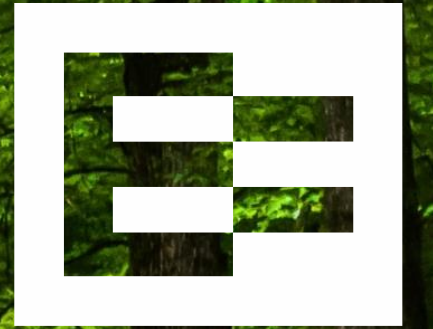


The Road to Sustainability 2022



December 2022

Green is the new black

Fleets of all sizes will face mounting pressure to decarbonise over the next few years as regulators, customers and investors seek out organisations who can show their green credentials.

For 84% of businesses that have started acting, sustainability initiatives have delivered tangible business benefits across a range of measures including: customer satisfaction, employee participation, brand recognition and increased productivity.

And while challenges remain, one thing is clear – businesses need to start setting targets and measuring performance now or risk being overtaken by the competition.

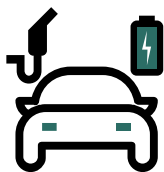
Competitive pressure is building



3 in 5

businesses with vehicles actively consider sustainability performance during vendor selection

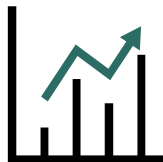
The key to unlocking sustainability ROI



40%

of businesses reporting a positive impact on ROI have begun transitioning their fleet to electric/hybrid tech

Operational efficiency is the focus



70%

of business with vehicles plan to invest in operational efficiency in the next two years

Sustainability = tangible business value



84%

of businesses with vehicles have seen at least one positive impact on their business as a result of taking sustainability action



8 in 10

heavy fleets say their customers are reviewing sustainability performance in their vendor selection processes



8 in 10

heavy fleets are using some form of GPS tracking or telematics



46%

of heavy fleets either already have or expect to have a goal to decarbonise their fleet and assets within the next two years



42%

of heavy fleets say cost is a challenge when it comes to setting, measuring and achieving sustainability goals



Heavy fleets



8 in 10

heavy fleets plan to replace older vehicles in the next two years



71%

for those challenged by cost, a mix of customer demand for green credentials, government funding and regulatory reporting would motivate 71% of them to increase their sustainability efforts



1 in 4

heavy fleets are removing older Euro 3-4 style models altogether by 2025



65%

of heavy fleets will have at least one low or zero emissions vehicle by 2025



1 in 3

light fleets struggle with prioritisation against other business goals when it comes to setting, measuring and achieving sustainability goals



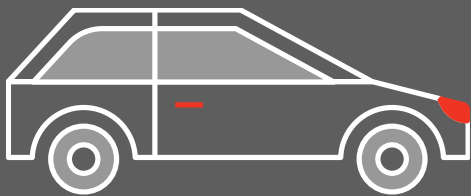
67%

of businesses with light fleets face challenges with data availability or the ability to measure when it comes to setting, measuring and achieving sustainability goals



60%

of very large light fleets will be pooled/shared by 2025



48%

of light fleets don't use any form of GPS tracking or telematics



76%

of light fleets will have low or zero emissions vehicles in their fleet by 2025

Light fleets



71%

for those challenged by cost, a mix of customer demand for green credentials, government funding and regulatory reporting would motivate 71% of them to increase their sustainability efforts



7 in 10

light fleets plan to replace older vehicles in the next two years



1 in 3

Battery Electric Vehicles (BEVs) are expected to make up one third of light fleet vehicles by 2025

The bottom line |

Why sustainability matters and how it builds tangible business value

84%

Positive
impact



44%

Customer
satisfaction



43%

Employee
participation



33%

Brand recognition
& reputation



29%

Increased
productivity



84% report that sustainability initiatives had a positive impact on business

84% of businesses with vehicles say their current sustainability initiatives have delivered one or more tangible business benefits, across a range of measures including: customer satisfaction, employee participation, brand recognition and increased productivity.

Half of those who started sustainability reporting in the last 2 years have already seen improved customer satisfaction and a third also report improved brand recognition & reputation – which shows that payoffs can come quickly.

The benefits can improve over time too. The longer a business has been measuring and reporting on sustainability, the more likely they are to see a positive impact on areas such as financial metrics/ROI, investor/shareholder satisfaction and measurable impact on the environment.

Reporting itself doesn't deliver this, so what do these businesses have in common when it comes to the initiatives they've undertaken?

46%

Measurable impact on the environment

45%

Investor/shareholder satisfaction

40%

Financial metrics/ROI

39%

Employee recruitment & retention

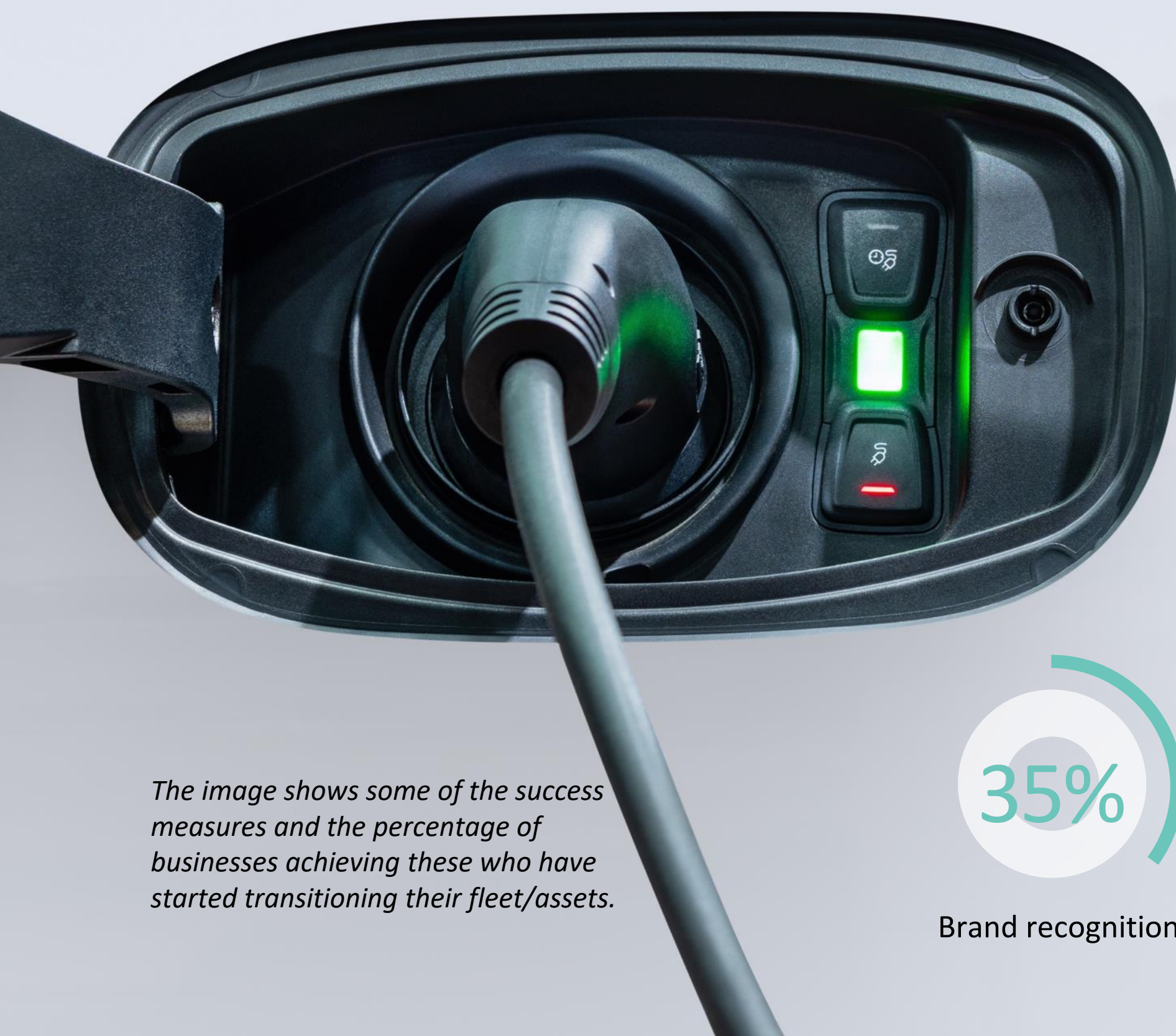
35%

Brand recognition & reputation

Businesses reporting some of the most sought-after benefits have already started transitioning their fleet to alternative power/fuel sources

Whether they're seeing a positive impact on shareholder satisfaction or ROI, one of the most common initiatives undertaken by these businesses is that they've been transitioning vehicles and assets to alternative power/fuel sources.

The image shows some of the success measures and the percentage of businesses achieving these who have started transitioning their fleet/assets.



