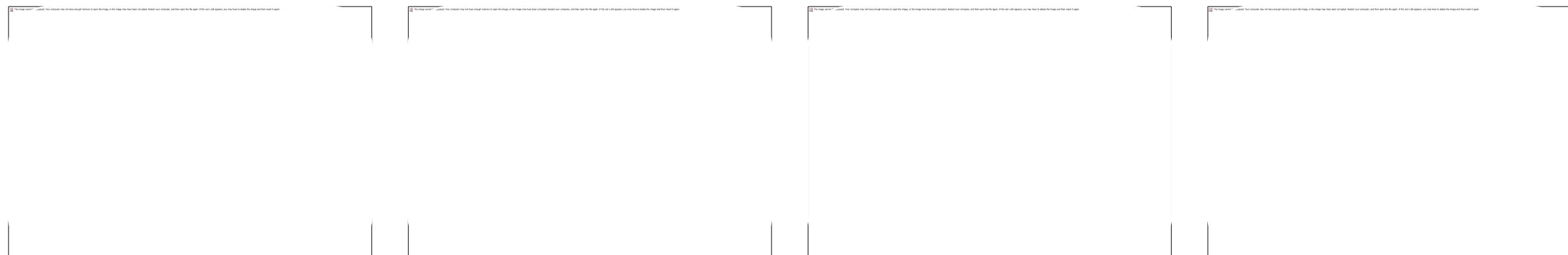


Our Sustainability Strategy

A greener, fairer, more resilient NHS Supply Chain



Our Four Strategic Objectives



1: Achieve Net Zero
Carbon Emissions
by 2045

2: Advance Circular
Economy Principles

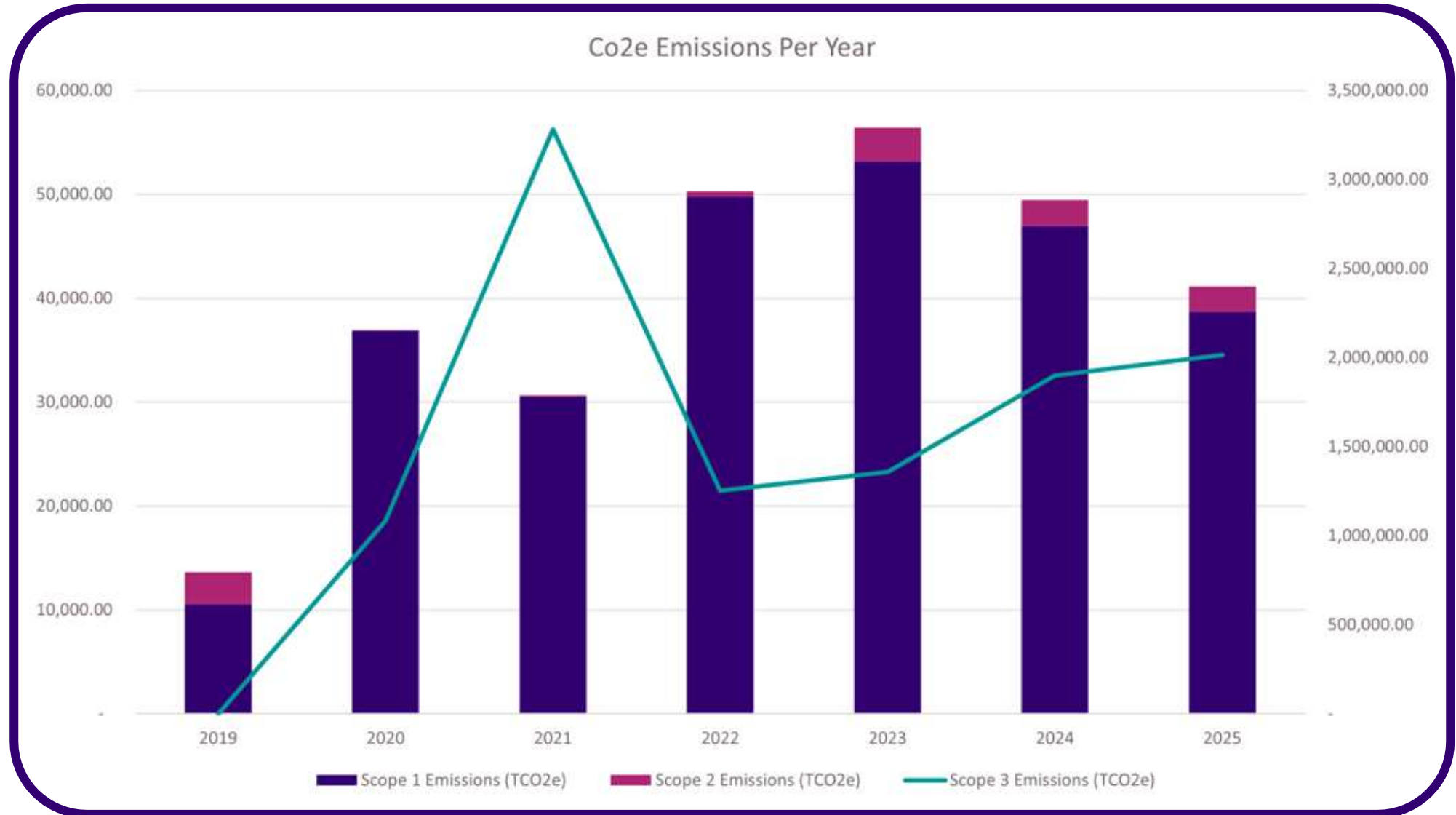
3: Maximise Social
Value & Health
Equity

