

THD (UK) | 2023

# Towards a Sustainable Future

An ambitious Carbon Reduction Plan compliant with PPN 06/21





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# Introduction

As medical device manufacturers, we recognize the critical role we play in improving healthcare outcomes and enhancing patients' lives. However, we also understand the importance of addressing our environmental impact and taking proactive steps towards carbon reduction. By embracing sustainability, we can create a healthier future for both our planet and the people we serve.

Our commitment to carbon reduction goes beyond mere compliance; it is a testament to our dedication to innovation and progress. We believe that by integrating sustainable practices into our operations, we can drive positive change within our industry and inspire others to follow suit. Together, we can build a more sustainable healthcare sector that benefits patients, healthcare providers, and the environment.

While the challenges ahead may seem daunting, we approach them with optimism and determination. We recognize that reducing our carbon footprint requires collaboration, creativity, and continuous improvement. By leveraging our expertise, embracing new technologies, and fostering a culture of sustainability, we are confident that we can achieve our carbon reduction goals and pave the way for a greener, healthier future.

We extend our heartfelt gratitude to our dedicated sustainability team for their unwavering commitment and hard work. Their passion and expertise have been instrumental in driving our carbon reduction initiatives forward. Together, we have made significant progress, and we are excited to continue this journey towards a more sustainable future. Thank you for your invaluable contributions and for being champions of change.

Head of sustainability

# Our Carbon Reduction Targets

THD (UK) is committed to a reduction in all Scope 1, 2, and 3 emissions by 2045

## 100% by 2045

Reduction compared to 2023



To support this target and demonstrate our commitment to reduce our carbon emissions, we will produce a carbon reduction plan inline with PPN 06/21.

All our emissions reductions will be primarily achieved through ambitious carbon reduction projects and offsetting carbon emissions will only be considered in cases of unavoidable emissions or residual emissions. THD (UK) will work with its partners to establish a yearly emission reduction target and this KPI will be integrated into our reporting system to ensure annual targets are met.

## Emissions Categories

Currently, we measure all our Scope 1 and Scope 2 emissions following the GHG protocol, and we measure a subset of scope 3 emissions (PPN 06/21 requirement) following the Corporate Value Chain Scope 3 Standard.

GHG Scope	Emissions sources
Scope 1	Direct emissions resulting from sources that are owned and controlled by THD (UK)
Scope 2	Indirect emissions from purchase of electricity and onsite EV charging
Scope 3	Indirect emissions from other sources not included in Scope 1 and 2 categories. We include in our carbon footprint scope 3 calculation business travel, deliveries we make, deliveries we receive, waste, commuting, work from home and supply chain purchases from our tier 1 suppliers.

Working towards a more  
sustainable future



# Commitment to Net Zero

THD (UK) is committed to reducing its carbon footprint by 100% by 2045 when compared to 2023.

This report sets out a Net Zero roadmap, detailing the strategies we have put in place to achieve this goal.

## Baseline Emissions

Our baseline emissions comparison year is 2023

Please note that the Current Reporting year and the Baseline reporting year are the same.

Baseline year emissions: Jan 2023 - Dec 2023	
Emissions	TOTAL (tCO <sub>2</sub> e)
Scope 1	71.8
Scope 2	0.8
Scope 3 (including sources)	35.4
<b>Total emissions</b>	<b>108</b>

*Note: UK-specific emissions factors were used for all calculations - even for sites not in the UK*



# Baseline Year Calculation Assumptions

- Upstream transportation and distribution was estimated using general assumption on distance and number of deliveries per month.
- We worked with Enistic Ltd who helped to conduct a staff survey. The survey received a 10% response and the data was used to calculate emissions from commuting and home working.
- Emissions from downstream transportation and distribution are estimated by multiplying monetary value of each journey by emission factors provided by DEFRA.
- Business travel emissions from flights, trains, taxis and ferries were also estimated by multiplying monetary value of each journey by emission factors provided by DEFRA.

# Emissions Breakdown

Scope 1	Emissions TOTAL (tCO <sub>2</sub> e)
1: Large car over 2.0 litre diesel	0
1: Medium Van 1.7-2.0 litre diesel	30.3
1: Lorry 4 axles and above	0
1: Gas	0.3
1: Medium car 1.7-2.0 litre diesel	0
1: Small car up to 1.7 litre diesel	0
1: Small car up to 1.4 litre petrol	0
1: Medium car 1.4-2.0 litre petrol	41.3
1: Large car over 2.0 litre petrol	0
1: Heating Oil (litres)	0
<b>Total Emissions Scope 1</b>	<b>71.8</b>

