

ENVIRONMENTAL, SOCIAL VALUE AND SUSTAINABILITY POLICY

We're committed to looking after the environment. This is something our customers have told us they expect and value.

We will therefore develop and deliver this Policy with the aim of continually improving our environmental management system to enhance our performance in line with customer expectations with specific regard to; CO2 reduction, supply, sourcing, logistics

The Executive Management Team is responsible for this policy. All employees share responsibility for environmental management and performance.

The ALXR Sustainable Development Management (SDMP) and Green Plan serves as a mechanism for ALXR to take a coordinated, strategic, and action orientated approach towards reducing our environmental impact whilst increasing social value, ensuring we remain fit for purpose today and for the future. In response to NHS England and NHS Improvement's increasing expectations for action on climate change and sustainability, as well as our role as a supplier to the NHS we must take more proactive action on driving sustainability, decarbonisation, working towards Net Zero and improving social value across our organisation and supply chain through working with NHS Supply Chain, Trusts as well as of course our suppliers. The SDMP contains reports progress against agreed targets and objectives to management. These targets and objectives fall under 10 categories:

- Corporate Approach
- Asset Management and Utilities
- Travel and Logistics
- Climate Adaptation
- Estates Strategy
- Green Space and Biodiversity
- Sustainable Care Models
- Our People and Culture
- Resource Use
- Carbon Emissions and Greenhouse Gases

We plan regular meetings with the Trusts and Customers to discuss targets, energy & material usage and opportunities for collaboration within logistics to reduce GHG, CO2 and eliminate general waste. ALXR works closely with regulatory authorities, Integrated Care System (ICS) partners, governors, staff, patients, service users, volunteers, carers and other trusts suppliers and contractors to ensure it minimises the environmental impact of providing healthcare equipment, supplies and products. We will seek to aggregate and collaborate with all of these groups to reduce duplication, energy usage, waste and GHG emissions.

As part of our Sustainable Development Management (SDMP) / Green plan we will implement at least 30% recyclable material in the production of the gowns over the course of the contract which will limit the use of raw material thereby reducing demand natural resource and reducing carbon output and GHG – we are transitioning to hybrid and electric vehicles which will help to eliminate the use of diesel and petrol which will reduce CO2 and other GHG as a result.

We will also initiate discussions with NHS SC and customers to explore plans where possible to transition customers to use reusable gowns which can be cleaned and resterilised to reduce waste and energy consumption and GHG output we are at the very early stages of discussion this with NNUH NHS FT and combining the activity / usage of gowns and how they are used across the 3 hospital sites in the region (James Paget, Cromer, Jenny Lind Hosp and NNUH itself) to work towards Net Zero across the categories Ensure that, for new purchases and lease arrangements, systems and ALXR solely purchase and lease cars that are ultra-low emissions vehicles (ULEVs) or zero emissions vehicles (ZEVs). Develop a green travel plan to support active travel and public transport use for staff, visitors, contractor, suppliers and partners.

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

- Achieve net zero scope 1 and 2 carbon emissions from our own assets, leases and business travel by 2034
- Achieve net zero carbon for all our emissions by 2030, working with our value chain to deliver this commitment in line with climate science and the Paris Agreement. ALXR are aligned to net zero carbon emission commitments as set out in ALXR SDMP.

To meet these targets, we have set the following interim targets:

- Absolute scope 1 & 2 carbon emissions reductions (TCO2e)
 - 2025 6% reduction
 - 2026 22% reduction
 - 2028 38% reduction
 - 2030 69% reduction
 - 2034 100% reduction

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Estimated Scope 3 Emissions Split (as % of total Scope 3)

