



# Carbon Reduction Plan For Medvivo Group Ltd

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# Our Commitment

Medvivo is committed to achieving Net Zero emissions by 2045.

## What does Net Zero mean in practice?

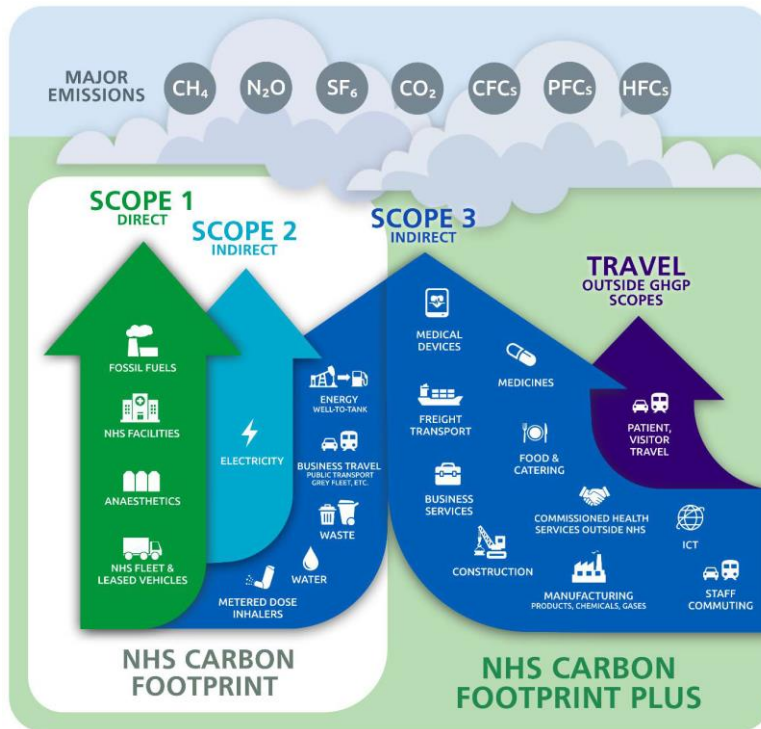
To achieve Net Zero, we will be aiming to reduce emissions in line with the latest science-based targets (SBTs). SBTs are greenhouse gas reduction goals set by organisations, they are defined as “science-based” when they align with the scale of reductions required to limit global temperature increases to 1.5°C compared to pre-industrial temperatures. To achieve Net Zero under this scenario, we will need to reduce our revenue emissions intensity by 97% from our baseline year.

SBTi recommends that organisations commit to near-term targets (that cover a minimum of 5 years/maximum of 10 years from the baseline year), as well as long-term targets.

## Our targets\*:

1. Eliminate scope 1 & 2 emissions by 2040: for the emissions we control directly and indirectly (NHS Carbon Footprint)
  - *with an ambition to reach an 80% reduction from our baseline year by 2030*
2. Reach Net Zero by 2045, including for the emissions we can influence (NHS Carbon Footprint Plus), by reducing our market-based revenue emissions intensity (scope 1, 2 and 3) from our baseline year by at least 97%
  - *with an ambition to reach a 52% revenue emissions intensity reduction from our baseline year by 2030*
  - *with an ambition to reach an 80% revenue emissions intensity reduction from our baseline year by 2038*
  - *neutralise any residual emissions using verified carbon offsets.*

\*We have changed our targets from last year from absolute emissions reduction to revenue intensity reduction, to align with our parent company Health Hero Group's targets.



**Scope 1 emissions:** direct greenhouse gas emissions that occur from sources owned or controlled by a company, such as emissions from the combustion of fuels in on-site boilers, furnaces, or vehicles.

**Scope 2 emissions:** indirect greenhouse gas emissions that result from the generation of purchased electricity, steam or other forms of energy consumed by a company.

**Scope 3 emissions:** all other indirect greenhouse gas emissions that occur in an organisation’s value chain, including emissions from upstream and downstream activities.

To ensure best practice baselining our footprint analysis and the development of our Carbon Reduction Plan (CRP), we have been supported by world class sustainability experts at Positive Planet.

# Our Carbon Footprint

## 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. It covers Scope 1, 2, and 3 emissions including emission sources that are required for disclosure by the NHS. Baseline emissions are the reference point against which emissions reduction can be measured. We have chosen to set our baseline year as 1 January 2022 – 31 December 2022.

