DX Network Services Limited - Carbon Reduction Plan

Period: 01/07/24 – 30/06/25

Commitment to achieving Net Zero

DX is committed to achieving Net Zero emissions by 2050.

The carbon scopes and categories disclosed are taken from the business' full carbon footprint calculated using the UK governments latest emission factors applying the principles of the GHG protocol. This footprint was third party verified by a UKAS accredited certification body in December 2025 to ISO 14064*

*5% level of materiality and to limited assurance.

Baseline Emissions Footprint

Baseline Year: FY22	
The DX Freight division has a higher percentage of PAYE drivers and DX leased vehicles, whilst DX Express principally uses subcontractors for trunking and final mile deliveries. As a result, a significant element of Scope 3 emissions relates to subcontracted vehicle movements which are captured in upstream transport and distribution. Emissions are accounted for using a financial control boundary, with a small amount of energy from exchange mailbox locations excluded where the business does not directly pay for utilities and / or have visibility of consumption. These emissions represent a non-material element of lighting and heating. The baseline (and subsequent years FY23, FY24) was revised as a result of combined changes exceeding the 5% materiality threshold. Improvements in methodology, updated government spend emission factors, and the inclusion of previous omissions in DX2 have resulted in an increase of 9,841 tCO_{2e}.	
Baseline year emissions:	
EMISSIONS	TOTAL (tCO2e)
Scope 1	**33,975**
Scope 2	**1,561** (location based)
Scope 3 (Included Categories)	**80,406** 3. Fuel and energy related activities – 8,542 (supplementary disclosure) 4. Upstream transport and distribution – 62,416 5. Waste generated in operations – 240 6. Business travel – 90 7. Employee commuting – 9,118 9. Downstream transportation and distribution - 0* *Outbound transport and distribution is purchased by DX as such is included in category 4 as per the GHG protocol.
Total Emissions	**115,942**

Published January 2026

Current Emissions Reporting

In addition to the five mandatory categories, we disclose category 3 Fuel and energy related activities due to the size and relevance to our operations.

FY25 emissions:	
EMISSIONS	TOTAL (tCO_{2e})
Scope 1	**39,071**
Scope 2	**223** (Market based REGO backed, location based 1,888 tCO_{2e})
Scope 3 (Included Categories)	**92,022** 3. Fuel and energy related activities – 10,096 (supplementary disclosure) 4. Upstream transport and distribution – 68,028 5. Waste generated in operations – 44 6. Business travel – 764 7. Employee commuting – 13,090 9. Downstream transportation and distribution - 0* *Outbound transport and distribution is purchased by DX as such is included in category 4 as per the GHG protocol.
Total Emissions	**131,316**

Emissions reduction targets

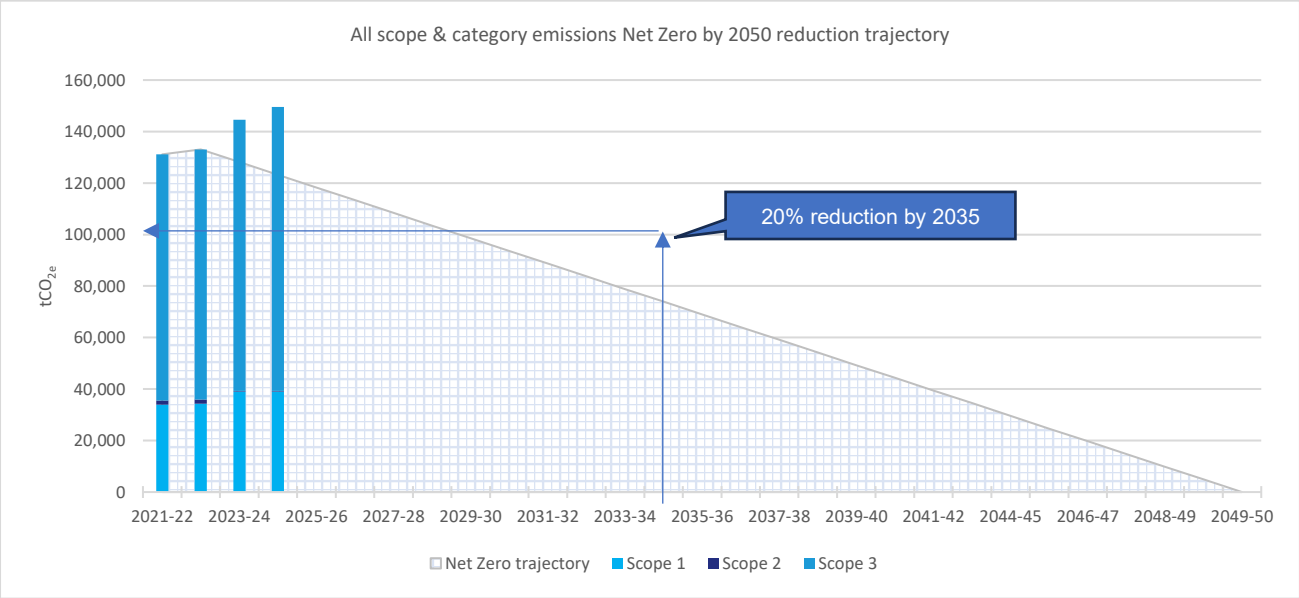
Carbon and energy targets have been established through our Environmental Management System (EMS) to support our Net Zero by 2050 commitment. Targets are reviewed and updated annually through the EMS to reflect business growth, improved carbon data, awareness and priorities.