Scope 2	Emissions TOTAL (tCO <sub>2</sub> e)
2: Electricity	0.8
2: Electric car	0
<b>Total Emissions Scope 2</b>	<b>0.8</b>

Scope 3	Emissions TOTAL (tCO <sub>2</sub> e)
3.04: Deliveries (upstream)	0.03
3.05: Waste	1.1
3.06: Hotel Stays	2.8
3.06: Train	1.4
3.06: Flights	8.7
3.07: Commuting by car	0.2
3.09: Deliveries (downstream)	1.9
3.3: Transmission and Distribution (T&D)	0.07
3.3: Well-to-Tank (WTT)	19.1
<b>Total Emissions Scope 3</b>	<b>35.4</b>

<b>TOTAL EMISSIONS</b>	<b>108 tCO<sub>2</sub>e</b>
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# Emission Reduction Targets

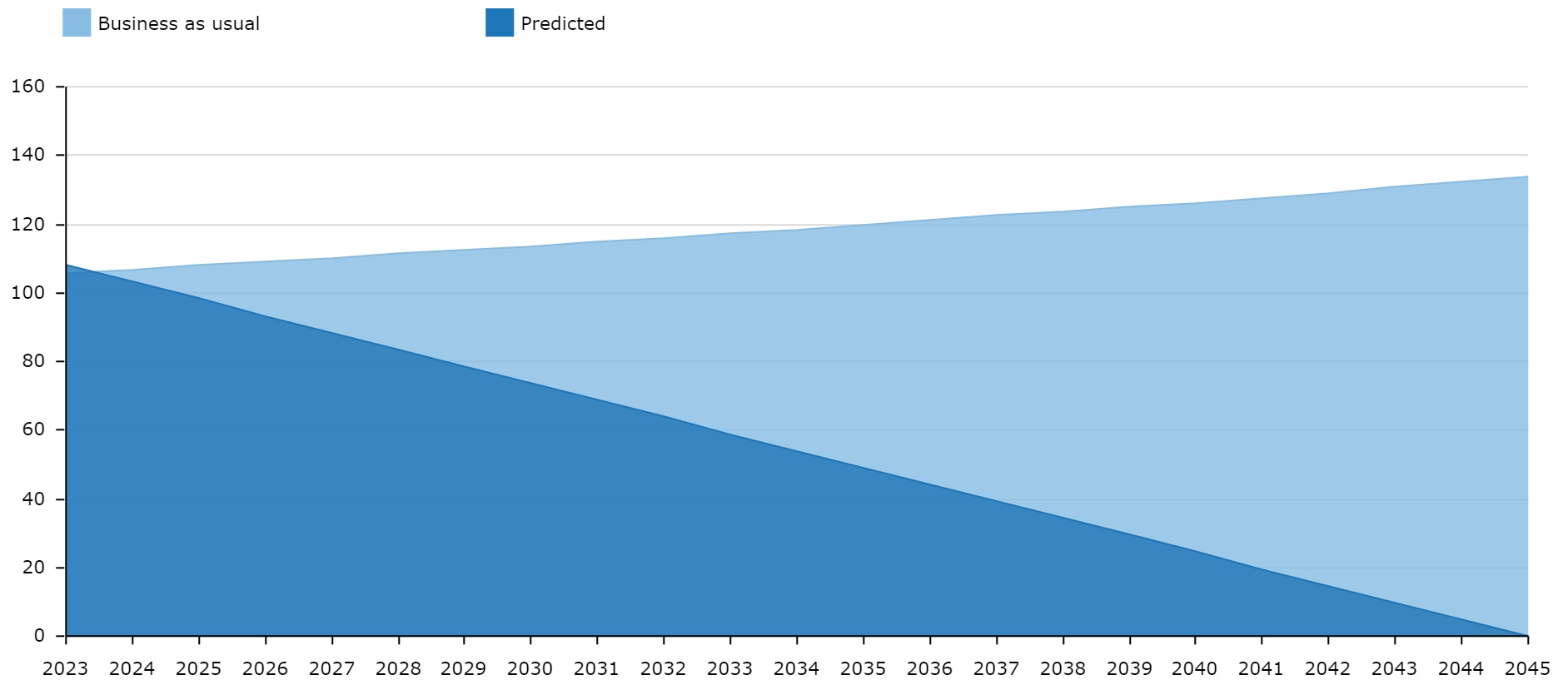
To continue our progress towards achieving Net Zero, we have developed a Net Zero target for 2045.

We project an absolute linear reduction in our emissions from our baseline year to net zero emissions by 2045. These targets may change as new projects are implemented.

Before our baseline year, we tracked scope 1 and 2 emissions. In future, we aim to work with our supplier to tackle our scope 3 emissions.