Our baseline was created prior to any formal CRPs (and therefore directly mapped / aligned initiatives were put in place). However, prior to this baseline, Medvivo was undertaking a range of environmental sustainability initiatives, therefore this CRP provides the formal structure and framework that will enable us to continue our journey achieving Net Zero.

In our carbon footprint analysis, the baseline annual carbon footprint is calculated in tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e). This measurement accounts for the emission of all 7 greenhouse gases noted in the UNFCCC Kyoto Protocol (carbon dioxide [CO<sub>2</sub>], methane [CH<sub>4</sub>], nitrous oxide [N<sub>2</sub>O], hydrofluorocarbons [HFCs], perfluorocarbons [PFCs], sulphur hexafluoride [SF<sub>6</sub>] and nitrogen trifluoride [NF<sub>3</sub>]), along with their relative global warming potential values (GWP), as recommended by The Greenhouse Gas Protocol and the UK Government Public Procurement Notice 06/21.

Baseline Year: 2022	
Additional details relating to the Baseline Emissions calculations:	
<i>Added procurement emissions into the baseline year.</i>	
<i>Realigned baseline year emissions due to the following new information about the baseline year:</i>	
<ul style="list-style-type: none"><li>- <i>Added stationary combustion emissions from Fox Talbot House gas usage that were not measured in the previous reporting year, due to being unaware of these emissions.</i></li><li>- <i>Electricity: accounted for the fact that Fox Talbot House had a 100% renewable electricity tariff in 2022, and upgraded data quality for Holloway House from spend to kWh.</i></li><li>- <i>Added fugitive emissions from inhaler usage that were not measured in the previous reporting year, due to being unaware of these emissions. 2023 data was used to approximate this.</i></li><li>- <i>Waste: re-estimated Fox Talbot House waste using 2023 data instead of average estimates for comparability, and corrected a calculation error for estimated waste from bases.</i></li></ul>	
Emissions	Total (tonnes CO <sub>2</sub> e)
Scope 1	157.3

Scope 2*	Market-based: 3.0 Location-based: 178.8
<b>NHS Carbon Footprint (Scope 1 &amp; 2)</b>	<b>Market-based: 160.3</b> <b>Location-based: 336.1</b>
<p>Scope 3 including:</p> <ul style="list-style-type: none"> <li>- Purchased Goods &amp; Services</li> <li>- Capital Goods</li> <li>- Fuel &amp; Energy Related Services</li> <li>- Business Travel</li> <li>- Transportation &amp; Distribution (Upstream &amp; Downstream)</li> <li>- Employee Commuting &amp; Homeworking</li> <li>- Operational Waste &amp; Water</li> <li>- Upstream Leased Assets</li> <li>- <i>Downstream Leased Assets (none)</i> <ul style="list-style-type: none"> <li>○ <i>None, as there are no buildings, vehicles or other assets leased out</i></li> </ul> </li> <li>- <i>Product (Processing, Use, End of Life Treatment) (none)</i> <ul style="list-style-type: none"> <li>○ <i>None, as we only provide services</i></li> </ul> </li> <li>- <i>Franchises &amp; Investments (none)</i> <ul style="list-style-type: none"> <li>○ <i>None, as our company does not have any franchising agreements nor investments into any other companies</i></li> </ul> </li> </ul>	<p><i>Excl. procurement: 313.4</i> <i>Incl. procurement: 1,285.0</i></p>
<b>Total Emissions*</b>	<b>Market-based: 1,445.2</b> <b>Location-based: 1,621.0</b>

\*Purchased electricity can be measured in two ways. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). A market-based method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice). A market-based method therefore takes into account the purchase of electricity via a verified renewable energy tariff. We have chosen to base our Net Zero target on a market-based methodology.

## Carbon Intensity Metrics

Baseline year: 2022	Carbon intensity metric
Employees (tCO <sub>2</sub> e per FTE)	10.5
Revenue (kgCO <sub>2</sub> e per £)	0.05353

Based upon 137 FTEs (full-time employee equivalents), and a £27.0 million revenue during the measurement period. We are using market-based emissions to calculate our intensity metrics.

