

# Carbon Reduction Plan

**Supplier name:** The Healthcare 21 Group incorporates the following companies:

Registered Company Name	Registered Country	Emissions (tCO <sub>2</sub> e)
Healthcare 21 (UK) Ltd	Great Britain	Scope 1 – 323 Scope 2 – 306.8 Scope 3 – 124.2
Aquilant Ltd		
Aquilant Endoscopy Ltd		
Xograph Healthcare Ltd		
O’Flynn Innovation Ltd		
Aquilant Northern Ireland Ltd	Northern Ireland	Scope 1 – 142.2 Scope 2 – 52.3 Scope 3 – 244.1
Tools for Living (Ireland) Ltd, trading as Healthcare 21 NI		
Primacy Healthcare 21 Ltd		
Aquilant Medical (ROI) Ltd	Ireland	Scope 1 – 461 Scope 2 – 242.9 Scope 3 – 678.8
Aquilant Scientific (ROI) Ltd		
Xograph Healthcare (Ireland) Ltd		
O’Flynn Medical Ltd		

Please note that while the Carbon Reduction Plan is currently only a requirement in UK, we have included our Ireland companies in our emissions calculations as these companies may also be under contract to the NHS in England, Scotland, Wales and Northern Ireland and therefore have included all entities in our Evergreen submissions.

Please also note that the inclusion of the Ireland companies is from 2023 reporting year only and this is the reason for the significant increase in emissions between our baseline year and current reporting year.

**Publication date:** 1<sup>st</sup> April 2024

## Commitment to achieving Net Zero

Healthcare 21 is committed to achieving Net Zero emissions by 2045.

## Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

**Baseline Year: 2022**

**Additional Details relating to the Baseline Emissions calculations.**

Strategic Sustainable Business planning is integral to the business of the Healthcare 21 Group which is owned by AddLife PLC. As a Nordic plc, sustainability is a central part of AddLife's vision to improve people's life by being a leading, value-creating player in Life Sciences. Operations from a sustainability perspective include aiming to be a:

- Responsible Producer & Distributor
- Responsible Employer
- Responsible Market Participant

AddLife annually prepares a sustainability report which covers the parent company AddLife AB and its 100 subsidiaries. The purpose of the sustainability report is to provide an overarching description of AddLife's business from the perspective of sustainability and to inform about the sustainability aspects that are necessary to understand the company's development, position, and performance, as well as the consequences of its operations.

In 2021, Healthcare 21 Group engaged with an independent Sustainable Business Strategist to analyse, review and develop a Sustainable Business Strategy for the Group to align with the overall AddLife Strategy. This engagement has assisted the Company to identify current good practices along with opportunities for improvements which are now underway. The Sustainable Business Strategy focuses on the following 3 key pillars:

- Sustainable Solutions
- Sustainable Culture
- Sustainable Growth

As part of the Sustainable business strategy for 2022, AddLife implemented a Sustainability Management System across all its companies. Healthcare 21 Group are actively utilising the **Position Green** online platform (<https://www.positiongreen.com/>) to measure and monitor greenhouse gas emissions. The Position Green platform and software tool calculates the CO2 emissions. Scope 1 & Scope 2 information was readily available and comprehensive in nature. We are gathering some Scope 3 data but acknowledge that, thus far, Scope 3 data is incomplete. We recognise this to be a continuous process of improvement rather than a steady state and continue to monitor measurement and improve efforts to achieve carbon footprint reductions.

**Baseline year emissions: 2022**

### Baseline Emissions Reporting

Baseline Year: 2022 – Originally reported for Great Britain Group companies only	
EMISSIONS	TOTAL (tCO <sub>2</sub> e)
Scope 1	246.8356
Scope 2	199.1786
Scope 3 (Included Sources)	181.0145 – Waste generated in operations & Business travel
<b>Total Emissions</b>	<b>626.3717</b>

### Changes to reporting method

As noted above, our baseline year of 2022 reported only on the following Group companies - Healthcare 21 (UK) Ltd, Aquilant Ltd, Aquilant Endoscopy Ltd & Xograph Healthcare Ltd.

For the 2023 reporting period, we will be incorporating all companies within the Healthcare 21 group, including Northern Ireland and Ireland and therefore covers emissions from all UK & Ireland operations. For this reason, our emissions have increased in this reporting period and this will be considered our true baseline.

