Medsol Group Ltd

Carbon Reporting and Reduction Plan

Baseline year June 21 to May 22.

Previous Year Reporting June 22 to May 23.

Current reporting year June 23 to May 24.

Publication date: 25th August 2024

Contents

1. Introduction 2
2. Scope 1, 2 and 3 Emissions Definitions 2
3. Carbon impact for the baseline year June 2021 to May 2022 3
   3.1 Carbon emissions by source. 4
4. Carbon impact for the current reporting year June 2023 – May 2024 5
   4.1 Carbon emissions by source. 5
5. Comparison of reporting years. 6
6. Carbon Assessment Observations 7
7. Carbon Reduction Commitments /Actions 8
8. Measurement 9
9. Prioritise 10
10. Action Plan 10
11. Carbon Reduction Trajectory 11
12. Audit 12
13. Offsetting 12
14. Declaration 12

1. Introduction

Medsol Group Ltd (Medsol) has committed to reducing its carbon emission to Net Zero by 2035, using as far as possible direct reduction, and offsetting the remainder.

We do this because we are conscious of the environmental, social and economic imperative to act on climate change.

The UK Government amended the Climate Change Act 2008 in 2019 by introducing a target of at least 100% reduction in the net UK carbon account (i.e. a reduction of greenhouse gas emissions when compared to 1990 levels) by 2050. As a result, Central Government Departments, their Executive Agencies and Non-Departmental Public Bodies are required to ensure that suppliers to contracts with an annual value of in excess of £5 million (excluding VAT) per year are committed to achieving "Net Zero by 2050" for all procurements after 30th September 2021.

This has led to PPN 06/21 which applies to all new procurements from this date and this includes framework call-offs and Dynamic Purchasing Systems where the anticipated individual value of the call-off or DPS is £5 million (excluding VAT) per annum or more. To demonstrate compliance, we have set out our environmental management measures in our Carbon Reduction Plan which includes:

- Confirming our commitment to achieving Net Zero by 2050 for our UK operations.
- Details of our carbon footprint/current emissions for the sources included in Scope 1 and 2 of the GHG Protocol and a defined subset of Scope 3 emissions.
- Providing emissions reporting of the CO_2e (Carbon Dioxide Equivalent) for the greenhouse gases covered by the Kyoto Protocol (predominantly carbon dioxide, methane and nitrous oxide).
- Setting out the environmental management measures we have adopted including specific carbon reduction measures.
- Publication of our Carbon Reduction Plan on our website.

2. Scope 1, 2 and 3 Emissions Definitions

Scope 1 Direct Emissions - these are direct greenhouse gas emissions that occur from sources that are controlled or owned by us (e.g. emissions from boilers, vehicles etc).

Scope 2 Energy Indirect Emissions - these are indirect greenhouse gas emissions associated from the purchase of electricity, heating or cooling and are measured and reported in alignment with our energy use.

Scope 3 Other Indirect Emissions - these fall into 15 categories and include all sources not specified within Scopes 1 and 2 above. The Scope 3 emissions that we are required to report on are:

- **"Upstream" transportation and distribution** of products purchased by us from Tier 1 suppliers (e.g. paper, computers, office consumables).
- **Disposal and treatment of waste** generated in facilities not owned or controlled by us.
- **Transportation of employees for business related activities** in vehicles not owned or operated by us.
- **Transportation of employees between home and work** in vehicles not owned or operated by us including in their own vehicles.
- **"Downstream" transportation and distribution** of products sold by us including retail and storage. This category is not applicable as Medsol is a service business and does not produce, transport or distribute products.

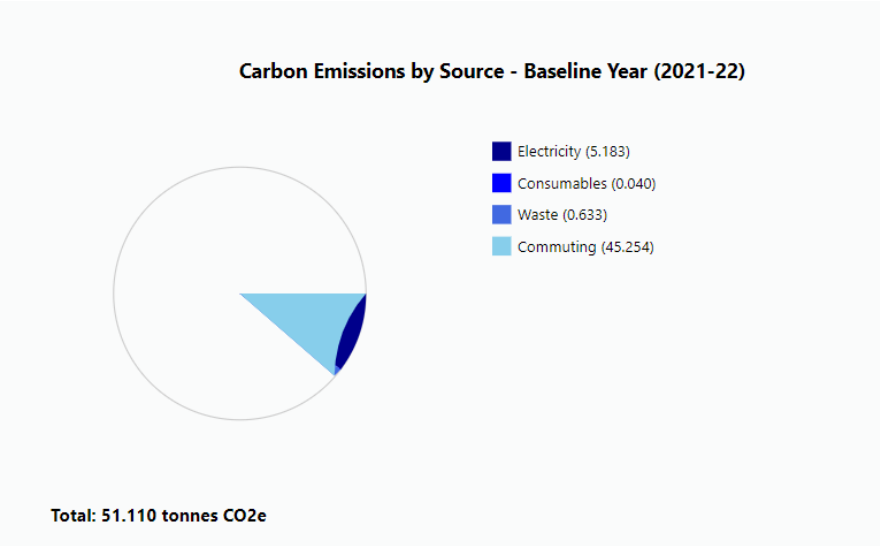
3. Carbon impact for the baseline year June 2021 to May 2022

