

Carbon Reduction Plan

Supplier name: Roche Diabetes Care UK and Ireland

Publication date: 1st April 2023

1. Commitment to achieving Net Zero

Within the next decade Roche is committed to halve the environmental impact of our operations and products. A key part is further reducing our greenhouse gas (GHG) emissions. Roche is committed to achieving Net Zero emissions by 2050 globally in line with Science Based Target Initiative (SBTi) framework.

Roche continues to be the one of the top three most sustainable healthcare companies in the Dow Jones Sustainability Indices and has been for 12 years in a row, being awarded the Gold Class Sustainability Award for 2021.

Worldwide, Roche has seen a 19% decrease in energy consumption, 26% decrease in general waste and 28.5% decrease in water consumption since 2015. Since 2004, Roche has reduced energy consumption by 48% per employee and CO₂ emissions have dropped by 67% per employee.

Roche also actively supports the UN Sustainable Development goals (SDGS) particularly those below relating to Climate change and the environment with science based targets to reduce GHG emissions.

- Goal 3 Good Health and Well-being
- Goal 7 Affordable and Clean Energy
- Goal 9 Industry Innovation and Infrastructure
- Goal 11 Sustainable Cities and Communities
- Goal 12 Responsible Consumption and Production
- Goal 13 Climate Action



2. 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.

Note: As Roche Diabetes Care shares a site with Roche Diagnostics, Scope 1 and 2 emissions reported will add up to 10% of the emissions calculated at the site based upon a % of headcount

Baseline Year: 2022

Additional Details relating to the Baseline Emissions calculations.

Our baseline is from 2022, although as a company, figures have been collated since 2010 for scope 1 and 2 and some scope 3 as per Roche Global key figure reporting requirements and to evaluate against Roche global targets for reduction in emissions.

Figures have been collated since that date on an annual basis, however we have used 2022 for our baseline figure going forwards, as further scope 3 emissions have now been included in our reporting figures that were not included prior to this.

Scope 1 emissions are direct emissions, including those associated with the direct consumption of natural gas, heating oil, and diesel fuel as well as the emissions associated with owned and leased business vehicles (based upon mileage) and are calculated annually for the sites at Burgess Hill site based on volumes of consumed fuels.

Type of Emission	Calculation
Scope 1 Natural gas/heating	Scope 1 figures are reported annually for the site by Roche Diagnostics UK and reported into a global online database. Roche Diabetes Care UK and Ireland occupy a small part of the building. Diabetes Care headcount of employees is approximately 10% of Diagnostics headcount.

Scope 2 emissions are indirect emissions, including those associated with the purchase and consumption of local electricity and heating energy. These are calculated based on volumes of purchased and consumed electricity and heating energy for the Burgess Hill site.

Type of Emission	Calculation
Scope 2 Electricity purchased (not controlled by reporting company)	Scope 2 figures are reported annually for the site by Roche Diagnostics UK and reported into global online database. Roche Diabetes Care UK and Ireland occupy a small part of the building. Diabetes Care headcount of

	employees is approximately 10% of Diagnostics headcount.
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Scope 3 emissions are other indirect emissions, such as business travel for vehicles not owned by the reporting company, product transportation and distribution upstream and downstream, outsourced activities, employee commuting and waste disposal.

Emissions	Calculation
Category 4 - Upstream transportation and distribution emissions	Vehicle emissions from trucks bringing products brought into the UK and to Diabetes Care third party warehouse, based upon number of trucks, type of truck and mileage
Third party warehouse emissions as a result of DC operations/storage (heating/lighting)	CO2 emissions per kWh based upon total of average usage of electricity for the warehouse storage unit, the total number of pallets capacity and number of pallets stored by Diabetes Care to give a % of energy used.
Category 5 – Waste generated in operations.	Waste generated in commercial operations. Third party Warehouse contracted to dispose of Diabetes Care generated waste. Paper/general plastic waste/cardboard/rigid plastics/end of life products. This includes incineration (fuel derived) and recycling. Figures given by third party contracted carrier are included, with a % of Diabetes Care waste calculated (Waste is not separated by the warehouse who are contracted by multiple businesses)
Category 5 - Waste generated as result of operations	Waste generated in office - % of office emissions based upon number of employees working in office 2022
Category 6 - Business emissions from vehicles not owned by reporting company	Business mileage expensed January 2022 – December 2022. This includes Business air travel, taxis, bus, train travel using GHG Protocol examples and UK Government GHG conversion factors for emissions, based upon mileage and type of vehicle
Category 7 - Employee commute to usual place of work (Burgess Hill Head office)	Survey carried out 2021 for types of vehicle/commute. 2022 ONS figures on average distance travelled for commuting, with average vehicle emissions per mile and number of employees who travelled into the office for 2022. % calculated for employees who travel by bike/train and bus as per results of survey.
Category 9 - Transportation emissions as a result of products shipped from third party warehouse to end user	Calculation based upon spend as per GHG protocol guidance, type of vehicle – average van and articulated lorry and emission factor.