We have made improvements in capturing and reporting our emissions, in particular Scope 3, and recognise this to be a continuous process of improvement rather than a steady state. We will continue to monitor measurement and improve efforts to achieve carbon footprint reductions.

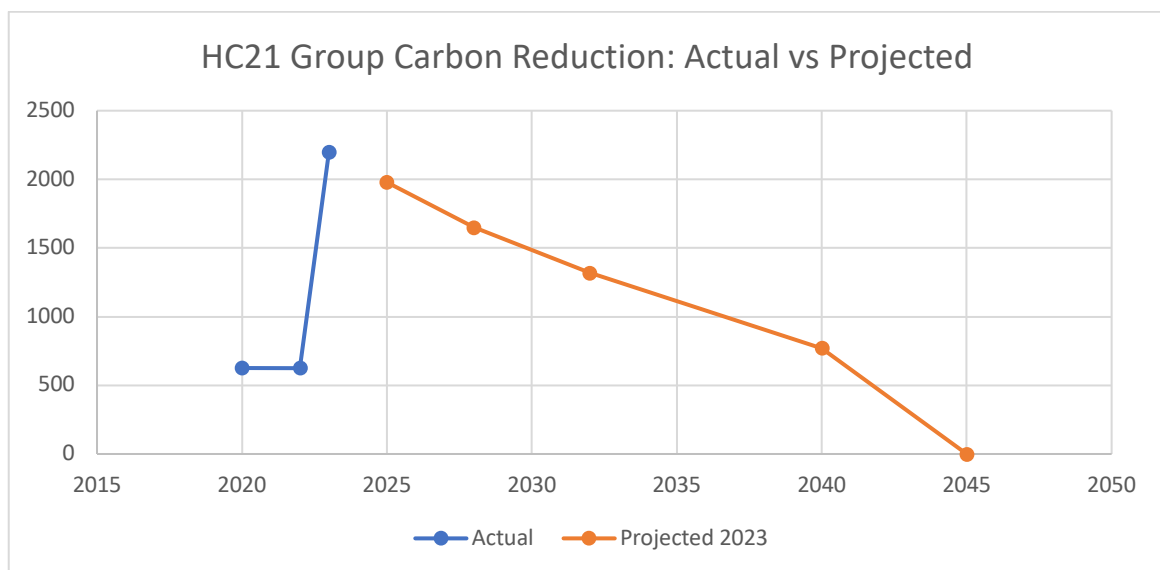
### Emissions Reporting 2023

Reporting Year: 2023 – Including all Healthcare 21 Group Companies (GB, NI and ROI)	
EMISSIONS	TOTAL (tCO <sub>2</sub> e)
Scope 1	926.2
Scope 2	502.0
Scope 3 (Included Sources)	852.6 – Upstream transportation and distribution, Waste generated in operations, Business travel & Downstream transportation and distribution
<b>Total Emissions</b>	<b>2,280.7</b>

In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets.

We project that carbon emissions will decrease over the next five years reducing to 1648.95 tCO<sub>2</sub>e by 2028. This is a reduction of 25%.

Progress against these targets can be seen in the graph below:



### **Carbon Reduction Projects**

While the Sustainable Business Strategy encompasses a holistic view of sustainability under the 3 main pillars, Carbon Emission Reduction is a key focus under the Sustainable Solutions pillar.

#### **Tools/Processes Used to Gather Data:**

- Healthcare 21 has a robust Environmental Sustainability Group Policy and Sustainable Business Strategy (both available upon request) in place and an appointed person responsible for the management and implementation of said policy and strategy
- Our Sustainable Business Strategy sets out a clear commitment to preventing pollution and continually improving the way our business delivers on our environmental objectives while evaluating any potential impact to the environment
- We monitor and report monthly on our Sustainable Business Strategy to the Board of Directors and regularly communicate same to our employees. We work collaboratively with our suppliers and customers to reduce waste, reuse product through our circular economy model and investigate and implement methods of lowering carbon emissions, both up and down the supply chain, through effective and efficient logistics
- We are actively utilising the Position Green online platform to measure and monitor greenhouse gas emissions. In calculating and monitoring greenhouse gas emissions we are able to actively develop and implement plans to reduce our carbon footprint and provide proof that our actions are indeed making an impact
- Development of an improved Supplier Assessment Process to include information request from suppliers on their climate impact, responsible sourcing and general environmental practices