Unlocking ROI from sustainability initiatives

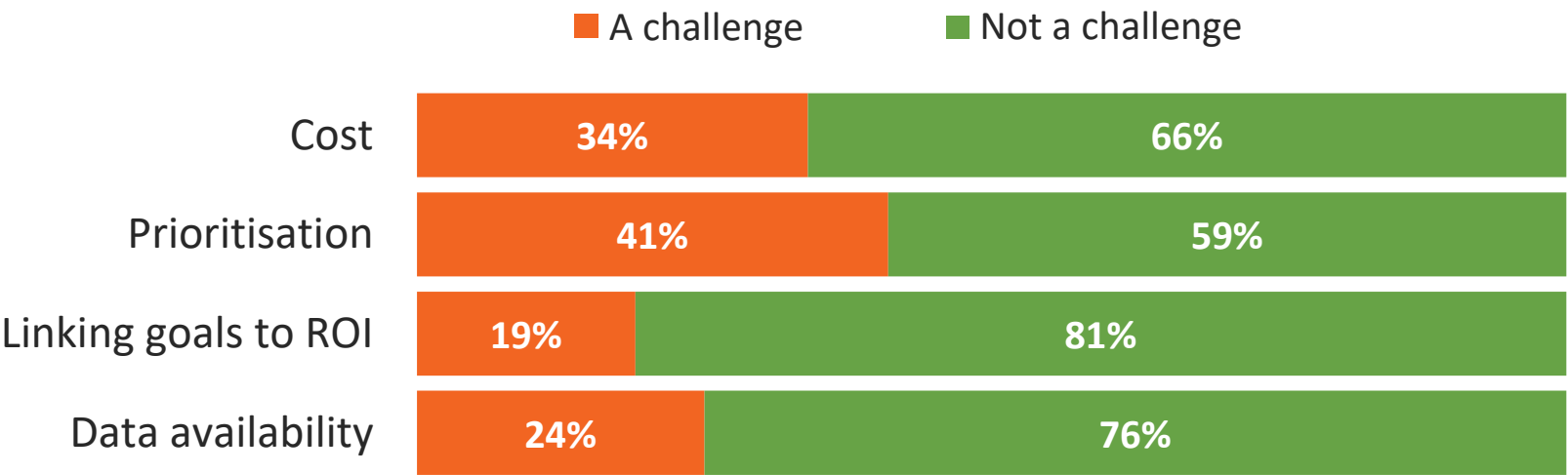
When it comes to the bottom line, the most common initiatives undertaken by those who are seeing a positive impact on financials/ROI are:

- **Using more sustainable materials (51%)**
- **Transitioning to electric/hybrid vehicles/plant (40%)**
- **Setting and measuring sustainability goals (40%)**

Although 93% of this group say challenges remain, such as prioritisation, it's clear that they have the data and systems they need to track and measure - 75% are **not challenged** by data availability, and 81% have **no issue** linking goals to return on investment.

While fleet performance might only be part of the picture for some, they understand it plays an important role – you can't manage what you don't measure! 87% either have or plan to have GPS tracking/fleet telematics installed in their fleet.

What is – and isn't – a challenge for these companies?



The businesses seeing a positive impact on financial metrics/ROI:



Have or plan to have GPS tracking installed

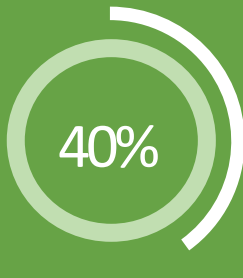


Have conducted or plan to conduct a fleet optimisation study

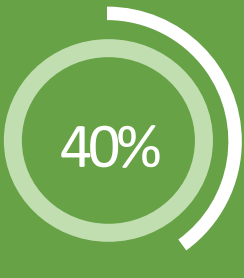
They're also:



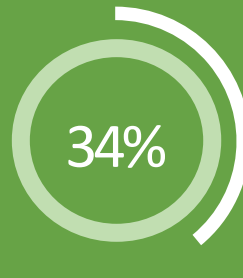
Using more sustainable materials



Transitioning to electric/hybrid vehicles/plant



Setting and measuring sustainability goals



Investing in technology /systems to track/reduce GHG emissions

The pressure is on |
Whether direct, or indirect, the pressure is
building on all sides for businesses

When regulators sneeze, the whole country catches a cold

Decarbonising transport is high on the global sustainability agenda. Transport accounts for **19%** of emissions in Australia and **17%** in New Zealand.



80%

Taking action to reduce emissions



Australia

In 2022, the change of government in Australia has seen the introduction of new policies and proposed strategies to tackle climate change and increase the number of zero emissions vehicles across the country's fleet.

Australian businesses noted that pressure from regulators to increase sustainability efforts was higher this year versus our [2021 survey](#).

This pressure is likely to increase as the federal government steps up its efforts to decarbonise the country's fleet, especially for businesses with vehicles – the current proposed target would require [75% of new car leases and sales](#) to be low or zero emissions by 2025.

New Zealand

In New Zealand the government has set [targets](#) for all new cars to be low or zero emissions by 2035, and to reduce emissions from freight by 35%.

In January 2023 the new [mandatory climate related disclosures](#) reporting period starts in New Zealand. This will require some organisations, including large publicly listed companies, to provide an enhanced level of reporting on their sustainability performance.

While around 200 organisations are directly impacted by the new disclosure requirements, the indirect impact could be felt wider if those organisations make decisions that reach across the supply chain (i.e. choosing “green” distribution companies).

If you're a B2B business, the pressure is already building from customers. Most businesses already consider sustainability performance in their vendor selection process

The vendor selection process is beginning to incorporate more requests for sustainability performance. 3 out of 5 businesses say that they include this type of request in their own vendor selection processes, and they're also being asked to provide it when they bid for their customers' business too.

Since **building enduring customer relationships is the #1 priority** for businesses surveyed, then this building demand for sustainability performance is likely to encourage more businesses to increase their efforts and start measuring.



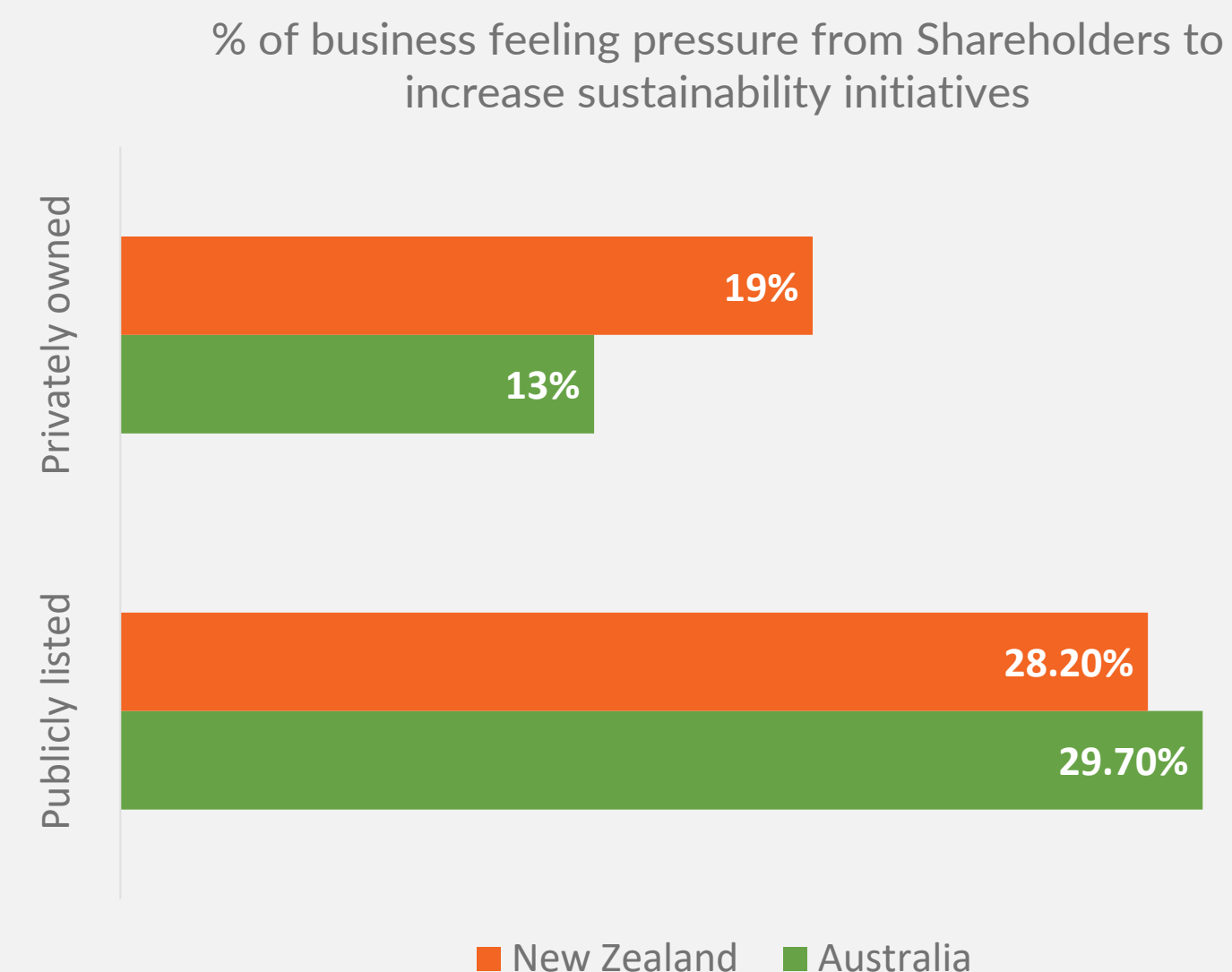
Reducing emissions may help you attract capital to grow

Led by large institutional investors, companies may attract more investor capital if they have an active ESG policy.

Larry Fink, CEO of the world's largest asset management company BlackRock, actively stresses the importance of companies to decarbonize. In his annual letter to CEOs, Fink said, when investing in companies, "We focus on sustainability not because we're environmentalists, but because we are capitalists and fiduciaries to our clients."

Not surprisingly, publicly listed companies with fleets in Australia and New Zealand felt more pressure from shareholders to increase their sustainability effort than private companies.

