



Carbon Reduction Plan

Supplier name: Aspire Pharma (including Morningside, a subsidiary of Aspire Pharmaceutical)

Publication date: 18 March 2025

Commitment to achieving Net Zero

Aspire Pharmaceutical is committed to achieving Net Zero CO₂e emissions by 2045.

Organisational Structure: Aspire Pharma is the parent company of Morningside Pharmaceuticals and Morningside Healthcare



Baseline CO₂e Emissions Footprint

Baseline CO₂e emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce CO₂e emissions. Baseline CO₂e emissions are the reference point against which CO₂e emissions reduction can be measured.

Baseline Year: 2022	
Additional Details relating to the Baseline CO₂e Emissions calculations.	
This is Aspire Pharma's first baseline year that is compliant to PPN06/21	
Baseline year emissions:	
EMISSIONS	TOTAL (tCO₂e) 2,222.36 tCO ₂ e (Location based) 2,155.52 tCO ₂ e (Market based)
Scope 1	Stationary combustion 14.17 tCO ₂ e
Scope 2	66.84 tCO ₂ e (Location based) 0.00 tCO ₂ e (Market based)
Scope 3 (Included Sources)	Category 4 – Upstream Transportation = 1,735.70 tCO ₂ e Category 5 – Waste = 18.72 tCO ₂ e Category 6 – Domestic Business Travel = 50.61 tCO ₂ e Category 6 – International Business travel = 64.52 tCO ₂ e Category 7 – Employee Commuting = 270.98 tCO ₂ e Category 7 – Employee Working from Home = 65.33 tCO ₂ e Total Scope 3 CO ₂ e emissions = 2,141.35 tCO ₂ e
Total Emissions	2,222.36 tCO ₂ e (Location based) 2,155.52 tCO ₂ e (Market based)

Reporting Year: 2023
Additional Details relating to the Baseline Emissions calculations.

This is Aspire Pharma's second year that is compliant to PPN06/21

Baseline year emissions:

EMISSIONS	TOTAL (tCO₂e)
	1100.00 tCO ₂ e (Location based) 1021.67 tCO ₂ e (Market based)
Scope 1	Stationary combustion 81.27 tCO ₂ e
Scope 2	82.84 tCO ₂ e (Location based) 0.00 tCO ₂ e (Market based)
Scope 3 (Included Sources)	Category 4 – Upstream Transportation = 328.47 tCO ₂ e Category 5 – Waste = 8.53 tCO ₂ e Category 6 – Domestic Business Travel = 69.95 tCO ₂ e Category 6 – International Business Travel = 52.53 tCO ₂ e Category 7 – Employee Commuting = 498.30 tCO ₂ e Category 7 – Employee Working from Home = 31.62 tCO ₂ e Total Scope 3 CO ₂ e emissions = 936.88 tCO ₂ e
Total Emissions	1101.00 tCO ₂ e (Location based) 1021.67 tCO ₂ e (Market based)

Current CO₂e Emissions Reporting

Reporting Year: 2024

Additional Details relating to the Baseline CO₂e Emissions calculations.

This is Aspire Pharma's third year that is compliant to PPN06/21

Baseline year CO₂e emissions:

EMISSIONS	TOTAL (tCO₂e)
	1,852.88 tCO ₂ e (Location based) 1,771.75 tCO ₂ e (Market based)

Scope 1¹	Stationary combustion = 14.20 tCO ₂ e Transport = 0.33 tCO ₂ e Refrigerants = 0.00 tCO ₂ e
Scope 2	85.98tCO ₂ e (Location based) 4.85 tCO ₂ e (Market based)
Scope 3 (Included Sources)	Category 4 – Upstream Transportation = 1016.93 tCO ₂ e Category 5 – Waste = 1.60 tCO ₂ e Category 6 – Domestic Business Travel = 141.33 tCO ₂ e Category 6 – International Business Travel = 163.55 tCO ₂ e Category 7 – Employee Commuting = 566.77 tCO ₂ e Category 7 – Employee Working from Home = 25.75 tCO ₂ e Total Scope 3 CO ₂ e emissions = 1752.38 tCO ₂ e
Total Emissions	1,852.88 tCO ₂ e (Location based) 1,771.75 tCO ₂ e (Market based)

