Carbon Reduction Plan

Supplier name: Neon Healthcare

Publication date: 15/03/2025

Commitment to achieving Net Zero

Neon Healthcare is committed to achieving Net Zero emissions by 2045.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2022/23

Additional Details relating to the Baseline Emissions calculations.

After completing detailed calculations for our plastic tax reporting requirements, we had better data for our base year and have recalculated these emissions with new and improved data, methodologies, and emission factors. We have also included upstream emissions of travel and transport in the relevant categories.

The required subset of scope 3 emissions was included. However, we understand that this omits a large proportion of our carbon footprint related to the production of our products. We have therefore also included other relevant scope 3 emissions such as Purchased Goods and Services and End of life Treatment of Sold Products. Due to a lack of supplier specific data we have used average emission factors based on weights of products and ingredients.

As we could not collect primary data for some of our scope 3 emissions, modelling, proxies and suitable averages were used.

Baseline year emissions:		
EMISSIONS	TOTAL (tCO ₂ e)	
Scope 1	0.00	
Scope 2 (location-based)	11.98	

Scope 3	15,870.03
(Included Sources)	Core subset: (416.46)
	Transportation and Distribution - 299.60
	Waste Generated in Operations - 2.05
	Business Travel - 55.80
	Employee Commuting - 59.00
	Additional scope 3 emissions sources: (15,453.57)
	Purchased Goods and Services - 15,410.35
	Capital Goods - 16.82
	Fuel- and Energy-Related Activities (not included in Scope 1 or Scope 2) - 3.96
	End-of-life Treatment of Sold Products - 5.86
	Investments - 16.56
Total Emissions	Scope 1, 2 and required subset of scope 3: 428.44
	Scope 1, 2 and all scope 3: 15,882.02

Current Reporting Year: 2023/24			
Current Reporting year emissions:			
EMISSIONS	TOTAL (tCO ₂ e)		
Scope 1	0.00		
Scope 2 (location-based)	12.88		
Scope 3	15,517.05		
(Included Sources)	<u>Core subset:</u> (451.37)		
	Transportation and Distribution - 316.24		
	Waste Generated in Operations - 2.08		
	Business Travel - 58.97		

	Employee Commuting - 74.09
	Additional scope 3 emissions sources: (15,065.67)
	Purchased Goods and Services - 15,026.12
	Capital Goods - 8.09
	Fuel- and Energy-Related Activities (not included in Scope 1 or Scope 2) - 3.95
	End-of-life Treatment of Sold Products - 6.38
	Investments - 21.12
Total Emissions	Scope 1, 2 and required subset of scope 3: 464.25
	Scope 1, 2 and all scope 3: 15,529.88

Emissions reduction targets

In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets.

We have set reduction targets based on the core subset of scope 3 emissions (Transportation and Distribution, Employee Commuting, Business Travel, and Waste Generated in Operations) as the further scope 3 emissions that we have measured and are working with suppliers to reduce are beyond our operational control.

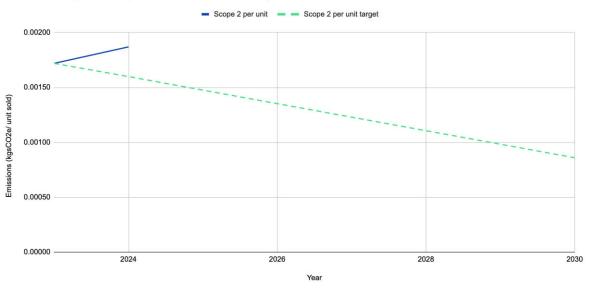
Near term

- We commit to maintain zero scope 1 emissions through 2030, to reduce scope 2 GHG emissions 50% by 2030 on a per unit sold basis from a 2023 base year.
- We commit to engaging with our suppliers such that 80% of our suppliers (by spend) implement science-based targets for their emissions reduction by 2030.

Long term

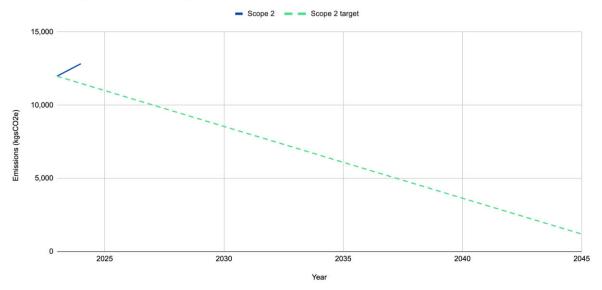
- We commit to maintain zero scope 1 emissions through 2045, to reduce absolute scope 2 GHG emissions 90% by 2045 from a 2023 base year.
- We commit to reduce scope 3 emissions (core subset) by 97% by 2045 on a per unit sold basis from a 2023 baseline.

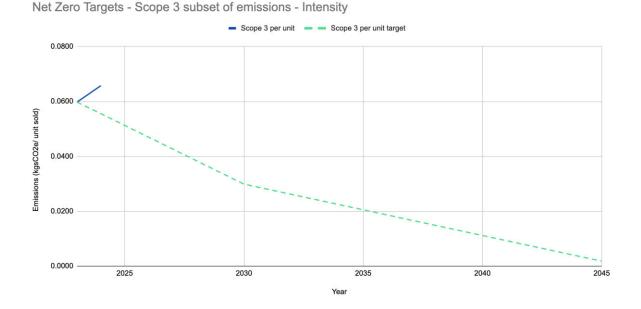
Progress against these targets can be seen in the graphs below.



Net Zero Targets - Scope 2 Short Term - Intensity







We have seen a small increase in the intensity of the emissions in the categories which our targets are based.

Carbon Reduction Projects

Total carbon footprint:

Despite a small uptick in Scope 2 emissions, the overall decrease in total Scope 3 has enabled a net -2.22% reduction in total emissions.

In the future we hope to implement further measures across the following areas:

Office Space Carbon Footprint

- Implement energy-efficient lighting and appliances.
- Request our landlord to switch to renewable energy sources for electricity.
- More efficient use of office space and maintaining the same office for increased headcount.

Transportation and Distribution

- Encourage partners to adopt low-carbon transportation methods.
- Collaborate with logistic companies to implement more efficient routing and reduce the frequency of shipments.
- Reduce the weight of packaging to reduce transportation emissions.

Waste Generated in Operations

- Reduce operational waste through better resource management.

Business Travel

- Limit non-essential business travel.
- Use virtual meetings as an alternative to in-person meetings.
- Implement policies favouring public transport or low-emission vehicles for necessary travel.

Employee Commuting

- Encourage carpooling, public transport, cycling, or walking.
- Offer incentives for employees using low-carbon commuting methods.

- Implement flexible work arrangements to reduce commuting.

Travelling Salespeople

- Optimise routes to reduce mileage.
- Shift to virtual sales calls where feasible.

Purchased Goods and Services

- Collaborate with suppliers to encourage more sustainable products.
- Engage with suppliers to require net zero commitments.
- Prioritise purchasing from suppliers with lower carbon footprints.
- Reduce packaging or switch to sustainable packaging materials.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier:

Steve Knightley Steve knightley 1042903ED31B409... 28 February 2025

Date:

¹<u>https://ghgprotocol.org/corporate-standard</u>

²https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting ³https://ghgprotocol.org/standards/scope-3-standard