# Current Emissions Reporting

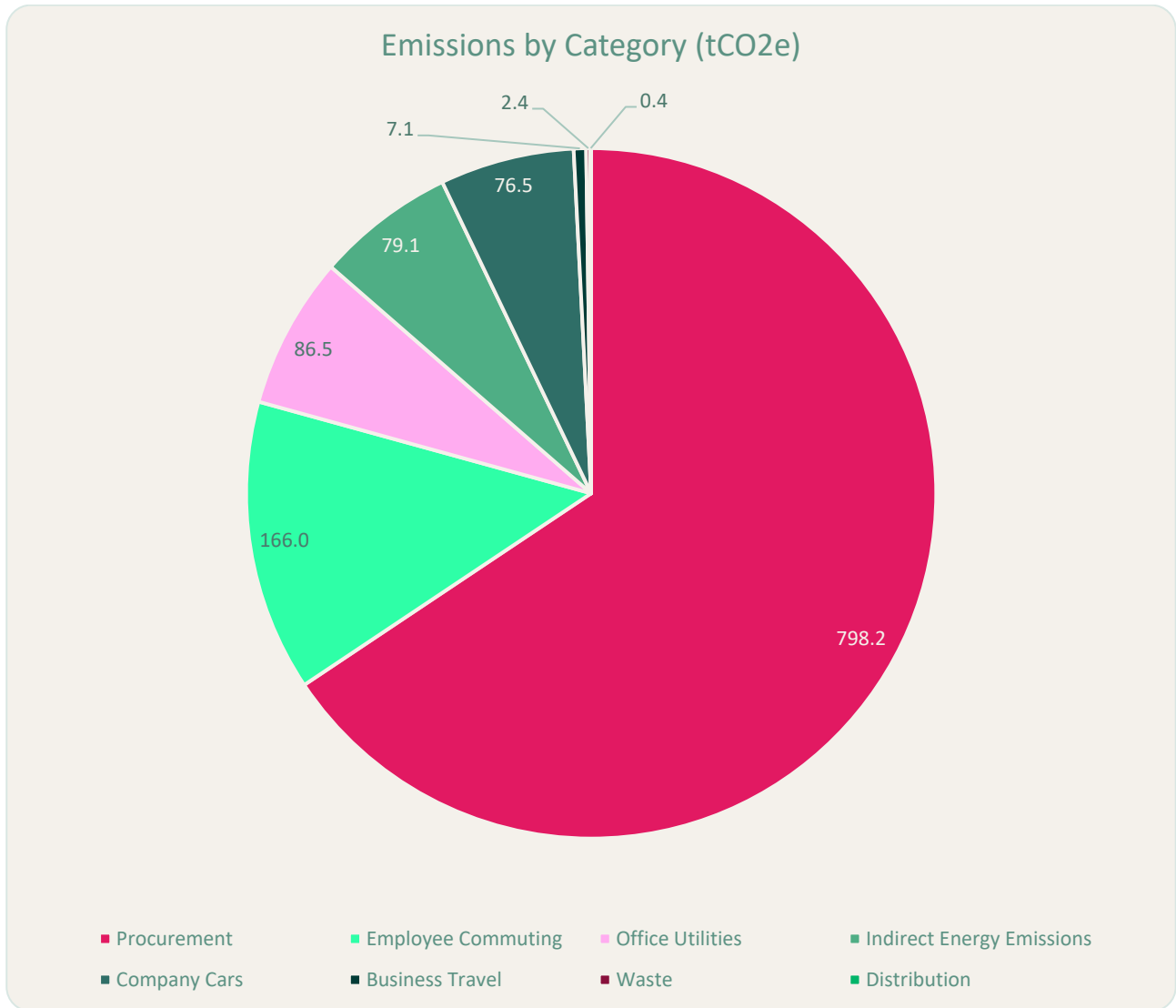
Current Reporting Year: 2023	
Emissions	Total (tonnes CO <sub>2</sub> e)
Scope 1	130.4
Scope 2*	Market-based: 1.4 Location-based: 36.4
<b>NHS Carbon Footprint (Scope 1 &amp; 2)</b>	<b>Market-based: 131.8</b> <b>Location-based: 166.8</b>
Scope 3 including: <ul style="list-style-type: none"> <li>- Purchased Goods &amp; Services</li> <li>- Capital Goods</li> <li>- Transportation &amp; Distribution (Upstream &amp; Downstream)</li> <li>- Employee Commuting &amp; Homeworking</li> <li>- Operational Waste &amp; Water</li> <li>- Upstream Leased Assets</li> <li>- <i>Downstream Leased Assets (none)</i> <ul style="list-style-type: none"> <li>○ None, there are no buildings, vehicles or other assets leased out</li> </ul> </li> <li>- <i>Product (Processing, Use, End of Life Treatment) (none)</i> <ul style="list-style-type: none"> <li>○ None, as we only provide services</li> </ul> </li> <li>- <i>Franchises &amp; Investments (none)</i> <ul style="list-style-type: none"> <li>○ None, we do not have any franchising agreements nor investments into any other companies</li> </ul> </li> </ul>	Excl. procurement: 286.1 Incl. procurement: 1,169.2
<b>Total Emissions*</b>	<b>Market-based: 1,301.0</b> <b>Location-based: 1,336.0</b>

