

Polyco Healthline Limited | 2024

Towards a Sustainable Future

**An ambitious Carbon Reduction Plan
compliant with PPN 06/21**



Contents

Introduction	1
Our Approach.	3
Corporate Responsibility	4
Our Carbon Reduction Targets	5
Carbon Reduction Plan	6
Commitment to Net Zero	7
Emissions Breakdown	8
Emissions Reduction	9
Emissions Excluding Deliveries.	11
Completed Carbon Reduction Projects.	13
Our Social and Environmental Impact.	15
Future Carbon Reduction Projects	16
Sign off and Declaration.	18



Introduction

On Monday 20th March 2023 António Guterres, Secretary-General of the United Nations said, “the world is rapidly approaching catastrophic levels of heating with international climate goals set to slip out of reach unless immediate and radical action is taken”. “The climate time-bomb is ticking” and “humanity is on this ice – and that ice is melting fast.”

In the report released that Monday by the U.N. Intergovernmental Panel on Climate Change (IPCC) draws on the findings of hundreds of scientists to provide a comprehensive assessment of how the climate crisis is unfolding. It concludes that the world is likely to pass a dangerous temperature threshold within the next 10 years, pushing the planet past the point of catastrophic warming unless nations drastically transform their economies and immediately transition away from fossil fuels. This is one of the most definitive reports ever published about climate change, showing that we all need to work together to protect the planet.

Researchers found that the world is on the brink of 1.5 degrees Celsius of warming, meaning it is close to surpassing an internationally agreed-upon threshold for climate warming. The current trajectory is for a 2.2 to 2.4 degrees Celsius of warming. Beyond that threshold, scientists have found, climate disasters will become so extreme that people will not be able to adapt. In fact, this amount of warming will threaten coral reefs, melt ice sheets, and contribute to sea level rise. We will see heat waves, famines, and more infectious diseases spread, claiming millions of additional lives by the end of the century.

In 2019 the UK became the first major economy to pass a Net Zero emissions law, meaning the UK government is now legally required to reach Net Zero emissions by 2050. When the UK government published its procurement policy note 06/21 (PPN 06/21), it was clear that businesses should focus on building back the economy in a sustainable fashion.





David Langridge

Head of Technical

“Sustainability is a critical focus for any forward thinking company to remain successful. Polyco Healthline has sustainability as a core value of the business, investing in its people its supply chain management and its facilities.

Working with Enistic Polyco Healthline have recorded all its scope 1, 2 and relevant scope 3 emissions, so it can fully understand its overall carbon footprint, and where in the business process the carbon is produced. This will enable us to target carbon reduction, where it will have most benefit as we work towards our target of being Net Zero by 2045.”

Our Approach

Polyco Healthline Limited is a customer focused company committed to bringing sustainability to the forefront of our business. In doing so, we are committed to creating a better future for our stakeholders and the environment around us.

As a value-led and customer-centric business, we recognise that sustainability is not only good for the planet, but it is also good for our customers.

We understand that humans are a huge part of the ecosystem and all species have a vital role to play in maintaining the balance. We seek to learn more and more every day to understand how our business can contribute to maintaining this balance and aid humanity in continuing to form a better relationship with nature.

Our company is conducting a strategic review to ensure that our carbon reduction endeavours are integrated throughout our business, from suppliers to operations, down to our customers. We are prioritising the most valuable areas for reducing our carbon footprint and have set a target to achieve Net Zero by 2045.





Corporate Responsibility and Accountability

Polyco Heathline Limited is on a journey to create a sustainable future and we want to ensure that journey is transparent, credible, impactful, and measurable. To this end, we have embarked on a journey to achieve Net Zero emissions by 2045. To ensure we achieve our aims, we partnered with carbon consultancy Enistic, who calculate and track our carbon emissions in accordance with the GHG protocol.

We firmly believe that our efforts to prioritise sustainability not only align with our core values but also position us for long-term success in an increasingly environmentally conscious society.

In addition, we are not only focusing on mitigating our own environmental impact, but we are also committed to making a positive social and economic impact as we understand these are also pillars of sustainability. For example, we have introduced a phAMBITION sustainability programme which considers the United Nations Sustainability Goals against our value chain to better understand our risks and opportunities and drive positive change.

