

Carbon reduction plan

Supplier name: Convatec Group Plc

Publication date: 1 April 2024

This Carbon Reduction Plan is published by Convatec in connection with the supply of medical devices to customers in the UK.

Background

We understand the importance of the 2015 Paris Agreement and the need for change to achieve net zero by 2045. To ensure we follow the climate science and build on our progress made to date in reducing emissions, we have developed and validated science-based targets (SBT) covering our [near term] Scope 1, 2 and 3 emissions.

We are committed to delivering our vision whilst enabling ESG-related activities and transitioning to a 1.5 degree aligned net zero economy. As part of our [2023 annual report](#), we shared an update on our progress, in line with the UK Transition Plan Taskforce Disclosure framework.

Convatec has been included in Sustainalytics 2023 Top-Rated ESG Risk Rating Companies List for our progress in 2023. We also received a rating of AAA in the MSCI ESG ratings assessment and disclosed against the Carbon Disclosure Project (CDP), achieving a B rating – consistent with industry peers.

Commitment to achieving net zero

Convatec 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.

The baseline calculations for Convatec cover the scope of emissions subcategories required of Convatec as a supplier under major UK government contracts in line with Procurement Policy Note 06/21: Taking account of Carbon Reduction Plans in the procurement of major government contracts (PPN 06/21)

Baseline year: 2021

Additional details relating to the baseline emissions calculations.

Convatec has reported Scope 1 & 2 carbon emissions within its company annual report since 2016. We have selected 2021 as our baseline year for reporting of all emissions including Scope 1, 2 & 3 due to 2021 being the baseline year for our Science Based Target, which was validated in 2023. All emissions reported within this document are related to our UK operations. For more information on our basis of reporting for emissions, see www.convatecgroup.com/sustainability/esg-reports-and-data/

Baseline year emissions:

EMISSIONS	TOTAL (tCO₂e)
Scope 1	3,107
Scope 2 (Market based)	29
Scope 3 (Included sources)	<p>Total 7,817</p> <p>Category 3 – 1,135 (Data collected through company environmental reporting system with most recent BEIS/Defra emission factors used for the reporting year)</p> <p>Category 4&9 – 6,162 (See hierarchy of sources below)</p> <p>Category 5 – 152 (Data collected through company environmental reporting system with most recent BEIS/Defra emission factors used for the reporting year)</p> <p>Category 6 – 21 (Data collected through company expense system for business travel with most recent BEIS/Defra emission factors used for the reporting year)</p> <p>Category 7 – 347 (Estimated data is used to calculate commuting data associated with public transport use and cars. Publicly available sources, such as Statista, are used for average daily distance travelled in the UK, % of commuters using each transport mode and average number of days/weeks worked in a year)</p> <p>Category 4&9; Upstream & Downstream transportation emissions combined.</p> <p>Most recent BEIS/Defra emission factors for the reporting year used for primary Tonnes per Kilometre (tKM) data collected from suppliers and company data. US EPA EEIO v2.0 factors used for spend-based conversions.</p> <p>Hierarchy of data sources for Category 4&9;</p> <ol style="list-style-type: none"> 1. Tonnes per Km calculated from company data 2. Emission factors applied to spend data
Total emissions	10,953

Current emissions reporting

Reporting year: 2023	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	2,867
Scope 2 (Market based)	72
Scope 3 (Included sources)	<p>Total 6,741</p> <p>Category 3 –1,126 (Data collected through company environmental reporting system with most recent DESNZ/Defra emission factors used for the reporting year)</p> <p>Category 4 & 9 –4,534 (See hierarchy of sources below)</p> <p>Category 5 – 35 (Data collected through company environmental reporting system with most recent DESNZ/Defra emission factors used for the reporting year)</p> <p>Category 6 –330 (Data collected through company expense system for business travel with most recent DESNZ/Defra emission factors used for the reporting year)</p> <p>Category 7 – 716 (Estimated data is used to calculate commuting data associated with public transport use and cars. Publicly available sources, such as Statista, are used for average daily distance travelled in the UK, % of commuters using each transport mode and average number of days/weeks worked in a year)</p> <p>Category 4 & 9 –Upstream & Downstream transportation emissions combined.</p> <p>Most recent DESNZ/Defra emission factors for the reporting year used for primary Tonnes per Kilometre (tKM) data collected from suppliers and company data. US EPA EEIO v2.0 factors used for spend-based conversions.</p> <p>Hierarchy of data sources for Category 4&9;</p> <ol style="list-style-type: none"> 1. Tonnes per Km calculated from company data 2. Emission factors applied to spend data
Total emissions	9,680