CO₂e Emissions reduction targets

- 11% absolute reduction in CO₂e emissions by 2025 from 2022 baseline levels. This is made up of reductions in the below groups of Scopes:
 - Scope 1 and 2 = 21%
 - Scope 3 = 11%

- 27% absolute reduction in CO₂e emissions by 2030 from 2022 baseline levels. This is made up of reductions in the below groups of Scopes:
 - Scope 1 and 2 = 50%
 - Scope 3 = 27%

- 41% absolute reduction in CO₂e emissions by 2035 from 2022 baseline levels. This is made up of reductions in the below groups of Scopes:
 - Scope 1 and 2 = 75%
 - Scope 3 = 41%

¹ This year (FY 24) we have split the CO₂e emissions of Scope 1 into their different parts

- 53% absolute reduction in CO₂e emissions by 2040 from 2022 baseline levels. This is made up of reductions in the below groups of Scopes:
 - Scope 1 and 2 = 100%
 - Scope 3 = 52%
- 61% absolute reduction in CO₂e emissions by 2045 from 2022 baseline levels. This is made up of reductions in the below groups of Scopes:
 - Scope 1 and 2 = 100%
 - Scope 3 = 59%

In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets. We project that carbon emissions will decrease over the next five years to 1,773.24 tCO₂e by 2027. This is a reduction of 18%. This is made up of reductions in emissions in Scope 1 and 2 which equates to 35% and Scope 3 which equates to 18%.

Aspire will focus on reducing our CO₂e emissions as much as possible however we realise that there will be CO₂e emissions that we cannot avoid as such we plan to utilise offsets to abate these CO₂e emissions on our journey to become Net Zero. Figure 1 shows the absolute CO₂e emissions reductions that we plan to make and overlaid is our Net Zero position which we will aim to achieve by the additional utilisation of offsets as we approach our target year neutralising all residual CO₂e emissions.

