TERRAMED LIMITED – CARBON REDUCTION PLAN

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1. Commitment to Achieving Net Zero

TerraMed Limited ("TerraMed", "we", "us" or "our") is committed to achieving Net Zero greenhouse gas (GHG) emissions across our operations and value chain by 2050 at the latest.

As a UK-based distributor of medical devices, healthcare consumables and related products, we recognise our responsibility to minimise the environmental impact of our activities and contribute to the transition towards a more sustainable healthcare supply chain.

Our commitment is informed by the UK Government's Net Zero objectives, the NHS Net Zero Supplier Roadmap, the Greenhouse Gas Protocol and applicable public procurement requirements.

We recognise the NHS's ambition to achieve Net Zero by 2040 for emissions it directly controls and by 2045 for emissions it can influence, including those associated with its supply chain. We will seek opportunities to support these ambitions through responsible procurement, distribution and supplier engagement.

Our environmental objectives include:

- Measuring and reporting greenhouse gas emissions consistently and transparently.
- Reducing emissions arising from our direct operations.
- Improving the efficiency of transportation, warehousing and distribution.
- Engaging manufacturing partners and service providers on environmental performance.
- Reducing unnecessary packaging, waste and resource consumption.
- Integrating environmental considerations into purchasing and operational decisions.
- Establishing measurable emissions reduction targets informed by reliable data.
- Reviewing progress annually and continuously improving our carbon accounting methodology.

We recognise that effective carbon management requires accurate information, practical reduction measures and transparent reporting of both achievements and limitations.

2. Organisational Profile and Reporting Boundary

TerraMed Limited commenced formal operations in early 2024 and operates primarily as a distributor rather than a manufacturer of healthcare products.

Our principal activities include sourcing medical devices and consumables from manufacturing partners, managing procurement and supply chain relationships, coordinating warehousing and logistics, and supplying products to NHS organisations and private healthcare customers.

The emissions figures presented in this Plan relate to TerraMed's reported UK operational activities, using an operational control approach and the reporting boundaries described in our previous Carbon Reduction Plan. These activities encompass office and warehousing arrangements, relevant business travel and the categories of employee commuting previously measured.

As a distributor, we recognise that significant emissions may also arise outside our direct operational control, particularly from product manufacturing, purchased goods, packaging, transportation and third-party logistics.

Our carbon reporting programme will therefore be developed to provide greater visibility over these indirect sources.

This Plan relates specifically to TerraMed Limited and does not purport to consolidate emissions from other Zeela Group companies.

3. Baseline Emissions Footprint

TerraMed established its initial emissions baseline for the reporting period **1 March 2024 to 28 February 2025**, representing its first full year of carbon data collection. The baseline was reported in our Carbon Reduction Plan published on 6 April 2026.

The emissions calculations were described as following the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, with reference to UK environmental reporting principles and applicable government greenhouse gas conversion factors.

The baseline provides a starting point for monitoring changes in reported operational emissions.

3.1. Baseline Year: 1 March 2024 – 28 February 2025

Emissions Source	Total (tCO_2e)
Scope 1 – Direct emissions	7.32
Scope 2 – Purchased energy	0.81
Scope 3 – Business travel	0.12
Scope 3 – Rail commuting	0.06
Reported Scope 3 subtotal	**0.18**
Total reported emissions	**8.31**

The baseline total of 8.31 tonnes of carbon dioxide equivalent reflects the emission sources quantified at the time. It does not represent a complete assessment of all emissions attributable to TerraMed's value chain.

4. Current Emissions Reporting

The latest completed reporting period is **1 March 2025 to 28 February 2026**. The figures below reproduce the emissions reported in TerraMed's April 2026 Carbon Reduction Plan, retaining the same categories and methodology for comparative purposes.

4.1. Year-on-Year Emissions Comparison

Emissions Source	Baseline 2024–25 (tCO_2e)	2025–26 (tCO_2e)	Change
Scope 1 – Direct emissions	7.32	7.85	+7.2%
Scope 2 – Purchased energy	0.81	0.84	+3.7%
Scope 3 – Business travel	0.12	0.15	+25.0%
Scope 3 – Rail commuting	0.06	0.07	+16.7%
Reported Scope 3 subtotal	**0.18**	**0.22**	**+22.2%**
Total reported emissions	**8.31**	**8.91**	**+7.2%**

4.2. Performance Commentary

TerraMed's reported emissions increased from 8.31 tCO_2e in the baseline year to 8.91 tCO_2e in the 2025–26 reporting period, representing an increase of approximately 7.2%.