Baseline year emissions: 2022	
EMISSIONS	TOTAL (tCO₂e)
Scope 1 Direct Greenhouse emissions (Includes gas emissions)	Total: 17.5 (Diabetes Care)
Scope 2 Indirect emissions from electricity	0
Scope 3 Business travel, employee commuting, transportation (upstream, distribution and downstream), waste emissions from operations	Total: 56.76 (Diabetes Care)
Total Emissions	Total: 74.26 (Diabetes Care)

Current Emissions Reporting

EMISSIONS	Reporting Year: 2022	
EMISSIONS	TOTAL (tCO₂e) 2022	
Scope 1 Direct GHG Emissions	17.5	
Scope 2 Energy Indirect Emissions	0	
Scope 3 Business travel, employee commuting,	56.76	Emissions have increased slightly for business travel in 2022 as figures for 2020 and 2021 reduced significantly due to Covid 19

Total Emissions	74.25	
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Emissions reduction targets

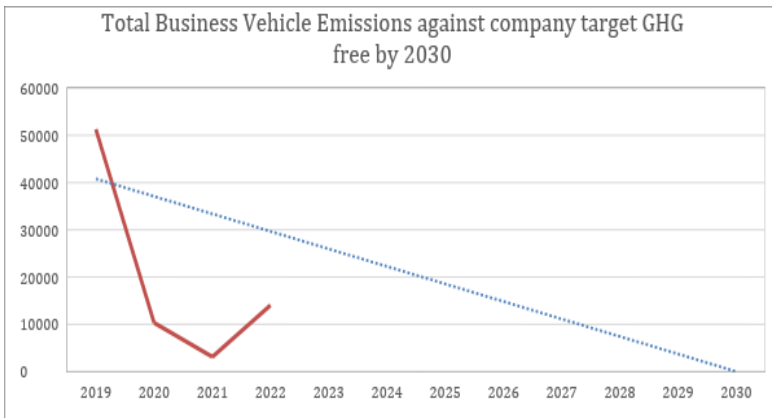
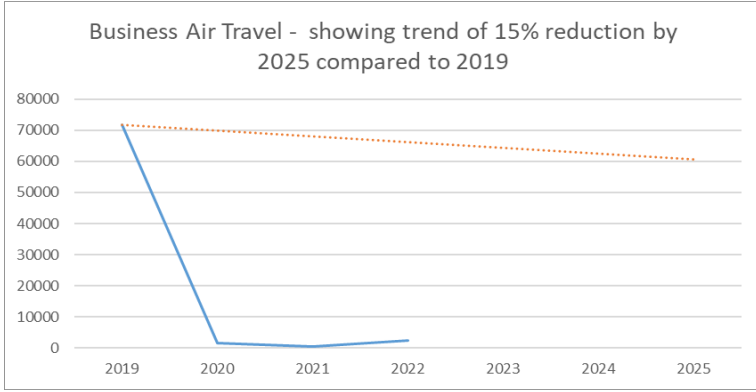
Roche is committed to reducing absolute Scope 1 and 2 GHG emissions as in line with Global Company targets. In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets.

Scope 1 and 2 Emissions

100% Sustainable Electricity by 2025	100% Sustainable Energy by 2050
Reduce our Eco-balance score by 30% 2020 – 2025	10% reduction in Scope 1&2 Energy Consumption [fuel equivalent GJ/employee] by 2025 compared to 2020
40% reduction in total Scope 1&2 GHG Emissions [kg CO2/employee] by 2025 compared to 2020	75% reduction in Scope 1 & 2 GHG emissions [kg CO2] by 2029 compared to 2019
GHG-free fleet by 2030. Roche does not have a fleet and has moved to a mobility allowance strategy. Essential business vehicle to move to GHG free by 2030	