## Carbon Intensity Metrics

Current year: 2023	Carbon intensity metric
Employees (tCO <sub>2</sub> e per FTE)	9.2
Revenue (kgCO <sub>2</sub> e per £)	0.05267

Based upon 141.1 FTEs (full-time employee equivalents), and a £24.7 million revenue during the measurement period. We are using market-based emissions to calculate our intensity metrics.

### Carbon Emissions Breakdown





# Carbon Reduction

## Our Net Zero targets

Medvivo is committed to achieving Net Zero by 2045. To achieve Net Zero under this scenario, we will need to reduce our revenue emissions intensity by 97% from our baseline year. To keep us on track, we have also set the following near-term targets to 2030.

## Our targets\*:

1. Eliminate scope 1 & 2 emissions by 2040: for the emissions we control directly and indirectly (NHS Carbon Footprint)
  - *with an ambition to reach an 80% reduction from our baseline year by 2030*
2. Reach Net Zero by 2045, including for the emissions we can influence (NHS Carbon Footprint Plus), by reducing our market-based revenue emissions intensity (scope 1, 2 and 3) from our baseline year by at least 97%
  - *with an ambition to reach a 52% revenue emissions intensity reduction from our baseline year by 2030*
  - *with an ambition to reach an 80% revenue emissions intensity reduction from our baseline year by 2038*
  - *neutralise any residual emissions using verified carbon offsets.*

\*We have changed our targets from last year from absolute emissions reduction to revenue intensity reduction, to align with our parent company Health Hero Group's targets.

## Progress

Emissions	Total Carbon Footprint (tonnes CO <sub>2</sub> e)		% Change
	Baseline year: 2022	Current year: 2023	
Scope 1	157.3	130.4	-17.1%
Scope 2	3.0	1.4	-53.3%
<b>NHS Carbon Footprint (1+2)</b>	160.3	131.8	<b>-17.8%</b>
Scope 3 excl. procurement	313.4	286.1	-8.7%

<b>Total emissions excl. procurement</b>	<b>473.6</b>	<b>417.9</b>	<b>-11.8%</b>
Scope 3 incl. procurement	1,285.0	1,169.2	-9.0%
<b>Total emissions incl. procurement</b>	<b>1,445.2</b>	<b>1,301.0</b>	<b>-10.0%</b>

Emissions	Employee carbon intensity metric (tCO <sub>2</sub> e per FTE)		% Change
	Baseline year: 2022	Current year: 2023	
Total emissions excl. procurement	3.5	3.0	-14.3%
<b>Total emissions incl. procurement</b>	<b>10.5</b>	<b>9.2</b>	<b>-8.0%</b>

Emissions	Revenue carbon intensity metric (kgCO <sub>2</sub> e per £)		% Change
	Baseline year: 2022	Current year: 2023	
Total emissions excl. procurement	0.01754	0.01692	-3.5%
<b>Total emissions incl. procurement</b>	<b>0.05353</b>	<b>0.05267</b>	<b>-1.6%</b>

We are glad to report that we are **on track to achieve our scope 1 & 2 near-term targets**, and will therefore continue to maintain our progress.

However, we are **off-track to achieve our scope 3 near-term targets**, and will therefore accelerate our progress.

## Completed Carbon Reduction Initiatives

The following emissions management measures and projects have been completed or implemented.

