

CARBON REDUCTION PLAN

NET ZERO



FISCAL YEAR 2023/2024

OpenMedical

Table of Content

CONTRACT & STATEMENT OF WORK	3
COMPANY DETAILS	4
COMMITMENT TO NET ZERO	4
METHODOLOGY	5
BASELINE EMISSIONS REPORT	6
CURRENT EMISSIONS REPORT	8
EMISSIONS REDUCTION TARGETS	9
CARBON REDUCTION PROJECTS	10
COMPLETED	10
PLANNED	11
RECALCULATION POLICY	12
DECLARATION AND SIGN OFF	12

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Company Details

Supplier Name: Open Medical Ltd (OM)

Services: Software as a Service (SaaS)

Information Technology Consulting

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Commitment to achieving Net Zero

The UK Government pledged to achieve carbon neutrality, setting an ambitious target of 2050 to achieve this. OM is committed to supporting the Government in achieving its legal mandate. We aim to achieve 'Net Zero' emissions by 2040, 10 years earlier than the Government's mandate.

As a specialist in healthcare software, we also support the NHS's carbon neutrality ambitions. We have been awarded a research grant to understand the extent to which our software, PathPoint, reduces the carbon footprint of clinical workflows. We envision this will accelerate the Net Zero progress of the NHS should it be deployed nationally. We also foresee this project accelerating collaboration with key sustainability stakeholders hopefully providing wider access to carbon accounting in healthcare settings.

Methodology

- 1 Company emission sources and organisational boundaries were identified.
- 2 An equity approach was used to identify the scope of company emissions.
- 3 A sustainability survey was conducted amongst all employees as well as the directorate in November 2022.
- 4 A carbon emissions data sheet was created to store activity data and emissions data from individual OM offices.
- 5 Scope 3 emissions were identified in line with the UK Government framework and Greenhouse Gas Protocol (GHG) Corporate Value Chain (Scope 3) Standard.
- 6 Some scope 3 emissions, for which calculation tools weren't available on the GHG standard, were calculated using a top-down economic approach.
- 7 Company activity data was collected from January 2022 and sustainability survey results were placed in the Open Medical Carbon Database.
- 8 Carbon footprinting and GHG emission analysis was done according to GHG Protocol for accounting and reporting.

Carbon Footprinting

BASELINE EMISSIONS FOOTPRINT

Baseline emissions are a record of the greenhouse gases that have been produced in the past and prior to any carbon reduction projects. The baseline emissions serve as a reference point for emissions of future reporting years.

Baseline Year : January 2022 to December 2022

Scope 3 products and services calculation tools were not available. Climate Access Essentials calculators were used to determine this value.

Emissions	Activity Data	TOTAL (tCO ₂ e)
Scope 1	Stationary combustion	0
	Mobile combustion	0
	Process emissions	0
	Fugitive emissions	0
Scope 2	Electricity consumption	11.53
	Water use	1.33
Scope 3	Upstream Transportation and Distribution*	15.42
	Waste generated in operations	0
	Business Travel*	53.13
	Employee commuting*	44.87
	Downstream Transportation and Distribution*	0
Total	–	126.28

* Including equipment purchase, hotel accommodation (domestic and international), flights (domestic, short haul and long haul), employee travel to office.

ADDITIONAL INFORMATION

OM falls in the small to medium sized (SME) category for companies. This category of companies is not forced to produce a carbon reduction plan until mid 2027 however we are fully committed to the United Kingdom's green agenda and going carbon neutral, to this end, we have taken a proactive approach to achieving Net Zero status.

Scope 1,2 and 3 emissions data collection began in January 2022 and was analysed in December 2022. The company's reporting year is currently being changed.

Two carbon approaches were used to analyse our carbon footprint :

- 1 The top down environmentally extended input-output (EEIO) is a top down approach that converts economic data into a carbon footprint.
- 2 The bottom up approach uses granular activity data to account for carbon emissions.

Activity data for Scope 3, Upstream Transportation and Distribution, was collected using company invoice records. The conversion factors for these activity data points were not available through the UK Government databases at the time of baseline reporting. Carbon calculations from another company, Climate Essentials, were used to account for the emissions in this category of scope 3 emissions. Whilst this carbon accounts for ~8% of emissions, this will be recalculated once standardised economic conversion factors have been published. We are in the process of collecting data from our cloud hosts to understand their electricity usage and the number of virtual machine instances that are being run by our service. Downstream transportation and distribution emission sources will be fully reported once this data has been collected and analysed.

A sustainability survey was also distributed to all employees to understand company wide sustainability behaviours and travel patterns. From this survey, Scope 3 Category 7, employee travel data was analysed using weighted averages to quantify commuting distances, proportion of transportation methods used and frequency of travel to the office. Conversion factors from the UK Government Factors for Company Reporting were used to convert activity data to carbon measurements.

We plan to review the carbon reduction plan in line with our new financial reporting year.

CURRENT EMISSIONS REPORTING

Baseline Year : January 2022 to December 2022

Scope 3 products and services calculation tools were not available. Climate Access Essentials calculators were used to determine this value.