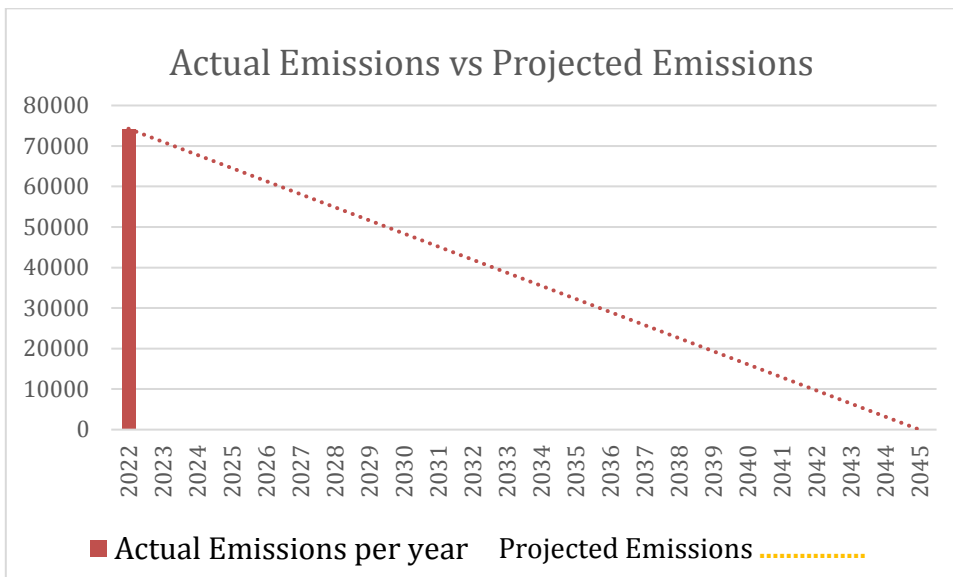
Scope 3 Emissions

15% reduction in GHG Emissions from Business Flights [kg CO2/employee] by 2025 compared to 2020	Flexible working to reduce employee commute
15% reduction in Scope 3 GHG Emissions [kg CO2/employee] by 2025 compared to 2020	Essential vehicle provider is carbon neutral and promotion to employees to take advantage of electric vehicle salary sacrifice benefits
Move to logistics/courier companies (eg Royal Mail) that are committed to move more to biofuels (compressed natural gas/electric vehicles to reduce over time to GHG free/Netzero by 2040	



Roche Diabetes Care projects that carbon dioxide emissions will decrease (from 2022) to approximately 70 tCO₂e by 2024 and aims for a deduction of 4% each year from the 2022 figure to meet Netzero by 2045

Progress against these targets can be seen in the graph below showing all actual emissions against projected:



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

Target
Roche UK have partnered with EON to get 100% renewable electricity as part of a Supply Basket fund. This has allowed us to access 100% certified renewable energy from offshore wind.
Reduce Roche employee Eco-balance score by 30% by 2025
10% reduction in Scope 1&2 Energy Consumption [fuel equivalent GJ/employee] by 2025 compared to 2020
40% reduction in total Scope 1&2 GHG Emissions [kg CO2/employee] by 2025 compared to 2020
75% reduction in Scope 1 & 2 GHG emissions [kg CO2] by 2029 compared to 2019
15% reduction in GHG Emissions from Business Flights [kg CO2/employee] by 2025 compared to 2020
15% reduction in Scope 3 GHG Emissions [kg CO2/employee] by 2025 compared to 2020

The following environmental management measures and projects have been or will be completed before the next reporting period.

As part of our 10-year global ambition to reduce our overall environmental footprint by 50%, Roche partnered with Manufacture 2030 to run a successful pilot, including a carbon reporting and reduction programme with 100 suppliers from one of our biggest manufacturing sites.

In pursuance of our own sustainability goals, across our UK business operations (Pharmaceuticals, Diagnostics & Diabetes Care) we have partnered with EON to get 100% renewable electricity as part of a Supply Basket fund.

The move to mobility allowance and electric vehicles for field sales teams has increased the take-up of electric vehicles and led to an average business use emission reduction. 69% of vehicles are now electric, 31% of vehicles are Petrol Hybrid and 1% full fossil fuel. The vehicle supplier also implements carbon offsetting, so that drivers offset carbon emissions. Ultimately, the goal is to have only carbon neutral vehicles on the road within 3 years. (Partnering with Carbon Footprint Ltd)

Recycling Takeback scheme for reducing landfill of specific non-recyclable consumable packaging.

Reduction in overall packaging of products leading to smaller footprint and reduction in indirect emissions

Less waste in our warehouse as we reduce plastics to only essential (due to safety requirements) and only use recycled cardboard and paper in our packaging

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

Move to renewable and sustainable energy sources

Complete move to electric vehicles with new essential business user renewal

Move to logistics partners that commit to netzero by 2040 and move to reduce fossil fuel vehicle reliance and have more biofuels/electric vehicles.

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.

¹ <https://ghgprotocol.org/corporate-standard>

² <https://www.gov.uk/government/collections/government-conversion-factors-for-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) Standard³.

Review our waste streams and improve our recycling and waste hierarchy

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:

Role/Position	Name	Signed	Date
General Manager	Seán Gaffney	<i>Sean Gaffney</i>	21-Mar-2023
Head of Finance and Services	Nicholas Pearson	<i>Nick Pearson</i>	17-Mar-2023
Head of Commercial UK & I	James Clarke	<i>James Clarke</i>	19-Mar-2023
Head of Innovation	Jeremy Lewis	<i>Jeremy Lewis</i>	21-Mar-2023

³ <https://ghgprotocol.org/standards/scope-3-standard>