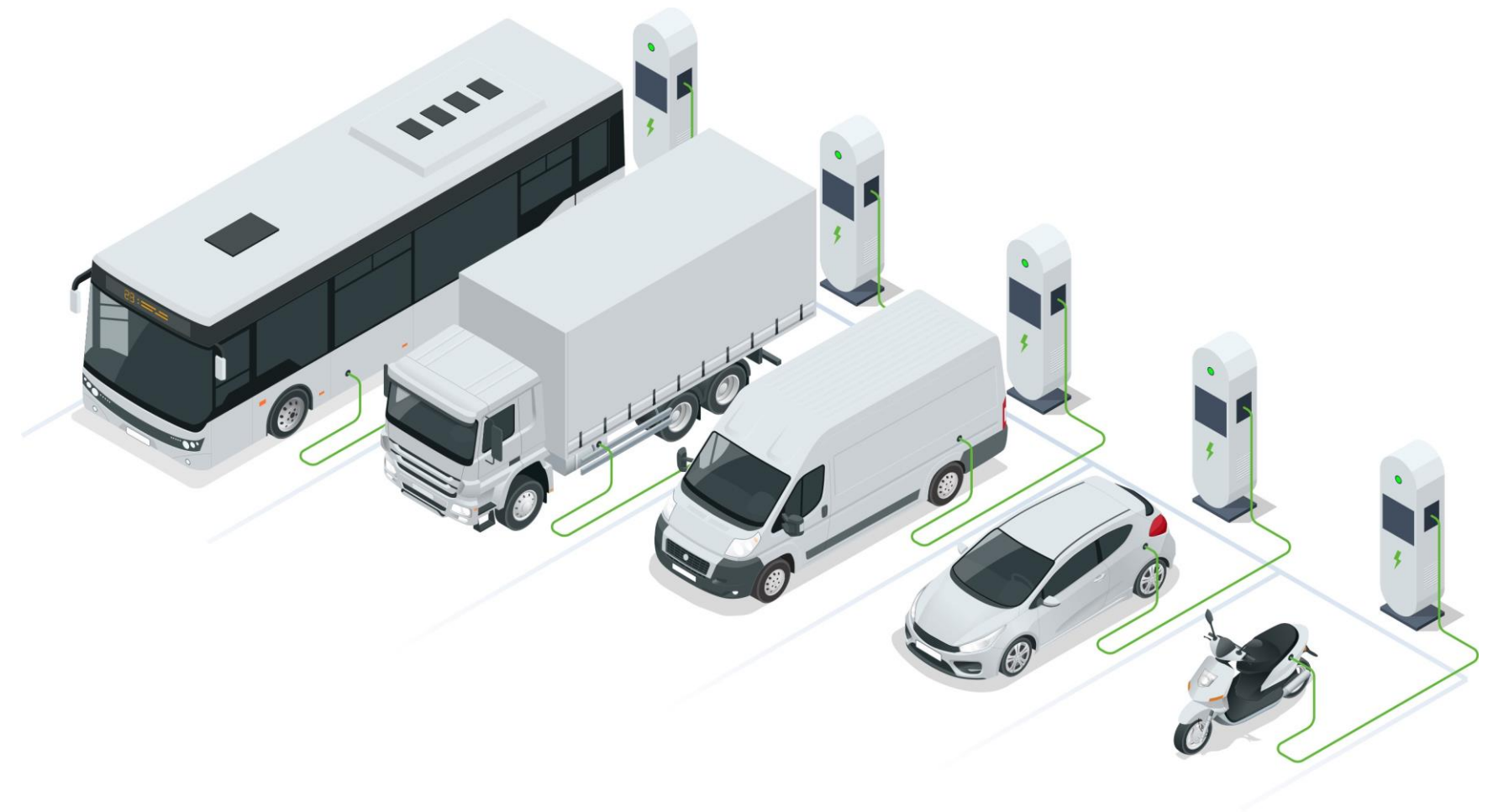
Private companies are not immune to these investor pressures. Given the speed of ESG pressures, it's only a matter of time until private companies see the link between ESG and the attractiveness of their company to investors or future buyers.



Demonstrate your fleet sustainability performance

Organisations looking to adopt best practice to achieve net zero goals will need to look at tackling their scope 3 emissions – and that means reducing emissions throughout their supply chain.

Whether you want to attract investment, or win a big customer contract with a publicly listed company in the next few years, it could help if you have some “green” credentials of your own - even if current regulations don’t directly affect your business.



Data points to consider



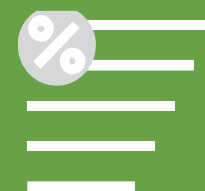
No. of new
efficient or low
emissions
vehicles



Average fuel
usage / fuel
burn



CO2 emissions



Utilisation /
usage patterns



Idling trends



Overspeed
trends



Driver
performance



Reduction in
fleet size

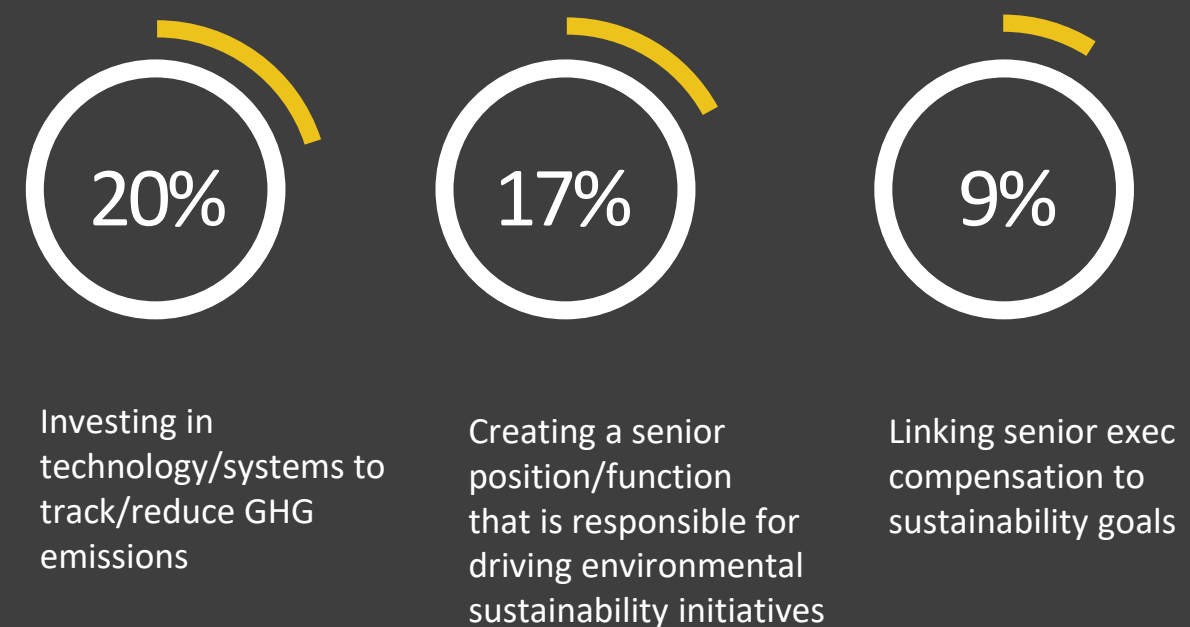
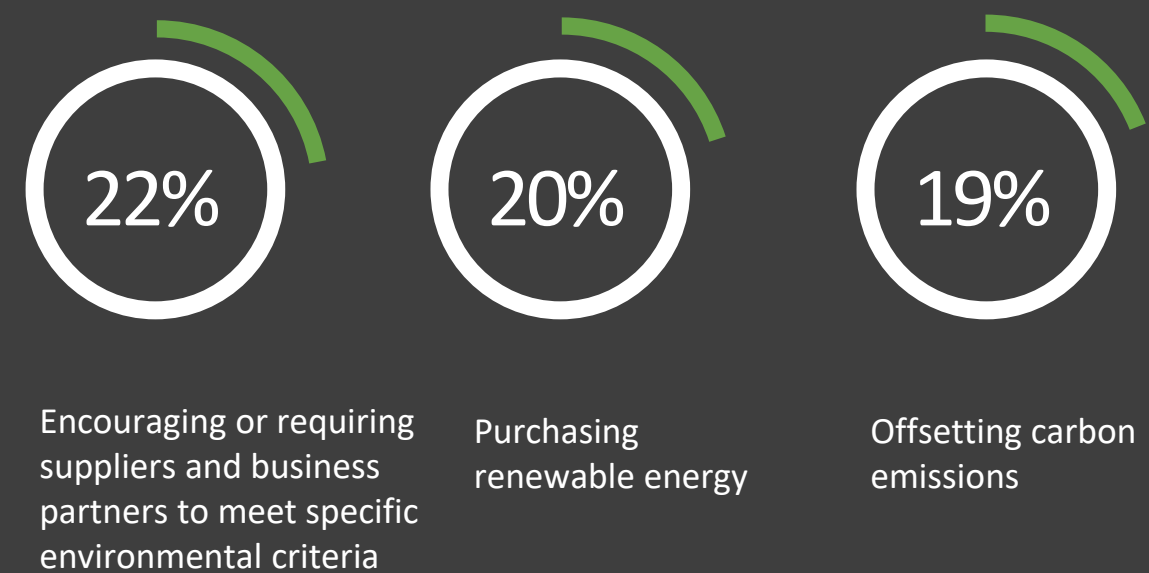
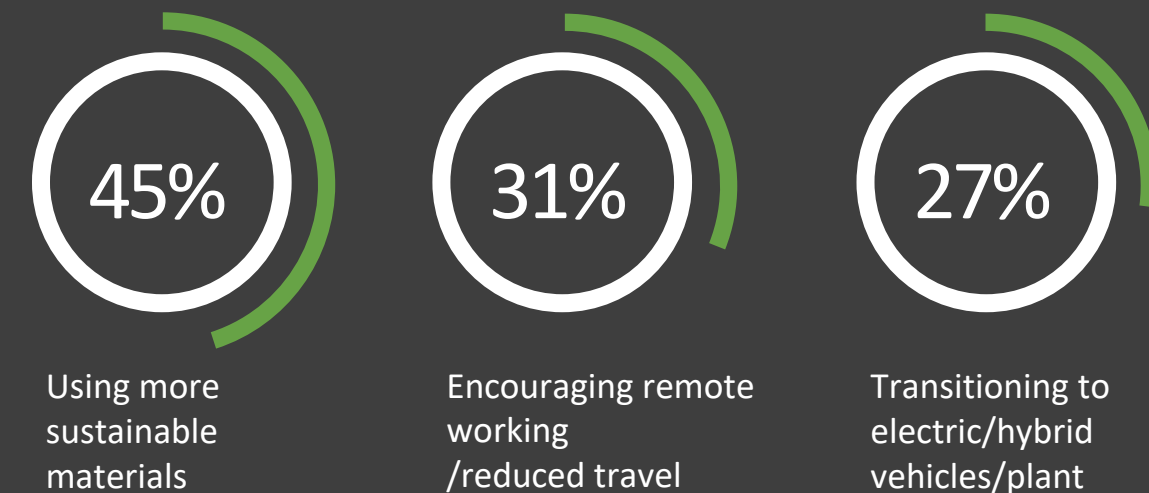
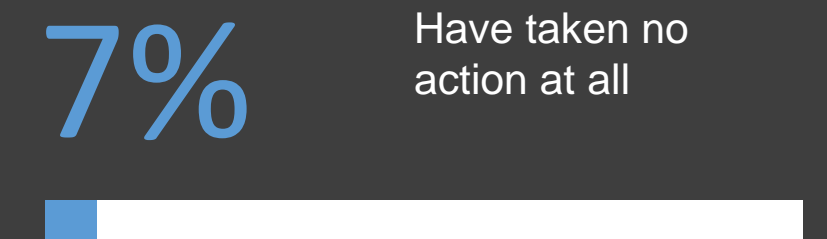
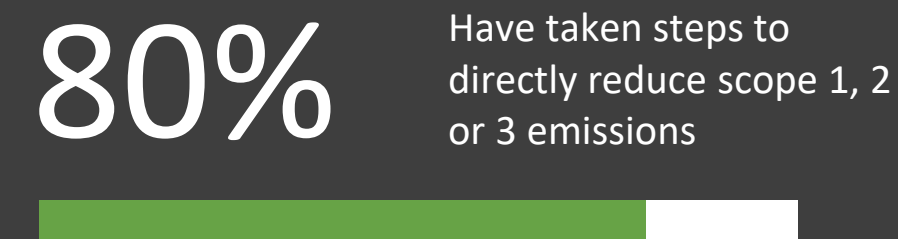