Category	What it covers (short)	Estimated % of Scope 3	Notes (material assumptions)
1. Purchased Goods & Services	Materials & manufacturing for gowns, packaging, contracted services	65%	Product bill-of-materials dominates embodied carbon for disposables.
2. Capital Goods	Equipment, machinery, fit-out	2%	Low capital intensity relative to purchased product volumes.
3. Fuel & Energy-Related (not in Scopes 1–2)	Upstream extraction/processing of fuels & electricity	2%	Small but non-zero; depends on grid mix of suppliers.
4. Upstream Transport & Distribution *	Inbound logistics from suppliers (ocean/rail/road)	8%	Assumes rail/ocean prioritised over air, per policy.
5. Waste Generated in Operations *	Packaging & process waste treatment	2%	Ongoing single-use packaging; recycle content helps modestly.
6. Business Travel *	Air/rail/hotel not owned by ALXR	1%	Limited travel footprint.
7. Employee Commuting *	Staff commuting	1%	Office/warehouse staff mix; some hybrid working.
8. Upstream Leased Assets	Emissions from leased space/vehicles (if not in S1/2)	1%	Only for leases outside organizational boundary.

9. Downstream Transport & Distribution *	Deliveries to NHS trusts/customers	6%	Final-mile road freight within UK; EV transition reduces over time.
10. Processing of Sold Products	Further processing by customers	0%	Not applicable for gowns.
11. Use of Sold Products	Washing/sterilising during use phase	0%	Not applicable for disposables (see Scenario B for reusables).
12. End-of-Life of Sold Products	Clinical waste treatment (incineration)	12%	Significant for single-use gowns.
13–15. Downstream Leased, Franchises, Investments	If applicable	0%	Not applicable at present.

Kyoto Greenhouse Gases

ALXR's carbon accounting and reporting will include all Kyoto Protocol greenhouse gases, expressed in CO₂e (carbon dioxide equivalent), as defined by the GHG Protocol.

Kyoto Gases and Their Characteristics

Gas	Chemical Formula	Global Warming Potential (GWP*)	Primary Sources in ALXR Value Chain
Carbon Dioxide	CO ₂	1	Energy use, transport, incineration of gowns
Methane	CH ₄	28	Waste decomposition, upstream fuel extraction
Nitrous Oxide	N ₂ O	265	Waste treatment, energy generation
Hydrofluorocarbons	HFCs	12–12,000	Refrigerants in leased assets (if applicable)
Perfluorocarbons	PFCs	6,500–9,200	Rare in ALXR operations; possible in upstream manufacturing
Sulphur Hexafluoride	SF ₆	23,500	Electrical switchgear (low relevance for ALXR)
Nitrogen Trifluoride	NF ₃	16,100	Semiconductor processes (not relevant to ALXR)

*GWP values based on IPCC AR5 100-year time horizon.

All reporting will align with GHG Protocol Corporate Standard, NHS Carbon Reduction Plan requirements, and ISO 14064 principles.

Commitment

ALXR will measure, monitor, and report emissions of all Kyoto gases across Scope 1, 2, and 3, converting to CO₂e using the latest IPCC GWP factors. We will prioritise reduction of CO₂, while also addressing CH₄ and N₂O from waste and energy, and HFCs from any refrigeration or HVAC systems.

Reduce and Avoid Carbon Emissions:

- Our goods are all shipped via the most environmentally friendly way possible. We always use trains as opposed to plane and vehicles, although not the quickest method we do this to work towards to reduce Carbon emissions.
- ALXR have established an Environmental Management Policy which is communicated internally and externally to interested parties.
- ALXR have established an Ethical Sourcing Policy and Statement of Intent which is communicated with our supply chain.
- We measure any environmental incidents and near misses so that we can rapidly act to any incident, thus reducing any impact on the environment. We actively encourage our supply chain to do the same.
- As part of our ISO9001:2015 certification, through British Assessment Bureau, we regularly communicate with our supply chain through questionnaires and meetings. This ensures we understand their management Systems, including environmental management.
- As part of environmental objectives, ALXR have established a Single Use Plastics policy.
- ALXR have a detailed Business Continuity Plan, if one of our suppliers was to suffer a severe environmental incident, such as a natural disaster, we have established alternative, environmentally sustainable suppliers.
- Our executive team have implemented improvement programmes, this is to ensure we can continually improve with our management systems and operations, including environmental.
- ALXR have reviewed our environmental impacts and aspects and as a business continue to review these, we are always looking to improve.