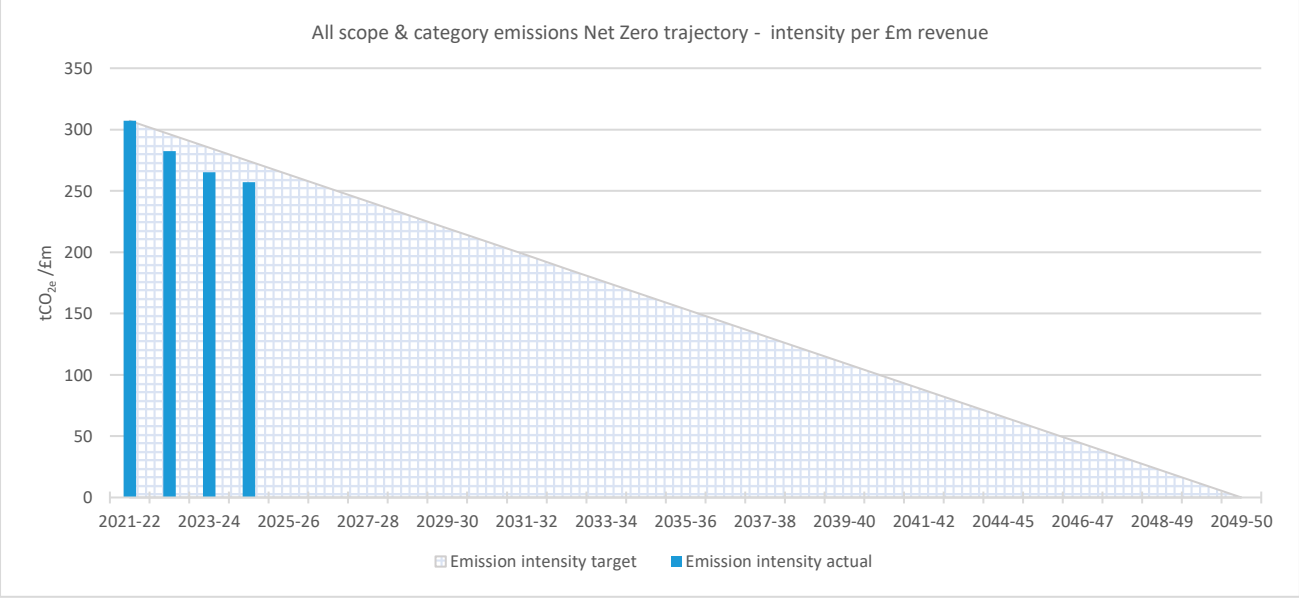
Goals	Carbon reduction tCO_{2e}	Status	Comments
Reduce SECR (Streamlined Energy & Carbon Reporting) emission intensity per million revenue by 10% in FY25 compared to FY24	2,693	-5.11%	Achieved a 5.11% reduction in emission intensity per £million revenue, this is the equivalent to 2,693 tCO_{2e} avoided compared to the FY24 emission intensity.
Introduce HVO as an alternative to diesel within the fleet at our Willenhall hub	3,553	Delivered	DX procures circa 3 million litres of HVO p.a. 6 months of supply reported during FY25
Reduce scope 2 (location) based emissions by 5% compared to FY24	348	-15.6%	132 MWh electricity reduction after estate growth, through energy efficiency projects, 3 new solar locations opened and a 14.5% reduction in the UK grid emission factor in 2025.
Reduce scope 3 emissions by 1% compared to FY24	None achieved	4.8%	A result of worsening spend based factors for purchased goods and services, increased distance travelled and worsening diesel emission factors.
Increase installed solar capacity to 180 kWp in FY25	26	Delivered	Delivered through DX investment and opening of new locations with landlord installed solar, 104 MWh generated
Interim target to monitor progress towards Net Zero			
20% reduction across all scopes by 2035 based on FY22 baseline	26,241 reduction required	Behind trajectory	Emission intensity relative to revenue is showing sustained improvement and on-track, however, overall emissions are rising with business growth and worsening emission factors.

