MARSDEN

ENVIRONMENTAL, SOCIAL
AND GOVERNANCE STRATEGY
NOVEMBER 27TH 2023

OUR PLANET MATTERS.
OUR SOCIETY MATTERS.
WEIGHT MATTERS.

Contents

Summary

As a leading supplier of approved weighing instruments for over 95 years, Marsden are experts in weighing and a leader in the field of health technology. We invest in solutions that will have a positive impact on people's health. We also support a broad range of business sectors to be compliant with standards, improve efficiencies and reduce waste.

The Marsden business, like all others, is intertwined with environmental, social and governance (ESG) concerns. We have taken positive steps to adapt to challenges presented and embrace the opportunity to augment the way we operate through ethical and sustainable practices.

We have set ourselves an ambitious target across all the ESG dimensions. To achieve this, there is acute focus on six priority areas which were distilled following a comprehensive materiality assessment aimed at identifying both the areas of highest impact and highest importance.

We will act responsibly towards our planet and Society. Whilst continuing to build on our heritage, we will invest in our people, be an employer to be proud of and together deliver superior long-term value to customers and shareholders.

MARSDEN

Marsden Weighing Machine Group Limited: ESG Strategy

In this report, our commitments are explained in greater depth, along with our roadmap and plans of action to achieve them. Here is the summary for each domain:

ENVIRONMENTAL

Greenhouse Gas Emissions:

· Produce a Board approved Carbon Reduction Plan in line with the NHS England supplier roadmap and UK Government Procurement Policy Note 06/21 before the end of Q1 2024.

· Aim to be Net Zero for scope 1 emissions controlled directly by 2040 and for scope 2 and a subset of scope 3 emissions by 2045.

"We aim to minimise our impact on the planet"

Waste Management & Plastics:

· Overall reduction in waste to landfill of 20% and overall waste consumption reduction of 15% relative to turnover.

· 20% of products & packaging made from recyclable components by 2040.

Circular Economy & Product Lifecycle

· We will move to standardised componentry on specific ranges within the portfolio by 2025.

· We will generate 10% of revenues from circular solutions by 2030.

SOCIAL

Social Impact & Patient Safety:

· We will grow our installed base of calibrated weighing devices to Service Providers and healthcare professionals by a minimum of 5% each year.

"We will deliver solutions that positively impact people's health, be an employer who invests in our people, engages with our suppliers and our stakeholders"

· In 2023 we will start work with the Malnutrition Action Group together with the Charitable organisation British Association for Parenteral and Enteral Nutrition (BAPEN) and the British Dietetic Association (BDA) to co-operate on Research and communications.

· We will launch a connected proposition in 2023 to support the avoidance of transcription errors to support the delivery of safe care.

· We will launch our Weight Matters campaign in 2023 to build strong awareness and participation in matters relating to relevant physical health topics, and advanced sectoral understanding of what makes for good health.

· By 1H 2024 we will produce evidence to support the difference our unique innovations make to the care given to people in hospital and at home and how this optimises their nutritional status and longer-term health.

· In 2024 we will facilitate all employees to partake in volunteering for up to two working days per annum.

Diversity, Equality & Inclusion:

· We will offer support for individuals affected by the challenging economic climate and external factors by 2023 and will continue to provide tools and resources to help our employees manage their physical, mental, and financial health.

· Employee incentives will be re-evaluated to augment adoption of ESG and embed our values in 2024.

· We will work towards an Investors in People accreditation by the end of 2025.

· We will actively seek to maintain a balance of genders, ages, ethnicity, religious background, and sexual orientations within the workforce.

· We will support the needs of our workforce through training and development.

GOVERNANCE

Supply Chain Management:

· Our aim is to directly control 25% of our supply chain in our operations by 2030.

· We will implement the Global Compliance Distributor Toolkit into our Supply Chain to build an effective Compliance Programme. This includes the creation of a supporting Code of Conduct and Compliance Guidelines.