Figure 1 Absolute reduction targets in CO₂e emissions and carbon reduction plan

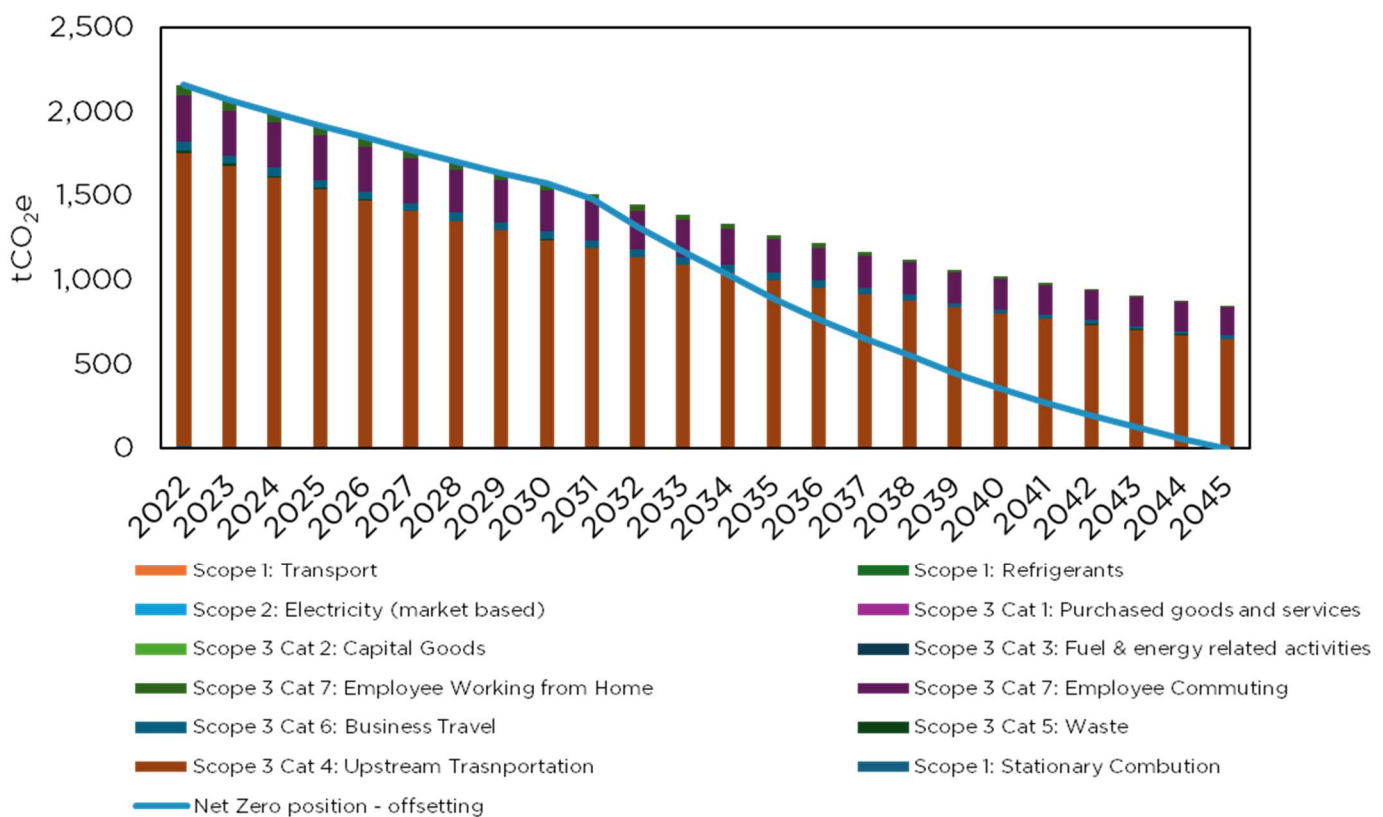