Car sharing /
pooling stats

Sustainability initiatives |

What businesses are doing to become more sustainable

More than 9 in 10 businesses have already started taking action through sustainability initiatives

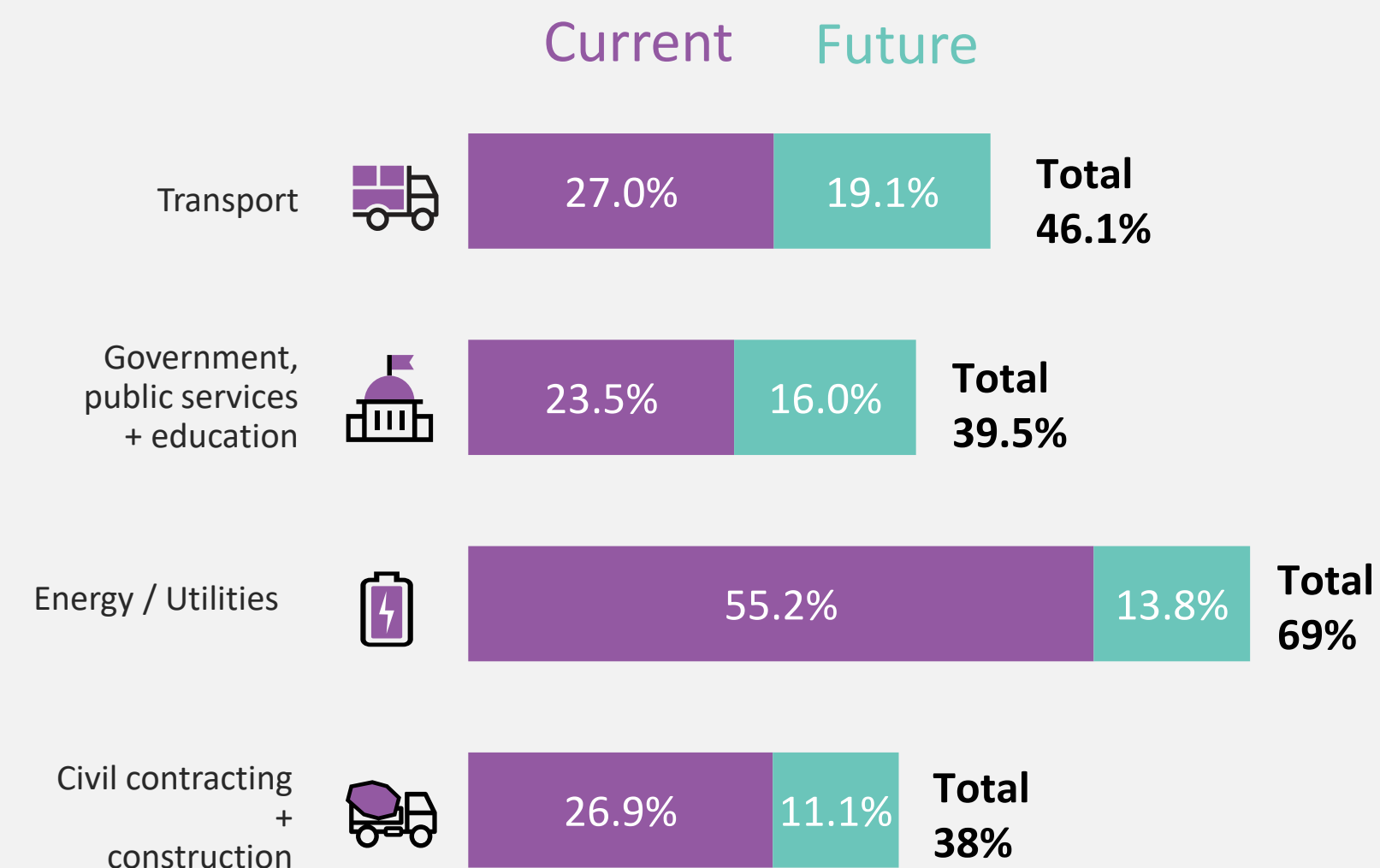


The transport race to net zero is led by utilities companies

While 8 in 10 businesses with vehicles have set clear sustainability goals, the majority of those businesses don't currently have a goal to decarbonise their fleet – only 14% in Australia and 30% in New Zealand. However, there are some sectors leading the way.

In the energy/utilities sector, 69% either already have or expect to have a goal to decarbonise their fleet and assets within the next 2 years

Businesses with current & future goals to decarbonise transport, fleet and assets



Easy, low-cost wins for sustainability

There are plenty of low-cost wins to reduce emissions – and some could even save you money. For example adding recycling and composting bins to the office to reduce waste sent to landfill. Or encouraging sales reps to have more meetings over zoom to reduce overall kilometers driven. Tools like EROAD's Leaderboard can also be used to encourage and reward more efficient driving behaviour by your team.

10 ways to help reduce fleet emissions that complement (or don't require) investment in EVs



Measure trends



Maintain vehicles



Optimise routes



Reduce idling



Optimise loads



Track fuel usage



Reward eco driving



Pool vehicles



Reduce travel



Remove excess weight

The blockers |

What's preventing businesses from increasing their sustainability efforts?

Cost and prioritisation remain top of the list of challenges

While there's clearly mounting pressure for businesses to increase their sustainability efforts – and some early wins to be made – many businesses say that cost and prioritisation are preventing them from making progress.

Of course, there are initiatives that require large scale investment for medium-longer term payoffs like replacing ICE vehicles with EVs/Hydrogen. However there's more than one way to reduce emissions – and not all of them require big business prioritisation decisions.