Our Carbon Reduction Targets

Polyco Healthline Limited is committed to a 100% reduction in all scope 1, 2, and 3 emissions by 2045. Our carbon reduction goals align with the IPCC's carbon reduction roadmap.

2045



BUSINESS AMBITION FOR 1.5°C

enistic

GHG Scope	Emissions sources
Scope 1	Direct emissions resulting from sources that are owned and controlled by Polyco Healthline Limited
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

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. Polyco Healthline Limited 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.





**Polyco
Healthline**

Polyco Healthline Limited Carbon Reduction Plan

in accordance with requirements for PPN 06/21

Commitment to Net Zero

In our commitment to becoming net zero, our carbon reduction goals align with the IPCC’s carbon reduction roadmap.

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

Emissions Comparison

The table below shows both our baseline year (Jan 2019 - Dec 2019) and reporting year (Aug 2022 - Jul 2023) emissions. Baseline emissions are a record of the GHGs that have been produced in the past – before introducing any strategies to reduce emissions – and are the reference point against which emission reductions can be measured.

2019 was the first year where we had a complete GHG inventory, which is required for PPN 06/21 compliance. Our current reporting period is 01 Aug 2022 - 31 Jul 2023.

Emissions	Total (tCO2e) for reporting period	Total (tCO2e) for baseline period	% Change
Scope 1	114	349	-67%
Scope 2	105	173	-39%
Scope 3 (Including Sources)	10,409	11,059	-6%
Total Emissions	10,627	11,581	-8%
Intensity Ratio	47.6 kgCO2e per £1,000	79.1 kgCO2e per £1,000	-40%



Calculation Assumptions:

- A sample of employees were surveyed for commuting and working from home. The answers were then extrapolated across the whole workforce. It was assumed all office employees worked from home from March 2020 to March 2021 and all production staff commute in a medium diesel car.
- We have assumed similar levels of flights in 2019 as there were in 2022.

Emissions Breakdown

Scope 1	Total (tCO2e) for reporting period	Total (tCO2e) for baseline period	% Change
1: Energy – Natural Gas	17	12	40%
1: Company Vehicles	97	337	-71%
Total Emissions Scope 1	114	349	-67%

Scope 2	Total (tCO2e) for reporting period	Total (tCO2e) for baseline period	% Change
2: Energy – Electricity	105	173	-39%
Total Emissions Scope 2	105	173	-39%

Scope 3	Total (tCO2e) for reporting period	Total (tCO2e) for baseline period	% Change
3.01: Purchased water	0.09	0.13	-35%
3.02: Grey Fleet	42	0	-
3.04: Deliveries (Upstream)	9,824	10,465	-6%
3.05: Waste generated in operations	2.8	1.5	90%
3.07: Commuting	110	151	-27%
3.08: Home Working	23	0	-
3.09: Deliveries (Downstream)	183	177	4%
3.10: Business Travel	150	123	23%
3.11: Well-to-Tank	63	127	-50%
3.12: Transmission and Distribution	10	15	-32%
Total Emissions Scope 3	10,409	11,059	-6%



