



# CLIMATE CHANGE

## COMMITMENT:

We are committed to reducing our impact on the climate throughout our value chain, focusing on both mitigation and adaptation.

### Links to SDGs



- **SDG 13:** Take urgent action to combat climate change and its impacts
- **SDG 7:** Ensure access to affordable, reliable, sustainable and modern energy for all

### Behaviours



Build our Future

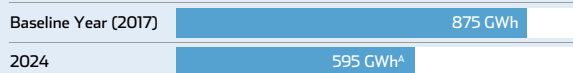
### TARGET

25% Reduction in energy consumption by 2030

### METRIC

**Absolute energy consumption** in our operations (GWh)<sup>1</sup>

Status: Achieved, new target to be implemented



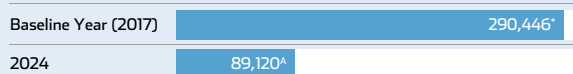
### TARGET

50% Reduction in Scope 1 and Scope 2 GHG emissions by 2025

### METRIC

**Absolute Scope 1 and Scope 2 market-based CO<sub>2</sub>e emissions** (Tonnes)<sup>1</sup>

Status: Achieved



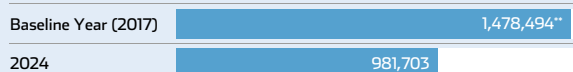
### TARGET

50% Reduction in absolute Scope 3 emissions by 2030

### METRIC

**Total Scope 3 CO<sub>2</sub>e emissions** (Tonnes)

Status: On track



### FY24 Performance

We achieved our energy reduction target ahead of time with a 32% decrease in energy consumption compared to the 2017 baseline year. We will set a new target subject to approval by the ESG Committee.

We achieved a 69% reduction in our total Scope 1 and Scope 2 market-based CO<sub>2</sub>e emissions compared to the baseline year. \*The baseline has been restated due to the correction in Scope 2 emissions relating to the source of heat and steam in our factory in Türkiye.

In FY24, we updated our Scope 3 calculation methodology and as a result we have restated our 2017 baseline year\*\* based on this new methodology. We have seen a 34% decrease in total Scope 3 emissions compared to the 2017 baseline year.

Climate change is a key priority for our stakeholders and it is also a critical business concern that has the potential to directly impact financial performance and risk management.

Extreme weather events and supply chain disruptions can pose direct threats to our people, operations, assets and revenue streams. We assess and quantify these challenges and mitigate significant risks.

Relevant risks and opportunities are disclosed in our Task Force on Climate-related Financial Disclosures (TCFD) report; see page 78 for details.

We are committed to addressing our climate change impact, aiming to be fully Net Zero by 2040. This long-term goal involves eliminating our net greenhouse gas (GHG) emissions, not only within our business operations but also throughout our entire supply chain.

We have also set two key intermediate goals for 2030.

1. To be Net Zero for our Scope 1 and 2 emissions.
2. To have reduced all our carbon emissions related to our business – that is Scope 1, 2 and 3 GHG emissions together – by 50% compared to the 2017 baseline year.

Our journey to Net Zero presents an opportunity for us to play our part in curbing global warming and also to introduce improved manufacturing and sales techniques, and to strengthen supply chain relationships.

During 2024, the Science Based Targets initiative (SBTi) validated our 2040 Net Zero target, along with our short and medium-term objectives, reaffirming our alignment with the Paris Agreement.

Our target to be fully Net Zero by 2040 is one part of our Triple Zero campaign.

### Delivering on our direct targets

During 2024, we made further progress reducing our direct emissions and can report a 69% reduction in our direct Scope 1 and 2 market-based emissions compared to the 2017 baseline year.

Most of these emissions reductions come from changes to manufacturing activities, where we take a data-led approach to improve operational efficiency. In the past year, we invested in a new global energy management system to continually collect usage data. This system has allowed us to map and compare our manufacturing energy usage across our footprint which is already providing specific, actionable insights. We are now building a framework of leading environmental indicators and accompanying guidance, and over the next year, this will be introduced to all factory sites.

### Carbon reduction through fleet management

Emissions from our global fleet of around 4,600 vehicles account for around 29% of Scope 1 emissions. We are seeking solutions that drive energy efficiencies and support the

**i** For more targets and metrics related to climate change, please see our [ESG Performance Summary 2024](#).

A. Select 2024 data has been independently assured by Ernst & Young LLP (EY) under the limited assurance requirements of the ISAE 3000 standard. EY's Assurance Opinion is available on our website. Our reporting scope and definitions are detailed in the Reporting Criteria document published on our website.

1. Our 2024 environmental data covers the reporting period Q4 2023 to Q3 2024. This is to allow for data collection, validation and external assurance. We use the industry leading Greenhouse Gases (GHG) Protocol standard to inform our reporting of Scope 1 and 2 emissions.

energy transition. As we transition to lower carbon alternatives, we will take actions such as the introduction and expansion of electric vehicles where it makes practical sense, as well as the use of hybrid vehicles as part of our approach.

### Progress on our indirect targets

Achieving our Net Zero goal by 2040 requires us to manage carbon reduction across our Scope 3 emissions, which account for more than 90% of our total carbon footprint.

Our strategy is to prioritise our large suppliers, those with high spend and emissions. We are working with these suppliers to gain a more precise understanding of their most material emission sources. We also encourage them to establish reduction targets, improve disclosure, and seek external validation of their plans through the SBTi. Suppliers are being engaged both through the CDP Supply Chain Programme and our own internal Supplier Relationship Management (SRM) initiative known as SRM Connect. For additional details, please see page 72.

In 2025, we will focus on expanding the use of the CDP Supply Chain Programme to enhance data collection and transparency. We will explore opportunities to collaborate with suppliers to reduce emissions and work closely with them to improve our overall Scope 3 emission calculations.