The increase coincided with continued business development, higher distribution activity and greater supplier engagement, including associated travel.

However, these factors have not yet been quantified sufficiently to determine their individual contribution to the increase.

The reported figures therefore demonstrate an increase in absolute emissions within the measured reporting boundary. They do not, on their own, establish whether TerraMed's emissions intensity has improved or deteriorated.

To provide a more meaningful assessment of performance as the business grows, we intend to introduce emissions intensity indicators, including emissions relative to revenue and, where practicable, distribution activity.

Year-on-year comparisons will continue to distinguish changes in actual emissions performance from changes arising through improved data coverage or reporting methodology.

5. Emissions Accounting Methodology and Reporting Development

TerraMed's emissions accounting approach is informed by recognised greenhouse gas reporting principles, including:

- The Greenhouse Gas Protocol Corporate Accounting and Reporting Standard.
- The Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard.
- Relevant UK Government greenhouse gas conversion factors for company reporting.
- Applicable UK environmental reporting guidance.
- Procurement Policy Note (PPN) 006 and associated Carbon Reduction Plan technical guidance.

Emissions are expressed in metric tonnes of carbon dioxide equivalent (tCO_2e).

We recognise that the accuracy and completeness of emissions reporting depend on the availability and quality of underlying activity data, appropriate conversion factors, consistent reporting boundaries and documented calculation assumptions.

5.1. Scope 1 and Scope 2

Scope 1 covers direct greenhouse gas emissions from sources owned or controlled by TerraMed.

Scope 2 covers indirect emissions arising from purchased electricity, heating, cooling or other energy where applicable.

Future reporting will include a review of the underlying activity data, applicable conversion factors and the allocation of emissions associated with office and warehousing arrangements.

5.2. Scope 3

Scope 3 comprises indirect emissions arising from activities throughout the company's value chain that are not included in Scope 1 or Scope 2.

Under PPN 006, Carbon Reduction Plans are expected to include a defined subset of five Scope 3 categories:

1. Upstream transportation and distribution.
2. Waste generated in operations.
3. Business travel.
4. Employee commuting.
5. Downstream transportation and distribution.

TerraMed's existing emissions figures cover business travel and rail commuting only.

The following reporting limitations remain:

Scope 3 Category	Current Reporting Position
Upstream transportation and distribution	Not yet quantified
Waste generated in operations	Not yet quantified
Business travel	Quantified
Employee commuting	Rail commuting quantified; category coverage requires review
Downstream transportation and distribution	Not yet quantified

The unquantified categories must not be interpreted as generating zero emissions.

Accordingly, the Scope 3 figures presented in this Plan are reported subtotals rather than a complete Scope 3 footprint.

The current inventory requires further development before it can be represented as fully meeting the emissions reporting requirements of PPN 006.

5.3. Expansion of Reporting Coverage

Our reporting priorities include the collection and assessment of additional emissions data relating to:

- Inbound and outbound freight and distribution.
- Third-party warehousing and logistics.
- Packaging and waste management.
- Employee commuting across relevant transport modes.
- Purchased goods and services.
- Manufacturing-related supply chain emissions.
- Other material Scope 3 categories identified through a value chain assessment.

We will seek to apply recognised calculation methods, prioritising primary activity data where available and proportionate estimation methods where necessary.

Any subsequent improvement in reporting coverage may increase the reported emissions total without indicating a deterioration in underlying environmental performance.

6. Carbon Reduction Measures Currently in Place

TerraMed has adopted a number of operating practices intended to limit unnecessary energy consumption, travel and resource use.

These practices provide a foundation for further environmental improvement.

6.1. Remote-First Working

TerraMed operates a predominantly remote administrative working model, reducing the requirement for routine office attendance and associated commuting. This approach also limits the need for dedicated office space and related energy consumption.

We recognise that remote working may transfer some energy consumption to employees' homes and will consider this when developing our reporting methodology.

6.2. Digital Communication and Collaboration

Internal coordination, customer engagement and supplier communication are undertaken through digital systems and online collaboration platforms wherever practical. These include Microsoft Teams, Zoom, Google Meet and other cloud-based communication tools.

Virtual meetings are prioritised where they provide a suitable alternative to physical travel.