Activity	Completion Date	Scope
<p>Commit to measuring carbon footprint of business activities year on year to gain an understanding of pinch points and regularly be making efficient and direct improvements to reduce these emissions.</p> <p>Year 1, as part of the wider Health Hero Group, appointed Positive Planet to support with calculating baseline carbon footprint and reduction recommendations.</p>	2023	1,2,3
<p>Measured our remaining Scope 3 categories (consisting of Purchased Goods &amp; Services, and Capital Goods) for both our baseline and current reporting year, meaning that this year's carbon emissions measurement is the first full picture of Medvivo's carbon impact.</p>	2024	3
<p>Created a Green Team to lead initiatives. This team has been made up of members from different departments to support the roll out of initiatives and management of data, this includes sharing and collaborating throughout the organisation.</p>	2023	1,2,3
<p>Introduced enhanced training and engagement for the Green Team, leadership, and the wider employee base. Including and not limited to, creating spaces for environmental positive conversations (internal comms, newsletters, Teams etc), certified Carbon Literacy Training for all applicable. On average, certified learners reduce their carbon footprints by 5-15%, of which ~50% are work-related.</p>	2024	1,2,3
<p>Initiated switching company vehicle fleet to hybrid from diesel. As of November 2023, 19 of these cars (ie 79% of the fleet) have been switched.</p>	2023	1
<p>Reduced company vehicle fleet from 31 cars in January 2022 to 24 cars in July 2022.</p>	2023	1
<p>Reduced company vehicles from 24 in July 2022 to 13 in Aug 24. All 13 vehicles are self-charging hybrids.</p>	2024	1
<p>Switched all lights to LED lighting and PIR motion sensors in key areas of the office</p>	2023	1,2,3

<p>Conduct a review of company vehicles to outline a two-phase strategy for company vehicle electrification, beginning with hybrid and ending with a fully electrified fleet:</p> <p>Although we would have liked to directly to switch to electric vehicles, the fact that our service areas' charging infrastructure is not yet mature makes this option unfeasible currently.</p> <p>Therefore, once extensive public charging infrastructure is in place in our service areas, we shall then convert our fleet to fully electric.</p>	<p>2024</p>	<p>1</p>
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## Future Carbon Reduction Plans

The following list is a summary of initiatives we have either commenced, or plan to commence, in accordance with our milestones plans. This is not an exhaustive list and is also under continuous review/development.

Reduction Plans – Scope 1 & Scope 2				
Activity No.	Activity	Target Date	% Reduction Target	Category
1	Consider driver-efficiency training for company car users when we switch over to our new fleet (which contains a new telematics system), so that we can record individual driver behaviours – this should demonstrate a reduction in total fuel/electricity use.	2025	10%	Mobile Combustion Purchased Electricity (EVs)
2	Consider installing electric submetering at Fox Talbot House to better monitor usage.	2024	-	Purchased Electricity
3	Encourage the landlord to switch Holloway House (under Medvivo control but landlord-procured electricity contract) electricity tariff to a 100% renewable tariff as soon as this is feasible in order to reduce market-based electricity emissions to 0.	2024	100% (market-based)	Purchased Electricity
4	<p>Implement energy efficiency measures to reduce the overall amount of electricity consumed at sites, and optimise operational procedures.</p> <p>Examples of reduction measures include:</p> <ul style="list-style-type: none"> <li>- introducing more sensor lighting (including in Fox Talbot House server rooms, meeting rooms, and ground floor kitchen), and aligning sensor times to usage patterns (e.g. 3 minutes for corridors, 20 minutes for working spaces)</li> <li>- installing timers on sockets/equipment to automatically</li> </ul>	2025	10% (location-based)	Purchased Electricity

	<p>turn appliances off during non-working hours</p> <ul style="list-style-type: none"> <li>- modify air conditioning set points in the server room at Fox Talbot House to reduce energy usage</li> <li>- set temperature dead-band in Fox Talbot House air conditioning controllers to prevent the systems operating in conflict with the site's central heating system</li> <li>- Install motion sensors (PIRs) to control air conditioning in Fox Talbot House's infrequently used areas</li> <li>- reviewing and renewing inefficient equipment (when at end of life), and actively consider the energy efficiency of equipment when new purchases are required (e.g. laptops, fridges, dishwashers)</li> </ul> <p>Invite colleagues from different sites to openly explore challenges and barriers to collaboratively find solutions for reduction.</p>			
5	<p>To completely reduce market and location-based energy emissions to zero, regularly encourage the landlord to install on-site renewable energy generation and heating technologies where feasible, such as solar PV panels, solar heating, heat pumps (following an energy audit to assess feasibility and payback periods) to generate 100% of heating and energy demand. Ask the landlord to consider removing on-site stationary combustion (gas) heating once completed.</p> <p>If the landlord consistently refuses to do so, consider moving site once our leases expire.</p> <p>If the UK Grid is 100% powered by renewable energy before this point, your Scope 2 location-based (and market-based) electricity emissions will already be zero. You would still need to consider gas emissions unless removed (or better technology is available).</p>	2030	100% (location and market-based)	Stationary Combustion Purchased Electricity

Based upon the above completed and planned initiatives, it is projected that (as a minimum) Scope 1 & 2 carbon emissions will decrease over the next seven years from the current measurement of 131.8 tCO<sub>2</sub>e to 32.1 tCO<sub>2</sub>e by 2030. This is a **reduction of 76%** and will keep us on track to Net Zero.