The following environmental management measures and projects have been completed or implemented since the 2022 baseline:

#### **Energy Efficiency**

- Lighting has been reviewed across all sites in Ireland & UK (warehousing & office) with LED & sensors upgrades completed
- Ongoing assessment of the energy efficiency of our premises through engagement with professional energy consultants and energy audits
- Introduction of hybrid working options for office based employees
- Regular review of electricity providers to optimise use of green energy where possible
- Train and educate our employees, suppliers and customers on how best to achieve carbon reduction in our interactions

#### **Transport**

- A Green Car Policy was implemented with a plan to replace all company vehicles with electric and/or hybrid vehicles where feasible

- Significant reduction in our business travel through optimal usage of online meeting platforms
- Installation of electric car chargers points at sites
- Smart logistics and collaboration with customers and suppliers to combine deliveries to ensure transport emissions are kept to a minimum and focused on net zero greenhouse gas emissions
- Train and educate our employees, suppliers and customers on how best to achieve carbon reduction in our interactions

### **Customer Engagement**

- Development of online customer training platform to carry out group customer training at the customer's site. By offering online training, both Healthcare 21 and our customers will reduce emissions and costs from travel, reduce paper usage, improve time management and enhance our customer engagement and experience

### **Waste Minimisation**

- ISO14001 Environmental Management System Standard in place
- Compliance with our Producer Obligations by being registered as a member of the WEEE Compliance Scheme and Packaging Compliance Scheme
- Creation of a Waste Minimisation team to raise awareness of the importance of waste management, review our waste to ensure we are reducing waste where possible, disposing of same responsibly and ultimately, eliminating waste to landfill
- Introduction of new blends of plastic packaging which reduces the micron component within the plastic while also reducing the overall plastic packaging requirement by 45%
- Review current packaging requirements and replace with sustainable alternatives where possible
- Remove packaging from customer sites for complete recycling if recycling not available
- Ongoing monitoring of plastic packaging waste in line with Plastic Packaging Tax
- Secure disposal of confidential information recycled through secure wastepaper shredding by approved contractors
- Review of waste management providers in Ireland completed resulting in transfer of waste management to one provider nationally ensuring certification of all waste recycling and disposal as required
- Environmental disposal of product packaging, wooden pallet, cardboard etc. through approved contractors
- Recycle bins located across all sites with plan to complete ongoing staff training on correct usage
- Limit coffee paper cup waste by actively encouraging multiple cup use and provision of reusable cups
- By working collaboratively with suppliers and customers and introducing new technology, our Finance & Service teams now handles 37,000 less pages per month, a benefit which is shared by Healthcare 21, customers and suppliers alike
- Customers are encouraged to accept electronic invoicing as opposed to printed documents
- Employees are encouraged to not print documents where possible

- Train and educate our employees, suppliers and customers on how best to achieve carbon reduction in our interactions
- Annual waste management audits conducted

### **Circular Economy**

- Provide full asset management of medical products from the point of purchase to end of life of products including disposal with registered recycling contractors
- Our Decontamination & Recycling Facility recycles in excess of 45,000 medical devices for customers per annum in addition to the provision of collections/deliveries, service, repair, decontamination storage and asset management
- Our Endoscopy Service Centre manages the repair and maintenance of over 3,000 endoscopy scopes in the UK ensuring product life span extension
- Provision of service, repair and planned maintenance programs for all products sold to ensure product is maintained in accordance with Manufacturer's specifications and product upgrades are completed and product life span extension is optimized ensuring the quality, integrity and longevity of essential medical equipment
- Provision of an online asset tracking platform facilitating complete traceability of full life cycle service records and enabling ease of requisition by the customer of all products and services available
- Long term relationships with suppliers enables active engagement with suppliers on product performance, service and repair feedback to ensure product development and product life extension optimised
- Customers are encouraged to take out long term maintenance contracts to point of purchase to end of life
- Work with our suppliers to return faulty modules which can subsequently be reworked and approved as certified refurbished parts ensuring products and parts are not unnecessarily disposed of to landfill
- Record and provide metrics on product performance to manufacturers to assist in product development and improvements in life cycle
- Retain and reuse working components from decommissioned medical devices where possible to ensure optimal use and longevity of product
- Environmental disposal of cardboard and plastic waste through approved contractors engaged in circular economy practice