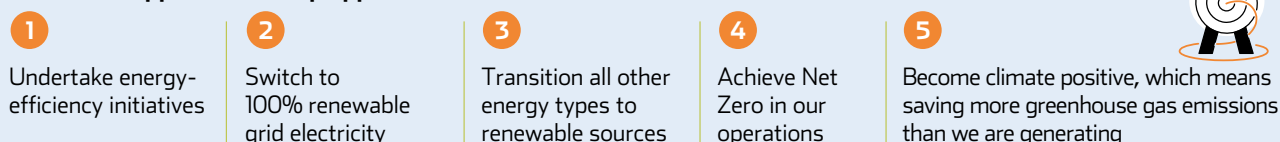
Within Scope 3, the Purchased Goods and Services category is the most material at 678,527<sup>A</sup> tonnes of CO<sub>2</sub>e, accounting for approximately 63% of total carbon emissions. This year we have obtained independent assurance of this data. Further information is provided in our ESG Performance Summary 2024.

We have achieved our 2024 objective of ensuring that 50% of suppliers by spend in this category commit to science-based targets. Please see page 72 for more details.

In 2025 we will be launching Net Zero supplier contract clauses to reinforce our commitment to reducing emissions across our supply chain.

We have mapped our journey to Net Zero with a five-step plan illustrated below.

### We have mapped a five-step approach towards Net Zero:



### LOGISTA EMISSIONS

| Performance indicator   | Unit   | 2017 (base year) | 2021    | 2022    | 2023    | Commentary   |
|---|--------|------------------|---------|---------|---------|--|
| <b>Logista absolute Scope 1 and 2 CO<sub>2</sub>e emissions</b> | Tonnes | 38,554           | 45,557  | 47,099  | 132,262 | Logista is managed remotely due to commercial sensitivities and is responsible for its own data. Logista has provided independently assured data from 2023 for absolute Scope 1, 2 and 3 emissions.  |
| <b>Logista absolute Scope 3 CO<sub>2</sub>e emissions</b>       | Tonnes | 193,611          | 194,634 | 189,709 | 335,851 | Data for 2024 is still undergoing independent assurance.<br>The increase in Scope 1 and 2 emissions seen in 2023 can be attributed to acquisitions and the expansion of the emissions accounting boundary to include maritime and rail transport. This change reflects the diverse transport services provided by the newly acquired entities.<br>Logista's 2023 relative Scope 1 and 2 emissions comprise 57 tonnes (2022: 23 tonnes) of CO <sub>2</sub> e per £million of 2023 distribution fees (our non-GAAP revenue measure for Logista).<br>Further information on the scope of Logista's GHG reporting is available at <a href="http://www.grupologista.com">www.grupologista.com</a> . |

### SCOPE 1 AND 2 EMISSIONS - UK AND GLOBAL<sup>1,2,3</sup>

| Performance indicator                                    | Units                             | 2024                 |   | 2023                 |   |
|--|-----------------------------------|----------------------|---|----------------------|---|
|  |                                   | UK and offshore area | Global (Excluding UK and offshore area) | UK and offshore area | Global (Excluding UK and offshore area) |
| Scope 1 emissions  | tCO <sub>2</sub> e                | 1,688                | 71,749                                  | 1,841                | 79,248                                  |
| Relative Scope 1 emissions                               | tCO <sub>2</sub> e/£m net revenue | 0.2                  | 8.8                                     | 0.2                  | 9.9                                     |
| Scope 2 location-based emissions                         | tCO <sub>2</sub> e                | 876                  | 107,594                                 | 872                  | 113,187                                 |
| Relative Scope 2 location-based emissions                | tCO <sub>2</sub> e/£m net revenue | 0.1                  | 13.2                                    | 0.1                  | 14.1                                    |
| Scope 2 market-based emissions                           | tCO <sub>2</sub> e                | 0                    | 15,683                                  | 0                    | 20,326*                                 |
| Relative Scope 2 market-based emissions                  | tCO <sub>2</sub> e/£m net revenue | 0                    | 1.9                                     | 0                    | 2.5*                                    |
| Total Gross Scope 1 and Scope 2 location-based emissions | tCO <sub>2</sub> e                | 2,564                | 179,343                                 | 2,713                | 192,435                                 |
| Relative Scope 1 and Scope 2 location-based              | tCO <sub>2</sub> e/£m net revenue | 0.3                  | 22.0                                    | 0.3                  | 24.0                                    |
| Total Gross Scope 1 and Scope 2 market-based emissions   | tCO <sub>2</sub> e                | 1,688                | 87,432                                  | 1,841                | 99,574*                                 |
| Relative Scope 1 and Scope 2 market-based                | tCO <sub>2</sub> e/£m net revenue | 0.2                  | 10.7                                    | 0.2                  | 12.4*                                   |
| Energy consumption                                       | kWh                               | 12,495,251           | 582,776,582                             | 13,233,516           | 637,059,838                             |

1. We have provided reporting in compliance with UK Streamlined Energy and Carbon Reporting (SECR) regulations (being the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, as amended by the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and the SECR under the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.  
2. For details on the methodology used for SECR calculations, please see our Reporting Criteria document available on our website.  
3. Energy efficiency measures taken in FY24 are reported in our 2024 CDP Climate Change disclosures available on the CDP website.  
A. Select 2024 data has been independently assured by Ernst & Young LLP (EY) under the limited assurance requirements of the ISAE 3000 standard. EY's Assurance Opinion is available on our website. Our reporting scope and definitions are detailed in the Reporting Criteria document published on our website.  
\* Previous years' have been restated due to the correction in Scope 2 market-based emissions relating to the source of heat and steam in our factory in Türkiye.