

drax

Sustainability  
Framework

POSITIVE  
ACTION



# POSITIVE ACTION

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# POSITIVE ACTION



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At Drax, our mission is to help meet the world's increasing demand for secure energy, sustainably.

For us, sustainability isn't about words, it's about action. Constant, tireless action to benefit climate, nature and people.

Our Sustainability Framework sets out how we're taking action to help decarbonise society, to protect and enhance nature, and to support the people who work with and alongside us.

We recognise we can't do this alone. Truly positive action comes only with a willingness to listen and determination to learn. Our framework is the result of looking back at our successes and our setbacks, listening to critics and engaging with experts with the goal of ensuring that we're on the right path.

The framework has 26 time-bound targets, grouped into three pillars:

- |          |                         |   |
|----------|-------------------------|---|
| <b>1</b> | <b>Climate positive</b> | Reaching net zero by the end of 2040 across our value chain.  |
| <b>2</b> | <b>Nature positive</b>  | Supporting biodiversity across our sites and in our value chain by the end of 2030.   |
| <b>3</b> | <b>People positive</b>  | Seeking to make a positive contribution to the lives and livelihoods of our colleagues, communities, and workers in our supply chain. |

This is our roadmap with the ambition to ensure we're getting to meaningful milestones, whilst demonstrating transparency in our plans, processes and operations.

It will be rightly challenging to deliver. We stand ready to play our part.

[Let's take positive action.](#)

# Sustainability Framework

## CLIMATE POSITIVE

- > We will reach net zero by the end of 2040 across our value chain.
- > We will deliver evidence on forest carbon stocks in all principal biomass feedstock sourcing areas by the end of 2026, using rigorous science-based approaches.
- > We will further address the global climate crisis with positive contributions to climate change mitigation and adaptation by the end of 2030.

## NATURE POSITIVE

- > We will mitigate harm and promote circular resource use across our operations by the end of 2030.
- > We will deliver biodiversity enhancements across all our sites by the end of 2030.
- > We will support biodiversity and ecosystem resilience in our value chain, contributing to measurable restoration and conservation outcomes by the end of 2030.

## PEOPLE POSITIVE

- > We will keep building a fair, safe and inclusive workplace.
- > We will continue to collaborate with our supply chain to promote fundamental human and labour rights, including those covered by the UN Global Compact and the UN Declaration on the Rights of Indigenous Peoples.
- > We will partner with the communities we operate in, seeking to make a positive contribution to their lives and livelihoods.

### SUSTAINABLE BIOMASS

We commit to sourcing biomass that delivers climate, nature and people positive outcomes, adhering to strict compliance, traceability, and third-party certification standards.

# CLIMATE POSITI>E

Over the next decade, global demand for electricity will rise, fast. Rapid developments in AI, data centres, electric vehicles, heat pumps and air conditioning are predicted to drive unprecedented demand for power. At the same time, carbon emissions need to halve. How do we keep the lights on, while powering progress and taking care of our planet?

At Drax, we've already taken one big step towards solving this challenge. Having converted our power station from coal to biomass, it's now a critical source of renewable power to the UK grid. But we're nowhere near done.

Our objective isn't just to reduce emissions, but to have a net positive impact on the climate. We'll aim to do this through three major areas of action.

## Reducing emissions to net zero

First, we'll aim to minimise emissions across our value chain, reaching net zero in scopes 1, 2 and 3 by the end of 2040. Getting there requires more than just converting to biomass — we also need to keep making our operations as clean<sup>1</sup> as possible. We've already made significant progress here, cutting our total group supply chain emissions by 27% since 2020. Eliminating the remainder will be hard. The biggest challenges are shipping and pelleting, and we're making progress on both, including investing in a wind-assisted shipping trial and testing renewable power sources for our pellet plants.

## Sourcing biomass only from well-managed<sup>2</sup> forests or other responsible sources

We're committed to sourcing biomass that delivers climate, nature and people positive outcomes, adhering to strict compliance, traceability, and third-party certification standards.

