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TRUSTED HYGIENE + PROTECTION



Pal International Sustainability update 2024

Environmental Sustainability Policy

We are committed to improving environmental sustainability performance throughout every stage of our operations.

We recognise that our activities, products and service can impact on the environment and conversely climate change can affect our operations. It is our responsibility to eliminate or reduce these impacts to a minimum. By maintaining an Environmental Management System (EMS) certified to ISO14001 we will effectively manage our environmental risks and opportunities and associated environmental aspects.

Aligning to the UN Sustainable Development Goals, we shall regularly review our Environmental Sustainability Strategy, adopt best practices, set short, medium and long-term objectives and continually strive to:

- Use science-based targets. We aim to reduce scope 1 and 2 emissions by 50% from a 2018 baseline with ambitions for reducing significant scope 3 emissions by 2030

- Adopt a greenhouse gas hierarchy to eliminate, reduce as far as possible, substitute and compensate greenhouse gas emissions from our entire value chain by:
 - Purchasing goods and materials from sustainable and renewable sources
 - Using renewable energy, reducing energy consumption and implementing an energy efficiency plan
 - Reducing freight mileage
 - Reducing business travel
 - Reducing resource consumption and waste, recycling and transitioning products offering a full circular economy where possible
- Prevent pollution
- Fulfil compliance obligations
- Promote our environmental policy to employees, contractors, suppliers, customers and other interested parties.

This policy and objectives are integrated into our business strategy and are key to determining our environmental sustainability priorities.





Significant Aspects

We have identified the following significant aspects which are managed / controlled and have set objectives and targets wherever possible:

- GHG emissions for scope 3 cat 1 – purchased products
- Suppliers' operations and environmental / ethical credentials
- Supply of electricity
- Consumption of electricity
- Supply of gas
- Use of water
- Plastic packaging
- General waste
- Plastic waste
- Disposal of trade effluent
- Chemicals used in products
- Fumes from solvents and alcohol

Environmental Sustainability Schemes

We are working towards our goals in alignment with the following internationally recognised organisations:



Environmental Sustainability

Achievements 2023

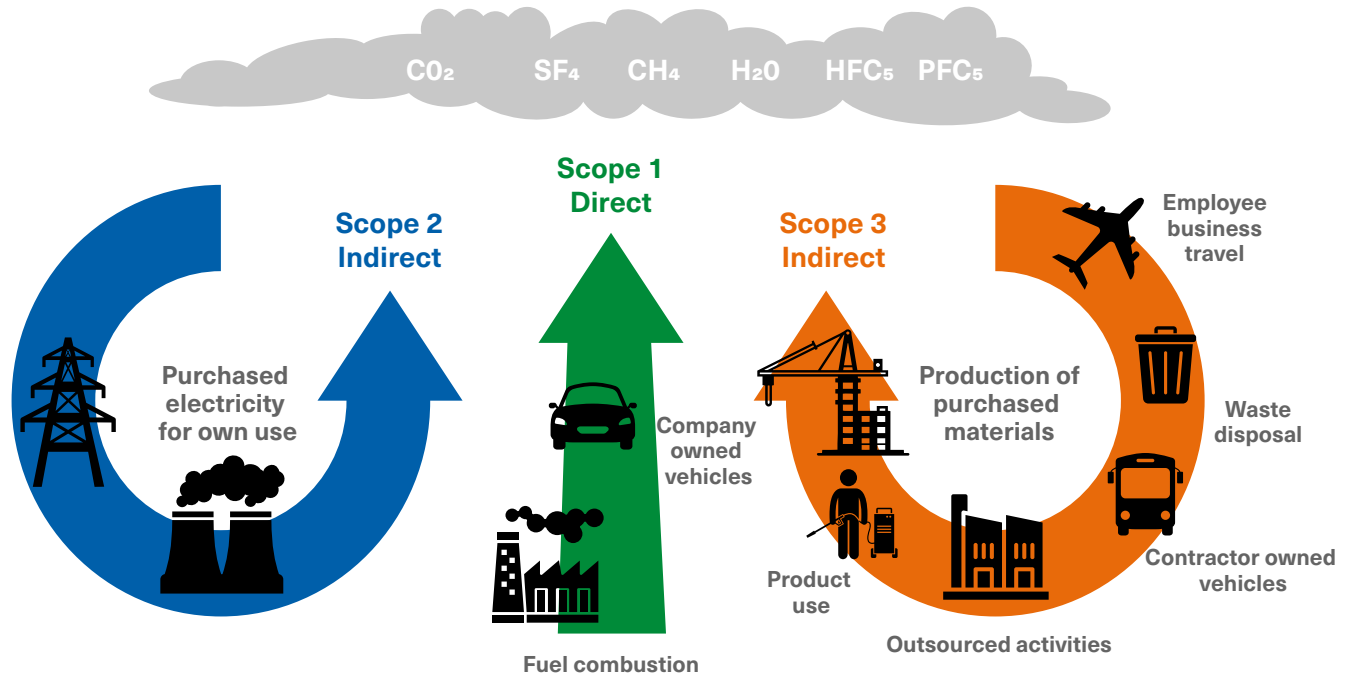
Whilst our manufacturing output increased by 149%, we are pleased to announce our overall carbon emissions did not correlate with this increase, and rose instead by 45% from 3,658tCO₂e to 5,305tCO₂e.

