Carbon Reduction Plan

Procurement Policy Note PPN 006

Status	**Approved**
Reporting basis	DD Products and Services Ltd
Net Zero commitment	2040
Reporting period	1 July 2024 to 30 June 2025

Purpose

This Carbon Reduction Plan sets out DD Products and Services Ltd.'s current carbon emissions position and has been prepared in accordance with the requirements of Procurement Policy Note (PPN) 006.

The Plan combines established organisational emissions data with supplier-specific transport data and estimated employee commuting emissions. It also sets out the measures DD is taking to reduce emissions and progress towards its Net Zero target of 2040.

Data maturity

DD continues to improve the completeness and accuracy of its carbon emissions data. Scope 1, Scope 2, waste and business travel are supported by established measurement data. UPS, DPD, Royal Mail and FedEx emissions are included within Scope 3 Category 4, and employee commuting is included using the best available survey-based estimate.

Some Scope 3 data remain incomplete. In particular, complete information is required for material inbound supplier transport. These areas form part of our carbon data improvement programme and will be reviewed and updated within 12 months of publication, or earlier where material new information becomes available.

How to read this Plan

PPN 006 is the UK Government procurement standard that sets out the requirements for Carbon Reduction Plans used in relevant public-sector tenders.

tCO_2e means tonnes of carbon dioxide equivalent. It is the standard unit used to report greenhouse gas emissions, combining carbon dioxide and other greenhouse gases into a single comparable measure.

Scope 1 – Direct emissions from sources owned or controlled by DD, such as fuel used in company vehicles and gas used in buildings.

Scope 2 – Indirect emissions from the electricity purchased and used by DD.

Scope 3 – Other indirect emissions associated with DD's activities and value chain. For PPN 006, the Plan reports the following categories:

- **Category 4:** Upstream transportation and distribution
- **Category 5:** Waste generated in operations
- **Category 6:** Business travel
- **Category 7:** Employee commuting
- **Category 9:** Downstream transportation and distribution

1. Commitment to achieving Net Zero

DD Products and Services Ltd is committed to achieving Net Zero greenhouse gas emissions across its UK operations by 2040.

The pathway covers Scope 1, Scope 2 and material Scope 3 emissions. DD will prioritise actual emissions reduction and neutralise only genuinely residual emissions that cannot reasonably be eliminated.

2. Reporting boundary and methodology

The reporting boundary is the UK entity, DD Products and Services Ltd, using an operational-control approach. It covers the UK sites at Witham, Blackpool and Stirling, together with relevant UK fleet, travel and value-chain activity.

Item	Approach
Standard	GHG Protocol Corporate Standard and PPN 006 Technical Standard
Scope 2	Location-based figures in the main tables; market-based figures shown for transparency
Evidence	Planet Mark YE2025 plus supplier-specific customer carbon reports
Transport	Supplier-reported emissions retained as best available evidence; boundaries will be standardised as data quality improves
Reporting unit	Tonnes of carbon dioxide equivalent (tCO2e)

3. Historic Emissions Reference – 2023 - 2024

Historic reference year: The 2023/24 figures are provided for context only and do not represent DD's formal consolidated CRP baseline. This year predates full PPN 006 Scope 3 coverage and included the BFM site, which was no longer owned from the start of the current reporting year.

Emissions source	tCO2e	Note
Scope 1	975.9	Verified
Scope 2 - location-based	327.6	Market-based: 86.6
Scope 3 measured sources	129.3	Waste 10.2; business travel 119.1
Minimum historic subtotal	1,432.8	Categories 4, 7 and 9 were not measured

4. Baseline and current emissions reporting – 2024/25

Reporting year: 1 July 2024 to 30 June 2025. Scope 1, Scope 2, waste and business travel are taken from Planet Mark. As this is DD's first consolidated Carbon Reduction Plan, 2024/25 serves as both the initial baseline and current reporting year. Future annual updates will report progress against

this baseline. Category 4 uses carrier-specific evidence, Category 7 uses DD's employee survey, and Category 9 is nil / not applicable under DD's current transport model.

Emissions source	tCO2e	Status / basis
Scope 1	678.2	Established
Scope 2 - location-based	212.5	Market-based: 35.8
Cat. 4 - Upstream transport & distribution	1,517.90+	Evidenced Total; outstanding items are disclosed below
Cat. 5 - Waste generated in operations	12.0	Established
Cat. 6 - Business travel	105.8	Established
Cat. 7 - Employee commuting	197.2	The estimate uses reported commuting frequency, transport mode, vehicle fuel type and vehicle size, together with the applicable commuting-distance assumptions and UK Government conversion factors. Survey findings were extrapolated to the eligible site-based workforce
Cat. 9 - Downstream transport & distribution	0.0	Nil/not applicable: DD purchases the relevant customer transport services
Required Scope 3 subset	1,832.90	Provisional Estimate
Total current CRP emissions	**2,723.60**	**Provisional estimate based on currently available data** The total may increase or decrease as outstanding transport data is added and calculations are refined.

Important: The plus sign identifies a lower-bound figure, not a zero assumption. DPD, Polar Speed and material inbound supplier transport are not yet quantified and remain within the 12-month data improvement programme.