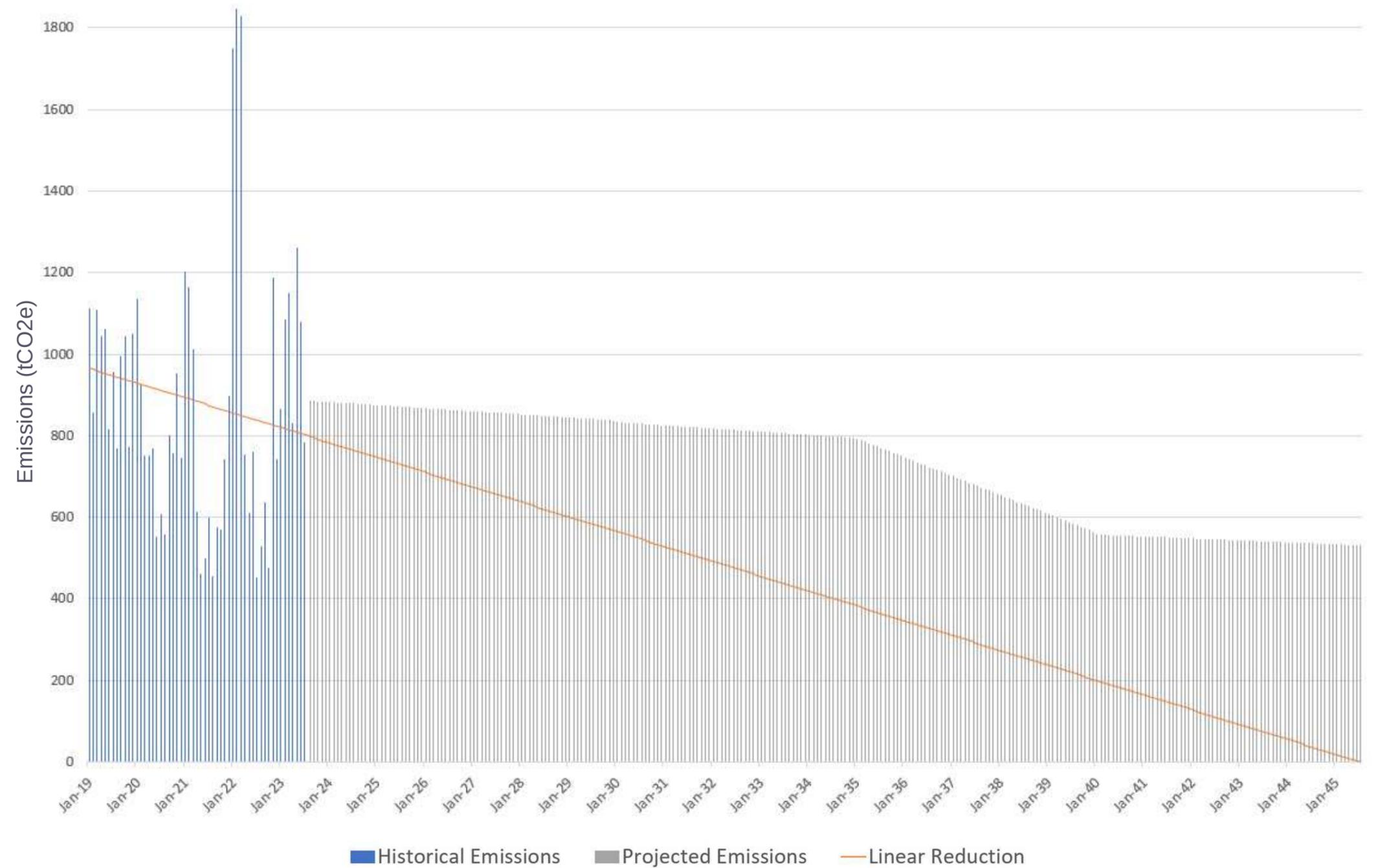
Emission Reduction

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. Prior to our baseline year, we tracked scope 1 and 2 emissions.

The graph on the right depicts our projected vs targeted emissions. Starting with our baseline emissions from Jan 19 - Dec 19, the blue bar shows our historical emissions until July 23. As we introduce carbon reduction plans, the grey bar shows our projected emissions based on our current reduction plans. In addition, the target emissions (orange) show a gradual reduction until the end of 2045. These projections assume our business operations remain at similar levels as seen between Jan 19 - July 23.

Moving forward, more carbon reduction measures may become feasible and so more emission mitigation could occur - altering these current projections. As a last case scenario, we will consider offsetting as an option. This is where any residual emissions, that we are unable to mitigate, will be offset in order for us to achieve our net zero target.