Top 5 challenges

1 Costs are prohibitive to change



2 Prioritisation relative to other business goals



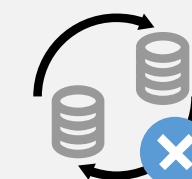
3 Uncertainty about how sustainability goals create tangible value



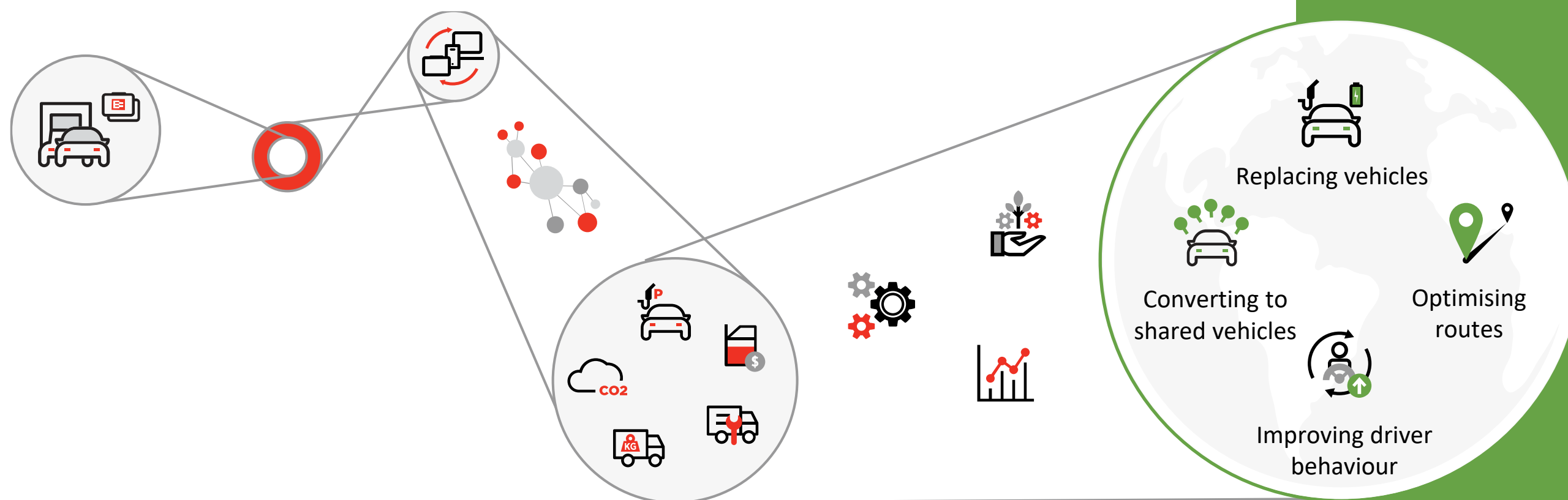
4 Hard to measure the impact on the environment



5 Data availability to measure sustainability goals



Sustainability can be tied to operational efficiency – but it requires more than guesswork



Telematics solutions could help deliver ROI

For the 48% of businesses with light vehicles and no tracking in place, telematics can seem like it's just another cost. However, the potential cost savings from telematic insights can be worth hundreds. If you're new to managing a fleet, or haven't used telematics before then EROAD's ROI calculator could give you an idea of how much you could save.

[Calculate your ROI](#)

Having the right technology that can deliver fast, reliable data and reporting across a number of metrics is vital for businesses both now and in the future – not only for sustainability reporting but also for the 70% of businesses investing in operational efficiency in the next 2 years.

Safer driving habits and efficient driving will not only improve safety and lower operating costs, but can also lead to direct emissions savings. EROAD's [EECA-co-funded Heavy Fleet Decarbonisation tool](#) will help fleets with the reporting and insights needed to set, measure and achieve goals that demonstrate this.

Without data, it can be a guessing game figuring out where your fleet is underperforming. Almost half of all fleets said they plan to invest in improving/integrating technologies and systems as a priority in the next 2 years.

Businesses are struggling to get the data they need to measure performance

8 in 10 business decision makers said they've set sustainability goals but the number who say they're currently measuring these goals is much lower at just 30%.

Tracking performance and the availability of data to measure achievement of sustainability goals is vital if businesses are to be supported in reducing emissions.

Over **half of all businesses** with vehicles say they face challenges with either data availability to measure goals, linking goals to ROI or measuring the impact they're making on the environment.



Over half of businesses say they're hampered by the ability to track and measure sustainability performance



Only 9% of businesses with vehicles are linking goals to senior executive compensation.

Incentives require standardised metrics and data availability

According to the [World Economic Forum](#), one of the most useful tools in prompting business leaders to address climate change is via compensation and incentive programmes. But a lack of standardised climate change metrics is holding back the wider adoption of including climate action in executive compensation.

Heavy fleets |

What heavy fleets are doing and what the future looks like for businesses with heavy vehicles

Heavy fleets challenges

42% of heavy fleets say cost is prohibitive to change, and 34% struggle with prioritising sustainability goals over other business goals.

However, there are examples of fleets already making the transition to lower emissions vehicles. As well as lowering emissions, these models can reduce operating costs over time and its good for their business' brand and reputation too.

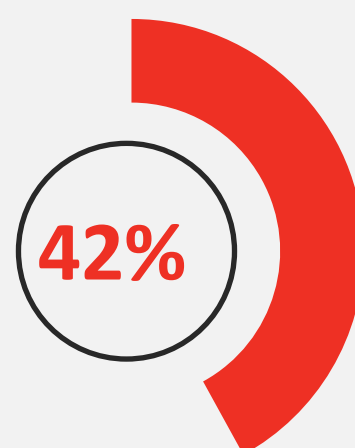
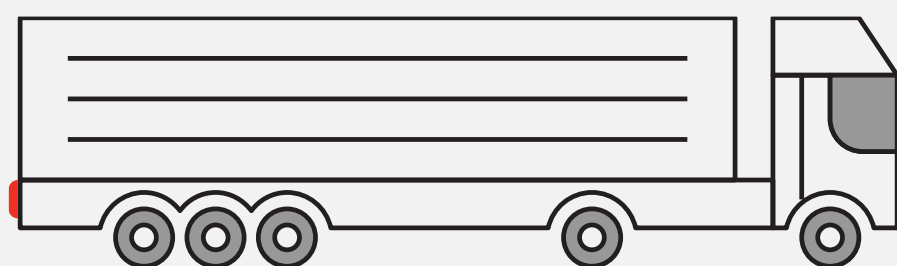
For businesses who can't afford to purchase low or zero emissions heavy vehicles, companies like **TR Group** provide leasing options and they recently announced they've got [20 new hydrogen trucks](#) on their way to New Zealand.

Operational efficiency can be tied to sustainability

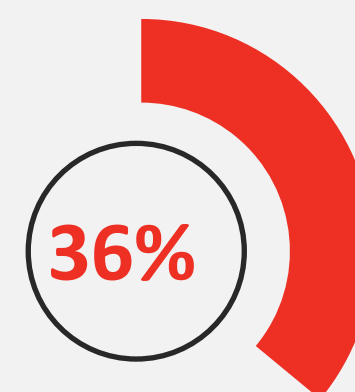
Assuming that being sustainable is prohibitively expensive could hold businesses back from setting meaningful targets – or from demonstrating their performance in areas where they may already be improving.

7 out of 10 heavy fleets say the main focus area for investment over the next 2 years is operational efficiency, which can be tied to sustainability.

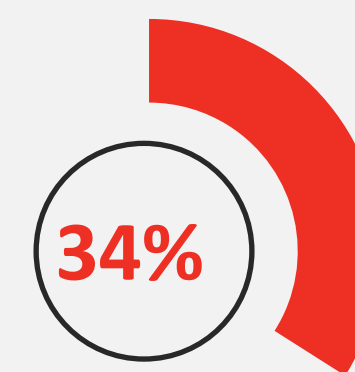
EROAD customers starting to trial or transition to electric, hybrid and hydrogen heavy vehicles



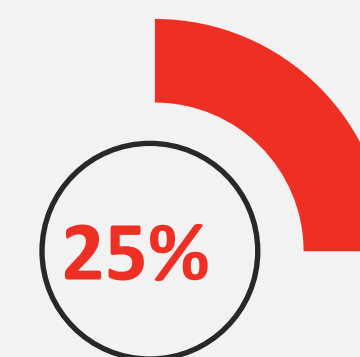
Costs are prohibitive to change



Lack of information about how sustainability goals create tangible value



Prioritisation relative to other goals important to the business



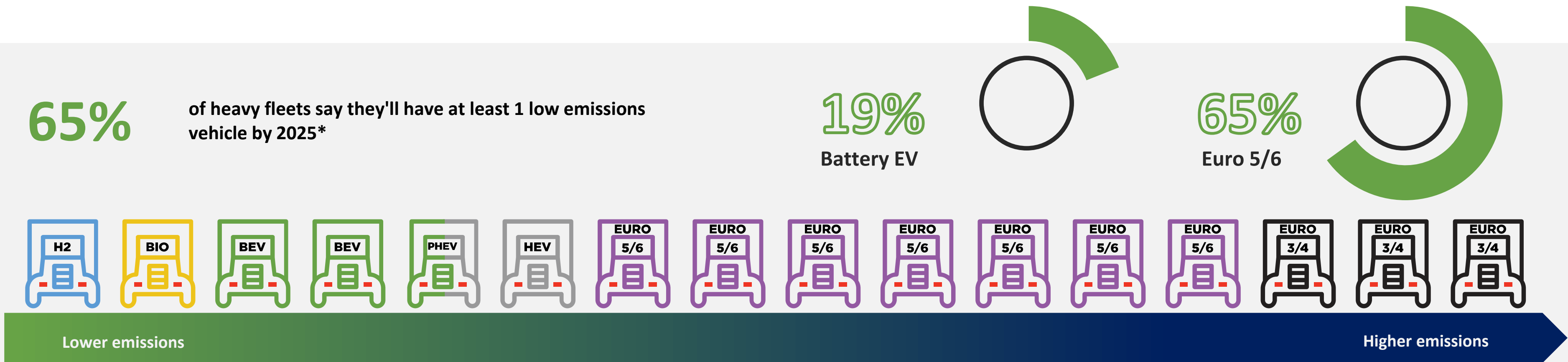
Data availability to measure sustainability goals

Out with the old as 1 in 4 expect to completely remove Euro 3-4

Heavy fleets in Australia and New Zealand have high numbers of older, inefficient vehicles on the road (Euro 3-4 standard) – averaging around 38% of the heavy fleet.

