



# ESG Impact report

December 2022



# Foreword from our CEO, Keith Austin

Whatever we do, we strive to build a company that makes us proud. So, we do what's right, even when it's difficult. Environmental, social, and governance criteria will always be central to our current and future ambitions.

EMS Healthcare is committed to building a sustainable business - from the very beginning, we set out to minimise our environmental impact. We achieved Environmental ISO 14001 in 2007 and haven't stopped since, because our mission is to build a successful business that reduces our impact on the planet. We address these key issues in depth, in all three strands of our ESG strategy:

- **Environmental:** energy, waste, transport, carbon emissions, climate change
- **Social:** relationship management with employees, customers, suppliers, communities
- **Governance:** policies, committees, stakeholder engagement, compliance

**EMS Healthcare is committed to building a sustainable business - from the very beginning, we set out to minimise our environmental impact.**



EMS Healthcare has two main environmental ambitions: carbon neutrality (achieved in 2021) and Net Zero by 2040. These targets put us ahead of the goals set by the Intergovernmental Panel on Climate Change (IPCC) as it attempts to keep global warming within 1.5°C of pre-industrial temperatures.

Over the next few years, our targeted carbon reduction path will keep us moving forward. In 2023, we will align with the Science Based Targets initiative (SBTi). We'll also dedicate time to considering the risks that climate change poses to our organisation and develop a strategy to mitigate those risks, while capitalising on any opportunities.

With more than 100 vehicles in our fleet, we're proud of the scale of service we can provide and the healthcare challenges we can tackle. But we must always do more. In 2022, Outreach, our first self-drive, solar-powered unit hit the roads and by the end of 2022, we replaced all vehicles that failed to reach the Euro 6 emissions standard.

We are making changes at our headquarters, too, where we source sustainable energy supplements via our solar roof panels. EV charging points are also in place and, by the end of 2023, we will have 14. A salary sacrifice scheme for EVs is motivating many of our colleagues to switch to newer vehicles that reduce our commuting carbon emissions.

EMS Healthcare is undoubtedly built on the quality of its employees, and we can only make an impact on healthcare if we operate at our full potential.

We recognise, value, and encourage diversity, inclusion, and equality opportunity (DE&I). Our policy documents, regular training and our employee handbook all serve to reinforce this stance. In 2023, we will establish a Colleague Committee, which will feature champions across the different areas of ESG, while all managers will receive DE&I training.

We are only too conscious of the economic and health disparities in our local areas. By committing to support our communities through decentralised healthcare, we can take vital services to those who need them most.

We also encourage our employees to give back to the local community through fundraising and volunteering activities, and we have now established a team of champions to take forward our community.

Overall, EMS Healthcare is determined to give our clients the care and service they deserve. Our ESG activity reflects that commitment, but we understand there will always be more work to do. Throughout our history, we've adapted and embraced challenges and we relish the prospect of continuing to turn our ESG vision into reality.

## Our ESG strategy



### Environmental

Energy, waste, transport, carbon emissions, climate change



### Social

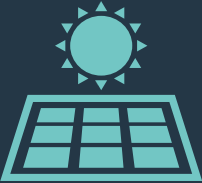



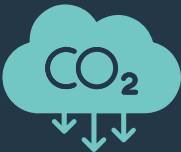






Relationship management with employees, customers, suppliers, communities



### Governance

Policies, committees, stakeholder engagement, compliance

# Our year in highlights

 <p><b>Solar panels</b> installed on our factory roof</p>	<p>Growing team of Mental Health First Aiders</p> 	<p>Our first self-drive, electric and solar-powered unit, Outreach, came into service</p>	 <p>Established a designated company colleague charity</p>
 <p><b>Our first electric vehicle</b> (EV) hit the roads</p>	 <p><b>Baseline emissions calculated for 2021</b> across Scope 1, Scope 2 and seven material Scope 3 categories</p>	<p>Offset our Scope 1 and Scope 2 emissions to become</p> <p><b>carbon neutral for 2021</b></p>	
<p>100% renewable electricity</p> 	<p>Six EV charging points in place at our HQ</p> 	 <p><b>Initiating our apprenticeship programme,</b> accessing the Apprenticeship Levy</p>	
<p>Accreditations and memberships attained:</p> <ul style="list-style-type: none"> <li>• ISO 9001:2015</li> <li>• ISO 45001:2018</li> <li>• ISO 14001:2015</li> <li>• Cyber Essentials Certified</li> <li>• Investors in People Silver Award</li> </ul> 	<p><b>Zero waste to landfill</b></p> 	<p>Replaced all vehicles that do not reach the Euro 6 emissions standard</p>	<p>Five management training modules put in place for all managers</p> 