Key Performance Indicators:

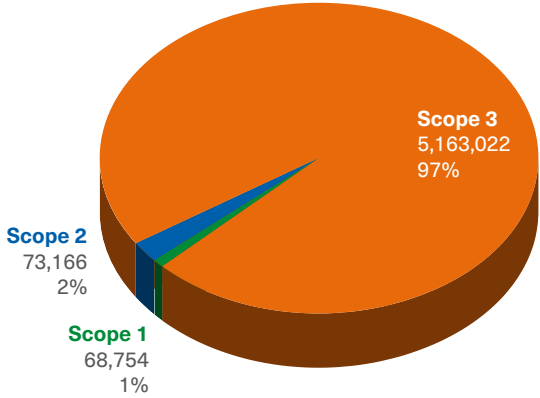
- Gas Consumption (kWh) increased by 18%
- Electricity Consumption increased by 2%
- Fleet – With the exception of 1 hybrid vehicle, all our fleet are now fully electric
- Waste to landfill continues to be 0%
 - Total waste increased by 24% from 115 tonnes to 142 tonnes, of which:
 - General waste 90 tonnes
 - Recycled 45.5 tonnes of which:
 - Recycling of paper and board decreased by 31% to 4.5 tonnes
 - Plastic recycling increased by 86% to 30 tonnes
 - Pallet recycling decreased by 68% to 11 tonnes
 - Hazardous waste 7 tonnes
- Water consumption – Up 10% to 2,437cu²
- 12 out of 36 raw material suppliers hold environmental ISO14001 certification (33%)
- On-going charitable support: lab equipment donated to local school and PPE kits and wipes provided to Inter Care



Carbon Emissions 2023



2023 GHG Emissions kgCO₂e



Scope	2022 Emissions CO ₂ e	2023 Emissions CO ₂ e	% Difference
Scope 1	59	69	16%
Scope 2	67	73	9%
Scope 3	3,532	5163	46%



2024 Objectives and Targets

Aligning with the UN Global Compact Sustainable Development Goals (SDGs), Science Based Targets initiative (SBTi) the Greenhouse Gas (GHG) protocol and ISO14001 international frameworks, we shall continue to prioritise the following targets aiming for completion by 2030:

- **SBT 1.5C pathway** – 50% reduction of scope 1 & 2 emission by 2030 from a 2018 baseline with ambitions to reach this sooner.
 - Electricity – improve energy performance and raise energy awareness throughout the site
 - Fleet – complete replacement of remaining electric vehicles (1 car to be replace in May 2024)
 - Gas – move to new premises will eliminate use of gas
- Once we have moved premises, we shall be on track to achieve 100% reduction to scope 1 and 2 emissions – 6 years earlier than target date of 2030. This is due to the new site offering solar panels, no gas, and our continued commitment to purchase from 100% renewable electricity sources





2024 Objectives and Targets continued

- **100% sustainable materials by 2030.** Where markets allow, manufacture products that are designed to be from recycled content, recyclable or reusable (decouple from resource extraction / virgin materials)
 - Collaborate with suppliers to increase recycled content, recyclable / reusable materials, and lighter weight packaging to products
 - Compare carbon emissions data for different types of material components e.g. plastic types. Sustainable product development team to make informed sustainable material choices
 - Continue to raise internal awareness and training for scope 3 value chain emission reductions e.g. sustainable procurement practices
 - Improve supplier environmental and sustainable performance – implement environmental weighting to approved supplier assessment list
 - Improve environmental / sustainable product awareness to customers and other interested parties through marketing campaigns, website, product labelling
- **100% resource recovery by 2030.** Where markets allow, all materials and products to be recovered, recycled or reused at end of life. Achieve a zero-waste product model and full circular economy
 - Collaborate with customers, suppliers and waste contractors to take back and recycle used products from customer
- **Improve supplier environmental sustainably performance**
 - Implement additional criteria for supplier assessments
- **Improve visibility of ESG data**
 - Develop internal ESG dashboard
- **Continue to meet 100% of EMS compliance obligations**
 - Conduct quarterly compliance updates and annual audits

PAL's Commitment to Sustainability

Since 2019 we have formally participated in the UN's Sustainable Development Goals (SDGs)

We commit to continued improvement activities and greater transparency of our environmental credentials.

We signed up to Science Based Targets (SBTs) to determine how much we need to reduce our greenhouse gas emissions in line with the scale of reductions required to keep global warming below 1.5C from pre-industrial levels.

We commit to reduce carbon emissions by 50% from a 2018 baseline by 2030 for scope 1 and 2 and achieve a net zero carbon footprint by 2045 for scope 3.

We engage with our global operations, interested parties and external providers to target carbon reduction plans with a focus on sustainable procurement, improved supplier chain environmental sustainability credentials and applicable compliance obligations.

We monitor the lifecycle of our products and services, collaborate and use innovative technologies that further reduce carbon emissions from our products and eliminate carbon emissions from our value chain.

We submit annual reports to the SME Climate Hub that empowers SMEs to “take climate action and build resilient businesses for the future”.

We continue to commit to a sustainable future for all and are investing our resources in operations to make this transition.



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