

# CARBON REDUCTION PLAN



## COMMITMENT TO ACHIEVING NET ZERO

PHOENIX UK are committed to achieving NET Zero by 2050.

In addition, we are committed to achieve CO<sub>2</sub>-neutral by 2030 in our own operations. (Scope 1 and 2)



## 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: 1st February 2022 - 31st January 2023

Additional Details relating to the Baseline Emissions calculations

Due to the limited scope of reporting in previous years the year 2022/2023 will form the baseline year through which we will monitor progress towards PHOENIX UK Carbon Neutral and Net Zero commitments.

The company businesses financial years run from 1st February until 31st January. The information in this report relates to the last full financial year 24/25. As new and improved data becomes available, this report will be updated.

The Scope 1 and 2 data is from supplier sourced data which has a good confidence interval and therefore high certainty ranking. Scope 3 data has been generated using the best available data sources. Whilst data is currently limited, we aim to improve and increase reporting in the coming years.

### Baseline year emissions:

EMISSIONS	TOTAL (tCO <sub>2</sub> e)
Scope 1	13,759
Scope 2	4,536 Location Based* 4,473 Market Based*  Location Based - Calculates emissions based on the average intensity of the local electricity grid where consumption occurs.  Market Based - Calculates emissions based on electricity purchase contracts  <small>*Amendment to Scope 2 figures quoted in the previous Carbon Reduction Plan (Previous figures quoted were from 2021/22)</small>
Scope 3 (Included Sources)	11,260* <ul style="list-style-type: none"><li>• upstream transportation and distribution.</li><li>• waste generated in operations.</li><li>• business travel.</li><li>• employee commuting; and</li><li>• downstream transportation and distribution</li></ul> <small>* This figure for the financial year 2023/2024 does not include full reporting for all Scope 3 categories listed. In future we intend to improve reporting on Scope 3 emissions.</small>
Total Emissions	29,555 Location Based* 29,492 Market Based*  <small>*Amendment to Scope 2 figures quoted in the previous Carbon Reduction Plan (Previous figures quoted were from 2021/22)</small>