# Our 2023 ESG objectives and goals

## Environment



- Appoint Green champion/s to drive EMS Healthcare’s energy and waste initiatives
- Upgrade monitoring systems and analyse half-hourly energy readings
- Set a science-based target with the Science Based Targets Initiative (SBTi)
- Reduce our carbon emissions intensity ratios by 5%
- Reuse and/or repurpose 80% of unit fit-outs
- Begin capturing monthly waste data to accurately track consumption and set recycling and waste reduction targets
- Conduct an employee commuting survey
- Install eight more EV chargers at the Refinery
- Install telematics system on 100% of vehicles
- Embed ESG into our end-to-end procurement processes - supplier selection and annual assessments of current suppliers
- 100% of new suppliers to align with the Supplier Code of Conduct and receive the CSR & ESG Supplier Questionnaire

## Social



- Appoint a DE&I champion
- Form an employee-led council
- Identify the demographic of our workforce
- Establish a health & wellbeing strategy, introduce a calendar of events and initiatives and conduct regular health & wellbeing pulse surveys
- Train 10 more employees in Mental Health First Aid
- Conduct regular employee engagement pulse surveys; targeted 85% engagement response rate
- Compile an internal gender pay gap analysis and report
- Build an apprenticeship programme, focusing on the local community; aim to have 5% of the workforce in ‘earn and learn’ positions by the end of 2024
- Put in place a charitable events calendar and track fundraising and volunteering activities
- Raise a total of £10,000 for charitable initiatives
- Launch Volunteer Days and monitor take up

## Governance / ESG integration



- Achieve ISO 13485 (Medical devices) accreditation
- Achieve ISO 27001 (Information security management systems) accreditation
- Achieve Cyber Essentials Plus certification
- Compile our first Task Force on Climate-related Financial Disclosures (TCFD) report
- Put in place a standalone Employee Code of conduct
- Embed our ESG strategy, develop an ESG policy and form an ESG committee
- Appoint at least two Whistleblowing / Speak Up champions
- Undertake a stakeholder materiality assessment to identify, refine and assess the numerous potential environmental, social and governance issues that could affect our business, and/or our stakeholders, which ultimately will inform our strategy, targets and reporting

# Contributing to the United Nations Sustainable Development Goals

The Sustainable Development Goals (SDGs) were adopted in 2015 by the United Nations (UN) as part of the 2030 Agenda for Sustainable Development. They are a set of 17 interlinked goals, guiding businesses, governments, civil society, and the public to tackle the biggest issues facing modern society.

EMS Healthcare have identified five of the UN SDGs that we see as being most material to the work that we do and that will affect real and meaningful change. We will use these goals to define and categorise our activities so that we can play our part in creating a fairer and better world. EMS Healthcare will incorporate measurable targets showing how our actions and initiatives contribute towards fulfilling the Goals and will continue to monitor our alignment, using them as a cornerstone of our ESG strategy.



**Goal 3: Ensure healthy lives and promote well-being at all ages**

3 GOOD HEALTH AND WELL-BEING



**Target 3.4 By 2030**

Reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being

**Target 3.8 By 2030**

Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all

- EMS Healthcare provides critical extra capacity across the healthcare sector, supporting NHS Trusts, Health Boards and private healthcare providers. We are partnered with the UK's largest cancer blood test trial.
- Internally, EMS Healthcare have extensive health & wellbeing and health & safety practices including a social events, charity and wellbeing committee, EAP, 24/7 counselling services, online GP access, a team of Mental Health First aiders and an ISO 45001 certified H&S system.
- Accredited Investor in People – Silver Award.

