Carbon Reduction Plan

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InHealth | MAKING HEALTHCARE BETTER

Supplier: InHealth Limited Financial Year October 2023 – September 2024

CARBON REDUCTION PLAN

InHealth fully supports the NHS Net Zero Supplier Roadmap, which charts a route towards a net zero healthcare system. As a trusted NHS partner and in line with the roadmap, we publicly report emissions and annually publish a carbon reduction plan aligned to the NHS' net zero target, for both our direct and indirect emissions.

InHealth is committed to transparency and ethical behaviour in all our activities, making a positive social, economic and environmental contribution to the communities in which we operate.

Our employees are committed to corporate and social responsibilities in their day-to-day work, and through their work with charities, communities and environmental projects, and we ensure that our environmental policy is continually reviewed to ensure that it reflects changes in regulation and best practice.

InHealth has grown by 27% since our 2022 baseline. Although our absolute emissions have increased by 13%, reduction activities within the organisation have decreased our emissions intensity by 11% in the same timeframe.

At InHealth we commit to:

- ✓ Collaborating with suppliers to implement sustainable practices and innovative technologies
- ✓ Exploring, investing in and implementing the latest technologies, which deliver improved outcomes for patients while having a positive impact on the environment
- ✓ Reducing our energy and fuel emissions

Commitment to achieving Net Zero

InHealth Limited is committed to achieving net zero emissions by 2040 for directly controlled emissions and net zero emissions by 2045 for indirect emissions.

This commitment is supported and reflected by the InHealth Group and specifically the wholly owned entities:

- InHealth Audiology and ENT Limited
- InHealth Intelligence Limited
- United Open MRI Limited
- InHealth CATS Limited

CALCULATING OUR EMISSIONS

InHealth delivers a wide variety of diagnostic and screening services, across over 800+ locations, 3,500+ colleagues and 100+ mobile units.

Where possible we have calculated our emissions using activity and spend-based data, UK government conversion factors or suitable conversion factors from published and peer-reviewed papers. When activity data is not yet available, we have made assumptions using either an average of activity data, or industry standard data suitable to our company activities.

When we use the term "Carbon" in this plan, this means all relevant greenhouse gases compliant with the Greenhouse Gas Protocol methodology and is measured in tonnes of carbon dioxide equivalent (tCO^2e).

We define Net Zero as "the point at which no additional greenhouse gases are added to the atmosphere by our organisation, with any residual emissions output by our organisation being balanced by removing an equivalent amount of carbon from the atmosphere".

Our targets will be kept under review as our carbon reduction plans progress, we gather more data on our performance and gain further insight on the carbon reductions the organisation can achieve. We are aligning our targets with the National Grid, NHS and our Tier 1 suppliers.

Our current focus is on making positive changes in our operations, behaviours and services to reduce our Carbon emissions as much as possible by eliminating emissions at source.

EMISSIONS AND CARBON REPORTING

Carbon reporting methodology splits emissions into 3 categories as follows:

Scope 1:

This is calculated from activity data from; fuel bought, gas used in buildings, nitrous oxide in Entonox and an estimation of refrigerant gases. Personal mileage in company cars is subtracted from this.

Scope 2:

This is location-based emissions calculated using the activity data available from our energy suppliers and fuel cards used by EV drivers.

Scope 3:

Purchased goods and services
This is calculated using spend data from our Finance system, excluding Capital goods and suppliers that provide activity data for other emissions categories.

Capital goods
This is calculated using spend data from our Finance system on capital goods such as MRI scanners and new company vehicles.

Fuel and Energy related activities
Emissions related to the production of fuels and energy that InHealth consumes but does not directly emit such as, Well to Tank emissions and electricity lost in the Transmission & Distribution of our Scope 2 & 3 electricity.

Upstream transportation and distribution
This is calculated using the activity data available from our transport partner on their truck mileage.

Waste generated from operations
This comprises of activity data from our clinical, e-waste, confidential, general and recycled waste management partners.

Business Travel
This includes activity data on business mileage in employee personal vehicles and detailed activity data from our travel partner for global travel.

Employee Commuting
Due to lack of activity data for this, this is calculated using number of FTE and the UK average commuting distance for global travel.

Upstream Leased Assets
Emissions from the operation of assets that are leased by the by InHealth, such as generators.