4: Ensure Ethical &
Transparent Supply
Chains

Objective 1: Achieve Net Zero Carbon Emissions by 2045



Objective 1: Achieve Net Zero Carbon Emissions by 2045



Our Plan to Tackle Scope 1 and Scope 2 Emissions

Our three key assets for reducing our Scope 1 and Scope 2 emissions are our offices, our warehouses, and our fleet. Through our Estates Strategy and our Logistics Contract, our strategy is to drive improvements across these three areas:

Our Offices

Our Warehouses

Our Fleet

Carbon reduction enabled through our *Estates Strategy*

Carbon reduction enabled through our *Logistics Contract*

Estates Strategy

- ✓ Reducing energy consumption by storing and flowing stock through our warehouses in the most efficient way, reducing stockholding requirements and transport / travel
- ✓ Embedding a shift away from gas heating
- ✓ Establishing renewable electricity contracts to ensure we are sourcing from greener sources
- ✓ Exploring options for onsite renewable energy
- ✓ Designing a travel plan that reduces the amount of carbon intensive travel undertaken by colleagues

Logistics Contract

- ✓ Making carbon emission reduction a key requirement and performance metric contained in the Logistics Contract for the outsourced provider to deliver to
- ✓ Within twelve months of the commencement date, there is a contractual obligation for the provider to establish baseline emissions for the logistics service and develop detailed plans as to how the NHS objective (80% reduction in baseline emissions by 2032) will be achieved during the lifetime of the contract.

Our Plan to Tackle Scope 3 Emissions

Our key asset for reducing our Scope 3 emissions are through our commercial activities:

Our Commercial Activities

Carbon reduction enabled through our *Buy Less, Buy Better and Buy Different Approach*

Buy Less

- ✓ Reduce consumption by working with trusts to buy less
- ✓ Work with the customer team to develop a demand comparison tool for IMS managers to support trusts to reduce consumption items (e.g., couch roll, gloves, paper)
- ✓ Deliver further stock holding benefits through the IMS programme

Buy Better

- ✓ Reduce CO2 equivalent emissions of suppliers
- ✓ Work with the commercial directorate to implement the sustainability reporting requirements in Evergreen, putting together a supplier dashboard that demonstrates their commitments, progress and verifications