**Goal 7: Ensure access to affordable, reliable, sustainable and modern energy**

7 AFFORDABLE AND CLEAN ENERGY



**Target 7.1 By 2030**

Ensure universal access to affordable, reliable and modern energy services

**Target 7.2 By 2030**

Increase substantially the share of renewable energy in the global energy mix

- EMS Healthcare's headquarters are powered by 100% renewable electricity; renewable gas will be procured in July 2023. Solar panels have been fitted on the factory roof.
- In 2022, EMS Healthcare incorporated its first electric vehicle into the fleet and the first self-drive solar-powered unit came into service, reducing the reliance on diesel generators.
- EMS Healthcare have also replaced all company vehicles that don't reach the Euro 6 emissions standard.
- In 2023, the sales team will be allocated electric vehicles to reduce their impact on the roads. The fleet will be upgraded to electric as soon as is practicable.

### Goal 10: Reduce inequality within and among countries

10 REDUCED INEQUALITIES



#### Target 10.2 By 2030

Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

- EMS Healthcare’s decentralised healthcare solutions are community-focused and help to tackle health inequalities by taking vital services to those who need them most.
- The company are also working on building an apprenticeship programme that will focus on social inclusion and improving social diversity in the local community.

### Goal 12: Ensure sustainable consumption and production

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



#### Target 12.2 By 2030

Achieve the sustainable management and efficient use of natural resources

#### Target 12.5 By 2030

Substantially reduce waste generation through prevention, reduction, recycling and reuse

- Life Cycle Assessment is currently being undertaken to identify emissions hotspots across the value chain of a unit and ensure sustainable materials are used going forward.
- Waste recycling programme is in place with zero waste sent to landfill.
- EMS Healthcare aims to reuse/repurpose 80% of unit fit-outs.

### Goal 13: Take urgent action to combat climate change and its impacts

13 CLIMATE ACTION



#### Target 13.1 By 2030

Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

#### Target 13.2 By 2030

Integrate climate change measures into national policies, strategies and planning

- EMS Healthcare have committed to being Carbon Neutral by 2030 (which was achieved in 2021) and Net Zero by 2045.
- Carbon reduction plan is in place, calculating baseline emissions for 2021; currently recalculating for 2022.
- Procure 100% renewable electricity at EMS Healthcare’s headquarters. Renewable gas will be procured in July 2023.
- Sustainability Task Force group in place.
- Endeavour to set a science-based target with the Science Based Targets initiative (SBTi) in 2023.





# Our road to decarbonisation

# We value the environment

Eight years have now passed since climate negotiators in Paris agreed to keep the temperature rise below 2°C and strive for 1.5°C. It is now beyond any reasonable doubt that climate change is a threat to planetary health and human wellbeing and current climate actions are falling short of reaching the goal of 1.5. We are already seeing the effects of increasing global warming and much of the damage is irreversible; vulnerable communities are being disproportionately affected by extreme weather events and rising sea levels. The next decade will be crucial to avoid severe disruption to our climate and ecosystems. Companies, governments and consumers must take decisive climate action now to stave off considerable disruptions and catastrophic consequences in the future.

We have committed to ensure that we reduce our environmental impact where we can and fully intend to play our part to support the UK's climate journey to Net Zero by 2050. Our environmental programme spans energy efficiency, waste and water reduction and resource efficiency - all essential to meeting our goals. Our efforts are implemented via our ISO 14001 accredited Environmental Management System (EMS), ensuring best practice.



# Our journey to Net Zero

In 2022, we set our ambition to reach Net Zero by 2045, five years ahead of the UK’s target date. Becoming Net Zero involves calculating a comprehensive carbon emissions footprint going beyond Scope 1 and 2 (emissions from gas consumption, owned and leased vehicles, as well as electricity consumption) and including Scope 3 (upstream and downstream) emissions, which typically account for 80 - 90% of overall emissions.

We conducted a baseline assessment for 2021 across relevant Scope 3 categories in order to gain insight into our broader emissions areas and have developed a carbon reduction glide path, setting annual targets to hit Net Zero emissions.