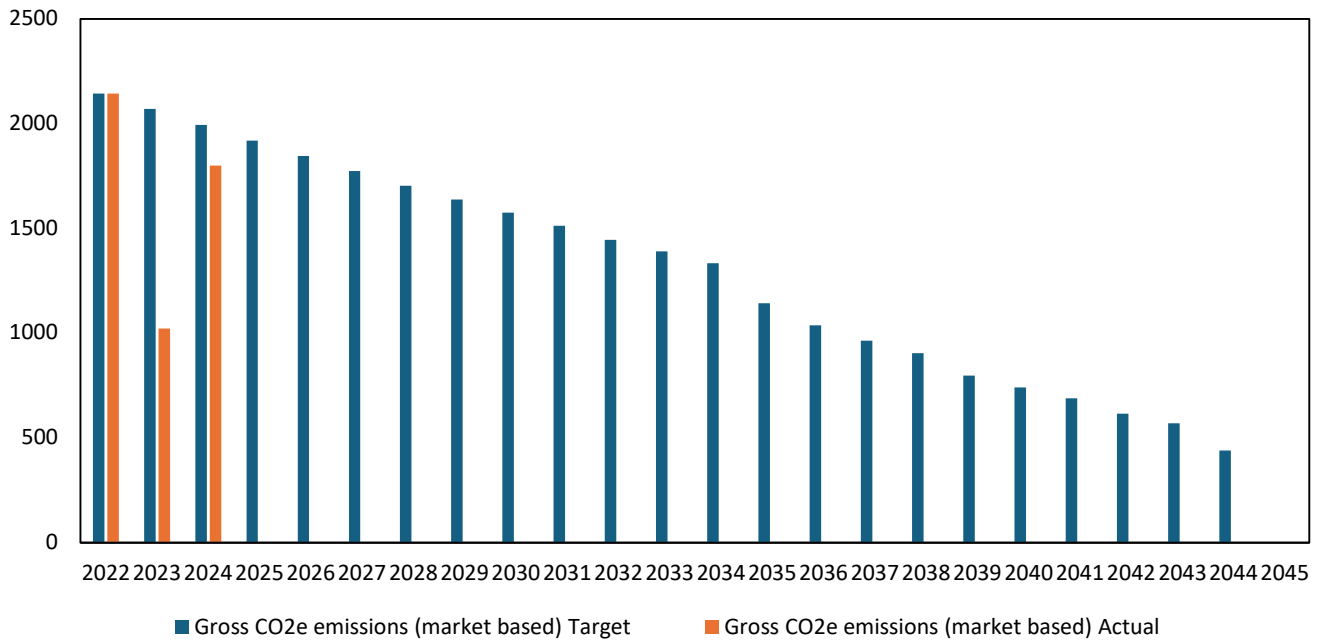
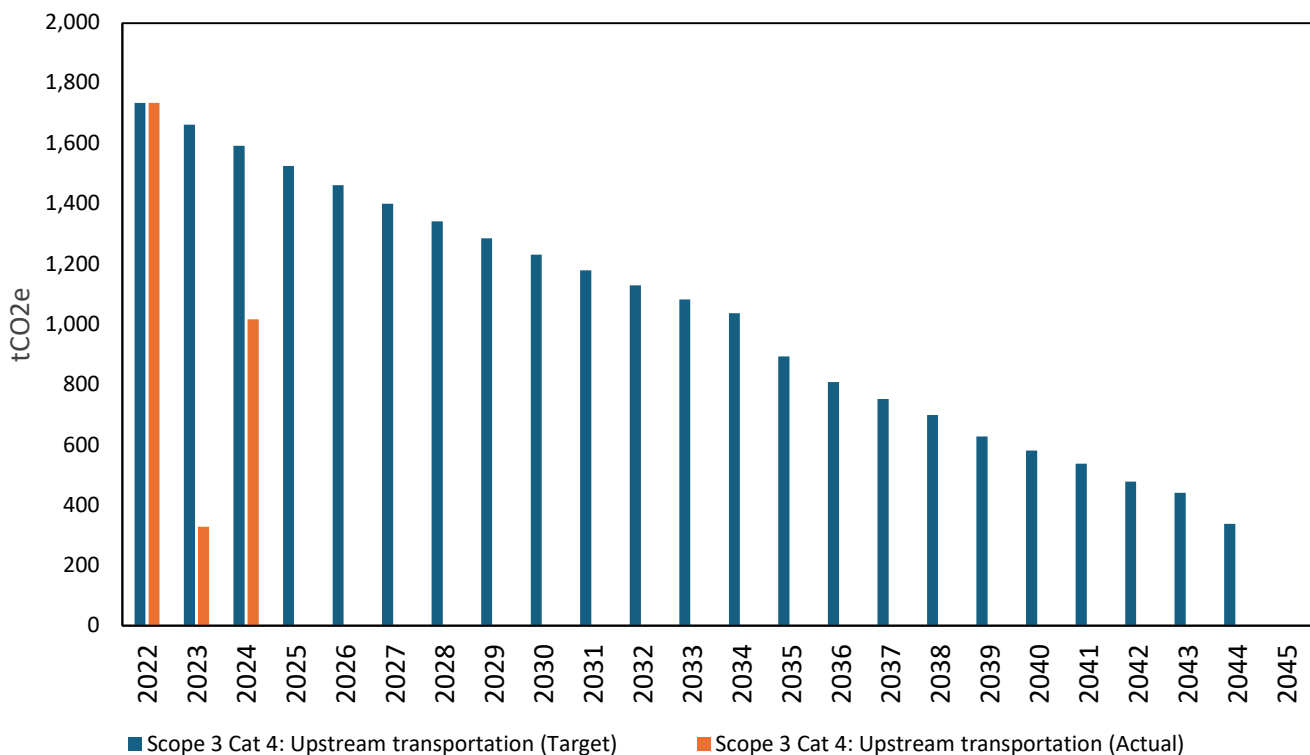