The carbon trajectories below assume a consistent annual carbon reduction pathway to achieve Net Zero by 2050, based on DX's full scope 1, 2 & 3 carbon footprint. We acknowledge this fixed pathway is theoretical rather than considering current financial, technological and operational constraints, especially around diesel fleet decarbonisation, significant industry progress is expected within the next decade as innovations and policy evolve.

PPN 006 emissions have increased by 15,374 tCO_{2e} since the baseline, driven by 36% business growth and increases in depots, employees, and vehicles etc. However, carbon intensity has improved by 16.7%, with emissions at 257 tCO_{2e} per £m revenue, showing that growth and decarbonisation are progressing.

To meet our interim 2035 target of a 20% reduction against FY22, we must cut emissions by 44,586 tCO_{2e} compared to FY25 levels. Over the next five years a total 22,293 tCO_{2e} reduction is required in addition to existing measures outlined below. Achieving this will rely on continued investment, government policy, emerging low carbon solutions, and customer demand.





Completed Carbon Reduction Initiatives

Since FY22, DX has implemented carbon reduction initiatives that combined have delivered an estimated 5766 tCO_{2e} reduction (8.4%) compared with the baseline. We continue to invest in decarbonisation, with the below measures in place during the reporting year and in effect for contracts performed under the relevant DX divisions. This will be updated as our operations change to reflect current activities in place across the business for the reporting year.

- LED efficiency upgrades: Over £600k invested, upgrading 3,300+ fittings and installing smart sensors, saving circa 249 tCO_{2e} p.a.
- Willenhall hub trunking operations switched from diesel to Hydrotreated Vegetable Oil (HVO) reducing 3,553 tCO_{2e} over the 6 months within this reporting period.
- REGO backed electricity covering 88% of consumption cutting 1,665 tCO_{2e}, 100% in the UK where DX is solely responsible for the supply's procurement.
- The company car fleet is now 99% PHEV /EV reducing average emissions from 110 gCO_{2e}/km to 26 gCO_{2e}/km.
- Van in a box scheme enabled 53 subcontractors to upgrade to newer, cleaner vehicles.
- Express HVO delivery miles increased by 142% to 237,000 miles, with EV mileage increasing 116% to 173,000 miles, combining to reduce 162 tCO_{2e}.
- Replaced an inefficient warehouse gas heating system, with a small increase in electricity to provided localised heating. Reducing gas consumption by 522 MWh an equivalent of 111 tCO_{2e}.
- Avoided 25.5 tCO_{2e} using 180 kWp of onsite solar generating 104 MWh of renewable electricity.

Future Carbon Reduction Initiatives

- DX remains committed to actively reducing carbon emissions, into FY26 we have identified opportunities to enhance lighting efficiency across several depots.
- We aim to ensure that all remaining electricity directly procured by DX in Ireland is 100% REGO-backed, allowing a zero-emission factor to be applied.
- By leveraging newly implemented half-hourly automated utility reporting, we will identify and address abnormal utility usage and inefficient behaviours, supporting further carbon reductions.
- The business is standardising management information across divisions which will improve our ability to track carbon at a more granular level which will support the identification of reduction initiatives.
- Across our fleet operations we will continue to review the latest developments in fleet decarbonisation to ensure that the business is in a position to make informed and sustainable decisions.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 006 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 standard13 and uses the appropriate government emission conversion factors for greenhouse gas company reporting.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements (where required), 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) Standard.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body). This Carbon Reduction Plan has been reviewed and approved by the DX (Group) Limited Board of Directors (or equivalent management body).

Signed on behalf of the Supplier:

Will Wright
Chief Financial Officer
Date: 13 January 2026