Emissions reduction targets

To support our journey to net zero, Convatec has set the following SBTi validated near term targets for its global activities:

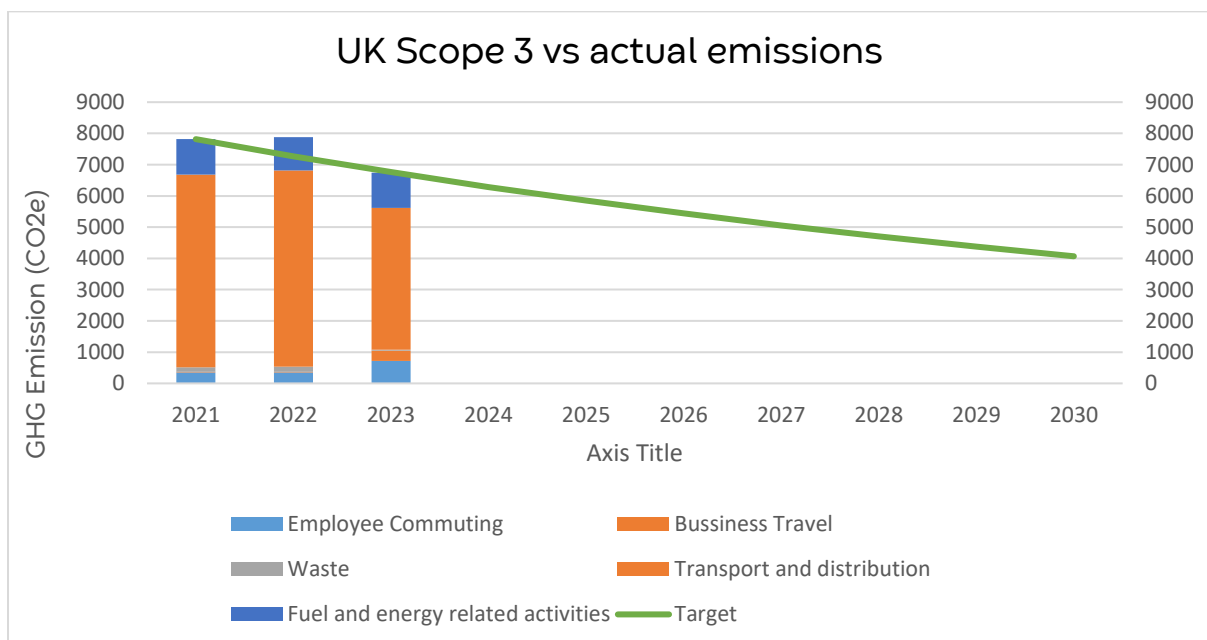
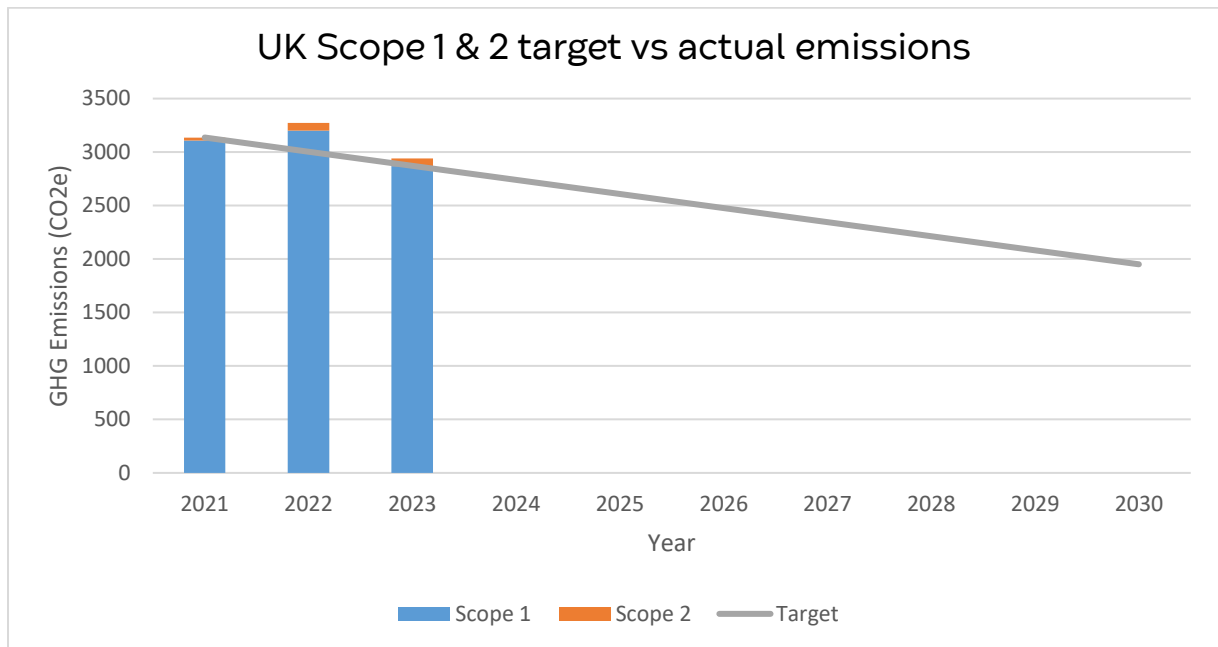
Scope 1 and 2:

- Reduce Scope 1 & 2 (market-based) emissions by 70% by 2030 (1.5°C aligned), relative to a 2021 base year.
- Set a renewable procurement target to procure 80% renewable energy by 2025 and 100% by 2030.

Scope 3:

- Reduce Scope 3 emissions from purchased goods & services, upstream transportation & distribution, and waste per sold product by 52% by 2030, relative to a 2021 base year.

Progress against these near-term targets can be seen in the graphs below:



Carbon reduction projects

The following environmental management measures have been implemented:

- Our manufacturing plants in Wales, UK - Deeside and Rhymney - are certified to ISO 14001 environmental management system.

Since our baseline year we have implemented the following projects:

- Conducted an ESOS (Energy Savings Opportunity Scheme) audit across our major energy using facilities in the UK, to identify new energy saving opportunities and support prioritisation alongside existing initiatives.
- Roof-mounted Solar PV installation for self-generation of renewable energy (Deeside)
- Steam survey and energy efficiency improvements (Rhymney)
- Heating control optimisation in clean rooms at weekends (Rhymney)
- Regenerative Thermal Oxidiser (RTO) dead band control (Rhymney)
- Installation of electric boilers (Rhymney and Sunderland)
- Lighting control sensors (PIRs) to reduce energy waste (Rhymney and Sunderland)
- Increased level of supplier-specific emission data in Convatec's Scope 3 footprint and increased levels of engagement with suppliers.

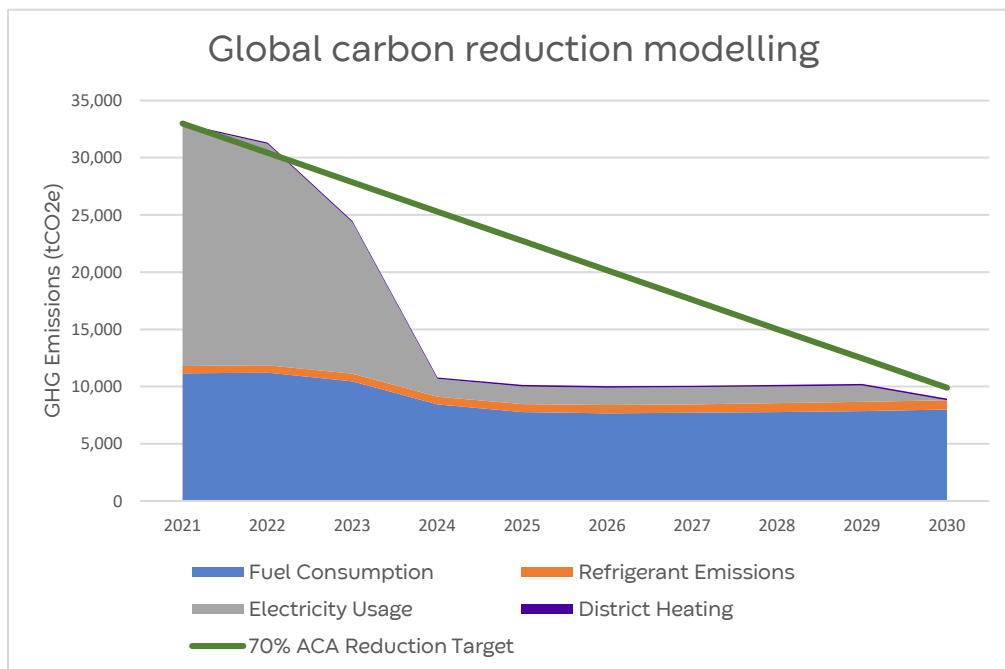
Future carbon reduction initiatives

Completed projects in 2023 supported carbon reduction targets and led to emissions reductions in the reporting year. Planned projects in 2024 will support the implied reduction in emissions to 2030.