Year	2019	2022	2029	2035	2045
Historical/Projected Emissions	11,581	11,572	10,091	9,259	6,401
Target Emissions	11,581	10,070	7,010	4,388	200

Emission Reduction Targets

Our emission projections target the following areas:

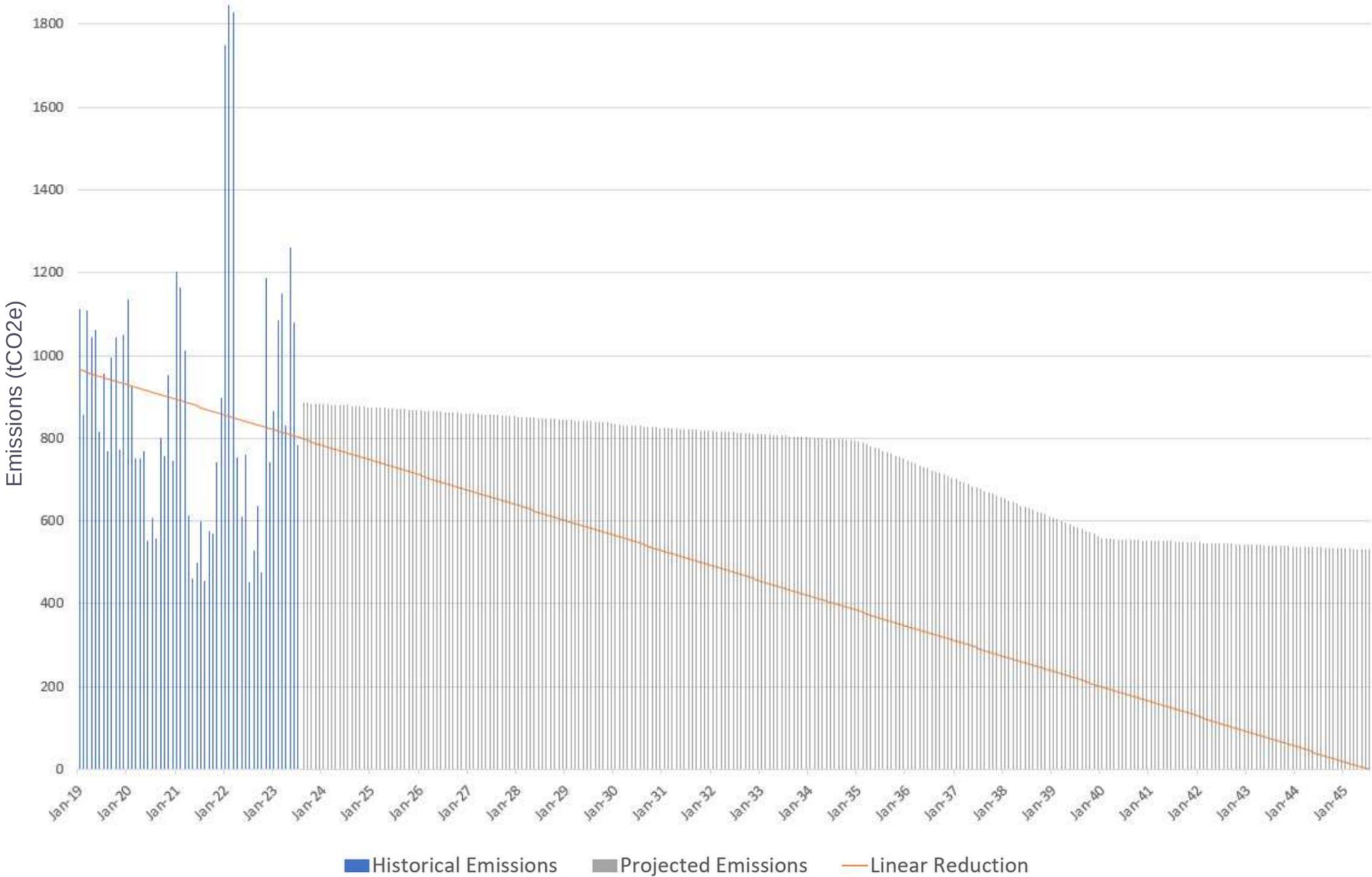
- Natural Gas
- Electricity
- Company Cars
- Commuting
- Business Travel
- Deliveries

Moving forward, we aim to educate our employees on their consumption and so we hope to see a 10% reduction in energy consumption. As the UK becomes less reliant on gas consumption, we aim to eradicate our gas usage by 2035. Furthermore, we aim to source 50% of our electricity from renewables by 2030 and by 2040, we aim to source 100% from renewables.