6.3. Reduced Business Travel

TerraMed seeks to limit unnecessary domestic and international travel by using remote communication and selecting proportionate travel arrangements. Where in-person attendance is required, lower-emission alternatives are considered where practical and commercially reasonable.

6.4. Centralised Warehousing and Distribution

TerraMed's reported operating model uses centralised UK warehousing arrangements to coordinate product storage and distribution. Centralised logistics management provides opportunities to consolidate shipments, reduce unnecessary transport movements and improve visibility over distribution-related emissions.

As we expand Scope 3 reporting, we will assess the environmental performance of outsourced freight, warehousing and delivery activities in greater detail.

6.5. Digital Documentation and Administration

TerraMed uses electronic communications, records and administrative systems to reduce unnecessary printing, paper handling and physical document transportation. Digital processes also support efficient supplier engagement, customer service and procurement administration.

6.6. Supplier Screening and Responsible Sourcing

Supplier selection and engagement include consideration of product quality, regulatory compliance and available information concerning relevant environmental practices. We recognise that product quality certification does not, by itself, demonstrate environmental performance.

Our approach will be progressively strengthened through more structured environmental questionnaires and supplier engagement.

6.7. Public Carbon Reporting

TerraMed publicly reports its carbon reduction commitments and emissions information through its website. The publication of this Plan supports transparency, accountability and engagement with customers and procurement organisations.

7. Planned Carbon Reduction Initiatives

TerraMed intends to implement a proportionate programme of environmental improvements, reflecting the scale of its operations and its role within the healthcare supply chain. The following initiatives form the company's principal action plan for 2027 and 2028.

7.1. Complete Relevant Scope 3 Reporting

Priority: 2027

Expand emissions calculations to cover the five Scope 3 categories required under PPN 006. This will involve reviewing freight records, logistics arrangements, waste information, commuting activity and supplier data.

Particular attention will be given to accurately distinguishing transportation services purchased by TerraMed from downstream distribution activities accounted for under other categories.

7.2. NHS Evergreen Sustainability Assessment

Priority: 2027 and ongoing

Maintain engagement with the NHS Evergreen Sustainable Supplier Assessment and work towards meeting the applicable minimum requirements for NHS procurement.

This includes strengthening the company's Carbon Reduction Plan, improving emissions reporting and maintaining appropriate evidence of environmental management activities.

7.3. Preparation for Enhanced NHS Reporting Requirements

Priority: Before April 2027

Review TerraMed's reporting arrangements against the NHS Net Zero Supplier Roadmap requirements scheduled to take effect from April 2027.

This includes identifying all relevant global Scope 1, Scope 2 and Scope 3 emissions, subject to the applicable proportionality provisions and procurement requirements.

For TerraMed, priority consideration will be given to manufacturing-related emissions, purchased goods, transportation, packaging and other significant supply chain activities.

7.4. Carbon Intensity Monitoring

Priority: 2027

Develop carbon intensity measures to complement absolute emissions reporting.

Potential indicators include:

- Tonnes of CO_2e per £1 million of revenue.
- Tonnes of CO_2e per shipment or unit of distribution activity.
- Emissions associated with transportation and logistics.
- Year-on-year changes in energy consumption and travel.

These indicators will support more meaningful performance comparisons as TerraMed's commercial activities develop.

7.5. Freight and Logistics Optimisation

Priority: 2027–2028

Review distribution arrangements to identify opportunities for reducing transport-related emissions.

Potential measures include:

- Shipment consolidation and improved delivery planning.
- Reduction of avoidable partial loads and duplicate journeys.
- Engagement with logistics providers on fleet efficiency and emissions reporting.
- Consideration of lower-emission delivery alternatives where commercially and operationally appropriate.
- Improved collection of transport activity data.

Any changes must preserve product integrity, agreed delivery requirements and the reliability of healthcare supply.

7.6. Sustainable Packaging and Waste Reduction

Priority: 2027–2028

Work with relevant manufacturers and logistics providers to identify opportunities to reduce unnecessary packaging, improve material efficiency and minimise waste.

Potential measures include reducing excess secondary packaging, improving recyclability and reviewing warehouse waste management arrangements.

Healthcare product safety, sterility, traceability and regulatory requirements will remain paramount.

7.7. Supplier Environmental Engagement

Priority: 2027–2028

Develop a structured approach to obtaining relevant environmental information from manufacturing and distribution partners.