Category 9 position: DD arranges and pays for relevant deliveries to customers. Where delivery costs are cross-charged, DD still purchases and controls the transport service; these emissions are reported in Category 4 rather than Category 9.

4.1 Scope 3, Category 4 - transport calculation

Source	Period	tCO2e	Basis / limitation
UPS	1 Jul 2024-30 Jun 2025	52.12	Supplier customer report
DPD	1 Sep 2024-30 Jun 2025	22.78	Jul-Aug 2024 not available
Royal Mail	CRP period estimate	25.92	Prorated estimate using DD-specific annual parcel and letter volumes and Royal Mail carbon factors, assuming activity was distributed evenly within each Royal Mail financial year
FedEx	1 Jul 2024-30 Jun 2025	1,417.08	Customer-specific WTW report
Polar Speed	1 Jul 2024-30 Jun 2025	Not quantified	Provider data not obtained
Inbound supplier transport	1 Jul 2024-30 Jun 2025	Not quantified	Reliable ship-from/activity data unavailable
Provisional evidenced total		1,517.90+	Lower bound pending remaining data

Carrier reports use different allocation boundaries, including well-to-wheel and allocated facility emissions. DD has retained supplier-reported totals as the best available evidence for this initial baseline and will standardise boundaries and check for overlap during the 12-month review.

4.2 Employee commuting

Employee commuting is estimated at 197.2 tCO2e. The calculation uses DD's 2025/26 commuting survey, which received 192 responses, including 175 site commuters, and exceeded the minimum response threshold after excluding approximately 125 field-based employees who do not routinely commute to a DD site.

The survey is the best available proxy for 2024/25. The 12-month review will check for company-vehicle mileage already captured in Scope 1, confirm the eligible workforce and refresh the calculation with period-aligned information where available.

4.3 Twelve-month data improvement programme

This Plan presents the most reliable information currently available. DD will complete a formal review no later than 12 months after publication and may update the Plan earlier if material information becomes available.

Priority	Action within 12 months
DPD and Polar Speed	Recover internal DPD Jul-Aug volumes; continue Polar Speed engagement or estimate from consignments, weight, distance, vehicle/fuel type and refrigeration activity.
Inbound supplier transport	Prioritise the top 10-20 suppliers by spend/volume; verify EXW/DDP, actual ship-from points, weight, delivery count and mode. Reconcile EXW movements against DD carrier data to avoid double counting.
Commuting and methodology	Check company-vehicle overlaps, refresh the commuting survey, standardise carrier boundaries and retain an auditable calculation trail.
Baseline review	Assess whether improved data materially changes the baseline and transparently restate it if required.

5. Emissions reduction targets

DD Products and Services Ltd is committed to achieving Net Zero emissions by 2040. To support this commitment, DD is targeting a 20% reduction in carbon emissions over the next five years, compared with its initial 2024/25 consolidated baseline.

Based on the current provisional baseline of approximately 2,723.6 tCO_2e, this would represent a reduction to approximately 2,179 tCO_2e by 30 June 2031.

Progress will be supported through energy efficiency and renewable energy projects, fleet transition, improved logistics and carrier performance, employee engagement and closer collaboration with suppliers.

As DD continues to improve the completeness of its Scope 3 data, the absolute baseline and corresponding tCO_2e target may be restated where materially better information becomes available.

The 20% reduction commitment will remain the basis against which five-year progress is measured.

6. Carbon reduction projects and environmental management measures

DD has established governance and operational measures to support the 2040 commitment. The initiatives below will be maintained or developed and, where relevant, applied during delivery of contracts.

Measure	Contribution	Status
Annual carbon measurement	Planet Mark measurement for six years; evidence checks and annual reporting	In place
Energy management	Electricity use and market-based Scope 2 reduced in YE2025; continue controls and data monitoring	In place
Witham voltage optimisation	Indicative benefit 15 tCO2e/year	Approved; installation to be rescheduled
Witham solar PV	Indicative benefit 36 tCO2e/year	Final approvals
Stirling and Eastways LED	Lighting efficiency; benefit being quantified	Installed
Fleet and EV transition	Mileage, route efficiency, vehicle choice, EV charging and replacement roadmap	Ongoing
Scope 3 data programme	Carrier, commuting and material-supplier data improvement	12-month programme

Governance: DD's ESG Steering Group provides Executive sponsorship, pillar ownership, evidence management and action tracking. Progress is reviewed through the Group ESG reporting process.
Evidence base: Planet Mark Measurement Report YE2025; UPS, DPD, Royal Mail and FedEx customer carbon reports; DD employee commuting survey; NHS Supply Chain framework requirements; DD energy and ESG programme records.

7. Declaration and sign-off

This Carbon Reduction Plan has been completed in accordance with PPN 006 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, using the appropriate UK Government emission conversion factors for greenhouse gas company reporting.

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

The current data limitations affecting Scope 3 Category 4, together with DD's time-bound actions to address them, are set out in Sections 4.1 and 4.3

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

Board approval date	9th November 2026
Signed on behalf of DD Products and Services Ltd	Signed by: Howard L. Taylor D537DC50CCDF495...
Name	Howard Taylor
Job title	Group Chief Executive Officer
Date	9th November 2026