We calculated our emissions from our operational boundary (Scope 1 and 2) and have identified seven material Scope 3 categories:



**Scope 1: Stationary combustion**  
(Mostly gas)



**Scope 1: Transport**  
(Emissions from company owned and leased vehicles)



**Scope 2: Electricity consumption**  
(Purchased electricity for own use)



**Scope 3 Category 1: Purchased goods and services**  
(The extraction, production, and transportation of products purchased or acquired)



**Scope 3 Category 2: Capital goods**  
(The extraction, production, and transportation of capital goods purchased or acquired)



**Scope 3 Category 3: Fuel and energy related emissions**  
(The extraction, production, and transportation of fuels and energy purchased or acquired)



**Scope 3 Category 5: Waste generated in operations**  
(The disposal and treatment of waste generated in our operations)



**Scope 3 Category 6: Business travel**  
(The transportation of our employees for business-related activities)



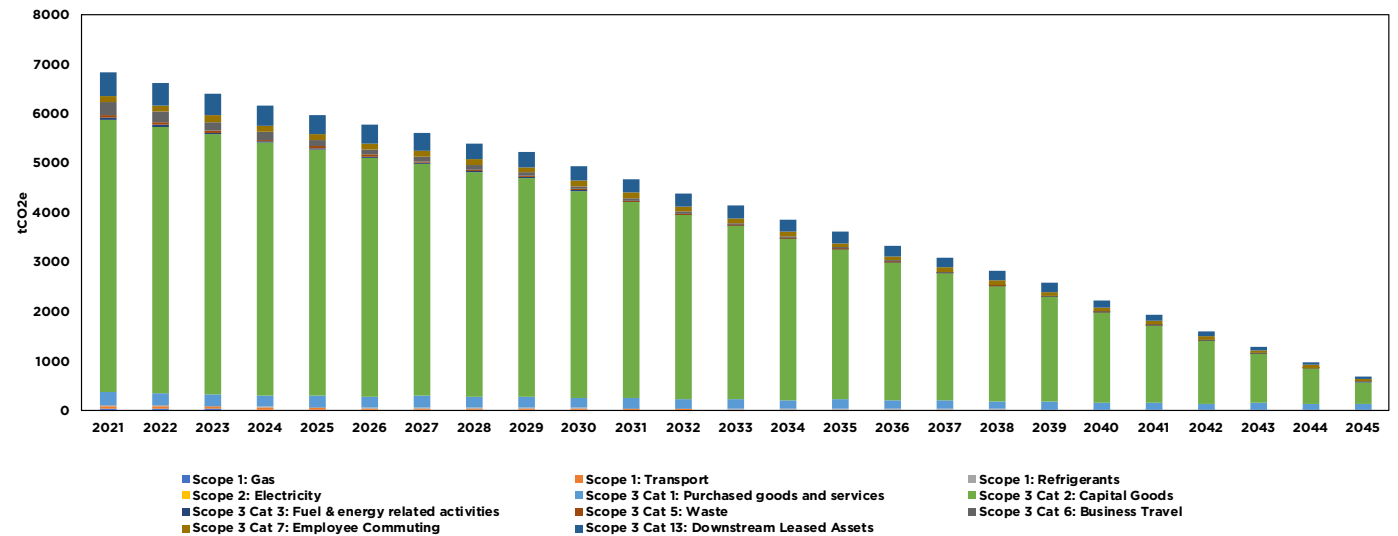
**Scope 3 Category 7: Employee commuting**  
(The transportation of our employees between their homes and our worksites)



**Scope 3 Category 13: Downstream leased assets**  
(The operation of leased assets, particularly our mobile units)



## EMS Healthcare’s glide path



Our 2021 baseline gross emissions (location-based) were found to be 6,865 tCO<sub>2</sub>e. With the removal of our green electricity, our gross emissions (market based) were 6,828 tCO<sub>2</sub>e. We project that our carbon emissions will decrease over the next five years to 5,762 tCO<sub>2</sub>e by 2026, a reduction of 16%.

Part of our reduction efforts also include off-setting our emissions. Off-setting plays a vital role in combating climate change by providing finance for re-forestation and biodiversity gains and helping our planet flourish

in the process. For our 2021 baseline emissions, we offset 170 tonnes of CO<sub>2</sub> with My Carbon Plan Ltd, which has supported the planting of short rotation coppice willow at Grizebeck, Lake District. With this inclusion, our net emissions total for 2021 was 6,658 tCO<sub>2</sub>e.