We have developed a net zero transition plan using the following levers for reducing Scope 1 and 2 emissions and are implementing projects to meet our 2030 near-term target:

Emission reduction measures	Reduction source	Sites	Target
Renewable energy procurement: through on-site renewables, PPAs, RECs, and REGOs	Electricity	All sites, including all manufacturing, non-manufacturing, and office locations.	100% at all sites
Electrification of heat: through heat pumps and electric boiler installation	Natural Gas	Key manufacturing & research sites: Deeside, Rhymney, GDC.	50% at key manufacturing sites
Electrification of fleet: the leasing of electric vehicles at the end of existing vehicle leases	Petrol and diesel	n/a	50% of fleet

We have modelled these measures against the target of 70% absolute reduction by 2030 from a 2021 base year, to demonstrate the achievability of the target and provide a high-level roadmap for further carbon reduction plans.

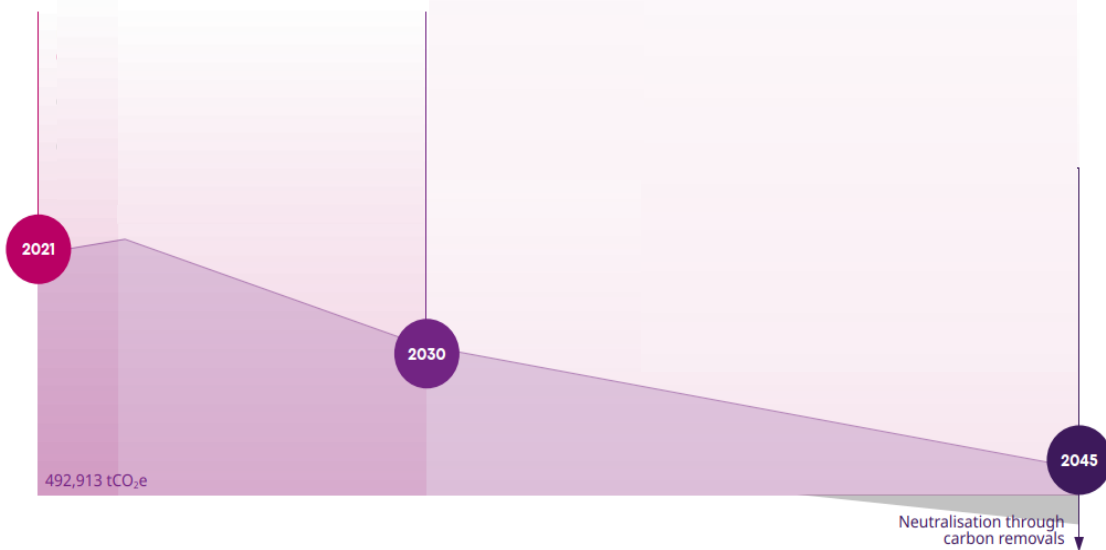


We have developed a net zero transition plan using the following levers for reducing Scope 3 emissions and are in the process of implementing these changes to meet our 2030 near-term target:

Measure	Approach
Supplier engagement	<ul style="list-style-type: none"> We have set up a programme for continual data collection and analysis to increase supplier alignment to net zero
Packaging	<ul style="list-style-type: none"> Our strategy is based on prioritisation of new product development and alignment to the waste hierarchy for existing products.
Product Design	<ul style="list-style-type: none"> We are building up a database of emission factors for materials and products across our portfolio to highlight where our impact hotspots are to inform product design decisions on sustainability
Waste	<ul style="list-style-type: none"> Reduce the amount of production waste leaving our plants and to certify our waste diversion from landfill practices by 2030
Logistics	<ul style="list-style-type: none"> We have identified some key reduction levers related to productivity efficiencies, reduction in air freight and shifting to lower-carbon suppliers

The figure below models the path required to meet the 2030 near term global target and 2045 net zero target. This is being used as part of the SBTi validation process for a net zero target, which will be completed in 2024.

CONVATEC'S AMBITION 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 corporate standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

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) Standard³.

This Carbon Reduction Plan has been reviewed and signed off by John Haller, EVP, Chief Quality & Operations Officer.

Signed on behalf of the supplier:

Date: 1 April 2024

¹<https://ghgprotocol.org/corporate-standard>

²<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

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