Additionally, as the UK plans to ban the sale of fuel-based cars from 2035, we aim for 50% of our car fleet to be electric by 2030 and fully electric by 2040. This policy will also impact our employees commuting and mileage claims as fuel-based vehicles will gradually reduce.

Furthermore, as we aim to tackle business travel, we aim to halve these emissions by 2040. This will be the result of reduced travel and more efficient vehicles.

Finally, as we anticipate an increase in sustainable technologies for delivery options, we have assumed a 40% reduction in our delivery emissions by 2045.



Year	2019	2022	2029	2035	2045
Historical/Projected Annual Emissions	11,581	11,572	10,091	9,259	6,401
Target Annual Emissions	11,581	10,070	7,010	4,388	200

Emissions Excluding Deliveries

Deliveries are responsible for 96% of our emissions and so we are presenting our current emissions without deliveries for full transparency.

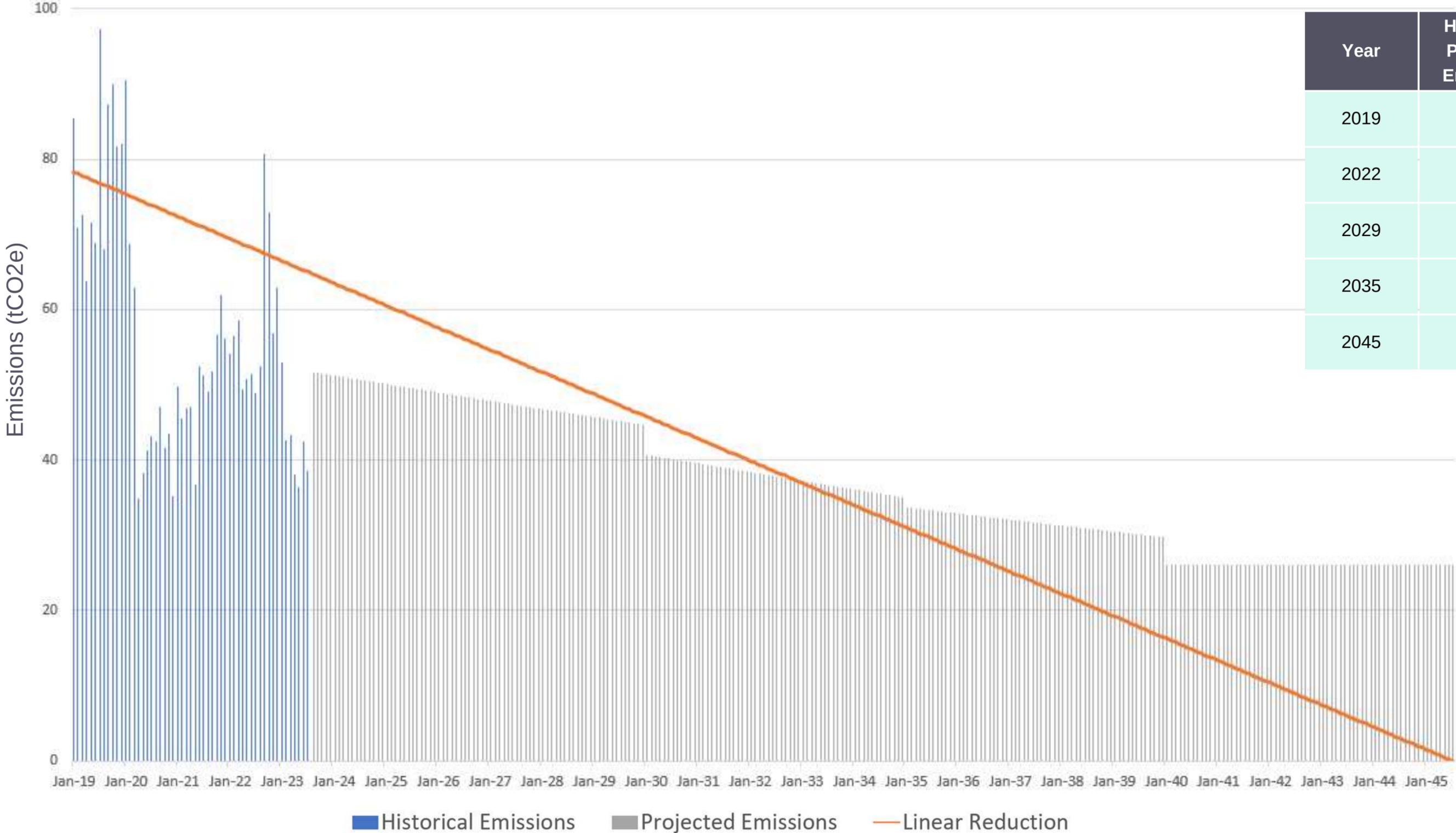
Scope 1	Total (tCO2e) for reporting period	%
1: Energy – Natural Gas	17	3%
1: Company Vehicles	97	15%
Total Scope 1	114	18%