We are now calculating our emissions for 2022 and in 2023, we will be setting a science-based target with the Science Based Targets initiative (SBTi) to formalise our commitment to carbon reduction.

# Our carbon footprint

We have calculated our Scope 1, 2 and partial Scope 3 emissions for 2022 in line with the government Streamlined Energy and Carbon Reporting (SECR) legislation and found our gross emissions (market based) to be 171.87 tCO<sub>2</sub>e. This takes into account the procurement of our renewable electricity at our headquarters in Ellesmere Port, Cheshire.

We have also incorporated the fugitive emissions of our refrigerant gases for Scope 1 completeness. This year, we have chosen to offset our Scope 1 and 2 carbon emissions (market based).

For our full carbon footprint including all material Scope 3 emissions for 2022, please see our Net Zero report.

2022 Carbon footprint	kWh	tCO <sub>2</sub> e	tCO <sub>2</sub> e %
SCOPE 1*	541,023.95	148.08	73%
Natural gas	142,256.00	25.97	13%
Owned/leased vehicles	398,767.95	101.78	50%
Refrigerants	-	20.33	10%
SCOPE 2	161,590.98	31.25	15%
Electricity	161,590.98	31.25	15%
SCOPE 3*	75,210.56	23.80	12%
Employee mileage reclaim	75,210.56	23.80	12%
Gross Emissions (Location Based)*	777,825.48	203.12	100%
Less Renewable Electricity	161,590.98	31.25	15%
Gross Emissions (Market Based)*	-	171.87	85%
Less Offsets	-	(150.00)	(74%)
Total Net Emissions*	-	21.87	11%

\*This carbon footprint has been calculated in alignment with SECR legislation (with the addition of refrigerants); for our full carbon footprint across all relevant Scope 1, 2 and 3 categories, please see our Net Zero report.

	Metric value: Total floor area [m <sup>2</sup> ]*	tCO <sub>2</sub> e	Intensity Ratio (IR)	Target IR
Gross Emissions (Location Based)**	15,245	203.12	0.0133	0.0127
Gross Emissions (Market Based)**	15,245	171.87	0.0113	0.0107

	Metric value: Total turnover [£'000]	tCO <sub>2</sub> e	Intensity Ratio (IR)	Target IR
Gross Emissions (Location Based)**	24,039	203.12	0.0084	0.0080
Gross Emissions (Market Based)**	24,039	171.87	0.0071	0.0068

	Metric value: Total employees	tCO <sub>2</sub> e	Intensity Ratio (IR)	Target IR
Gross Emissions (Location Based)**	139	203.12	1.461	1.388
Gross Emissions (Market Based)**	139	171.87	1.237	1.175

To account for our expanding operations, we have applied a carbon intensity ratio to track our performance over time. An intensity ratio allows comparisons of carbon emissions year on year, by cancelling out any changes in emission levels from one year to another that are due solely to changes in the volume of operations; this serves to identify changes in emission levels that are due to changes in the carbon efficiency of these operations. In this way, emissions data can be calculated as a rate in relation to a relevant business metric such as annual turnover, by dividing total emissions by this business-specific metric.

For this year, we have chosen the floor area of our headquarters (the Refinery and attached factory) and yard at Llay, turnover, and number of employees as our business metrics, calculating the total carbon emissions per square metre (m<sup>2</sup>), per thousand pounds (GBP £'000) and per employee. Next year, our total floor area will increase by 3,204 m<sup>2</sup> to include Unit 6, our new factory space. These intensity ratios will allow us to track our emissions accurately without them being skewed by changes in operations.

We are aiming to reduce our intensity ratios by 5% in 2023.

\*m<sup>2</sup> of the Refinery, including the warehouse, office, storage space and yard, and the yard at Llay.

\*\*Intensity ratios have been calculated based off our Scope 1, 2 and partial Scope 3 carbon footprint (including refrigerants). For the intensity ratios based off our full carbon footprint, please see our Net Zero report.