Almost 8 out of 10 heavy fleets plan to replace older vehicles in the next 2 years. They're more costly to run – in terms of fuel efficiency and the cost to maintain and repair them. Today, 70% of heavy fleets have Euro 3-4 vehicles, but by 2025 this drops to 43% - meaning more than 1 in 4 heavy fleets expect these vehicles will be gone completely from their fleet.

45% of heavy fleets expect to have at least one battery EV on their fleet by 2025. Hydrogen is also expected to play an increasingly bigger role with **1 in 3 expecting to have at least one hydrogen vehicle** in their fleet by 2025. Being a relatively new technology, hydrogen makes up less than 1% of vehicles in the heavy fleet today, but businesses expect this to rise to an average of 13% by 2025.



*Low emission vehicles include: BEV, HEV, PHEV, Hydrogen and BioFuel.

Image shows average % of vehicle types across heavy fleets by 2025

A growing fleet, focused on efficiency needs technology that will grow with it

More than **8 out of 10 heavy fleets** say **their customers are reviewing sustainability performance in their vendor selection processes**

As the heavy fleet evolves over the next two years, it’s vital that heavy fleets are supported to measure and achieve sustainability goals to remain competitive.

Over half of heavy fleets say they either plan to replace vehicles with electric, hybrid or hydrogen or upgrade to Euro 6 vehicles in the next 2 years.

8 in 10 heavy fleets already use telematics to support them with key performance trends such as distance driven, driver performance and speed.

As they bring these new low emission technologies on board, it’s expected that fleet tracking technology will keep pace, including providing metrics such as fuel burn, battery health and smart route planning.

Important for today’s fleet

- #1 Distance driven
- #2 Driver performance
- #3 Speed
- #4 Vehicle/equipment tracking
- #5 Proof of service /jobs completed

Important for future mixed tech fleet

- #1 Driver behaviour
- #2 Battery health
- #3 Fuel burn
- #4 Utilisation
- #5 Route planning to optimise range

The 4G sunrise brings a new era for telematics

In Australia and New Zealand, the 3G network is being phased out. The higher speed 4G/5G network that replaces it will provide the ability to transfer more data, more quickly than ever before.

As the demand for data and reporting on fleet metrics and performance increases, the 4G/5G network of devices will be well positioned to meet this demand. It also means that we can deliver exciting new products and service enhancements in the future that aren’t possible over the old 3G network.

If you’re currently using 3G telematics devices, this could be a good time to look at adding 4G-ready driver facing telematics to stay connected to your fleet. In-vehicle coaching delivered through a driver-facing screen could help you put efficient and sustainable driving in the hands of the driver rather than relying on back-office reporting and after-the-fact conversations alone.

[Learn about EROAD’s 4G-ready devices](#)

Light fleets |

What light fleets are doing and what the future looks like for businesses with light commercial vehicles

Light fleet challenges

1 in 4 light fleets are challenged by data availability. However, it's unsurprising when **48% of light fleets don't have any form of GPS tracking/telematics** in their vehicles. It's hard to capture fleet performance data without any technology or systems.

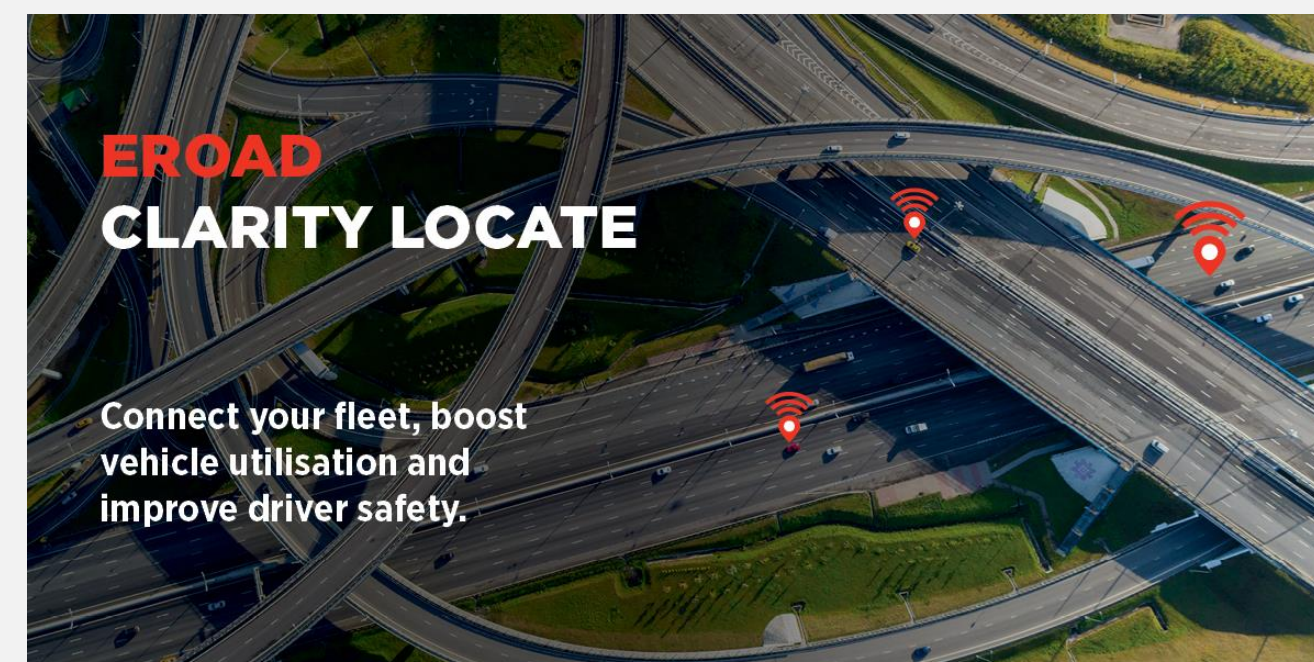


1 in 3 struggle with prioritisation relative to other business goals, but without credible data to back up fleet decisions, it will be hard for any business to challenge priorities when it comes to making fleets more sustainable.

While vehicles may not be core to how these businesses operate, tracking fleet performance is a relatively easy-to-achieve and low cost solution to measuring one of the key climate metrics – transport emissions.

Get data on your light vehicles with EROAD Clarity Locate

EROAD has low-cost, all-in-one solutions available for light fleets. Designed to be compact and easy-to-use, these systems help businesses get started with vehicle tracking. Plus they provide the ability to add-on specialised solutions in future like advanced reporting or a shared vehicle booking app.



[Learn more](#)

7 in 10 plan to replace older vehicles

Replacing older vehicles is a priority for most businesses over the next 2 years. Older vehicles are more costly to run - both in terms of fuel efficiency and the cost to maintain and repair them. Newer vehicles have the benefit of additional safety features too, making them safer as well as more efficient. At a time when costs are running high, it makes sense that 7 out of 10 businesses plan to replace older vehicles in their light fleet in the next 2 years

Battery electric vehicles are by far the most popular of the low emissions options for light fleets. BEVs are expected to make up **almost 1 in 3 light fleet vehicles by 2025**.

Plug-in hybrid and hybrid EVs also expect to rise to around 1 in 4. While all ICE vehicles - whether new or old - are expected to decrease their share of the light vehicle fleet.

The results show a positive shift towards a lower emissions future for our transport sector. However, we're still some way off a complete transition. Two thirds of light fleets expect to still be running ICE vehicles by 2025 – with Euro 5/6 models expected to average 57% of the fleet, so it's **important not to lose focus on other ways to reduce emissions**.

Determine your optimal fleet size/make up

If your business has a fleet of vehicles, these are counted as [Scope 1 emissions](#). If your fleet is a major source of your emissions, then consider conducting a fleet optimisation study. Companies like [OptiFleet](#) have extensive knowledge and experience in ensuring your fleet is working as efficiently as possible. They can also help determine which vehicles to replace, and where you could reduce your fleet size.

76%

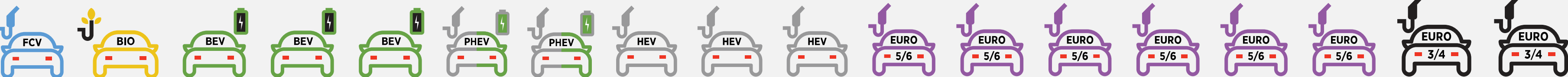
of light fleets say they'll have at least 1 low emissions vehicle by 2025*

32%

Battery EV

57%

Euro 5/6



Lower emissions

Higher emissions

*Low emission vehicles include: BEV, HEV, PHEV, Hydrogen and BioFuel.