The graph on the right projects our future carbon emissions in two different scenarios. Starting with our emissions from the baseline year (2023), the light blue area shows our potential emissions in a business-as-usual scenario, with no further carbon reduction projects implemented. The dark blue area shows our predicted carbon emissions based on our Net Zero target.





These projections suggest that THD (UK) could save nearly 134 tCO<sub>2</sub>e by continuing existing or implementing new carbon reduction projects detailed in the next section.

# Carbon Reduction Projects

The following environmental management measures and projects are currently in progress or in the planning stages.

## Energy Monitoring and Management System



The Energy Monitoring and Management System project involves the installation of an advanced energy monitoring and management system within the medical device manufacturing facility. The system enables real-time tracking of energy consumption, identifies energy-saving opportunities, and optimizes energy efficiency.

## Energy-Efficient Equipment



The Energy-Efficient Equipment project involves replacing outdated and energy-intensive equipment with energy-efficient models within the medical device manufacturing facility. This includes machinery, appliances, and other equipment that consume significant amounts of energy.

## Renewable Energy Generation



The Renewable Energy Generation project involves the installation of solar panels or wind turbines on-site to generate renewable energy for the medical device manufacturing facility. By utilizing clean and sustainable energy sources, the project aims to reduce reliance on grid electricity and lower carbon emissions.

## Waste Minimization and Recycling



The Waste Minimization and Recycling project focuses on implementing waste reduction strategies and establishing recycling programs within the medical device manufacturing facility. This includes identifying opportunities to minimize waste generation, segregating different waste streams, and promoting recycling practices.

# Tracking Progress

Current reporting year: 2023

Baseline year: 2023

Scope	Baseline year	Current year	Change compared to baseline year	Change compared to baseline year (%)
	01 Jan 23 - 31 Dec 23 tCO2e	01 Jan 23 - 31 Dec 23 tCO2e		
1: Gas	0.3	0.3	0	0% -
1: Heating Oil (litres)	0	0	0	0% -
1: Large car over 2.0 litre diesel	0	0	0	0% -
1: Large car over 2.0 litre petrol	0	0	0	0% -
1: Lorry 4 axles and above	0	0	0	0% -
1: Medium Van 1.7-2.0 litre diesel	30.3	30.3	0	0% -
1: Medium car 1.4-2.0 litre petrol	41.3	41.3	0	0% -
1: Medium car 1.7-2.0 litre diesel	0	0	0	0% -
1: Small car up to 1.4 litre petrol	0	0	0	0% -
1: Small car up to 1.7 litre diesel	0	0	0	0% -
2: Electric car	0	0	0	0% -
2: Electricity	0.8	0.8	0	0% -
3.04: Deliveries (upstream)	0.03	0.03	0	0% -
3.05: Waste	1.1	1.1	0	0% -
3.06: Flights	8.7	8.7	0	0% -
3.06: Hotel Stays	2.8	2.8	0	0% -
3.06: Train	1.4	1.4	0	0% -
3.07: Commuting by car	0.2	0.2	0	0% -
3.09: Deliveries (downstream)	1.9	1.9	0	0% -
3.3: Transmission and Distribution (T&D)	0.07	0.07	0	0% -
3.3: Well-to-Tank (WTT)	19.1	19.1	0	0% -
<b>Total</b>	<b>108</b>	<b>108</b>	<b>0</b>	<b>0% -</b>
<b>Estate size (sqft)</b>	<b>298</b>	<b>298</b>		
<b>tCO2 / sqft</b>	<b>0.4</b>	<b>0.4</b>	<b>0</b>	<b>0% -</b>

# Carbon Offsets



## Seaweed Farming Innovation, Cornwall

This project is an opportunity to invest in early stage, nature-based innovation and help write the science to scale up seaweed farming across the South West of the UK.

This option is under consideration, but no definitive commitment has been established.



## Peatland Protection, Rimba Raya

The Rimba Raya Biodiversity Reserve project is protecting one of the most highly endangered ecosystems in the world. Without this project, the carbon-rich, peatland forest of Rimba Raya would have been turned into palm oil estates.

This option is under consideration, but no definitive commitment has been established.



## Dryland Protection, Kasigau Wildlife Corridor

The Kasigau Corridor project is a REDD+ project based in Rukinga, Kenya. It protects an expanse of over 200,000 hectares of dryland Acacia-Commiphora forest home to over 2,000 elephants.

This option is under consideration, but no definitive commitment has been established.

# Declaration

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 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 the Streamlined Energy and Carbon Reporting (SECR) requirements, and the subset of Scope 3 emissions have been reported in accordance with the published 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 Director for THD (UK)

Sign: 

Print Name: **FILIPPO BASTIA**