Figure 2 Actual vs Target CO₂e emissions:



Our emissions have increased, compared to last FY, as shown in Figure 2. The main reason for the increase is higher CO₂e emissions for Upstream transportation (Category 4), shown in Figure 3, as a result of ordering more stock to support our contractual obligations with our customers. However, our CO₂e emissions are still below our forecasted targeted reduction. This means that at the moment, Aspire is still within our carbon budget and on track to achieving the absolute reduction in CO₂e emissions demonstrated in Figure 1.

Figure 3 Upstream transportation emissions, actual vs target:



Planned Carbon Reduction Initiatives

Scope 1: Stationary combustion

Our Natural Gas consumption is linked to all of the warehouses that are heated for Morningside's operations. We are considering if it is possible to move our warehouses to another location and are in the planning phase for a more sustainable warehouse. However, in the meantime, we will consider reducing the CO₂e emissions by:

- Ensuring that all our facilities use minimal heating by making sure buildings are fully insulated
- Reducing the reliance on gas use and replacing gas boilers with electrical heating systems such as air source heat pumps, infra-red panels, electric storage heaters etc. where practical
- Replacing unavoidable brown gas consumption with renewable gas consumption

Scope 1: Mobile combustion

This year we have purchased a small number of vehicles all of which are battery electric vehicles (BEV's) and hybrid electric vehicles. This has helped us to save roughly 12 tCO₂e compared to an average petrol vehicle². However, there are inaccuracies within our CO₂e emissions accounting as we have not accounted for the CO₂e emissions associated with charging of our plug-in hybrids. However, this is very small as the current CO₂e emissions associated with the combustion of petrol within the plug-in hybrids only represents 0.33 tCO₂e. We will look to collect this information next year to improve the accuracy of the carbon accounting within this document. For future years we will:

- Collect the power consumption for our plug-in electric hybrids to improve the CO₂e emissions accounting
- Before further BEVs are purchased, consider if there are possibilities to share vehicles/lifts to see customers, and utilise public transport where necessary. This will help to reduce the embodied CO₂e emissions associated with the manufacturing of BEV vehicles, and help to reduce this part of Scope 3 CO₂e emissions

Scope 1: Refrigerants

Our refrigerant CO₂e emissions are a result of the air conditioning units that we operate within both the warehouses and the office facility. However, in order to reduce the CO₂e emissions we will:

- Avoiding CO₂e emissions through improved leak tightness; consider fitting leak-detection systems and following a regular maintenance schedule
- Ensuring correct end-of-life treatment of refrigerant gases; recovering and disposing of refrigerant gases correctly when maintaining, upgrading or decommissioning a system
- When renewing HVAC system, choose the most efficient systems:
 - Investigating systems using the least damaging refrigerant gasses with low potential leakage
 - Installing new systems may offer energy savings as well as next generation refrigerants (HFOs (hydrofluoro-olefins) and natural refrigerants)
- Limiting the use of refrigeration / air conditioning systems

² Carbon Handprint and carbon avoidance scenario based on DEFRA 2024 CO₂e emission factors. Assumption that the vehicles would be an average petrol vehicle taken from DEFRA for reporting year, and the total mileage kept the same as the original data, representing a total of 65,403.00 miles.

Scope 2: Electricity

All our electricity contracts are green; therefore, we have avoided 81.1 tCO_{2e} emissions. However, in order to reduce our electricity consumption further, we will:

- Communicate ways to reduce electricity consumption by educational posters that remind colleagues to turn off lighting
- Use our existing ESG Ambassadors, who act as our green champions, to gather up-to-date monthly energy performance data and provide feedback. They will also gather ideas from colleagues across our organisation to be collated and shared, supplemented by what we consider to be best practice
- Ensure we use energy efficient systems wherever possible e.g., replacing lights with LED and using passive infra-red sensors (PIRs) where possible
- Engage with the landlord to support the following interventions in their buildings and assets:
- Engage with the landlord to help support energy surveys at all sites to understand what energy efficiency measures can be put in place to reduce electricity consumption
- Investigating opportunities to install green energy production facilities onsite where practicable (e.g., solar panels, wind turbines)