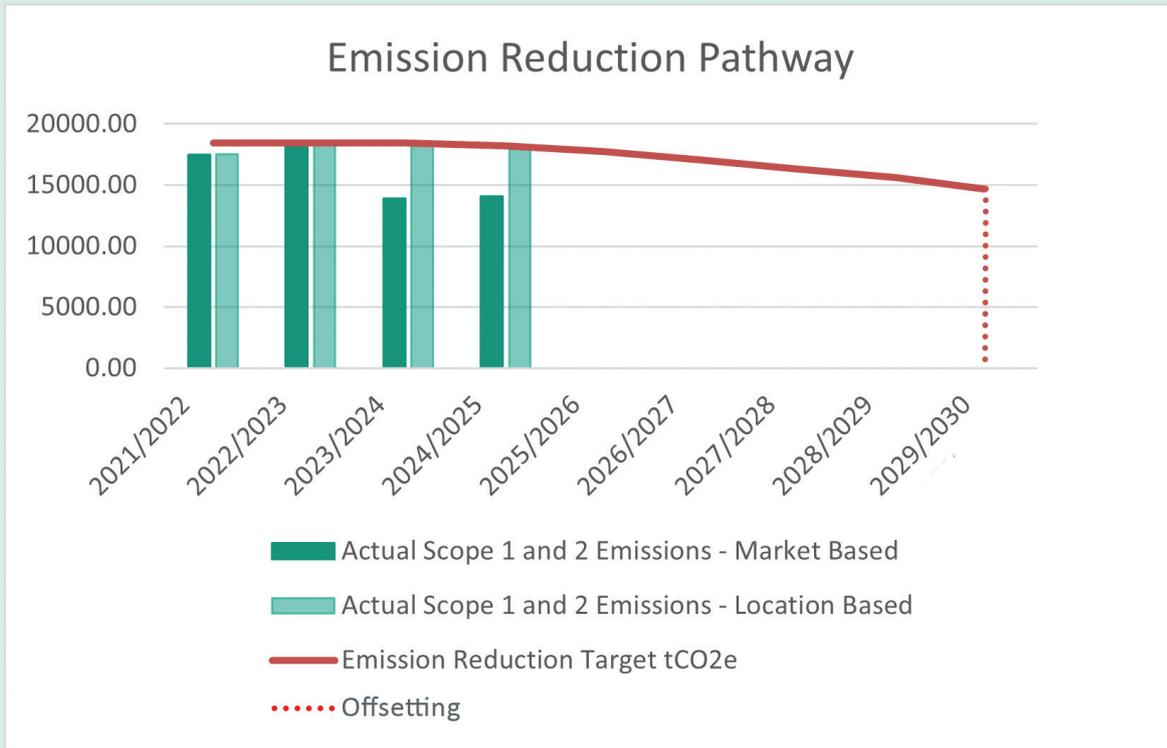
## LATEST EMISSIONS REPORTING

Reporting Year: 1st February 2024 - 31st January 2025

EMISSIONS	TOTAL (tCO <sub>2</sub> e)
Scope 1	14,090
Scope 2	3,884 Location Based 0 Market Based* <small>* Due to purchase of green energy tariff</small>
Scope 3 (Included Sources)	35,000* <ul style="list-style-type: none"> <li>• upstream transportation and distribution.</li> <li>• waste generated in operations.</li> <li>• business travel.</li> <li>• employee commuting; and</li> <li>• downstream transportation and distribution</li> </ul> <small>* Through enhanced reporting and improved reporting quality, we have identified an increase in Scope 3 emissions from the baseline year. With continued enhancements in reporting and reporting quality, we anticipate that emissions figures will continue to rise as we gain a clearer and more comprehensive understanding of our emissions profile. This figure for the financial year 2024/2025 does not include full reporting all Scope 3 categories listed.</small>
Total Emissions	52,974 Location Based 49,090 Market Based

## EMISSIONS REDUCTION TARGETS

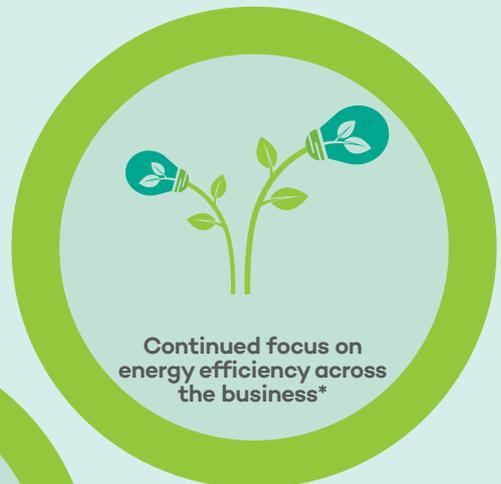
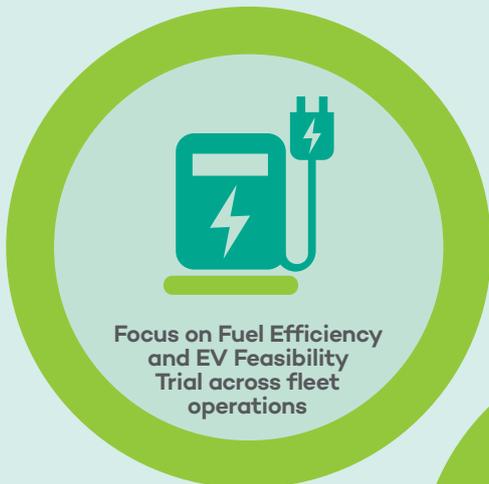
Continuing our progress towards becoming Carbon Neutral in our own operations by 2030, we have adopted the following carbon reduction pathway.



Throughout the financial Year 2024/2025 we experienced growth in our operations, leading to increased production, transportation, and energy consumption. In addition, we are undertaking data optimisation with each update to the Carbon Reduction Plan.

In addition to reducing emissions, we will offset our remaining carbon emissions by purchasing credits that support high-quality emission reduction projects starting in 2030. PHOENIX UK will explore and consider carbon offsetting options that best contribute to emission reduction goals.

## PRIMARY FOCUS AREAS FOR REDUCTION OF SCOPE 1 AND 2 EMISSIONS



\*This will not reduce Scope 2 emissions due to the purchase of a green energy tariff (Wind, Hydro, Solar). We will continue to maximise electrical efficiency and invest in suitable sites, to reduce cost, and reliance on the National Grid.