The tables below show our carbon footprint in our baseline year **June 21 to May 22** when we first started measuring our emissions.

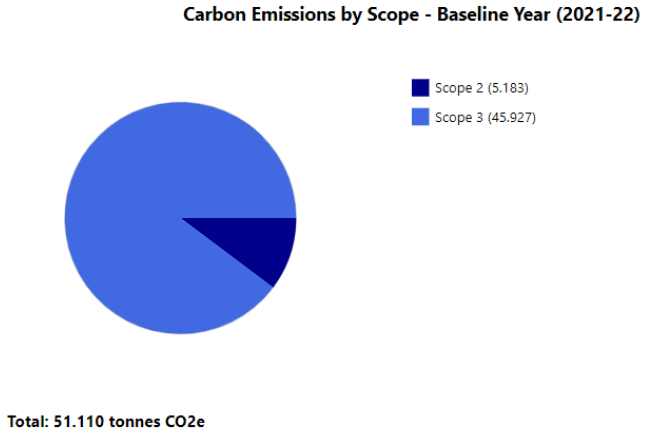
Baseline Year:	June 21 – May 22
Baseline Emissions Calculations:	All Scopes – tonnes CO2e/ year
Scope 1 CO_2e:	0.000
Scope 2 CO_2e:	5.183
Scope 3 CO_2e (included sources):	45.927
Total Emissions:	**51.110**

3.1 Carbon emissions by source.

	Tonnes CO2e
Electricity	5.183
Heating fuel	n/a
Water	0.000
Consumables	0.040
Waste	0.633
Business Travel	0.000
Commuting	45.254
Total	**51.110**



3.2 Carbon Emissions by Scope



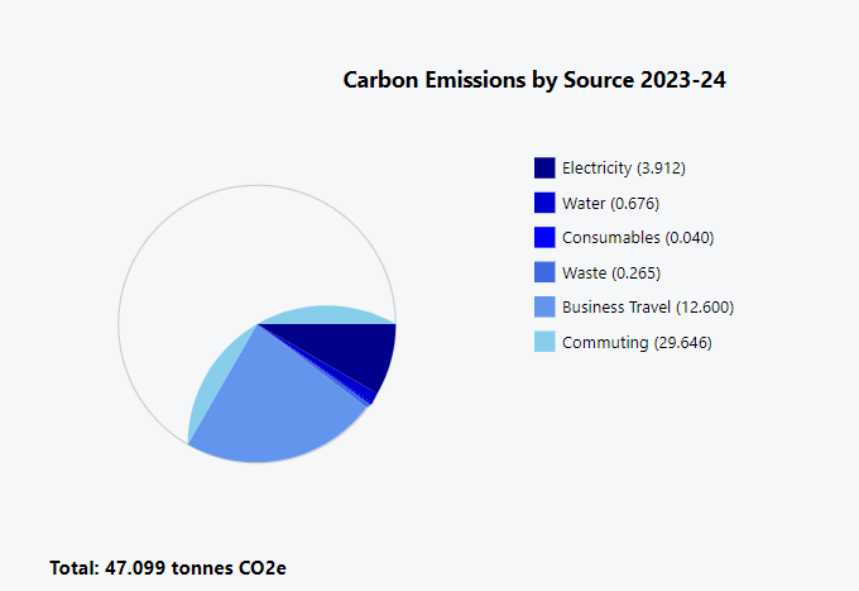
4. Carbon impact for the current reporting year June 2023 – May 2024

The tables below show our carbon footprint in our current reporting year **June 22 to May 2023**.