Scope 2	Total (tCO2e) for reporting period	%
2: Energy – Electricity	105	17%
Total Scope 2	105	17%

Scope 3	Total (tCO2e) for reporting period	%
3.01: Purchased water	0.09	0.01%
3.02: Grey Fleet	42	7%
3.05: Waste generated in operations	2.8	0.5%
3.07: Commuting	110	18%
3.08: Home Working	23	4%
3.10: Business Travel	150	24%
3.11: Well-to-Tank	63	10%
3.12: Transmission and Distribution	10	2%
Total Scope 3	401	65%



Emissions Excluding Deliveries



Year	Historical/ Projected Emissions	Target Emissions
2019	939	939
2022	695	817
2029	542	569
2035	399	356
2045	312	0

Completed Carbon Reduction Projects

LED Lighting and PIR Sensors

In 2018 and 2019, we replaced our warehouse lighting with LEDs and installed PIR sensors. LED lights are highly energy-efficient, consuming significantly less electricity compared to traditional incandescent or fluorescent bulbs. This energy efficiency translates into reduced electricity bills and a positive environmental impact by lowering carbon emissions. Additionally, LEDs have an impressively long lifespan, lasting up to 50,000 hours or more, which means fewer replacements and reduced maintenance costs.



Solar panels installed at our site

Solar Array

We recently installed a solar array onto one of our buildings. The benefits of solar panels are well known. They reduce reliance on fossil fuels, create energy independence, and improve efficiency as electricity is not lost during travel from a power plant.

Purchased Energy Efficient Production Machinery

As a manufacturing company, we recognise our energy consumption is high due to the nature of our business. Therefore, we have purchased newer machinery to improve the efficiency on our production line.

Installed Electric Charging Points for Employees

Although this won't have a huge impact on our direct emissions, it will encourage our employees to adopt more environmentally friendly choices. As many homes don't have EV charge points accessible, installing them at work places will give employees an option to purchase an electric vehicle. Consequently, this will reduce commuting emissions and also reduce our employees personal footprint.



EV charging points at our site



Completed Carbon Reduction Projects

Cycle to Work Scheme

To encourage our employees to reduce their commuting footprint, we have implemented a cycle to work scheme. This initiative helps reduce traffic congestion and associated air pollution, as more people choose eco-friendly transportation. In addition, this promotes a healthier lifestyle and transport savings for our employees.