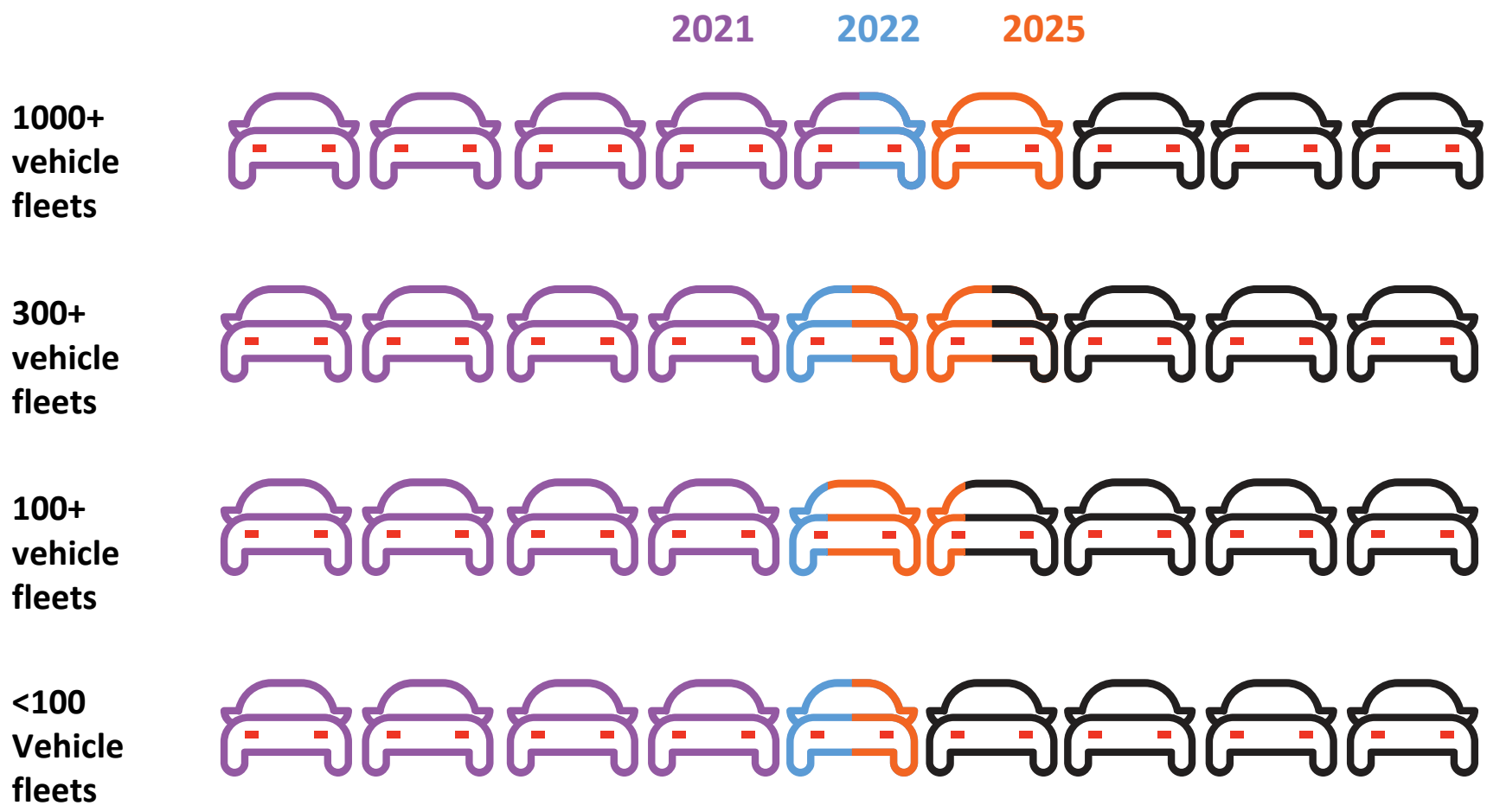
Image shows average % of vehicle types across light fleets by 2025

60% of very large fleets to be pooled/shared by 2025

Car-pooling and vehicle sharing is an easy win for light fleets – but it needs to be well managed to avoid issues with car availability.

Across all fleet sizes, the average number of vehicles being pooled is on the rise, with very large fleets leading the way. On average, 50% of very large (1000+ vehicles) fleets are already pooled/shared vehicles, and this is expect to grow to 60% by 2025.

Regardless of fleet size, its clear that businesses are catching on to the benefits of car pooling for reducing fleet size, lowering operating costs and increasing vehicle utilisation.



Pool booking apps make shared fleets easier to manage

If you're currently managing a shared fleet, or you're considering this as an option for your light vehicles, then adding EROAD's Clarity Locate or Clarity Solo together with **EROAD BookIt** could help your fleet run more smoothly – and with BookIt you can choose to show the lowest emissions options first to encourage people to use your more efficient vehicles first.

Telematics could help you spot and manage driving behaviour that's costing your business

Without GPS tracking or telematics it's difficult to track and measure improvements being made – and even harder to make data-driven decisions like whether to increase or decrease fleet size.

An analysis of EROAD data showed that on average, **6.2% less fuel is used by drivers who consistently achieved 4 or 5 stars on EROAD's Leaderboard** in FY22. It also showed that having EROAD with Posted Speed on the screen in the vehicle led to an average **48% reduction in speeding frequency** in light vehicles.

High speeds consume more fuel. Increasing speed from 90km/h to 105km/h can raise fuel consumption by as much as **15%**. Add on harsh acceleration and hard braking – these behaviours can increase fuel consumption by as much as **40%** - not to mention the increased emissions output.

In-cab telematics with a **driver facing screen** is a great coaching tool for drivers. It increases awareness of driving behaviour. Coupled with reporting, insights and driver leaderboard, EROAD provides you with the tools to encourage, reward and improve driving behaviour in your fleet.

As well as reducing your fuel bill and improving safety – you'll also be reducing emissions – and have data to support it.

"The impacts from driver training and driving behaviour on fuel efficiency can save up to 30% of fuel costs."

Paul Illmer, Volvo Group Australia



Tipping the balance |

What needs to happen to overcome challenges,
ramp up sustainability efforts and future-proof
fleets

A recipe for action

It's unlikely that cost or prioritisation will disappear tomorrow – they're common challenges for businesses of any size and in any industry and they're not unique to sustainability initiatives. The question becomes – what will it take to overcome them?

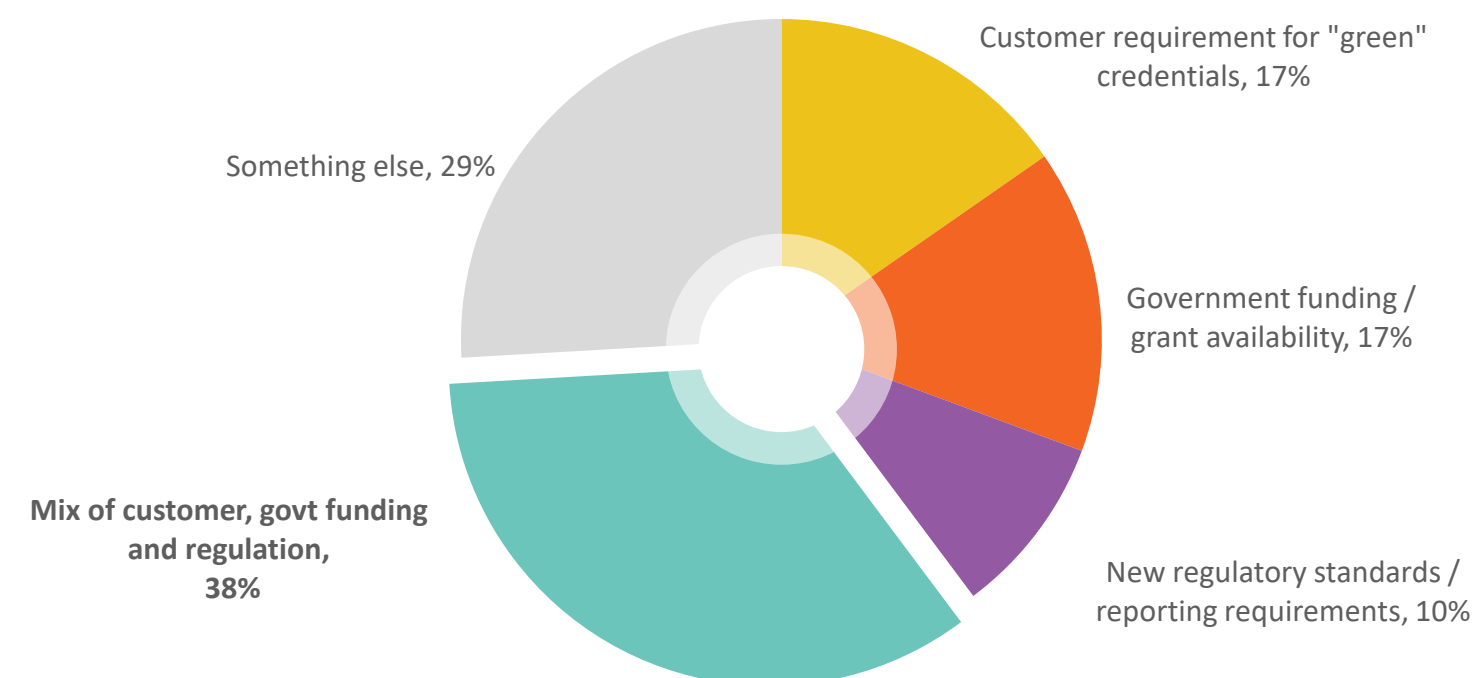
There's no one solution to overcome all the challenges fleets will face in the coming years but the right mix of the right motivators could tip the balance.

Regulation could shift the dial significantly

To increase their efforts, businesses that say cost is prohibitive to change say there are 3 key changes that would support or motivate them to increase their efforts: Customer requirement for "green" credentials, Government funding/grant availability, New regulatory standards/reporting requirements.

Between these 3 things alone, **71% of businesses challenged by cost would increase their sustainability efforts** – and it's a similar picture for those challenged by prioritisation.

How to best support those challenged by cost to increase efforts



How the EECA Low Emission Transport Fund is helping decarbonise the transport sector in New Zealand

Understanding that cost is a challenge for many businesses, the **EECA** is making up to \$25m a year in funding available to accelerate the decarbonisation of the New Zealand transport sector. The fund is providing vital financial support to a number of transport organisations who demonstrate and adopt low emission transport technology, innovation and infrastructure.