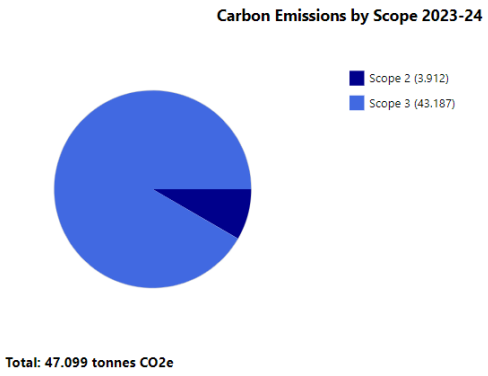
Current Year:	June 23 – May 24
Baseline Emissions Calculations:	All Scopes – tonnes CO2e/ year
Scope 1 CO2e:	0
Scope 2 CO2e:	3.912
Scope 3 CO2e (included sources):	43.187
Total Emissions:	**47.099**

4.1 Carbon emissions by source.

	Tonnes CO2e
Electricity	3.912
Heating fuel	n/a
Water	0.676
Consumables	0.040
Waste	0.265
Business Travel	12.600
Commuting	29.646
Total	**47.099**



4.2 Carbon Emissions by Scope



5. Comparison of reporting years.

Comparison of Reporting Years

Year	Total emissions T CO2e	Carbon intensity T CO2e per employee
Baseline year (21-22)	51.110	0.929
Previous year (22-23)	55.473	1.008
Current year (23-24)	47.099	1.812

Notable changes in the current reporting period:

1. Overall emissions have decreased by 15.1% compared to the previous year

2. Significant changes in emission sources:
    - Electricity consumption decreased by 19.9%
    - Commuting emissions decreased by 40.6%
    - Business travel increased significantly (from 0.000 to 12.600 tonnes CO2e)
    - Water emissions increased from 0.000 to 0.676 tonnes CO2e
    - Waste decreased by 55.6%

3. The reduction in total emissions is primarily driven by:
    - Reduced headcount (26 vs 55 employees)
    - Improved sustainable transport adoption (57.7% using low-carbon options)
    - Introduction of electric vehicle commuting

4. The increase in carbon intensity per employee reflects:
    - Smaller workforce maintaining similar infrastructure requirements
    - Increased business travel activities

6. Carbon Assessment Observations

Medsol operates from one office in Chelmsford Essex. The following observations were made on 25th August 2024.

Key observations for the current reporting period:

1. Transport Patterns:
    - High adoption of sustainable transport (57.7% of employees)
    - 8 train users, 2 bus users, 3 walkers
    - 1 electric vehicle user and 1 remote worker

    - Remaining car users split between petrol and diesel vehicles
2. Resource Usage:
    - Electricity consumption shows higher per-person intensity
    - Water usage now being actively monitored and reported
    - Reduced waste generation with good recycling rates (47% recycled)
    - Limited paper consumption (5,000 sheets annually)
3. Business Operations:
    - Significant increase in business travel
    - Reduced overall environmental impact from lower headcount
    - Maintained operations with smaller workforce
    - The business is located a modern building, rated B in its EPC.

7. Carbon Reduction Commitments /Actions

Medsol is committed to achieving Net Zero by 2035 and as part of this commitment, has an interim targets of reducing emissions by 2025. This plan is reviewed annually by the Directors to check progress and establish if changes should be made to the actions we have in place to maximise our reduction in carbon emissions.

Based on the current reporting period, we propose the following actions:

1. Transport Emissions:
    - Promote electric vehicle adoption building on current success
    - Maintain and enhance sustainable transport usage
    - Optimise business travel through better planning and virtual meetings
    - Continue supporting remote work where possible
2. Resource Efficiency:
    - Implement power management systems for IT equipment
    - Review building systems operation for smaller workforce
    - Maintain strong recycling practices
    - Monitor and optimize water usage
3. Infrastructure:
    - Review space utilisation for current headcount
    - Assess heating/cooling systems efficiency
    - Continue LED lighting upgrades
    - Consider renewable energy options

The basis of our Carbon strategy is one of **Measure – Prioritise – Act – Measure – Repeat**.

8. Measurement

We report on the sources of environmental impact over which we have operational control and calculate our carbon footprint monthly, in accordance with the Greenhouse Gas (GHG) Protocols Corporate Standard and report against the Kyoto Protocol greenhouse gasses in terms of:

- Actual targets -- absolute reduction targets which compare actual figures in the target year to those in the base year.
- Intensity targets -- based on a normalising factor.