Emissions	Activity Data	TOTAL (tCO2e)
Scope 1	Stationary combustion	0
	Mobile combustion	0
	Process emissions	0
	Fugitive emissions	0
Scope 2	Electricity consumption	11.53
	Water use	1.33
Scope 3	Upstream Transportation and Distribution	15.42
	Waste generated in operations	0
	Business Travel	53.13
	Employee commuting	44.87
	Downstream Transportation and Distribution	0
Total	–	126.28

EMISSIONS REDUCTION TARGETS

Targets for organisation : In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets. Employee commuting to sites for implementation is a gap in our Scope 3 emissions which will be explored and delineated by the following reporting period.

We aim to achieve carbon neutrality by 2040 through reduction of our Scope 2 and Scope 3 emissions.

OM is a fast growing company, having doubled in size based on the number of employees over the reporting period. Whilst we are working towards our net zero targets, we envision this rate of growth will continue thus it is difficult to project our carbon emissions over the next 36 month period.

It is likely that our emissions will increase in the next reporting period as a result of this organic growth. In light of this, we aim to decrease our intensity ratio in the forthcoming year by 0.25t CO₂e per employee, which is a reduction of ~10% of emissions per FTE employee. Once growth has stabilised, we will be able to project a more accurate absolute reduction of our carbon footprint.

COMPLETED CARBON REDUCTION PROJECTS

The following carbon reduction initiatives have been undertaken up to the baseline year of reporting:

- All vehicles procured by the company are electric.
- Joined the Sustainable Healthcare Coalition (SHC)
- All engineering done in-house running on the United Kingdom's electrical grid.
- Our cloud host supplier is certified carbon neutral and uses 100% renewable energy for their servers.
- Providing a cycle to work scheme for eligible employees.
- Appointed a Sustainability Lead to promote internal environmental behaviours such as recycling.
- Conducted carbon accounting research in a healthcare setting to help our customers achieve ambitious Net Zero targets.
- Consolidation of office locations to reduce commuting distances

PLANNED CARBON REDUCTION PROJECTS

Over the next 12 months, we plan to undertake the following projects to achieve our Net Zero goals, stabilise our emissions and decrease our intensity ratio:

- Establish sustainable travel policy to limit short haul flights and hotel stays, where equitable environmentally friendly alternatives are available.
- Leverage in-house sustainability expertise to support other companies and organisations in their net zero journey.
- Advocate for building managers to switch to 100% renewable energy suppliers for buildings in which we are a tenant.
- Carry out Internal environmental projects
 - Education
 - Establish environmental awareness and carbon literacy training sessions company wide; initially to business development managers and roll out company wide
 - Responsibility
 - Facilitate recycling habits by installing large dedicated recycling
 - Designating employees to control / turn off HVAC systems to minimise energy consumption and reduce waste
 - Reward / Incentivise
 - Increase attractiveness of cycle to work scheme to employees
 - Provide suitable bike storage options for employees
 - Introduce carpooling incentives and schemes for site and company visits
- Establish a carbon reduction road map
 - Identify any missing emission sources for Scope 1,2, and 3 emission sources
 - Define achievable interim carbon reduction milestones in yearly intervals
 - Understand and track employee trends in sustainability behaviours
 - Identify and collaborate with key sustainability companies and clinical stakeholders
 - Participate in carbon reduction schemes, offsetting strategies and charitable conservation (e.g. plant a tree, rewilding britain)
 - Implement an environmental management system (ISO 14064)
- Appoint a Sustainability Analyst and/or Sustainability Consultant to ensure company adherence with latest GHG protocols and reporting requirements and standards.
- Innovate our products with carbon saving functionalities and determine the carbon savings offered to customers

The internal sustainability projects were created based on the sustainability survey that was completed by employees as well as the directorate. More than 70% of total employees responded to the survey which we felt was enough to accurately represent the environmental views of the company and create a robust carbon reduction strategy. Based on this, we feel these internal projects would be feasible to carry out in principle and we anticipate a large initial carbon saving as a result. We plan to continue surveying employees as well as the directorate on an annual basis to understand the trends and changes in the sustainability behaviours of the company and allow the internal sustainability stakeholders to tailor the plan to suit.

BASE YEAR RECALCULATION POLICY

The emissions for the baseline year should be recalculated if:

- Structural changes in Open Medical have a significant impact on the company's base year emissions. A structural change involves the transfer of ownership or control of emissions-generating activities or operations from one company to another.
 - Mergers
 - Acquisitions
 - Divestments
- Changes in calculation methodology or improvements in the accuracy of emission factors or activity data that might result in a significant impact on base year emissions data.
- Discovery of significant errors, or a number of cumulative errors that are collectively significant.
- Changes due to organic growth or decline will not be cause for baseline calculation but will be reported as part of monitoring emissions.

These apply for suspected emission increases and decreases.

DECLARATION

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standards for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and 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 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.

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:

Piyush Mahapatra

Chief Innovation Officer, Open Medical