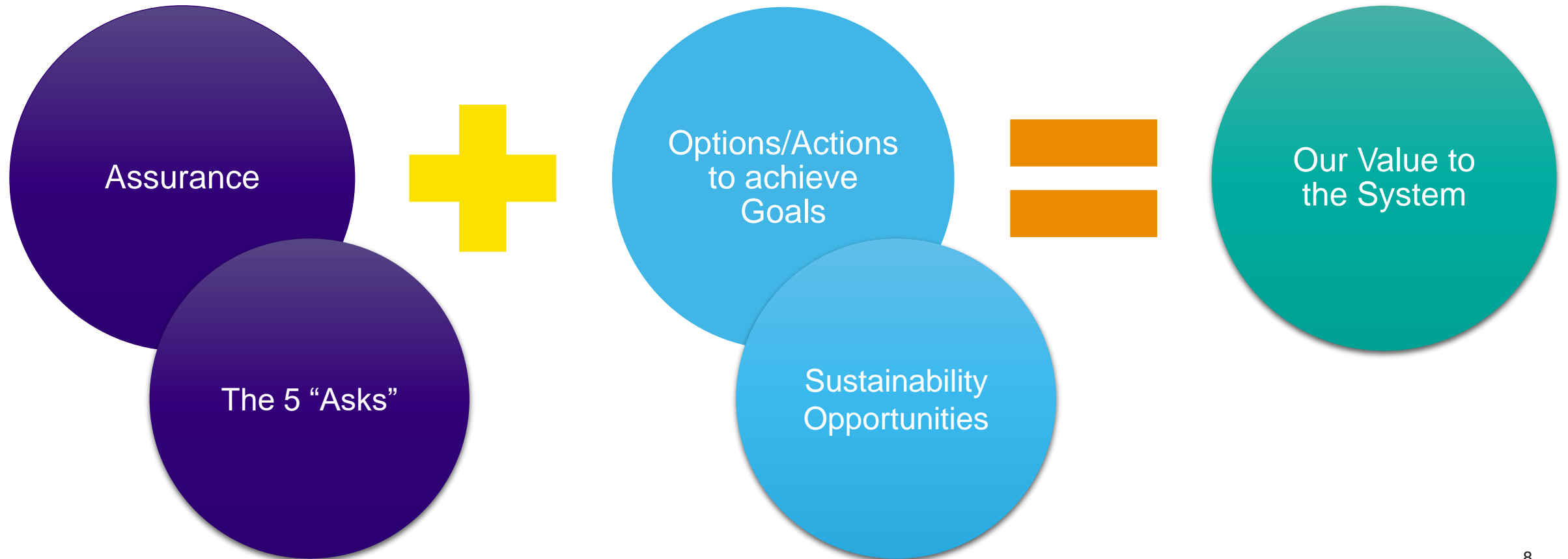
Buy Different

- ✓ Design and bring to market more sustainable solutions across our medical devices and clinical consumables range
- ✓ Work with the SRM team to incorporate value release programmes, and broader category teams for opportunities of frameworks realised – using case studies
- ✓ Market opportunities available, with clear instructions and options for trusts

Objective 2: Advance Circular Economy Principles



What the System Want from Us



The Five Asks

1. Carbon Reduction Plan



All suppliers of new contracts for goods, services, and/or works are required to publish a Carbon Reduction Plan (CRP)

2. Social Value



All procurements will include a minimum 10% net zero and social value weighting

3. Evergreen Assessment



All Suppliers to complete an Evergreen Supplier Assessment

4. Horizon Scanning



Understanding Supplier approach to Horizon Scanning

5. Modern Slavery



All suppliers to complete and maintain an up-to-date Modern Slavery Assessment Tool (MSAT) as a minimum.

Examples of Opportunities

Inputs & Resource Use.	Waste, Recovery & Logistics	Environmental & Social Outcomes	Product & Service Lifecycle	Business Value Creation	Ecosystem & Collaboration
<ul style="list-style-type: none"> • % of materials sourced from recycled or renewable inputs • Material Circularity Index (MCI) score • Energy mix (renewable vs. fossil share) • Water intensity per unit of output • Dependency on virgin vs. secondary critical materials 	<ul style="list-style-type: none"> • Waste diversion rate (kept out of landfill/incineration) • Recovery rate of materials reprocessed into inputs • Closed-loop recycling share (used again in same product/system) • Reverse logistics coverage across markets and customers • % of waste converted into secondary products 	<ul style="list-style-type: none"> • Carbon emissions avoided through reuse, recycling, and lifetime extension • Virgin resource extraction avoided (tons of raw inputs saved) • Reduction of pollution and hazardous outputs • Jobs created in repair, refurbishment, or reverse logistics • Community benefits such as affordable access to refurbished goods 	<ul style="list-style-type: none"> • Average product lifetime compared to design expectation • Repairability score (ease of repair, spare parts availability) • Return and reuse rate for products and components • % of products designed for modularity or disassembly • Customer participation in take-back or reuse programs 	<ul style="list-style-type: none"> • Revenue share from circular models (leasing, resale, product-as-a-service) • Cost savings from reduced material, energy, or disposal needs • Secondary market value from refurbished or resale goods • R&D investment dedicated to circular design and innovation • Payback period for circular initiatives 	<ul style="list-style-type: none"> • % of suppliers aligned with circular sourcing standards • Strategic partnerships supporting circular innovation • Share of products with digital traceability or material passports • Joint initiatives with customers, startups, or academia • Alignment with national or regional circular economy strategies

Objective 3: Maximise Social Value & Health Equity



Objective 4: Ensure Ethical & Transparent Supply Chains



Enablers: How We Deliver This Strategy

1. People

- Build capability and awareness across roles
- Embed sustainability into responsibilities and decision-making

2. Process

- Integrate sustainability into operating models, procurement, and contracting
- Standardise circular, social value, and ethical sourcing practices

3. Impact

- Reduce carbon emissions, waste, and single-use reliance
- Increase adoption of circular and social value outcomes

4. Stakeholder Engagement

- Collaborate with suppliers, NHS partners, and communities
- Strengthen dialogue through SRM, audits, and shared initiatives

5. Data & Metrics

- Track Scope 1–3 emissions and compliance
- Measure circularity, social value, and ethical sourcing performance

Any questions?
