



Carbon Reduction Plan

Supplier name: **MEDLINE INDUSTRIES LIMITED**

Publication date: **31 MARCH 2023**

Commitment to Achieving Net Zero

Medline Industries Ltd (and references to “Medline”, “we”, “us”, “our” and similar shall refer to Medline Industries Ltd) is committed to achieving Net Zero emissions by 2050.

In the first phase of our long-term decarbonisation plan we have set intermediate 2030 carbon reduction goals covering our Scope 1 and Scope 2 greenhouse gas emissions, as well as a subset of our Scope 3 emissions.

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.

Baseline Year: 2022
Additional details relating to the baseline emissions calculations.
<p>While we have historically measured our Scope 1 and Scope 2 emissions in the UK, there was no prior measurement and reporting of Scope 3 emissions before 2022. The year 2022 was therefore chosen as our base year in order to ensure full alignment and comprehensive reporting across Scope 1, 2 and 3 emissions.</p> <p>The applicable baseline year is Medline’s 2022 financial year, which spanned the 12 months from 01 January to 31 December 2022.</p> <p>The greenhouse gas inventory was compiled in accordance with the WRI/WBCSD Greenhouse Gas (GHG) Protocol – A Corporate Accounting and Reporting Standard (1) (the Corporate Standard) (Revised Edition 2013) including the amendment to this protocol, GHG Protocol Scope 2 Guidance (2015), and Global Reporting Initiative (GRI) G4 Sustainability Reporting Guidelines.</p> <p>Scope 1 emissions were calculated using emissions factors from The Climate Registry – 2021 General Reporting Protocol. Scope 2 location-based emissions were calculated using emissions factors from 2021 publication of the International Energy Agency. Market-based emissions for Scope 2 were calculated using utility-specific emissions factors. Global warming potentials (GWPs) are from the fifth assessment report (AR5) issued by the Intergovernmental Panel on Climate Change (AR5).</p>

Scope 3 emissions were calculated using emissions factors from the UK Department of Environment, Food, and Rural Affairs (DEFRA) – 2021 Guidelines and the Comprehensive Environmental Data Archive (CEDA, 2023). Transport-related emissions within Scope 3 were calculated directly from energy consumption (determined depending on vehicle type and fuel), and align with the GHG Protocol.

Baseline year emissions:	
EMISSIONS	TOTAL (tCO₂e)
Scope 1 Natural gas	45.72
Scope 2 Electricity	63.14
Scope 3 Five sub-categories required by the NHS: <ul style="list-style-type: none"> • Upstream transport and distribution • Downstream transport and distribution • Employee commuting • Business travel • Waste generated in operations 	683.91
Total Emissions	792.77

Current Emissions Reporting

Reporting Year: 2022	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1 Natural gas	45.72
Scope 2 Electricity	63.14
Scope 3 Five sub-categories required by the NHS: <ul style="list-style-type: none"> • Upstream transport and distribution • Downstream transport and distribution • Employee commuting • Business travel • Waste generated in operations 	683.91
Total Emissions	792.77

In the case of this carbon reduction plan published on 31 March 2023, the baseline year and the current reporting year are the same: 2022.

Emissions Reduction Targets

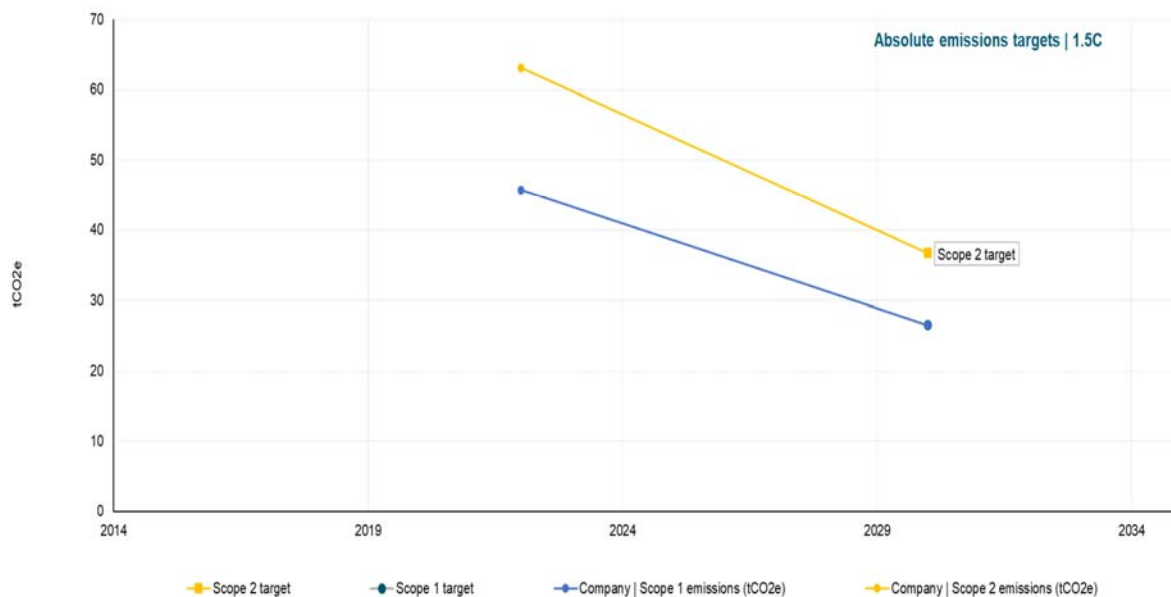
The figures disclosed here are Medline Industries Ltd's first emission reduction commitment. In order to continue our long-term progress towards achieving Net Zero by 2050, we have adopted the following short-term 2030 carbon reduction targets.

We project that total **Scope 1 and Scope 2** carbon emissions will decrease over the next eight years to 63 tCO₂e by 2030. This is an absolute reduction of 42%.

We project that **Scope 3** carbon emissions (limited to the five sub-categories required by the NHS in 2023) will decrease over the next eight years to 513 tCO₂e by 2030. This is an absolute reduction of 25%.

Expected progress against the Scope 1 and Scope 2 targets can be seen in the charts on the following page.

	Base year is 2022	Current reporting year is 2022 (same as base year)	Target year is 2030	% reduction by target year (2030)
Scope 1 emissions (tCO₂e)	45.72	45.72	26.52	42
Scope 2 emissions (tCO₂e)	63.14	63.14	36.62	42
Scope 1+2 emissions (tCO ₂ e)	108.86	108.86	63.14	42
Scope 3 emissions (tCO₂e) <i>Five sub-categories required by the NHS in 2023</i>	683.91	683.91	512.93	25



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

Because 2022 serves as our baseline year, we cannot yet report on completed carbon reduction initiatives.

Regarding future carbon reduction initiatives, Medline Industries Ltd is exploring potential environmental management measures and projects for future implementation in order to help us achieve our emission reduction targets. Options we are examining include, but are not limited to:

- Conducting energy audits at our UK warehouse and office sites.
- Investing in a solar panel installation and local power storage solutions.
- Reviewing our existing contracts with electricity and natural gas providers to increase the proportion of energy from renewable sources.
- Purchasing renewable energy credits.

Once finalised, the selected environmental management measures will be applied when fulfilling our contractual obligations.

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 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 the board of directors (or equivalent management body).

Signed on behalf of the Supplier:

JOCHEN HEIN

SENIOR VICE PRESIDENT SALES EUROPE

Jochen Hein

Jochen Hein (Mar 28, 2023 17:04 GMT+2)

Date: 28 MARCH 2023

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>