Downstream transportation and distribution
InHealth delivers its service/product to its customer rather than through a third party, so Downstream transportation and distribution is 0.

Downstream Leased Assets
Emissions from the operation of assets owned by InHealth and leased to others, such as mobile units powered by customer's electricity.

BASELINE EMISSIONS FOOTPRINT

Baseline Emissions Reporting:

Reporting Year: 2022 (which comprises the period 1 October 2021 to 30 September 2022).	
Emissions	**Total (tCO2e)**
Scope 1	
Fuel	892
Gas	308
Scope 2 (location based)	
Site Electricity:	828
Scope 3	
Purchased Goods and Services	31,440
Capital Goods	6,861
Fuel and Energy related activities	2,539
Upstream transport and distribution	2,136
Waste generated in operations	42
Business Travel	1,160
Employee Commuting	3,375
Upstream Leased Assets	3,821
Downstream transportation and distribution	0
Downstream Leased Assets	1,567
Total emissions	**54,969**
Total FTE	**2,300**
Emissions intensity	**24**

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.

This is our third year of reporting organisational emissions and due to the significant learning since our second report we have re-baselined our emissions for 2022.

As our carbon accounting methodology evolves, our baseline is updated using the same methodology to allow accurate comparison between baseline and current year emissions.

CURRENT EMISSIONS FOOTPRINT

Current Emissions Reporting:

Reporting Year: 2024 (which comprises the period 1 October 2023 to 30 September 2024).		
Emissions	**Total (tCO2e)**	**Change (%)**
Scope 1		
Fuel	1,073	20%
Gas	307	-0.32%
Scope 2		
Site Electricity:	886	7%
Vehicle Electricity:	4	N/A
Scope 3		
Purchased Goods and Services	36,827	17%
Capital Goods	7,210	5%
Fuel and Energy related activities	2,851	12%
Upstream transport and distribution	1,014	-53%
Waste generated in operations	46	10%
Business Travel	1,002	-14%
Employee Commuting	4,539	34%
Upstream Leased Assets	4,590	20%
Downstream transportation and distribution	0	0%
Downstream Leased Assets	1,664	6%
Total emissions	**62,014**	**13%**
Total FTE	**2,927**	**27%**
Emissions intensity	**21**	**-11%**

InHealth has undergone significant growth in the last 3 years, and to control for this we measure an emissions intensity measurement of total tCO2e divided by total FTE.

We have developed our carbon accounting methodology to replace estimations with spend by supplier industry emissions data of our Purchased Goods and Services and Capital Goods to provide a full picture of our environmental impact.

Emissions Reduction Targets

In order to continue our progress to achieving Net Zero Carbon, we have set a target of reducing our carbon emission intensity from our 2022 baseline by at least 30% over the next 5 years, to be reviewed annually and increased as our knowledge and data improves.

CARBON REDUCTION PROJECTS

The following environmental management measures and projects have been completed or implemented since the 2022 baseline and the measures will be in effect when performing the contract.

InHealth continues to make significant investments in replacing aging, inefficient equipment which is reflected in our Scope 3 Capital Goods emissions but will positively affect our emissions in years ahead. Our car fleet size and use has increased in line with our growth, but additions to and replacements within the fleet are all low, ultra-low or zero emission vehicles, leading to a 9% reduction in business-related emissions per vehicle since our 2022 baseline year.

In 2023 we implemented and achieved certification for an Environment and Energy Management System to ISO 14001 and ISO 50001 standards. This implementation has embedded change across the organisation; in our supply chain management, fleet management, energy saving activities and risk management among many other areas. In 2024 we successfully passed our first surveillance audit with no audit findings raised by the auditor.

We continue to maintain a REGO-certified 100% renewable energy tariff for our Scope 2 electricity and in our 2024 financial year 91% of our Scope 2 site electricity was covered by this contract, representing 806 tCO2e market-based emissions avoided. However, we continue to report our use of mains electricity as location-based for transparency.

