

Alliance Healthcare (Distribution) Limited Carbon Reduction Plan

Supplier name:Alliance Healthcare (Distribution) Limited.....

Publication date:2023.....

Commitment to achieving Net Zero

Alliance Healthcare (Distribution) Limited (“AHUK”) (which includes Alcura UK) has set an ambition to achieve Net Zero emissions by 2030 for Scope 1 and 2 emissions. AHUK is a subsidiary of Cencora, Inc (known as AmerisourceBergen Corp until September 2023) (“Cencora”).

In 2021, Cencora formally committed to a science-based target in line with the Science Based Target initiative (SBTi) guidance. This has now been validated with a set science-based target to reduce 54.6% absolute Scope 1 and 2 GHG emissions by FY2032 from an FY2019 base year. Cencora also commits that 82% of its suppliers by spend, covering purchased goods and services, will have science-based targets by FY2027. This near-term target has been validated by SBTi. AHUK has set a market ambition to achieve net zero on Scope 1 and 2 by 2030 against a 2019 baseline year.

All Scope 1 and 2 market-based emissions have undergone third-party assurance for inclusion in the global 2022 ESG Report. Details of the methodology used, and the verification process can be found in the 2022 ESG Index Report and the 2022 ESG Summary Report both available on our public website [here](#).

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced before the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2019	
Additional Details relating to the Baseline Emissions calculations.	
<i>[Instructions to Suppliers:</i> Alliance Healthcare was acquired by Cencora in June 2021. FY2019 was the last typical fiscal year (e.g., not affected by the COVID-19 pandemic) before the acquisition	
Baseline year emissions:	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	25,773
Scope 2	676 – market-based emissions

Scope 3 (Included Sources)	26,512 Scope 3 relevant categories are 4 - Upstream T&D,5 - Waste, 6 - business travel, 7 - employee commuting and 9 – downstream transportation and distribution
Total Emissions	52,961

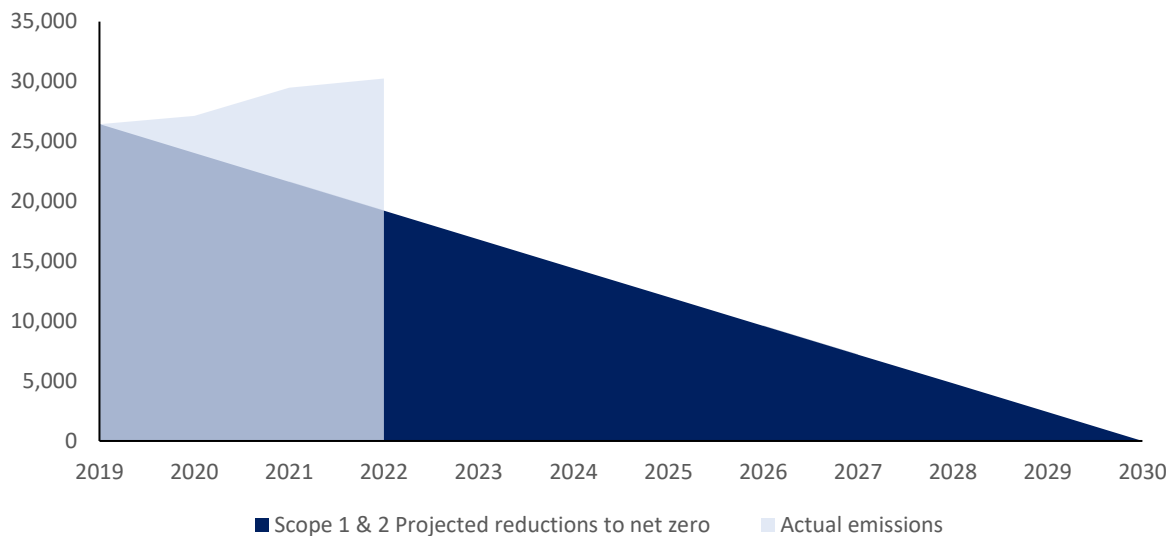
Current Emissions Reporting

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	30,118
Scope 2	132 market-based emissions
Scope 3 (Included Sources)	42,504 Scope 3 relevant categories are 4 - Upstream T&D,5 - Waste, 6 - business travel, 7 - employee commuting and 9 – downstream transportation and distribution.
Total Emissions	72,754

Emissions Reduction Targets

AHUK has seen an increase in Scope 1 emissions (natural gas and company vehicles) of 17% and a decrease in Scope 2 (purchased electricity) by 80% in FY22 against a 2019 baseline year. The increase in Scope 1 emissions is attributed to increased operational activities attributed to the company fleet vehicles while a decrease in Scope 2 emissions is due to the transition to a green electricity tariff across the UK operations.

AHUK Scope 1 and 2 Current Emissions and Projected reductions to achieve Net Zero



The above graph is an illustration of the actual YTD absolute Scope 1 and 2 market-based emissions for AHUK from FY2019 to FY2022 against projected year on year Scope 1 and 2 emissions.

Carbon Reduction Targets

AHUK has a number of ongoing initiatives across UK operations including the development of warehouse and fleet management strategies to reduce Scope 1 and 2 emissions in line with Net zero ambitions.

Scope 1 activities

AHUK has conducted a 4-week trial of an electric vehicle (EV) delivery van during the 2022 fiscal year. The trial saw the EV make successful deliveries on three routes and highlighted the importance of early driver engagement and training as part of our EV journey. The learnings from this trial have helped shape our electrification plans which will be to conduct a long-term, wide-reaching pilot of EV delivery vans in 2024 and help to support our long-term van replacement cycle. As we continue to monitor our Scope 1 emissions, we will continue to monitor ongoing advancement in technology around van and HGV electrification and charging infrastructure across the UK.

Scope 2 activities

AHUK is continuing to update its facilities to LED lighting and where possible and research onsite renewable options. AHUK has currently installed LED lighting in four service centres with an additional three being planned for 2024. Additionally, the organisation is currently on a green tariff for all electricity ensuring all electricity from 100% renewable sources.

Waste

AHUK currently sets waste reduction targets across its operations which has resulted in the organisation recycling up to 60% of its waste. We are continuing to work with our service centre teams to increase recycling and reduce single-use plastic.

Additional initiatives

Additionally, AHUK is supporting a number of manufacturing partners in providing logistics to support their recycling of their waste streams by being a partner to take back certain waste type and aid in diversion of landfill.

Declaration and Sign-off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standards 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 standard¹ and use the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

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

Marie Evans, Managing Director, Alliance Healthcare (Distribution) Limited....



Date: ...22/11/2023.....

¹<https://ghgprotocol.org/corporate-standard>

²<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

³<https://ghgprotocol.org/standards/scope-3-standard>