Read our full Biomass Sourcing Policy at [drax.com/biomass-sourcing-policy](https://drax.com/biomass-sourcing-policy).

## Removing carbon for good

Third, we'll continue to develop and evaluate options to permanently remove carbon from the atmosphere via our carbon removals projects. To accelerate this, we launched a new business unit, Elimini, with a focused goal of scaling carbon removals.

<sup>1</sup> Clean energy is energy that, when used, creates little or no greenhouse gas emissions. [Source](#).

<sup>2</sup> Well-managed forestry balances society's demands for forest products and benefits with preservation tactics to keep forests healthy for future generations.



# CLIMATE POSITIVE

## Commitments

- > We will reach net zero by the end of 2040 across our value chain.
- > We will deliver evidence on forest carbon stocks in all principal biomass feedstock sourcing areas by the end of 2026, using rigorous science-based approaches.
- > We will further address the global climate crisis with positive contributions to climate change mitigation and adaptation by the end of 2030.

## Targets

- C1 We will achieve all our near-term 2030 SBTi targets covering scopes 1, 2 and 3. We will aim to further achieve our 2040 net zero target, which is in active review with SBTi at present.
- C2 We will explore the efficient recovery and integration of the heat of our Bioenergy with Carbon Capture and Storage (BECCS) facilities and pellet plants, to create and use the heat as a product where local demand exists.
- C3 We will perform comprehensive cradle to grave carbon life cycle analysis (LCA) to establish carbon footprint baselines and to identify potential improvements of our facilities.
- C4 By the end of 2026, we will have evaluated forest carbon stocks in all principal sourcing areas and will monitor trends using a pioneering science-based approach.
- C5 We will develop and pilot a robust, peer reviewed forest carbon appraisal methodology for evaluating the impact of biomass demand on carbon stocks in sourcing regions by the end of 2025, and we'll champion this among our peers.
- C6 We will continue to conduct comprehensive forest carbon risk and resilience assessments in all sourcing regions that supply our pellet mills and future BECCS facilities.
- C7 We will continue to develop and evaluate options to permanently remove carbon from the atmosphere via our carbon removals projects.
- C8 We will publish and implement a climate adaptation plan by the end of 2027.

# NATURE POSITIVE

The areas we operate in are home to rich and unique biodiversity. The land around our sites is home to hundreds of species, and the forests we source biomass from are similarly full of life.

Avoiding and preventing negative impact to nature is critically important and remains a key area of focus for us. But we know we're still at the beginning of the journey. We're committed to taking action that not only aims to protect nature across all our sites, but actively enhances it.

## Avoiding negative impact

First, we're taking urgent action to avoid negative environmental impacts. Compliance is the foundation of everything we do, and our approach evolves as we learn more. We've already invested \$130M to improve our pellet plants since 2022, including improving air emissions. By the end of 2026, we'll publish plans laying out how we'll monitor and manage air quality and improve our impact on water. We're also committing to work with our partners and suppliers to be deforestation, degradation and conversion free, and we'll utilise leading technology to monitor and report on progress by the end of 2026.

## Delivering positive impact

Second, we're taking strategic action to leave a positive impact. By the end of 2030, we'll deliver biodiversity enhancements across all our sites, and take action to support biodiversity and ecosystem resilience in our value chain. This will be measurable and evidenced, backed by a science-based target for nature and action plans across our sites and sourcing areas.



# NATURE POSITIVE

## Commitments

> We will mitigate harm and promote circular resource use across our operations by the end of 2030.

> We will deliver biodiversity enhancements across all our sites by the end of 2030.

> We will support biodiversity and ecosystem resilience in our value chain, contributing to measurable restoration and conservation outcomes by the end of 2030.

## Targets

N1

We will publish a white paper on opportunities to adopt circular economy principles within Drax, with a particular focus on the circular bioeconomy, by the end of 2025.

N2

We will develop a comprehensive plan for managing air quality by the end of 2025.

N3

We will develop a group water strategy by the end of 2026 identifying opportunities for water efficiency improvements, water reduction and improved water stewardship.\*

\*Stewardship includes water quality, quantity and access, sanitation and hygiene.

