



CARBON REDUCTION PLAN

NextGen Healthcare Services Ltd

Aligned with Procurement Policy Note 06/21 | GHG Protocol Corporate Standard

Baseline Year: 2022 | Net Zero Target: 2045

1. Organisational Commitment to Net Zero

NextGen Healthcare Services Ltd is fully committed to achieving Net Zero greenhouse gas emissions by 2045 across all UK operations - five years ahead of the government's statutory 2050 target. This commitment reflects our belief that sustainable, responsible healthcare delivery is inseparable from the quality of care we provide to individuals in their own homes and supported living environments across Leicester and the surrounding region.

Our Board of Directors formally approved this Carbon Reduction Plan (CRP) in January 2022. As a provider of domiciliary care and supported living services, we recognise that our operations - including staff travel, premises management, procurement and digital infrastructure - contribute to the health and social care sector's overall carbon footprint. We are committed to taking measurable, transparent action to reduce these emissions in line with national and NHS sustainability goals.

This CRP has been developed in accordance with:

- Procurement Policy Note 06/21 (PPN 06/21)
- The GHG Protocol – Corporate Standard
- SECR (Streamlined Energy and Carbon Reporting) Regulations
- NHS Greener NHS Program and Net Zero Supplier Roadmap

This plan will be reviewed annually, updated with verified emissions data, and published on our website. Progress against targets will be reported to the Board on a quarterly basis.

2. Baseline Emissions Footprint

Baseline Year: 2022

Methodology: GHG Protocol Corporate Standard & UK Government GHG Conversion Factors

Our baseline carbon emissions were calculated using the GHG Protocol - Corporate Standard and UK Government GHG Conversion Factors (2022 edition). The footprint covers all relevant Scope 1, 2 and selected Scope 3 categories as required under PPN 06/21, reflecting the scale and nature of our domiciliary care and supported living operations with approximately 10 members of staff.

| Emissions Category | Emissions (tCO2e) | Description |
|---------------------------------|-------------------|---|
| Scope 1 – Direct Emissions | 38 | Company vehicle fuel use (care staff home-visit fleet), on-site gas heating |
| Scope 2 – Indirect (Energy) | 22 | Electricity consumption at office premises (23-25 Friar Lane) |
| Scope 3 – Value Chain | 28 | Staff commuting, business travel, procurement (PPE, clinical consumables), waste disposal |
| Total Baseline Emissions | 88 tCO2e | |

The relatively compact emissions footprint reflects our size as a small organisation with 10 staff. However, we recognise that Scope 1 emissions from care staff vehicles represent our most significant source and the primary focus of our reduction strategy. Scope 3 emissions - particularly procurement of PPE and consumables - are also prioritised given our clinical service context.

3. Most Recent Emissions Reporting

Reporting Year: 2025

We have made measurable progress in reducing our carbon footprint since the 2022 baseline through a series of targeted operational and behavioural interventions. The following data reflects our most recent carbon inventory, calculated using the same methodology as our baseline year to ensure comparability.

| Emissions Category | Emissions (tCO2e) | Reduction vs Baseline | Key Driver |
|-----------------------------|-------------------|-----------------------|---|
| Scope 1 – Direct Emissions | 30 | ↓ 21% | Partial fleet transition & route optimisation |
| Scope 2 – Indirect (Energy) | 16 | ↓ 27% | LED upgrades, energy efficiency measures |
| Scope 3 – Value Chain | 22 | ↓ 21% | Digital-first working, reduced paper & waste |
| Total | 68 tCO2e | ↓ 23% overall | |

We continue to track emissions monthly and align internal reporting with the SECR framework. All data is maintained by our named Net Zero Champion and reviewed at Board level each quarter.

4. Emissions Reduction Targets

NextGen Healthcare Services Ltd has adopted SMART emissions reduction targets, structured across three progressive milestones leading to full Net Zero status by 2045. Targets are set against the 2022 baseline year and cover all material emission scopes.

| Target Year | Scope 1 & 2 Reduction | Scope 3 Reduction | Primary Strategy |
|-----------------|-----------------------|-------------------|--|
| 2028 | 30% below 2022 levels | 15% below 2022 | Fleet electrification, renewable energy tariff, route optimisation |
| 2035 | 65% below 2022 levels | 45% below 2022 | Full EV fleet, solar energy, digital transformation, supplier engagement |
| 2040 | 80% across all scopes | 65% across all | Smart buildings, supplier carbon charter, circular procurement |
| 2045 – Net Zero | 100% / Net Zero | Net Zero | Residual emissions offset via verified UK carbon credits |

Progress against all targets will be benchmarked annually and published in our updated CRP and Social Value Statement. Where targets are not met, corrective actions will be documented and presented to the Board within 60 days.