### **Supplier Management**

- Development of an improved Supplier Assessment Process to include information request from suppliers on their climate impact, responsible sourcing and general environmental practices`
- Review of expected KPIs for suppliers with regard to their environmental practices
- Going forward we will utilise a risk analysis matrix to measure, review and monitor our suppliers' environmental impact and encourage ongoing reductions in their carbon footprint on our supply chain

- Work towards compliance with new sustainability EU Directives which aim to ensure business practices do not negatively impact the environment and working conditions of individual along the supply chain. The Directives require all large companies and listed SMEs, to publish regular reports on their environmental and social impact activities
  - EU Corporate Sustainability Due Diligence Directive
  - EU Corporate Sustainability Reporting Directive
  - European Sustainability Reporting Standards
- Train and educate our employees, suppliers and customers on how best to achieve carbon reduction in our interactions

While we will continue to implement and enhance all initiatives listed above, Healthcare 21 will also introduce the following focus areas in the future to assist in achieving our Net Zero target

### **Energy Efficiency**

- Install energy usage monitoring to monitor on ongoing basis high energy usage (e.g. equipment and utilities)
- Implement feasible energy efficient solutions at all sites on a phased basis – 2024 and beyond
- Annually review energy providers to avail of 100% renewable energy where feasible
- Train and educate our employees, suppliers and customers on how best to achieve carbon reduction in our interactions

### **Company Transport – road, air & rail**

- Continuation of Green Car Policy and replacement of greener vehicles where feasible
- Review cost benefit analysis and implement biofuel/alternative fuel types where feasible across all diesel and petrol vehicles
- Review feasibility of installing EV charging points at remaining sites
- Reduce emissions from air, train and car business by 10% through encouragement of conscious travel by all employees

### **Waste Minimisation**

- Continue to review opportunities to reduce waste across the organization through effective recycling, donations, reuse etc.
- Complete upgrade of onsite recycling equipment i.e., balers to optimize rebates and reduce waste costs
- Quarterly audit of waste management per site to include site inspections and analysis of methods and costs of waste management
- Annual submission of Plastic Packaging Tax Declaration
- Carry out annual Field and Onsite Waste Survey annually and implement feasible actions
- Work with suppliers to reduce carbon footprint of products supplied
- Train and educate our employees, suppliers and customers on how best to achieve carbon reduction in our interactions



### **Water Stewardship**

- Evaluate water use and impacts
- Where feasible, implement water harvesting to reduce cost of treating clean water where harvested water is sufficient
- Investigate criteria to receive certification from the European Water Stewardship Standards

### **Biodiversity**

- Become a business supporter of national biodiversity programs
- Increase awareness and appreciation of biodiversity and ecosystems services among employees
- Improve biodiversity at all company sites where possible i.e., wildflower areas, less mowing, Bee/Insect Hotel, Pollinator friendly plants & shrubs

### **Sustainable Logistics**

- Discuss with carriers the possibility of converting to biofuel if currently diesel based
- Actively engage with customers & suppliers to review options of consolidating incoming and outgoing deliveries to reduce unnecessary transportation
- Optimise transport routes for all inbound & outbound deliveries
- Reduce unnecessary packaging on Healthcare 21 outbound deliveries

### **Sustainable Procurement**

- Work with Logistics Team to ensure Purchasing frequency and volumes to optimise shipping routes and lower CO2 emissions
- Continue to review our Suppliers by way of our Supplier Assessment Process seeking information on their Climate Impact, Responsible Sourcing, MSAT adherence and general Environmental Practices to ensure we only engage with ethnically responsible partners
- Liaise with suppliers to reduce packaging where possible

This Carbon Reduction Plan has been published on our company website and available to view at <https://healthcare21.eu/carbon-reduction-plan/>

### **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>.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, 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<sup>3</sup>.

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

**Signed on behalf of the Supplier:**



1<sup>st</sup> April 2024

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Chief Operations Officer

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Date

Healthcare 21 Group

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