We also aim to implement the further initiatives below to reduce Scope 3 emissions:

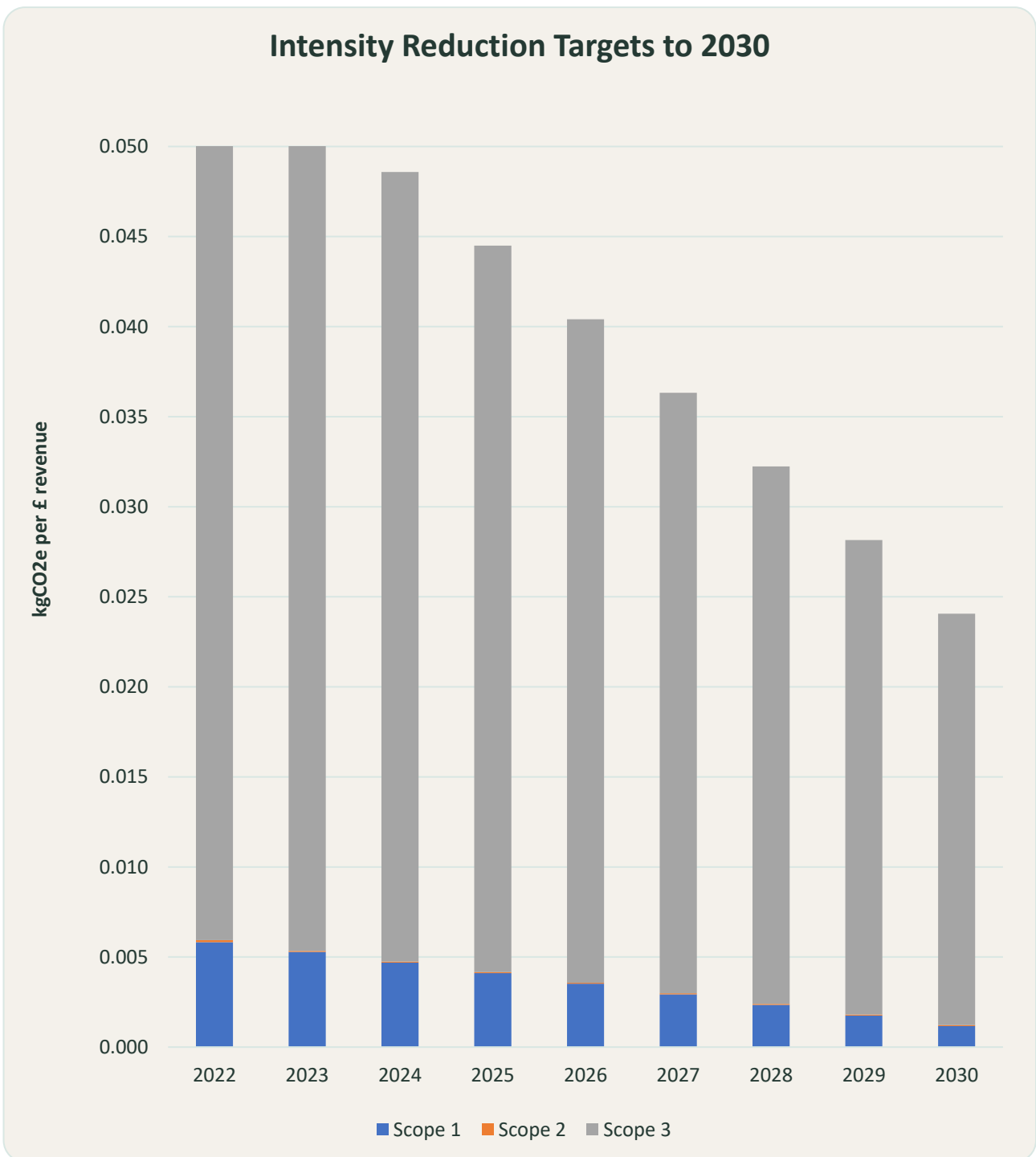
Reduction Plans – Scope 3				
Activity No.	Activity	Target Date	% Reduction Target	Category
1	<p><b>Implement a Sustainable Procurement Policy.</b> Encourage suppliers to adopt sustainable practices and improve their own carbon footprint through supplier engagement, procurement policies and contracts, and monitoring reporting mechanisms.</p> <p>Commit to a Sustainability Audit or Survey to request further information regarding credentials – Plan to send these to the top 20 suppliers by spend. This data collection will support reduction journey by gathering important data for future measurement &amp; encourage supply chain integration towards Net Zero.</p> <p>Complete this audit within two phases:</p> <ol style="list-style-type: none"> <li>1. Identify suppliers for engagement</li> <li>2. Formulate and collect data (survey/scoring)</li> </ol> <p>Once completed prioritise suppliers with lower carbon footprints as part of the above phased approach. This may also involve purchasing second hand/refurbished (furniture) and extending the lifespan of purchased items.</p> <p>Develop and monitor procurement policy for all new suppliers to align to Net Zero goals.</p>	2025 - 2027	20% initially, 55% in 2030	Purchased Goods & Services
2	<p>Review logistics partners/couriers and utilise the above Sustainable Procurement Policy. Work with providers to gather their emissions data, and/or switch to lower-carbon providers.</p> <p>Prioritise purchasing from local suppliers to limit delivery mileage.</p>	2025 - 2027	30%	Upstream Distribution Downstream Distribution
3	<p><b>Develop and implement a Sustainable Travel Policy</b> to support environmental impact of</p>	2025	15%	Business Travel Commuting