5. Emissions Reduction Pathway

NextGen Healthcare Services Ltd has modelled a progressive emissions reduction trajectory, targeting a decline from 88 tCO₂e in 2022 to Net Zero by 2045. Our pathway is structured around three strategic phases, each with clearly defined actions, milestones and accountability:

Phase 1: Foundation (2022–2028) — Target: 30% reduction

- Transition 50% of the care staff vehicle fleet to electric or ultra-low emission vehicles (ULEVs) by 2028
- Switch to a 100% renewable electricity tariff at our Leicester office
- Implement route optimisation software to reduce mileage and fuel consumption across home visits
- Replace all office lighting with LED; install smart heating controls
- Introduce a paperless working policy and transition all care records to digital platforms
- Begin annual carbon literacy training for all staff

Phase 2: Acceleration (2028–2035) — Target: 65% reduction

- Achieve 100% EV fleet conversion for all domiciliary care vehicles by 2032
- Install solar PV panels at our office premises, targeting 40% self-generated electricity

- Embed carbon criteria into all procurement contracts - PPE, consumables and ICT
- Engage all Tier 1 suppliers with our Supplier Sustainability Code of Conduct
- Implement a staff green travel scheme to support low-carbon commuting

Phase 3: Net Zero (2035–2045) — Target: Full Decarbonisation

- Achieve Net Zero Scope 1 and 2 emissions through full electrification and renewable energy
- Address remaining Scope 3 emissions through supplier decarbonisation and circular procurement
- Offset any residual emissions using verified, high-quality UK carbon credits
- Complete the NHS Evergreen Supplier Assessment and maintain compliance with the NHS Net Zero Supplier Roadmap

6. Carbon Reduction Projects

Completed Initiatives (2022–2025)

| Initiative | Description | Estimated Carbon Saving |
|-----------------------|---|----------------------------|
| LED Lighting Retrofit | Replaced all fluorescent lighting at Leicester office with energy-efficient LED systems | ~1.5 tCO ₂ e/yr |
| Digital Care Records | Transitioned all service user records to a cloud-based digital platform, eliminating paper files and reducing printing by 90% | ~0.8 tCO ₂ e/yr |
| Route Optimisation | Introduced scheduling software to optimise home visit routes, reducing total fleet mileage by approximately 12% | ~3.2 tCO ₂ e/yr |
| Green Energy Tariff | Switched office electricity supply to a certified 100% renewable energy tariff | ~6.0 tCO ₂ e/yr |
| Supplier Screening | Embedded basic environmental criteria into new supplier and procurement agreements | Qualitative benefit |

Planned Initiatives (2025–2045)

| Initiative | Target Date | Projected Impact |
|--|-------------|-------------------------------------|
| Fleet Electrification (Phase 1 – 50% EV) | 2028 | ~8 tCO ₂ e/yr reduction |
| Fleet Electrification (Phase 2 – 100% EV) | 2032 | ~18 tCO ₂ e/yr reduction |
| Solar PV Installation at Leicester Office | 2027 | ~4 tCO ₂ e/yr reduction |
| Smart Building Controls (heating/cooling AI) | 2030 | ~3 tCO ₂ e/yr reduction |

| Initiative | Target Date | Projected Impact |
|---|-------------------|--------------------------------|
| Supplier Carbon Charter – all Tier 1 suppliers | 2028 | Scope 3 supply chain reduction |
| Staff Carbon Literacy Programme (annual) | Ongoing from 2025 | Behavioural & cultural change |
| Residual Emissions Offsetting via UK Carbon Credits | 2045 | Full Net Zero achievement |

7. Monitoring, Governance and Reporting

NextGen Healthcare Services Ltd has established a clear governance structure to ensure accountability, transparency and continuous improvement in our carbon reduction efforts.

Governance Structure

| | |
|----------------------------|--|
| Net Zero Champion | Azmat Khan, Director |
| Responsibilities | CRP oversight, supply chain engagement, staff training, annual reporting |
| Board Reporting | Quarterly carbon performance updates to the Board of Directors |
| Annual Review Cycle | Full CRP review every January; published on company website |
| Emissions Tracking | Monthly monitoring using UK Government GHG Conversion Factors; aligned with SECR |

Compliance and Standards

Our Carbon Reduction Plan has been developed in full compliance with the following standards and frameworks:

- Procurement Policy Note 06/21 (PPN 06/21) - mandatory for public sector supply chain contracts
- GHG Protocol – Corporate Accounting and Reporting Standard
- UK Streamlined Energy and Carbon Reporting (SECR) Regulations
- NHS Greener NHS Programme and Net Zero Supplier Roadmap
- NHS Evergreen Supplier Assessment (annual submission commitment)


All emissions data is calculated in tCO₂e using the most current UK Government GHG Conversion Factors. Scope 3 emissions include business travel, staff commuting, waste disposal, and purchased goods and services. Any material changes to our operations that affect our carbon footprint will trigger a mid-year review of this plan.

8. Declaration and Sign-Off

This Carbon Reduction Plan has been formally approved by the Board of Directors of NextGen Healthcare Services Ltd. We confirm that the emissions data, targets and reduction initiatives contained within this document are accurate, complete and aligned with the requirements of Procurement Policy Note 06/21.

| Field | Details |
|-----------------------------|--|
| Organisation | NextGen Healthcare Services Ltd |
| Registered Address | Rutland House, 23-25 Friar Lane, Leicester, England, LE1 5QQ |
| Email | ak@nextgenhcs.co.uk |
| Telephone | 01164 105065 |
| Approved By | Azmat Khan, Director |
| Baseline Year | 2022 |
| Net Zero Target Year | 2045 |
| Date of Approval | May 2026 |
| Next Review Date | January 2027 |

Authorised Signature

| | |
|--|-----------------------------------|
| Signature:  | Date: <u>05.05.2026</u> |
|--|-----------------------------------|

Azmat Khan | Director | NextGen Healthcare Services Ltd