We subscribe to a third party service to manage our data inputs, conduct the required calculations, set and record our intensity metrics, and provide monthly carbon reporting. The data that sits behind this is the UK Government Greenhouse Gas reporting database, updated when appropriate.

This provides us with our emissions by source, and total emissions by month, sets our intensity metrics and shows how we are tracking month-on-month.

Our chosen intensity metrics are kg/CO_2 per employee.

For the current year therefore, our **Carbon Intensity** is:

Carbon Intensity 2023-24

Employees	Intensity t/employee
26	**1.812**

Our base year for all measurements is June 21 to May 22. This will not change unless there is a significant change to our company structure (e.g. a merger or acquisition) or a change in the company's ownership, in which case the base year may move to the reporting year following the structural change.

Specific inputs and output used to calculate figures quoted in our Carbon Reduction Plan include:

- Electricity
- Water
- Solid waste
- Employee commuter mileage by type -- walk / cycle / motorcycle / car / bus / train
- Business travel by private car / bus / rail
- Office consumables

Conversion Factors

The conversion factors used throughout are the '2023 UK Government Greenhouse Gas Conversion Factors for Company Reporting.

Conversion Factors

The conversion factors used throughout are the ‘2022 UK Government Greenhouse Gas Conversion Factors for Company Reporting.

9. Prioritise

Our monthly carbon calculation has enabled us to identify the largest sources of GHG emissions, and to focus our areas of impact. That does not imply however that we are not implementing actions across the board. We have been able to identify quick and easy wins which relate to relatively low impact areas whilst also implementing longer term multi-facet strategies for the larger emission areas.

Based on our current year's data (2023-24), our priorities are determined by the following emission sources:

1. Commuting (29.646 tonnes CO2e, 63% of total emissions)
    - Continue promoting sustainable transport options
    - Build on current success with 57.7% using low-carbon transport
    - Expand electric vehicle adoption following first EV commuter
2. Business Travel (12.600 tonnes CO2e, 27% of total emissions)
    - New significant source requiring immediate attention
    - Focus on trip optimization and virtual alternatives
    - Consider low-emission vehicle options for necessary travel
3. Electricity (3.912 tonnes CO2e, 8% of total emissions)
    - Review efficiency opportunities with reduced headcount
    - Continue discussions with landlord about renewable sources
    - Optimize building systems for current occupancy
4. Water, Waste and Consumables (Combined 0.981 tonnes CO2e, 2% of total)
    - Maintain current reduction initiatives
    - Continue monitoring and improving recycling rates
    - Implement identified quick wins in these areas

10. Action Plan

Our action plan focuses on the following key areas:

1. Sustainable Transport
    - Expand cycle-to-work scheme
    - Provide additional facilities for cyclists

- Promote car sharing initiatives
- Support transition to electric vehicles

2. Business Travel
    - Implement virtual-first meeting policy
    - Optimize trip planning and combining purposes
    - Prioritize rail travel over car where possible
    - Track and report travel emissions monthly
3. Energy Efficiency
    - Regular energy audits
    - LED lighting upgrades
    - IT equipment power management
    - Building management system optimization
4. Resource Management
    - Enhance recycling programs
    - Reduce paper consumption
    - Water conservation measures
    - Sustainable procurement policies

11. Carbon Reduction Trajectory

We have set emission reduction target by source as percentage reductions against the baseline year for 2025 and 2030 as interims, and 2035 as achieving Net Zero (with offsetting in place).

Carbon Reduction Trajectory

Source	2023-24 (Current)	2025 Target	2030 Target	2035 Target
Electricity	3.912	3.500	0.000	0.000
Water	0.676	0.600	0.500	0.400
Waste	0.265	0.250	0.225	0.200
Business Travel	12.600	11.000	9.000	7.000
Commuting	29.646	26.000	22.000	18.000
Total	**47.099**	**41.350**	**31.725**	**25.600**

12. Audit

We will maintain our commitment to annual independent auditing of our carbon data reporting to ensure accuracy and transparency.

13. Offsetting

Offsetting will become part of our strategy only after we have implemented all possible behavioral, process and technology changes. We will take expert guidance to identify credible and verifiable carbon offsetting schemes.

14. Declaration

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

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol Corporate Standard.

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)

Signature: Paige Jarvis

Name: Paige Jarvis

Job Title/Designation: Managing Director

Date: 25th August 2024