Efficient Shipping Methods

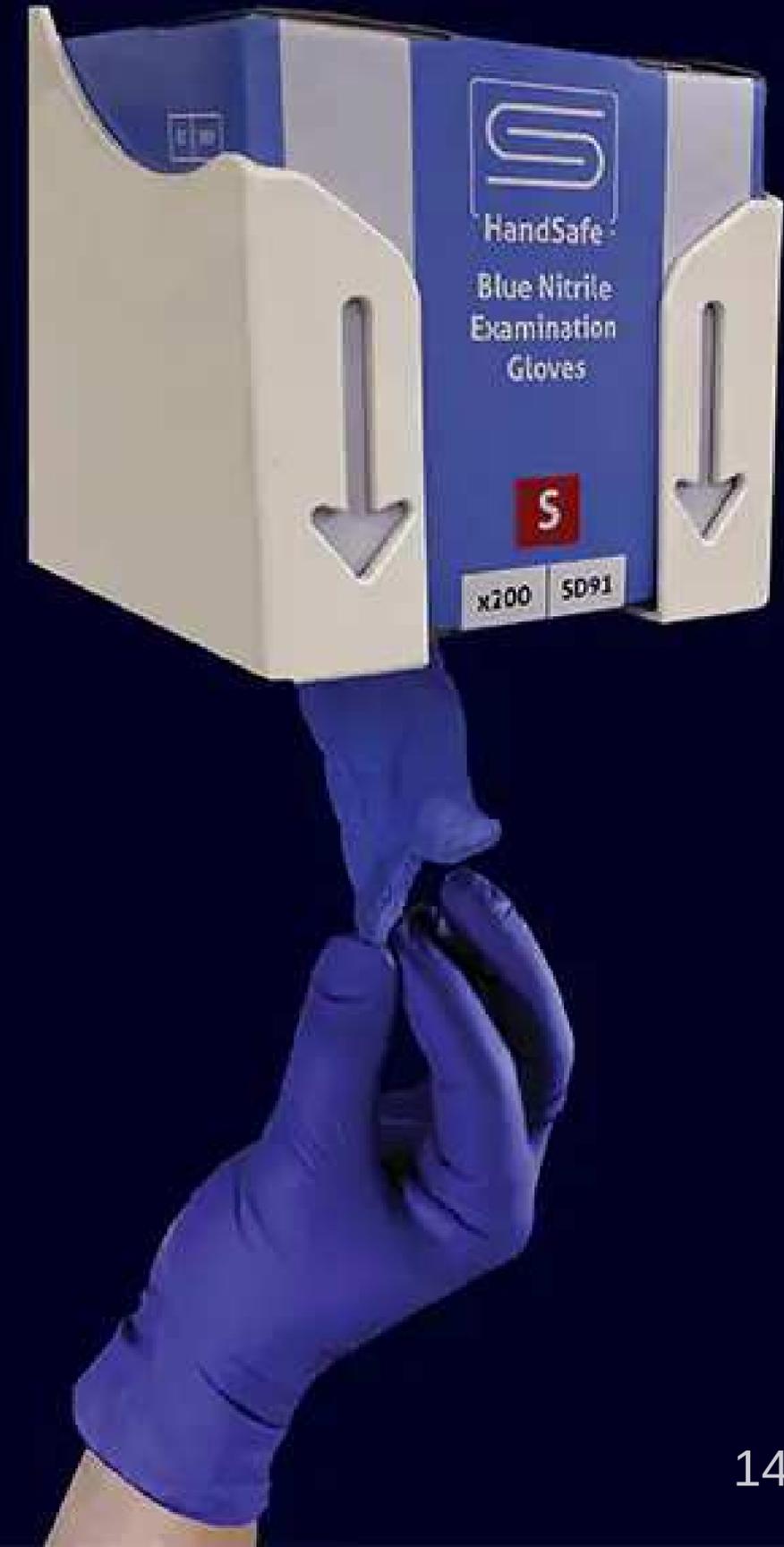
In recent years, we have analysed our suppliers and shipping methods. As such, we now use suppliers closer to home where possible and ensure containers are being sent out at max capacity. As a result, we are no longer sending half full containers to customers and so we are using less mileage to deliver our goods.

Improved Waste Processing Methods on Site

To improve our on-site waste processing, we have upgraded our bins to accommodate more recycling. In addition, we provide regular toolbox talks to our employees on better waste handling and recycling methods.

SafeDon Gloves

We have created the world's first glove dispensing system that presents the cuff first. As a result, it reduces contamination risk and waste. In addition, the storage capacity of SafeDon gloves is much greater than its 40-year-old counterpart and so the delivery process is much more efficient. This further highlights how we are instilling sustainability into our whole operations.