This may include requesting information on:

- Greenhouse gas emissions and carbon reduction commitments.
- Energy sources and energy efficiency initiatives.
- Environmental management systems.
- Packaging and waste management practices.
- Product transportation and logistics.
- Availability of product-level environmental or life-cycle information.

Supplier assessments will be proportionate to the nature, scale and environmental significance of the relevant activities.

7.8. Environmental Policy and Internal Governance

Priority: 2027

Develop and publish a formal Environmental Policy covering responsible resource use, energy efficiency, waste management, sustainable purchasing, regulatory compliance and environmental accountability.

Relevant environmental responsibilities will be incorporated into operational and supplier management arrangements.

7.9. Net Zero Roadmap and Interim Targets

Priority: 2027–2028

Develop a more detailed pathway towards Net Zero by 2050, informed by a sufficiently complete emissions inventory.

The roadmap will seek to identify practical reduction opportunities, establish measurable interim targets and prioritise activities according to their environmental significance and feasibility.

We will consider recognised target-setting methodologies, including relevant Science Based Targets initiative guidance, where appropriate to TerraMed's size and operational circumstances.

Any use of carbon credits or removals will be considered separately from direct emissions reductions, with priority given to eliminating or reducing emissions at source.

8. Implementation Roadmap

The following roadmap summarises TerraMed's planned environmental priorities.

Period	Principal Actions
Q4 2026 – Q1 2027	Review existing emissions methodology, address reporting gaps and prepare for updated NHS requirements
2027	Expand Scope 3 reporting, develop carbon intensity metrics and progress Evergreen assessment requirements
2027–2028	Improve logistics emissions data, strengthen supplier engagement and develop environmental management measures
2028 onwards	Refine emissions reduction targets, monitor implementation and review progress against the long-term Net Zero commitment
By 2050	Achieve Net Zero greenhouse gas emissions across TerraMed's operations and value chain

This roadmap will be reviewed as improved emissions information becomes available and as applicable procurement requirements evolve.

9. Monitoring, Measurement and Reporting

TerraMed will seek to review its carbon performance at least annually.

Future reviews will assess:

- Absolute Scope 1, Scope 2 and Scope 3 greenhouse gas emissions.
- Changes in the completeness and quality of emissions data.
- Relevant carbon intensity indicators.
- Progress against established emissions reduction measures.
- Environmental performance information received from suppliers.
- Opportunities to improve freight, packaging and warehousing efficiency.
- Applicable NHS procurement and sustainability reporting requirements.

Emissions data will be calculated using appropriate activity information, recognised methodologies and relevant UK Government conversion factors for the reporting period.

Where changes in calculation methodology or reporting boundaries materially affect comparability, these will be explained and baseline figures reviewed where appropriate.

Progress will be communicated through updated Carbon Reduction Plans and other relevant sustainability disclosures.

10. Governance and Accountability

Overall responsibility for TerraMed's environmental commitments and Carbon Reduction Plan rests with the company's directors and senior management.

Management is responsible for overseeing proportionate environmental planning, reviewing relevant emissions information and integrating carbon reduction considerations into business decisions.

Relevant employees and business partners are expected to support reasonable measures aimed at reducing environmental impacts.

Supplier and logistics engagement will form an important component of our approach because a substantial proportion of emissions associated with healthcare distribution may arise outside our direct operational control.

The Carbon Reduction Plan will be reviewed annually and updated earlier where material changes in operations, reporting methodologies or applicable requirements justify revision.

11. Declaration and Reporting Status

This Carbon Reduction Plan sets out TerraMed Limited's commitment to achieving Net Zero greenhouse gas emissions by 2050 and presents the company's previously reported emissions for the periods 1 March 2024 to 28 February 2025 and 1 March 2025 to 28 February 2026.

The figures have been carried forward from TerraMed's Carbon Reduction Plan published on 6 April 2026.

This revision provides additional transparency regarding the existing emissions reporting boundary, outstanding Scope 3 categories and the actions intended to improve future reporting.

The Plan has been prepared with reference to the Greenhouse Gas Protocol, relevant UK environmental reporting guidance, PPN 006 and the NHS Net Zero Supplier Roadmap.

Full conformity with PPN 006 is not asserted at this stage because the required Scope 3 reporting categories have not all been quantified.

TerraMed is committed to addressing these limitations and progressively improving the completeness, consistency and reliability of its emissions reporting.

The company's long-term commitment remains to achieve Net Zero greenhouse gas emissions by 2050 at the latest.

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