N4

We will create and publicly report on an Environmental Incident Frequency Rate (EIFR) by the end of 2026.

N5

We will deliver net positive biodiversity for all new developments globally by the end of 2030.

N6

We will implement Nature Positive Action Plans to deliver biodiversity enhancements at or related to all owned sites by the end of 2030.

N7

We will publish our first fully aligned Taskforce on Nature-related Financial Disclosures (TNFD) report by the end of 2026.

N8

We will develop an SBTN "science-based target network" aligned target for nature by the end of 2027.

N9

We will develop Nature Positive Action Plans for priority biomass sourcing regions aligned to TNFD guidance by the end of 2030.

N10

We commit to being deforestation, degradation and conversion free\* by taking actions in collaboration with our suppliers and other partners. We will develop our evidencing using leading technology by the end of 2026 and will report on progress.

\*We refer to definitions from the United Nations Food and Agriculture Organisation and applicable legislation.



# PEOPLE POSITIVE

We believe the energy transition can and should benefit everyone. We believe in creating opportunities and ensuring respect comes above all.

## Building an inclusive workplace

First, we're acting for our colleagues, building a fair, safe and inclusive workplace for everyone. That means continuing to prioritise the health and safety of our colleagues, building a workforce that better represents the communities we operate in, and aiming to exceed the sector benchmark for employee engagement.

## Promoting fundamental rights

Second, we're acting to uphold human and labour rights across our supply chain. As part of this, we've developed an Indigenous Peoples Policy, which enshrines the concept of Free and Prior Informed Consent as fundamental in our sourcing decisions.

## Partnering with our communities

Finally, we're seeking to make tangible improvements to the lives and livelihoods of the communities we operate in. This goes beyond providing jobs at Drax sites — it requires social investment, collaboration, education and long-term support.

In 2023-24, we donated £6.3 million to non-profit organisations and community improvement projects, and our community support programmes continue to grow. We're improving access to Science, Technology, Engineering and Maths (STEM) education and green skills training within underserved communities through the Drax Foundation. We're also implementing Community Engagement Plans across the communities where we operate.



# PEOPLE POSITIVE

## Commitments

> We will keep building a fair, safe and inclusive workplace.

> We will continue to collaborate with our supply chain to promote fundamental human and labour rights, including those covered by the principles of the UN Global Compact and the UN Declaration on the Rights of Indigenous Peoples.

> We will partner with the communities we operate in, seeking to make a positive contribution to their lives and livelihoods.

## Targets

P1

We will keep prioritising the health and safety of our colleagues.

P2

We will work to represent the communities we operate in at Drax, supported by achieving our agreed commitments and targets.

P3

We will aim to exceed the sector benchmark for employee engagement and wellbeing in our employee survey.

P4

We will enhance our third-party onboarding experience and optimise our systems and associated data to strengthen the transparency of our higher risk supply chains by the end of 2026.

P5

We will consolidate our Responsible Sourcing Strategy across our supply chain by the end of 2026. This will include how social considerations will be/are integrated into the assessment of new business opportunities.

P6

We will continue to support the communities in which we operate through investment, delivered primarily through the Drax Foundation and Community Fund.

P7

We will contribute to a Just Transition by improving access to STEM education and green skills training for people in under-served communities in the regions where Drax operates, by the end of 2030.

P8

We will implement Community Engagement Plans in each of the communities where Drax owns and operates an asset, including a consultation and informed participation process, by the end of 2027.

These commitments are ambitious, and rightly so. We stand ready to work to make these a reality, providing clear and transparent progress reports along the way. We're proud of the work we're doing to play our part in delivering the secure, renewable energy the world needs.

It's time for

## POSITIVE ACTION

Read more about our Sustainability Framework and progress at

[drax.com/positive-action](https://drax.com/positive-action)



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[drax.com/positive-action](https://drax.com/positive-action)

Tireless action

# POSITIVE ACTION

to make Drax  
climate, nature  
and people  
positive.