Completed Carbon Reduction Projects

Cycle to Work Scheme

To encourage our employees to reduce their commuting footprint, we have implemented a cycle to work scheme. This initiative helps reduce traffic congestion and associated air pollution, as more people choose eco-friendly transportation. In addition, this promotes a healthier lifestyle and transport savings for our employees.

Efficient Shipping Methods

In recent years, we have analysed our suppliers and shipping methods. As such, we now use suppliers closer to home where possible and ensure containers are being sent out at max capacity. As a result, we are no longer sending half full containers to customers and so we are using less mileage to deliver our goods.

Improved Waste Processing Methods on Site

To improve our on-site waste processing, we have upgraded our bins to accommodate more recycling. In addition, we provide regular toolbox talks to our employees on better waste handling and recycling methods.

SafeDon Gloves

We have created the world's first glove dispensing system that presents the cuff first. As a result, it reduces contamination risk and waste. In addition, the storage capacity of SafeDon gloves is much greater than its 40-year-old counterpart and so the delivery process is much more efficient. This further highlights how we are instilling sustainability into our whole operations.



Our Social and Environmental Impact

phAMBITION 2030

We created a sustainability programme, phAMBITION, to help educate our employees on sustainability. This is built around the following;

- Reduce.
- Rethink.
- Research.
- Restore.
- Recycle.



With this, we provide education facts and tips on how to instil sustainability habits into their everyday life. For example, we provide employees with tips on anything from energy savings to growing their own fruit and veg.

Volunteering

As part of improving our relationship with nature, our employees often participate in beach cleans, litter picks, and marine conservation volunteering days. As a result, our employees are much more aware of the impact we have on the environment around us. We have seen this influencing their behaviour outside of the workplace, leading them to live a more sustainable life.

Memorial Garden

We have created a memorial garden on our premises for our employees to use. Gardens serve as enchanting sanctuaries that bring people closer to nature, offering a serene escape from the work place and benefiting individual wellbeing. In addition, the garden is a hub for wildlife to thrive. Gardens attract diverse range of wildlife, from birds and butterflies to bees and insects, offering opportunities for observation and ecological awareness to our employees.



Polyco Healthline employees taking part in a beach clean



Memorial Garden

Future Carbon Reduction Projects

Source Electricity from Renewable Sources

Whether this be installing more renewables on site, or sourcing our electricity from renewables elsewhere, we would like to remove our reliance on the grid. One of the primary advantages lies in its minimal impact on climate change, as renewable energy sources such as solar, wind, hydro, and geothermal power generate electricity without emitting greenhouse gases. Additionally, renewable energy sources are abundant and inexhaustible, providing a long-term and sustainable solution to our energy needs.

Reduce Business Travel

As a business, we are also looking to reduce our emissions associated with business travel. To do this, we will create additional policies, and more restraints, especially when for trips abroad. In turn, we hope to eliminate any business or first class flights and minimise the number trips and individuals who travel.



Future Carbon Reduction Projects

Eradicate Gas Consumption

Currently, we mainly use natural gas to heat our facilities. However, there are cleaner alternative sources of energy that could be used instead. In fact, the UK currently aims to phase out 80% of gas boilers by 2035. Therefore, we plan on replacing on gas boiler with an electric alternative. In turn, we aim to fuel this electric boiler entirely with green energy.

Make Use of Future Fleet Technology

The environmental improvements in lorry fleets have become a pivotal focus in the transport industry, driven by a commitment to sustainability and the reduction of environmental impact. Technological advancements are playing a key role in this transformation with fleet operators increasingly investing in this field. With this, we hope that there will see an introduction of affordable solutions that will meet our business' needs.

Carbon Footprint Analysis

Most importantly, we will use the findings from this report to conduct a carbon footprint analysis. Currently, our deliveries are the largest contributor to our overall footprint. However, due to current technologies and infrastructure, we are limited on the reduction we can make. Therefore, we will start by tackling the emissions we have the most control of first. Additionally, this report highlights that business travel (including private mileage claims) contributes to over 30% of our total emissions (when excluding deliveries).



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 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 Board of Directors for Polyco Healthline Limited

Signed



Position

Chief Executive Officer

Date

10 April 2024