Early in 2022, the EECA announced it would provide funding to EROAD to develop a **heavy fleet decarbonisation and recommendation tool** as part of its Low Emissions Transport Fund.

The tool, which is due to be delivered later in 2023, will provide customers with emissions-related reporting and insights using data collected from telematics devices installed across their fleet.

The time to start measuring is now

Are businesses ready for any future regulatory changes, or a sudden demand for “green credentials” from their customers?

It’s inevitable in the coming years that the pressure to act will increase and businesses will need to be ready to report on their emissions and demonstrate progress on sustainability initiatives.

To ensure your business is ready, and to see where you can gain efficiencies or make improvements, you need to be measuring now.

Invest in technology for the long term

When assessing your fleet needs it’s important to consider not only those things you need in the next 1-2 years. Technology is a 3 - 5 year investment. It pays to choose a technology partner that provides options to upgrade and bolt on new services and products as you grow – and as the regulatory landscape changes.

EROAD add-on products and services

EROAD’s 4G-enabled hardware allows you to wirelessly upgrade in future to add on products and services when you’re ready.

- Integrated pool vehicle booking system – [EROAD BookIt](#)
- Vehicle maintenance & inspection tool – [EROAD Inspect](#)
- PowerBI-based custom reporting – [EROAD Analyst](#)
- Connect data to your own data warehouse – [Enterprise Data Connector](#)
- Streamlined contract reporting – [EROAD Proof of Service](#)
- Pay as you go or unlimited HD video footage on road & in cab* – [EROAD Clarity](#)

**Wireless upgrade available on EROAD Clarity Locate/Solo plans only.*



For light fleets GPS tracking is vital to progress

It's clear that in the future, stakeholders across the board are likely going to need data – whether it's shareholders, customers or regulators. Transport is responsible for 17% of emissions in NZ – with **70% of that from light vehicles**. In Australia transport accounts for 19% of emissions with **light vehicles contributing around two thirds of that**.

Yet only 52% of light fleets currently have any form of GPS tracking or telematics installed. As well as missing out on potential efficiency savings, those without tracking in place may find it hard to provide data and reporting on their fleet performance if asked.

Getting started with vehicle tracking today can help light fleet businesses to build up a database of fleet usage and efficiency providing them with reporting and insights that can be used to drive efficiencies and demonstrate sustainability performance further down the line.

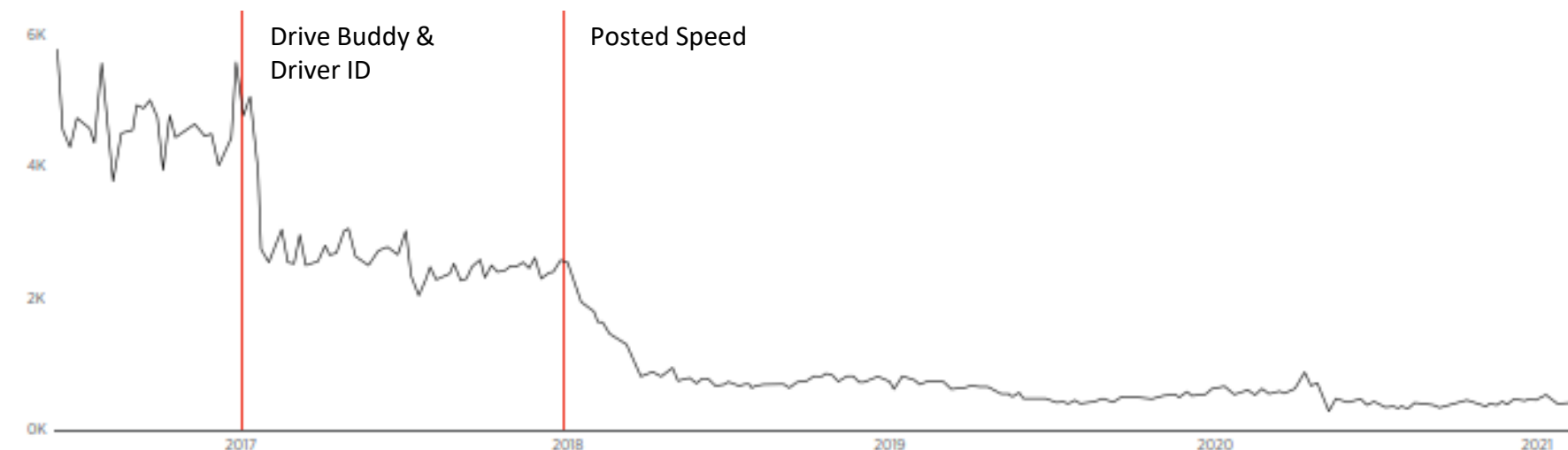
The top 5 benefits, as defined by those who use telematics now are:

1. Peace of mind knowing where vehicles/assets are
2. Tracking fleet/asset utilisation
3. Improved driver behaviour
4. Time/cost savings
5. Meeting compliance requirements

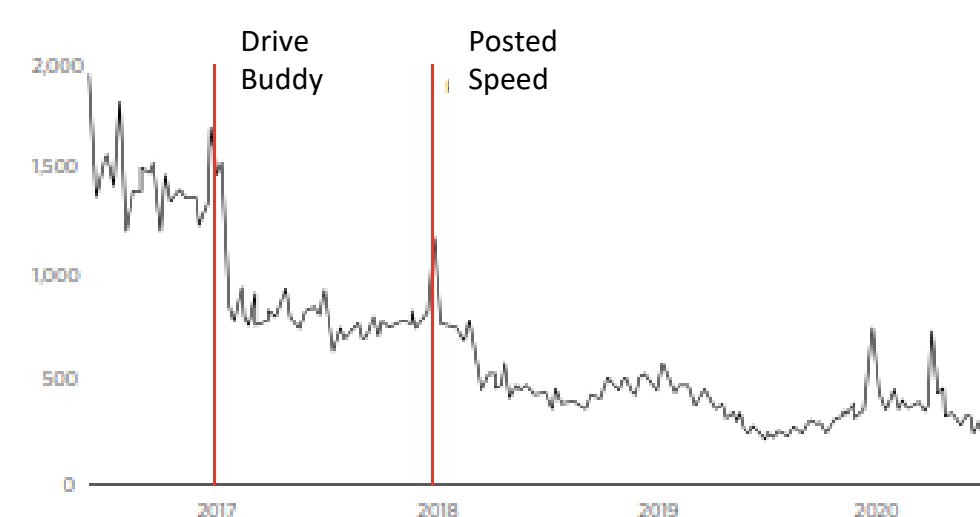
Example shows the reduction in speeding events in both heavy & light vehicles at Downer NZ as EROAD products were introduced

Average Speed Events per 100km travelled

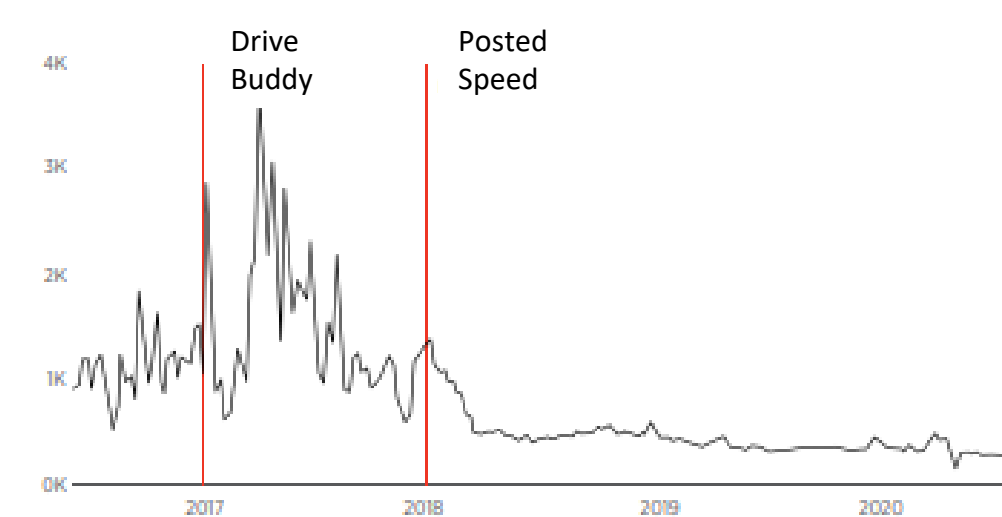
All Vehicles



Heavy Vehicles



Light Vehicles



Heavy fleets will need more than dot-on-the-map technology

As the 3G network is phased out over the next 2 years, many of the 8 in 10 heavy fleets that already have GPS tracking or telematics installed will need to switch their 3G devices for 4G-ready hardware.

If your fleet is amongst those operating older hardware, the coming months will be an opportunity to assess what your fleet will need over the next five years. As the pressure to decarbonise transport intensifies over the next decade, fleets will need to be prepared. Whether it's customer demand, competitive pressure, shareholder demand or regulatory changes – fleets who have the full picture of their performance will have a better chance of being able to set targets, measure progress and demonstrate their efficiency performance.

In mid-late 2023, EROAD will also launch its EECA co-funded heavy fleet decarbonisation tool. The tool which draws on EROAD's database of +200,000 connected devices across Australia and New Zealand – will provide customers with the ability to measure key sustainability metrics and provide insights on where improvements could be made.



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