# BUSINESS MEASURES WITH ENVIRONMENTAL IMPACT

Commenced installation of telematics into delivery vehicles.



Installation of first solar PV System on the Birmingham Distribution Centre.

Opening of the NuPAC Centralised Dispensing Centre providing a pouch-based monitored dosage system. Optimising efficiency, reducing the workload on pharmacy colleagues, and freeing up time for community pharmacy teams to provide vital pharmacy services.

Adherence to an ISO140001 Certified Environmental Management System.

2016

2017/18

Increased focus on route optimisation across wholesale and retail network reducing mileage and number of vehicles on the road. This will be a process of continual improvement.



Continuous improvement demonstrated through ISO Certification.

2019/20

Opening of the MediPAC Centralised Dispensing Site providing original pack dispensing, optimising efficiency, reducing the workload on pharmacy colleagues and freeing up time for community pharmacy teams to provide vital pharmacy services.



Introduction of the Bio PE Bag at the MediPAC Centralised Dispensing Centre.

2021/22

Commenced first electric delivery vehicle trial.



Recruitment of first UK Sustainability Manager.

Switch to retail bags and pallet wrap with a higher level of recycled content.



Purchase and Rebrand of Distance Selling Pharmacy, offering remote pharmacy services.

2023

Closure of end of life/inefficient distribution depot.

Construction of the Wakefield Distribution Centre, incorporating an initial solar installation, energy efficient lighting and building envelope.

Opening of three additional outbase sites, offering greater efficiency of final mile delivery.

Utilisation of MediPAC Centralised Dispensing Centre to fulfil patient prescriptions received by the Distance Selling Pharmacy.

Increased monitoring of delivery mileage and driver style to ensure safe and efficient driving style is maintained.



The implementation of driver efficiency and safety training modules for transport teams, to reduce emissions and vehicle consumables (Tyres and Brakes).

Completion of LED installation with PIR controls across the wholesale estate.

Expansion of the company car list to include more Plug-In/Hybrid options - Plug-in Hybrids available for all car grades.

Investigation into the use of HVO across the Wholesale delivery fleet. Increased cost as a fuel switch option is currently prohibitive.

Installation of EV Car Chargers at the Wakefield Distribution Centre.



Installation of further solar PV System on the Wakefield Distribution Centre - 1.8Gwh estimated annual production.

Opening of a further two additional outbase sites, offering greater efficiency of final mile delivery.



Undertook clustering of Owned Pharmacies and outsourced patient deliveries from these sites - 27 delivery vans removed from fleet.

2024

Closure of end of life/inefficient distribution depot.

2025

1 month trial of a Ford eTransit within wholesale distribution.



Installation of Solar PV Systems on the Runcorn and East Kilbride Distribution Centres



Improved recycling process across the estate, to reduce waste-based emissions and resource use



Scoping of further wholesale sites for additional investment, increasing own generation of electricity and reducing reliance on the national grid

Commenced installation of LED lighting systems into our owned pharmacy sites to reduce electricity consumption.



Commencing strategic review of the longer-term sustainability strategy for PHOENIX UK.



Completion of NHS Evergreen Assessment - Maturity Level 1.

Change of energy provider and purchase of a new, green energy tariff

2026 & onwards

One year trial, of two Mercedes e-Sprinter Vehicles within the wholesale network



Planned installation of two additional Solar PV sites



Upgrade of electricity meters by new Energy Provider - Improving data quality and availability



Continuing program of route analysis to establish opportunities for increased efficiency and emission reduction resulting from internal combustion engine vehicles

Ongoing installation of LED lighting systems into our owned Retail pharmacy sites to reduce electricity consumption.



Pilot energy reduction project at the Runcorn Distribution Centre.



Pilot waste reduction project at the Wakefield Distribution Centre



## 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 standard and uses the appropriate Government emission conversion factors for greenhouse gas company reporting .

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) Standard .

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

**Signed on behalf of PHOENIX UK:**

**Stuart Lucas**

*Chief Commercial Officer*

**Date:** 1<sup>st</sup> March 2026



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

<sup>2</sup> <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

<sup>3</sup> <https://ghgprotocol.org/standards/scope-3-standard>