	<p>choices when travelling, staying in hotels and commuting. The priorities within this policy will support active travel and low emission travel options where appropriate.</p> <p>Commit to offering support to workforce with options for:</p> <ul style="list-style-type: none"> <li>- encouraging car sharing</li> <li>- EV salary sacrifice schemes.</li> </ul> <p>Utilise the emissions travel hierarchy:</p> <ul style="list-style-type: none"> <li>- Digital communication</li> <li>- Walking and cycling</li> <li>- Public and shared transport</li> <li>- EV's and car sharing/clubs</li> <li>- ICE vehicles and car sharing/clubs</li> </ul> <p>Consider creative ways to engage and support the workforce to influence change.</p> <p>Examples include setting an internal organisation carbon credit scheme (limit that to a number of tCO<sub>2</sub>e per year), extra holiday days for low emission travel choice, bonuses, subsidised travel, equal mileage payments for diesel/petrol/EVs/cycling.</p>			
4	Liaise with key suppliers to see whether they can ship with the minimal amount of packaging needed to secure the product.	2024	15%	Waste
5	For bases where Medvivo has no energy control over, investigate whether the site has no gas and/or a 100% renewable electricity tariff, and regularly encourage the landlord/management company to switch to electric heating and a renewable electricity tariff if not. This change will reduce gas and market-based electricity emissions (from chosen tariff) for these sites to 0 tCO <sub>2</sub> e.	2024	100% (market-based)	Upstream Leased Assets
6	For bases where Medvivo has no energy control over, regularly encourage the landlord to install on-site renewable energy generation and heating technologies where feasible, such as solar PV panels, solar heating, heat pumps (following an energy audit to assess feasibility and payback periods) to generate 100% of	2024	100% (market- and location-based)	Upstream Leased Assets

	<p>heating and energy demand. Ask the landlord to consider removing on-site stationary combustion (gas) heating once completed.</p> <p>If the UK Grid is 100% powered by renewable energy before this point, your Scope 3 upstream leased asset electricity emissions will already be zero.</p>			
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Based upon the above completed and planned initiatives, it is projected that (as a minimum) Scope 3 revenue-based carbon emissions intensity will further decrease over the next seven years from the current normalised measurement of 0.05267 kgCO<sub>2</sub>e/£ to 0.02569 kgCO<sub>2</sub>e/£ by 2030. This is a **reduction of 51%** and will keep us on track to Net Zero.



# 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 Management Plan has been reviewed and approved by Medvivo Executive Team.

**Signed on behalf of Medvivo:**



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**Name:** Michelle Reader

**Position:** Chief Operating Officer

**Date:** 11.11.24

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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>

<sup>3</sup> <https://ghgprotocol.org/standards/scope-3-standard>