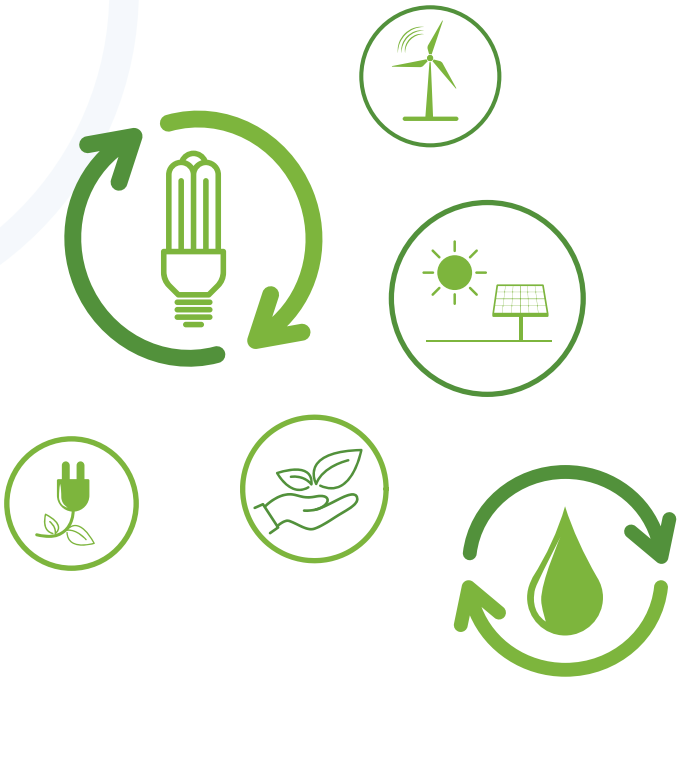
Our Mobile Planning team and transport partner, Quest Medical, worked together to increase proactive maintenance, reduce the quantity of moves and reduce the mileage of each move of our mobile scanning units. In our 2024 financial year, this resulted in a reduction of 1,224 tCO2e from our baseline year in backup generator fuel and truck mileage.

Use of leased generators, on behalf of our customer, when mains power is not available is 7% of InHealth's annual emissions. Following 18 months of testing and recertification with the OEMs of our scanners we have moved from a 300kva generator to a "Flybrid" generator – a smaller 160kva generator combined with a hybrid battery unit that reduced fuel consumption and emissions by 39% and 76.8 tCO2e per scanner per year without increasing our customer's cost.

When our customer requires a generator to be hired, we recommend using Hydrotreated Vegetable Oil (HVO) instead of fossil-fuel based diesel for a 99% reduction in emissions and particulate pollutants to reduce the community health impacts of air pollution such as asthma, heart disease, lung cancer, diabetes and dementia[1]. The increased cost of this low-emission fuel requires customer final approval before use.

Our dedicated Sustainability Manager provides a combination of guided discussions and online learning material to increase employee sustainability knowledge and awareness and confidence in bringing their ideas forward.

[1] **https://www.gov.uk/government/publications/health-matters-air-pollution/health-matters-air-pollution#how-air-pollution-harms-health**



FUTURE PLANS TO REDUCE CARBON

In the future we hope to implement further measures such as:

- ✓ Maintain ISO 14001 and ISO 50001 certification to improve and verify our policies, procedures and data.
- ✓ Improve accuracy of emissions reporting to use more activity data and less assumptions.
- ✓ Monthly emissions reporting with an internal carbon tax.
- ✓ Increase the use of mains power instead of generators where possible and, where use of generators is unavoidable, alternative fuels such as Hydrotreated Vegetable Oil (HVO).
- ✓ Increase the use of green vehicles in the company fleet.
- ✓ Investigate ways to increase the uptake of electric vehicles in the company fleet, such as EV e-learning and installing charge-points.
- ✓ Implement a Green Car Salary Sacrifice scheme for our employees.
- ✓ Identifying old, inefficient equipment and vehicles and replacing with newer, efficient kit (ie, hybrid or electric cars, clinical scanners, computer equipment).
- ✓ Continuing to adopt a cloud-first approach to our Digital services where suitable.
- ✓ Utilise smart tech to monitor and optimise our mobile and static units electricity use.
- ✓ Invest in scanner AI optimising software to reduce scan time and increase scan quality on our existing scanners.
- ✓ Actively engage our supply chain to declare their Net Zero targets, communicate their improvements and partner on projects.

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[1] and uses the appropriate Government emission conversion factors for greenhouse gas company reporting[2].

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[3].

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier:

Signature 

Date 31st March 2025

[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