

# Pal International Ltd

## Carbon Reduction Plan (2025 – 2050)

Publication date: 20<sup>th</sup> April 2026

**Our goal is to maintain carbon neutrality for scope 1 & 2 emissions and achieve Net Zero by 2050 across scope 1, 2, and 3 emissions.**

We continue to screen scope 3 activities and where available, we will apply carbon factors for all known activities, products and services associated with our value chain.

### Emission Baseline

We have signed up to the SBTi which commits to a 50% reduction of scope 1&2 emissions by 2030 from our baseline. We have exceeded this target five years ahead of schedule.

<b>Baseline Year: 2019</b>	
<b>Additional Details relating to the Baseline Emissions calculations.</b>	
Using the GHG Protocol methodology, a full carbon assessment was conducted on scope 1,2 & 3 emissions where practicable.	
<b>Baseline year emissions: 2019</b>	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2e</sub>)</b>
<b>Scope 1</b>	135 Gas & Fleet
<b>Scope 2</b>	91 Electricity
<b>Scope 3 (Included Sources)</b>	5883 Cat 1 Purchased goods - materials, packaging, labels, water, wooden pallets (excludes chemicals and factored goods) Cat 3 Transmission & Loss Cat 5 Wastes Cat 7 Employee commute Cat 9 Downstream Transportation & Distribution Cat 11 Use of sold products Cat 12 End of life treatment
<b>Total Emissions</b>	6109

## Current Emission Reporting

Reporting Year: 2025	
EMISSIONS	TOTAL (tCO <sub>2</sub> e)
Scope 1	0
Scope 2	111 Electricity
Scope 3 (Included Sources)	5851 Cat 1 Purchased goods - materials, packaging, labels, water, wooden pallets (excludes chemicals and factored goods as data not available) Cat 3 Transmission & Loss Cat 5 Wastes Cat 6 Business Travel Cat 7 Employee Commute Cat 11 Use of sold products Cat 12 End of life treatment
<b>Total Emissions</b>	<b>5287</b>

## Emissions Reduction Targets

Based on our SBT of a 50% reduction of scope 1 and 2 emissions by 2030 from a 2018 baseline we have exceeded our targets five years ahead of schedule: Our current carbon emission status is detailed in figures 1 & 2 below:

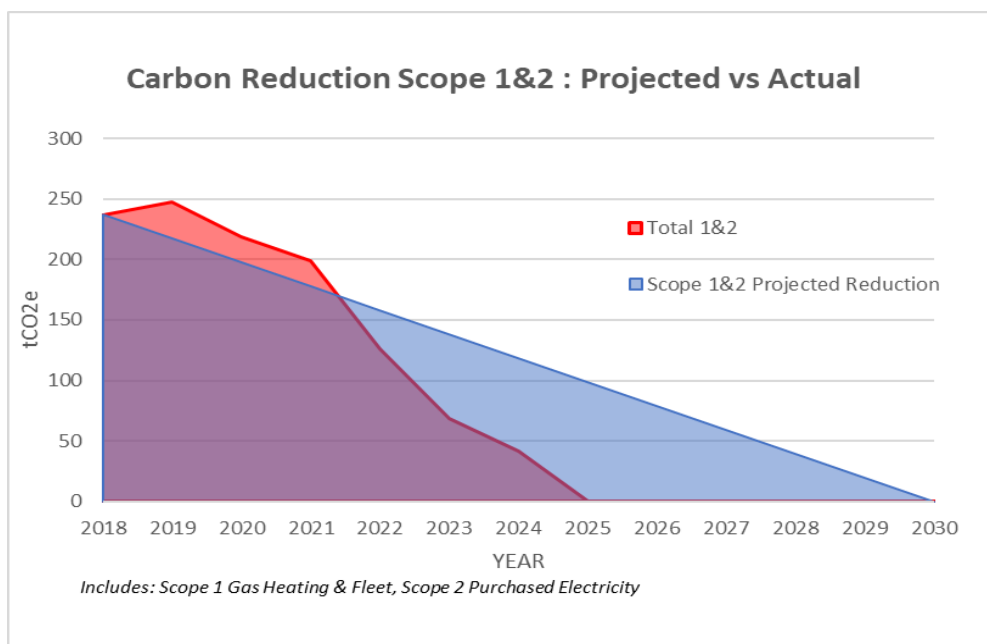


Fig 1. Scope 1 & 2 Emissions Projected vs Actual

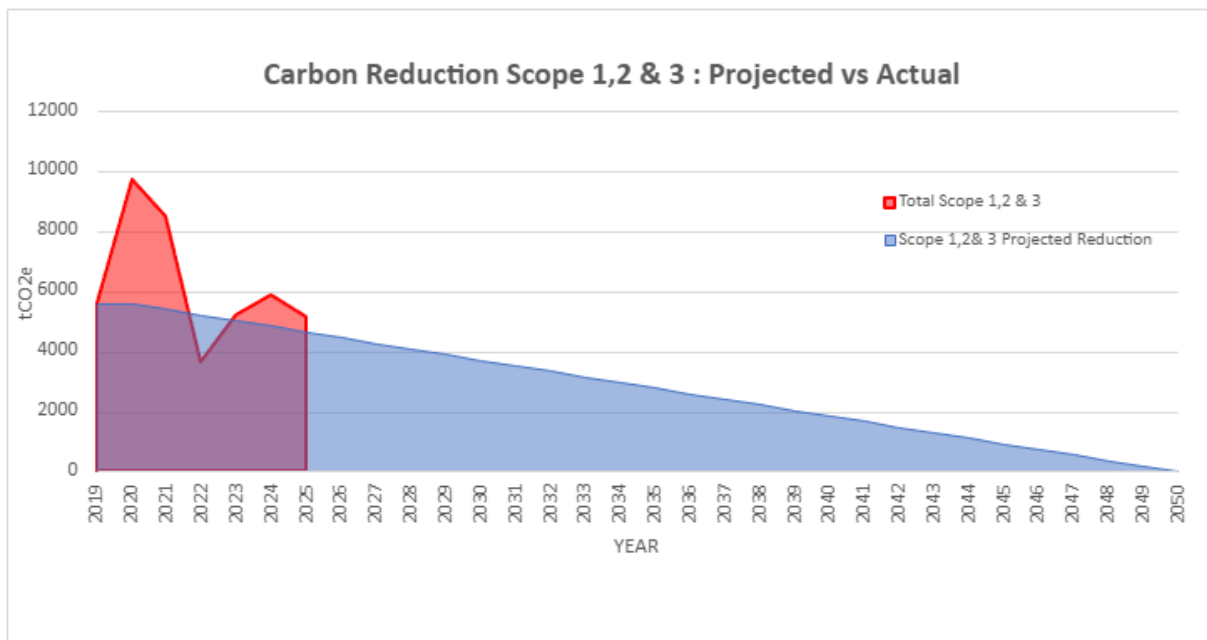


Fig 2. Scope 1, 2 & 3 Emissions Projected vs Actual

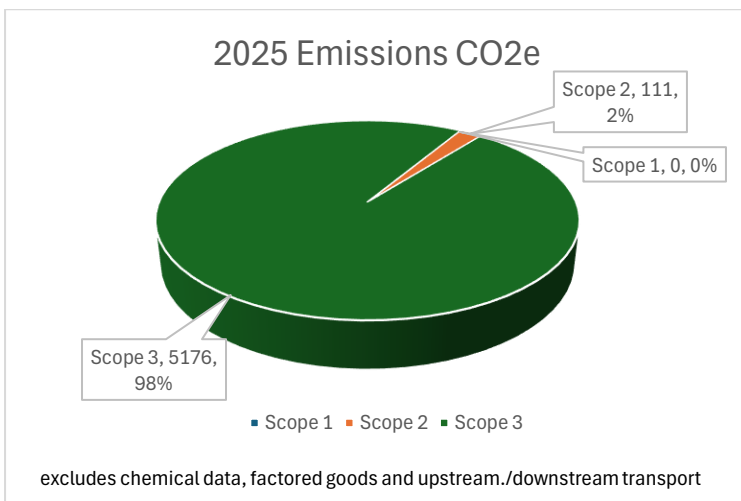


Fig 3. Percentage of Known Scope 1, 2 & 3 Emissions

## Achievements

We have held ISO14001 certification since 2014 and strive for continuous environmental improvements. Our carbon-related achievements include:

- ✓ 100% **Carbon Neutrality for Scope 1 & 2** achieved in 2025 (ahead of 2030 goal)
- ✓ 100% Electric vehicle fleet
- ✓ 100% REGO-backed renewable electricity

- ✓ In 2024, relocated to an outstanding-rated BREEAM site with onsite solar-powered electricity generation, motion-sensor LED lighting, HVAC upgrade and natural daylighting in the warehouse
- ✓ 100% Elimination of gas use
- ✓ 0% Waste to landfill
- ✓ 6% Reduction in water use and rainwater harvesting

## Short and Medium-Term Actions (2025–2030-2040)

Our environmental management system framework enables us to prioritize carbon reduction projects for the short, medium and long term. We shall invest where practicable and engage with our stakeholders to further innovate carbon reduction strategies.

### Scope 1 & 2: Maintain Carbon Neutrality

- Continue purchasing renewable energy (REGO-backed)
- Maintain EV-only fleet with on-site EV charging
- Conduct regular environmental and energy audits
- Invest in energy-efficient equipment (e.g. motors, compressed air)

### Scope 3: Begin Reduction Phase

- **Supplier Engagement:**
  - Increase ISO14001 certified suppliers from 36% to 50%
  - Collect and evaluate zero / carbon performance criteria supplier assessments
- **Business Travel:**
  - Promote remote meetings
  - Establish a travel emissions policy
- **Waste Management:**
  - Enhance segregation and recycling programs
- **Product Redesign:** Using life cycle assessments (LCAs) to understand product carbon footprints, continue to redesign products for circularity, increasing recycled content and recyclability
- **Packaging:** Shift to recyclable/biodegradable packaging
- **Logistics:**
  - Partner with low-emission freight providers
  - Optimize delivery routes and loads

## Long-Term Actions (2040–2050)

- Continue innovation of sustainable materials and waste-to-resource initiatives
- Fully decarbonize scope 3 value chain

- Carbon offset for residual scope 3 emissions via a verified offsetting organisation
- Achieve Net Zero status for scope 1, 2 & 3

## Monitoring and Reporting

Monitoring of carbon emissions data enables us to set ambitious targets. We annually submit carbon emissions data to:

- SME Climate Hub
- Science Based Targets Initiative (SBTi)
- UN Global Compact SDGs
- Website Sustainability Report for Stakeholder updates and transparent disclosures
- External verification and certification of ISO14001 EMS

## 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 standard<sup>1</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>2</sup>.

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

Signed on behalf of Pal International Ltd



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CEO

Date: 20/04/2026

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

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