



p hs Group's Scope 3 Emissions Explained

Scope 3 emissions are indirect greenhouse gas emissions originating from activities beyond an organisation's direct control. **p hs** Group recognises the importance of measuring and reducing these emissions throughout our value chain.



Upstream Activities



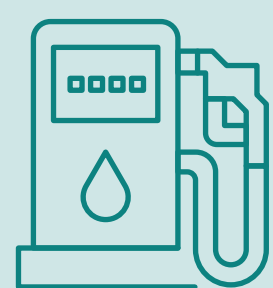
Purchased goods and services

Extraction, production, and transportation of goods and services purchased or acquired by **p hs**.



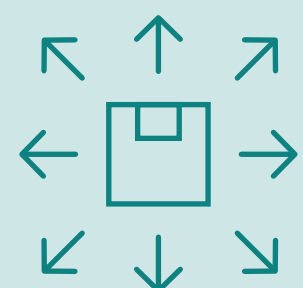
Capital goods

Capital goods purchased or acquired by **p hs** i.e., machinery.



Energy and fuel activities

Energy or fuel purchased or acquired by **p hs** which are not already accounted for in Scope 1 and Scope 2.



Transportation and distribution

Of products purchased by **p hs**, and other services such as inbound logistics, outbound logistics and transportation between company facilities.



Waste from operations

Waste generated by **p hs** operations, in facilities not owned or controlled by **p hs**.



Business travel

Transportation of employees for business-related activities.

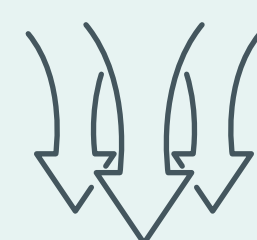


Employee commuting

Transportation of employees between their homes and place of work.



Leased assets



Downstream Activities



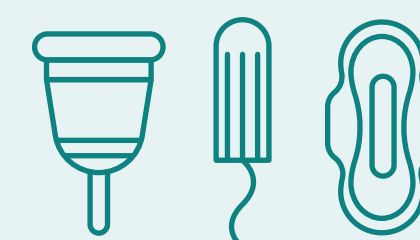
Investments



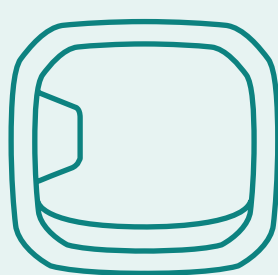
Energy from waste process



Leased assets



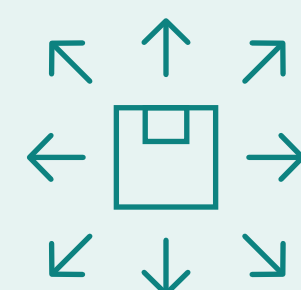
End-of-life treatment of sold products



Use of sold products



Processing of sold products

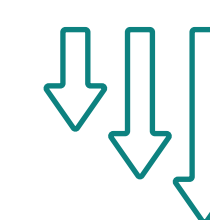


Transportation and distribution



Measuring Scope 3

p hs employ comprehensive measurement methodologies to quantify their Scope 3 emissions by tracking emissions throughout the value chain to identify hotspots and prioritise reduction efforts. We also utilise data from suppliers, customers, and industry standards to ensure accuracy and transparency.



Reducing Scope 3



Supplier Engagement

p hs actively engage with suppliers to drive emission reductions, and collaborate to implement sustainable practices, energy-efficient technologies, and low-carbon alternatives. We encourage suppliers to adopt carbon accounting systems and report on their emissions so that together we can make a difference.

By prioritising collaboration, transparency, and continuous improvement with our suppliers to drive meaningful change within our supply chain, we contribute to a more sustainable future.



Policies

We implement robust policies and initiatives to address Scope 3 emissions by setting emission reduction targets aligned with climate goals, encouraging innovation, and implementing operational and procurement policies. We reduce business travel where we can, encourage virtual meetings, and only travel internationally when necessary. We're reducing employee commuting emissions by introducing remote and hybrid working, a cycle-to-work programme and offering colleagues an opportunity to transition to EVs.

We include requirements in our tenders for suppliers and service providers to disclose and commit to reducing their Scope 1 and 2 carbon emissions. By regularly monitoring and reporting, we ensure we are progressing towards our targets.