Scope 3 Category 4: Upstream transportation and distribution

This year we have been actively trying to reduce the CO_{2e} emissions within this Scope 3 Category 4. Aspire is minimising the total distance travelled by road freight by combining distribution trips and maximising loads, this means that we are making fewer trips. Air freight is one of the most polluting forms of transport for moving goods from one country to another³. We are trying to reduce the number of freight flights that we use, whilst this does not impact our PPN06/21 reported CO_{2e} emissions as they are focused on domestic CO_{2e} emissions⁴. In a few years we will report on our international CO_{2e} emissions and then align ourselves fully to the Green House Gas (GHG) Protocol. Therefore, we need to ensure that air freight is kept to a minimum, in order to reduce our true impact on our planet. We are also planning to move to a third-party warehouse that has been built with sustainability in mind, one example of this is the improved energy security that is achieved through its rooftop solar panels.

In addition, in order to reduce our CO_{2e} emissions further:

- We will gather more specific data that relates to the warehouse's electricity consumption
- We will create a distribution tracker, to understand in the monthly stock levels required, facilitating long term planning that will help to reduce further the volume of stock which is sent by air freight and increase the volume of stock sent by ship and road freight
- We will engage with our distribution partner to understand if electrification or biofuel use, is possible instead of diesel

Scope 3 Category 5: Waste

The volume of waste that we produce at our offices and warehouses is small. In order to reduce the CO_{2e} emissions associated with this waste we will:

³ <https://www.ics-shipping.org/shipping-fact/environmental-performance-environmental-performance/>

⁴ <https://www.gov.uk/government/publications/procurement-policy-note-0621-taking-account-of-carbon-reduction-plans-in-the-procurement-of-major-government-contracts/ppn-0621-frequently-asked-questions>

- Deliver staff training programmes will be rolled out to provide clear, consistent training and information to minimise waste and maximise recycling
- Track the disposal methods of our various waste streams and encourage waste management companies to change suppliers who send waste to landfill

Scope 3 Category 6: Business travel

Business travel relates to our CO₂e emissions from business trips, expensed food and expensed nights at hotels. In order to reduce our CO₂e emissions we will:

- Utilise video conferencing tools such as Teams and Zoom to host meetings. We are encouraging our staff to embrace this technology to minimise travel
- When travel is required, prioritise carbon-reducing travel modes, choosing rail over air and/or cars

Scope 3 Category 7: Employee commuting

As in previous year we sent out an employee commuting survey. We have used the responses to this to account for the CO₂e emissions in this Scope 3 Category 7. Our response rate was around 47%; we will evaluate how we can increase this response rate for future surveys. To reduce the CO₂e emissions in this Category, we will consider putting in place initiatives such as:

- Cycle-to-work schemes
- Encouraging carpool arrangements
- Providing information on public transport alternatives
- Installing electric vehicle (EV) charge points at our office location
- Supporting the uptake of EVs by providing our employees with free low carbon EV charging on site

Scope 3 Category 7: Employee homeworking

Employee commuting CO₂e emissions relate to the energy and water consumption, and waste produced as a result of our employees working from their homes. In order to reduce the CO₂e emissions we will:

- Consider collecting granular data by sending a survey to all employees working from home to understand their energy, waste and water usage during working hours
- Implement an awareness campaign to help educate employees; this will help employees to understand what actions can be taken to reduce their CO₂e emissions associated with working from home. This will involve, the below actions:
 - Encouraging employees to switch to renewable energy tariffs where possible
 - Encouraging employees to switch to using SMART meters
 - Encouraging employees to review the energy consumption of home appliances and consider investing in new energy efficient appliances when they feel that their current appliance needs replacing
 - Encouraging employees to reduce, reuse, recycle, and limit waste sent to landfill

Declaration and Sign Off

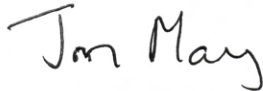
This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard⁵ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁶.

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) Standard⁷.

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

Signed on behalf of the Supplier:



Jon May

Date: 18th March 2025

⁵<https://ghgprotocol.org/corporate-standard>

⁶<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

⁷<https://ghgprotocol.org/standards/scope-3-standard>