

CARBON REDUCTION PLAN GUIDANCE

Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier¹ and must meet the reporting requirements set out in supporting guidance, and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The CRP should be specific to the bidding entity, or, provided certain criteria are met, may cover the bidding entity and its parent organisation. In order to ensure the CRP remains relevant, a Carbon Reduction Plan covering the bidding entity and its parent organisation is only permissible where the detailed requirements of the CRP are met in full, as set out in the Technical Standard² and Guidance³, and all of the following criteria are met:

- The bidding entity is wholly owned by the parent;
- The commitment to achieving net zero by 2050 for UK operations is set out in the CRP for the parent and is supported and adopted by the bidding entity, demonstrated by the inclusion in the CRP of a statement that this will apply to the bidding entity;
- The environmental measures set out are stated to be able to be applied by the bidding entity when performing the relevant contract; and
- The CRP is published on the bidding entity's website.

Bidding entities must take steps to ensure they have their own CRP as soon as reasonably practicable and should note that the ability to rely on a parent organisation's Carbon Reduction Plan may only be a temporary measure under this selection criterion. The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

A template for the Carbon Reduction Plan is set out below. Please complete and publish your Carbon Reduction Plan in accordance with the reporting standard published alongside this PPN.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991625/PPN_0621_Technic al standard for the Completion of Carbon Reduction Plans 2 .pdf

¹Bidding supplier or 'bidding entity' means the organisation with whom the contracting authority will enter into a contract if it is successful.

²Technical Standard can be found at:

³Guidance can be found at:

Carbon Reduction Plan Template

Supplier name: Direct Healthcare Group Limited

Publication date: 14/03/2025

Commitment to achieving Net Zero

Direct Healthcare Group Limited is committed to achieving net-zero by 2050.

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.

[Instructions to Suppliers:

Please provide details of your organisation's baseline emissions below. If your organisation has not previously assessed or reported emissions, please detail this below and use your first reporting period as your Baseline.]

Direct Healthcare Group (DHG) has not previously reported emissions. While this year's data collection process under PPN 06/21 faced some challenges, we are taking concrete steps to streamline and improve the process moving forward. One key initiative is the development of a reporting database, which will ensure more consistent and efficient data collection across all sites. This database will also enable us to capture the same data year after year, providing us with more accurate long-term insights.

| Baseline Year: 2023 Additional Details relating to the Baseline Emissions calculations. | | |
|--|--|--|
| | | |
| deviates from the req | garding your Baseline Emissions as required: e.g. historic baseline which puirements under this measure (e.g. no prior Scope 3 emissions reporting), revious reporting and the creation of a new baseline due to substantial e or restructuring] | |
| Baseline year emissions: | | |
| EMISSIONS | TOTAL (tCO₂e) | |

| Scope 1 | 2585 |
|--------------------|---|
| Scope 2 | 213 |
| Scope 3 | 9355 |
| (Included Sources) | All sites included: Upstream transportation and distribution, waste generated in operations, employee commuting, downstream transportation and distribution, and business travel. |
| Total Emissions | 12,153 |

Current Emissions Reporting

| Reporting Year: 2023 | | |
|----------------------|---|--|
| EMISSIONS | TOTAL (tCO₂e) | |
| Scope 1 | 2585 | |
| Scope 2 | 213 | |
| Scope 3 | 9355 | |
| (Included Sources) | All sites included: Upstream transportation and distribution, waste generated in operations, employee commuting, downstream transportation and distribution, and business travel. | |
| Total Emissions | 12,153 | |

Emissions reduction targets

[Instructions to Suppliers:

If existing emissions reduction targets are in place for your organisation, please provide details below.

If you have no previous emissions reduction commitment, or if this is your organisation's first carbon footprint, please provide targets for your organisation]

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

We project that carbon emissions will decrease over the next five years to 9,844 tCO₂e by 2028. This is a reduction of 19%.

Progress against these targets can be seen in the graph below:





Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2023 baseline. The carbon emission reduction achieved by these schemes equate to 0 tCO₂e, a 0%ge reduction against the 2023 baseline and the measures will be in effect when performing the contract

[Instructions to Suppliers:

Briefly provide details of some of your completed carbon reduction projects. This is for information only.

This may include environmental management measures such as certification schemes like ISO14001 or PAS 2060, signing up to SBTI or specific measures you have taken such as; the adoption of LED/PIR lighting controls, changes to policy resulting in a reduction in company travel and flights or the electrification of the company fleet.]

Since this is our baseline year, we have not yet implemented any specific projects that have resulted in a reduction of DHG's carbon emissions. However, we have developed a comprehensive plan with clear strategies aimed at reducing our emissions over the coming years.

[Instructions to Suppliers:

Briefly provide details of some of any likely/proposed future carbon reduction projects. This is for information only.]

A 19% reduction in carbon emissions will put Direct Healthcare Group on track to achieve net-zero by 2050. Below is a summary of our roadmap outlining how we plan to reach these targets.

We have already achieved ISO 14001 and EcoVadis certifications, and we are committed to maintaining and advancing these certifications year on year. As part of these certifications, we are expected to demonstrate continual environmental improvements, with a significant focus on reducing carbon emissions. Our strategy to achieve this includes:

Scope 1

- 42% electrification of fleet.
- Improve fuel efficiency through driver training and optimising routes.
- 13% reduction in facility-related emissions.
- Implement waste energy reduction strategy in collaboration with staff.
- Install on-site renewables.

Scope 2

- Transition to 42% more renewable electricity.
- **Energy efficiency upgrades**: Implement LED lighting and lighting controls, decentralise cooling systems, optimise the building management system, and improve air circulation fans.
- Upgrade to smart energy monitors.

Scope 3

- 10% reduction in upstream emissions by consolidating deliveries and identifying high Scope 1 emitters, developing strategies to help them reduce their carbon footprint.
- Revise company policy on business travel to encourage more sustainable methods of transport for long-distance journeys and promote more online communication across sites.
- 17% reduction in commuting emissions through sustainable transport incentives, such as a cycle-to-work scheme and an increase in EV charging stations.
- 13% reduction in operational waste through composting and recycling initiatives. Introduce composting for organic waste and improve recycling programs to reduce landfill use by utilising waste food to feed flora planted in reused pallets for Scope 4 carbon capture.
- **13% reduction in downstream emissions** by 2028, achieved by collaborating with couriers and using sustainable packaging.

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. Below is the website link to check the carbon reduction plan on our website.

https://www.directhealthcaregroup.com/app/uploads/DHG-UK-Carbon-Reduction-Plan.pdf

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard⁴ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁵.

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) Standard⁶.

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

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Date:14 March 2025.....

Signed on behalf of the Supplier:

⁴https://ghgprotocol.org/corporate-standard

⁵https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting

⁶https://ghgprotocol.org/standards/scope-3-standard