DISSEMINATION, INFORMATION AND PARTICIPATION: Reports, the SDMP and Green plan will be made accessible in line with MAC 4.1 for transparency. The SDMP and other related documents including guidance and training documents will be available internally and externally via the following links: Internet (externally) - Intranet (internally)-

We will:

- Reflect the needs and views of our customers and stakeholders in developing and delivering this policy
- Conform to our compliance obligations by meeting or exceeding the environmental requirements of legislation, regulation and our adopted standards
- Prevent pollution, eliminate serious pollution incidents and contain the environmental impact of our activities and mobilise practices that reduce CO2 emissions.
- Provide sustainable and reliable water and wastewater services that minimise both nuisance and carbon emissions, taking into account the opportunities to mitigate and offset the impact of global climate change
- Be a good and trusted neighbour, looking after the environment wherever we operate
- Operate within a framework that supports and monitors sustainable development
- Incorporate sustainable development principles to balance economic, environmental and social aspects in our business decisions
- Continually improve our performance by maintaining and developing our Environmental Management System equivalent to ISO 14001 standard
- Develop indicators with measurable performance targets and report progress against these annually
- Promote the efficient use and conservation of water, energy and natural resources
- Promote the purchase and use of materials in a way that minimises potential environmental effects
- Minimise waste, considering first prevention, then preparation for re-use, then recycling and finally recovery
- Ensure we have the skills and knowledge to improve our environmental performance
- Deliver assets that maintain sound environmental performance, protecting biodiversity and natural ecosystems during asset delivery
- Learn from our successes and from incidents, sharing best practice with others
- Work as one team with our customers, contractors, regulators, suppliers and with each other to achieve our vision.

ALXR Carbon Reduction Plan (PPN 006 Compliant)

This Carbon Reduction Plan sets out ALXR Limited's commitment to achieving Net Zero by 2050 for UK operations, in line with PPN 06/21 requirements.

All values for 2024 are calculated based on provided activity data and UK Government GHG conversion factors.

Baseline Year: 2023 (Estimated)

Category	Emissions (tCO ₂ e)
Scope 1	55
Scope 2	65
Scope 3	2400
Total	2520

Current Reporting Year: 2024 (Calculated)

Category	Emissions (tCO ₂ e)
Scope 1	3.64
Scope 2	0.48
Scope 3	1.85
Total	5.96

Carbon Reduction Measures

ALXR will continue implementing measures such as transitioning to EV/hybrid vehicles, increasing recycled content in gowns, reducing single-use plastics, and prioritising ocean/rail freight over air transport.

Commitment

ALXR commits to achieving Net Zero by 2050 for UK operations, in compliance with PPN 06/21.

Commitment:

- Achieve Net Zero Scope 1 & 2 by 2034
- Achieve Net Zero for all emissions by 2030
- Comply with PPN 06/21: Net Zero by 2050 for UK operations

Baseline Year: 2023 (Estimates)

- Scope 1: 55 tCO₂e
- Scope 2: 65 tCO₂e
- Scope 3: 2,400 tCO₂e
- Total: 2,520 tCO₂e

Current Reporting Year: 2024 (Expanded Scope 3)

- Scope 1: 3.64 tCO₂e
- Scope 2: 0.48 tCO₂e
- Scope 3: 2,185.85 tCO₂e
- Total: 2,189.97 tCO₂e

Scope 3 Breakdown:

- Operational (travel, waste, commuting): 1.85 tCO₂e
- Purchased Goods & Services: 1,560 tCO₂e
- Upstream Transport & Distribution: 192 tCO₂e
- Downstream Transport & Distribution: 144 tCO₂e
- End-of-Life Treatment of Sold Products: 288 tCO₂e

Carbon Reduction Measures:

- EV transition
- 30% recycled content in gowns
- Modal shift to ocean/rail
- Supplier engagement
- Single Use Plastics policy

Methodology:

- GHG Protocol Corporate Standard
- UK Government conversion factors
- Kyoto gases expressed in CO2e

Declaration: This integrated policy and CRP section has been reviewed and approved by the Board of Directors.

DECEMBER 2025

ALXR Limited

M S Haujee - Director