

# NHS CARBON REDUCTION PLAN GUIDANCE

#### Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier<sup>1</sup> and must meet the reporting requirements set out in supporting guidance and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The CRP should be specific to the bidding entity, or, provided certain criteria are met, may cover the bidding entity and its parent organisation. In order to ensure the CRP remains relevant, a Carbon Reduction Plan covering the bidding entity and its parent organisation is only permissible where the detailed requirements of the CRP are met in full, as set out in the Technical Standard<sup>2</sup> and Guidance<sup>3</sup>, and all of the following criteria are met:

- The bidding entity is wholly owned by the parent;
- The commitment to achieving net zero by 2050 for UK operations is set out in the CRP for the parent and is supported and adopted by the bidding entity, demonstrated by the inclusion in the CRP of a statement that this will apply to the bidding entity;
- The environmental measures set out are stated to be able to be applied by the bidding entity when performing the relevant contract; and
- The CRP is published on the bidding entity's website.

Bidding entities must take steps to ensure they have their own CRP as soon as reasonably practicable and should note that the ability to rely on a parent organisation's Carbon Reduction Plan may only be a temporary measure under this selection criterion.

The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

A template for the Carbon Reduction Plan is set out below. Please complete and publish your Carbon Reduction Plan in accordance with the reporting standard published alongside this PPN.

<sup>&</sup>lt;sup>1</sup>Bidding supplier or 'bidding entity' means the organisation with whom the contracting authority will enter into a contract if it is successful.

<sup>&</sup>lt;sup>2</sup>Technical Standard can be found at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/991625/PPN\_0621\_Technical\_standard\_for\_the\_Completion\_of\_Carbon\_Reduction\_Plans\_2\_.pdf

<sup>&</sup>lt;sup>3</sup>Guidance can be found at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/991623/Guidance\_on\_adoptin g\_and\_applying\_PPN\_06\_21\_\_\_Selection\_Criteria\_\_\_3\_.pdf.

# Carbon Reduction Plan (CRP) for NHS Intuitive Surgical Ltd

#### 1. Commitment to achieving Net Zero

Intuitive Surgical Ltd in UK is committed to achieving Net Zero emissions by 2050.

#### 2. Baseline year 2021 emissions footprint

Baseline emissions are a record of the greenhouse gases (GHG) 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.

EMISSIONS	TOTAL (tCO2e)
Scope 1	71.4
Scope 2	19.2
Scope 3 (Included Sources)	2,415.7
Total Emissions	2,506.3

For Scopes 1 and 2, the values are calculated from site-specific activity data and are not yet third party assured. For scope 3, sources of data is issued from spend-based method. The reported categories are:

- Category 3.4 Upstream Transportation and Distribution
- Category 3.5 Waste Generated in Operations
- Category 3.6 Business Travel
- Category 3.7 Employee Commuting, and
- Category 3.9 Downstream Transportation and Distribution according to GHG Protocol

The calculations are estimates based on protocol and appropriate portions of the Intuitive Surgical Ltd.

#### 3. Previous and current emissions reporting

Emissions reported in tCO2e (tons carbon di-oxide equivalent)

<b>Emissions Sources for</b>	Baseline Reporting	Reporting year 2022	Current reporting year
Intuitive UK	year 2021	(reported with 2021)	2023*
Scope 1	71.4	77.4	44.0
Scope 2	19.2	19.2	10.4
Scope 3	2,415.7	2,787.8	1,915.7
Total	2,506.3	2,884.4	1,970.1

\*Data is subject to change. Assurance review will be performed in Q2 2024 for the 2023 calendar year data.

## 4. Emissions reduction targets

Intuitive Surgical Ltd. is fully owned by its parent company, Intuitive Surgical Operations, Inc. Intuitive Surgical Ltd carbon plans are linked to its parent company plans. Intuitive Surgical Ltd currently communicates qualitative reduction plans.

To continue our progress towards Net Zero in Intuitive UK, we've adopted the following carbon reduction initiatives, listed in section 5.

#### 5. Carbon Reduction Plan in UK

A. Emissions change in 2023

The following environmental measures and projects have been implemented since the 2021 baseline resulting in overall carbon reduction in 2023.

- 1. Scope 1: One less vehicle in use. Also, the country average for light vehicles have reduced changing the emissions factor.
- 2. Scope 2: Building Management System was installed in 2023 to monitor energy usage.
- 3. Scope 3:
  - Category 4: Intuitive's upstream logistic carbon is reduced by shifting from air to ocean for the shipments of instruments and accessories. The company's global logistics strategy has benefitted all regional offices. Some of the initiatives taken in Europe region include consolidating replenishments, shifting mode from 'express' to 'economy', restocking a Forward Stocking Location (FSL) using road transportation, and converting from dedicated transportation to express groupage.
  - Category 5: Waste generated in the offices increased due to increased number of employees and improvement in methodology.
  - Category 6: Business travel related carbon increased in UK due to increased business activities.
  - Category 7: Employee commute emissions increased by a small margin due to increase in number of employees.
  - Category 9: Company's downstream logistics carbon is reduced due to an improvement in methodology that impacted the global and regional accounting numbers.

#### **B.** Future carbon reduction initiatives

The following environmental management measures and projects are under review for continuous improvement in carbon reduction:

Scope 1: Work with fleet manager to explore hybrid and electric vehicles.

Scope 2: Consider reducing footprint by purchasing renewable electricity certificates for office building from local utility (with guarantees of origin)

Scope 3:

• Categories 4 and 9 Upstream and downstream transportation: Continue upstream/downstream transportation and distribution shipment consolidation (B2B and B2C) mode shift from air to ocean routes, mode shift from express to economy, and prepositioning goods close to the customer with the use of local carriers.

- *Category 5 Waste generated in operations*. Intuitive will continue to segregate office waste as it is done today. Clinical waste will be managed separately and incinerated for disposal. All recyclables will be sent to a recycling plant.
- *Category 6 Business travel*. Reduce business travel needs by implementing virtual meetings solutions and encourage public ground transportation when feasible.
- *Category 7: Employee commuting*. Encourage ridesharing, promote the switch to EV vehicles, and propose incentives for use of public transportation and slow mobility (bike, walk).

In addition, the organization will continue to improve overall in monitoring and measurement by enterprise level Environmental Management System (EMS). An EMS is a framework that helps an organization achieve its environmental goals through consistent review, evaluation, and improvement. Through our EMS, we're able to address regulatory requirements and environmental performance in a systematic and cost-effective manner. Our approach to environmental management is certified with the ISO 14001:2015 version standard. Improvements in the process and accounting have positive implications for Intuitive UK as well.

## 6. Declaration and Sign-off

This Carbon Reduction Plan (CRP) 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>4</sup> while using the appropriate Government emission conversion factors for greenhouse gas company reporting.<sup>5</sup> Scopes 1 and 2 emissions have been reported in accordance with Streamlined Energy and Carbon Reporting (SECR) requirements in UK, 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>6</sup>

This UK Carbon Reduction Plan has been reviewed by the Environmental, Social & Governance (ESG) Review Board chair, Head of ESG & ESG Data Manager (or equivalent management body).

Signed on behalf of the Supplier:
David Marante
Vice President UK&I and Ion UK
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Date: March 15. 2024

<sup>&</sup>lt;sup>4</sup><u>https://ghgprotocol.org/corporate-standard</u>

<sup>&</sup>lt;sup>5</sup>https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting <sup>6</sup>https://ghgprotocol.org/standards/scope-3-standard