"We embed ethical & responsible practices in all aspects of our business & will implement robust processes for ourselves & our suppliers to ensure we maintain the highest standards"

· We will have 100% Compliance with the Modern Slavery Act 2015 and incorporate BS 25700 as a guidance standard in our business (The British Standards Institution 2022) before the end of 2024.

· We will obtain ISO13485 accreditation before the end of 2024.

· Before the end of 2024, we will ensure suppliers comply with the laws regarding slavery and human trafficking of the country or countries in which they are doing business by, for example:

  - Incorporating social responsibility and environmental criteria in its supplier selection and management processes. The Global Supplier Standards, for instance, have been included in purchase order terms and conditions as well as certain supplier agreements.

  - Requiring suppliers to adhere to all applicable laws relating to labour, environmental, health/safety and ethics, and by way of example and without limitation, Marsden's Code of Conduct, Global Human Rights and Labour Standards Policy.

· By 1H 2025, we will invest in further initiatives to safeguard against modern slavery including on-site modern slavery audits and factory checks, Modern Slavery Assessment Tool (MSAT) usage, and provision of victim support.

· We will screen suppliers and supply chain partners in accordance with a Due Diligence checklist outlined by the Global Distributor Toolkit and in accordance with ESG criteria aiming for 100% compliance by 2025.

· We will align with the International Labour Organisation on the topics of:
  - International labour standards and human rights
  - Forced labour, modern slavery and human trafficking.

Weight Matters

1. Introduction

Marsden has been a supplier of weighing instruments since 1926. This has seen the evolution from being a family-owned manufacturer and service provider to the NHS and business to a growing and successful, private equity-backed, health technology company.

The growth of the healthcare sector through natural drivers such as ageing populations, the rise of chronic diseases and co-morbidities and increased spending on healthcare in emerging markets presents the opportunity for technology to be a growth driver. Add to this the digital transformation of healthcare that was accelerated by Covid19, we believe that we can support improved patient and staff experience, better health outcomes and lower the cost of care through our technology, and innovation in our core business of medical devices.

Whilst our primary purpose is to focus on healthcare product solutions that meet the current and future needs of our customers, we also provide weighing instruments to a broad range of sectors. This enables us to support businesses with workflow efficiencies, waste reduction, productivity, safety, and compliance.

Our business is international by nature. Marsden has a footprint in over fifty nations. We focus on compliance with all required safety standards and regulations to achieve greater strategic freedom and market access.

Globally, Healthcare sectors account for more than 4% of the global CO2 emissions, which is more than the aviation or shipping industries combined[1]. This underpins our commitment to play our part as a healthcare technology solutions supplier in supporting and implementing sustainable practices.

In 2019 the UK Government amended the Climate Change Act 2008 by introducing a target of at least a 100% reduction of greenhouse gas emissions (compared to 1990 levels) in the UK by 2050. This is otherwise known as the 'Net Zero' target.

Whilst export is an important source of business, our largest customer remains the NHS. In April 2022, the NHS included a minimum 10% weighting on net zero and social value in NHS procurement[2]. In addition to this, the NHS has set itself the target of becoming the world's first carbon net zero national health system by 2045, and 2040 for

emissions controlled directly through a carbon reduction plan (CRP)[3] aligning with the government's procurement policy note (PPN) 06/21[4]. NHS England has set a net zero supplier roadmap which mandates the requirement for Marsden to have a CRP and we pledge to align with the milestones laid out. This will be an essential step to support sustained top line growth through successful participation in tenders and supplier selection – both in the UK and Internationally.

Circularity will also be a fundamental principle to address sustainable use of energy and waste reduction in healthcare. Alongside the reduction in greenhouse gas emissions, this is one of the four strategic pillars outlined by NHS Supply Chain. There is logic behind the desire to adopt a different mindset and explore circular solutions to extend lifetime value, capabilities, and usability of medical products. Our customers will be looking to co-operate with like-minded suppliers, and this is already evident in recent tenders. This is reflected in our ESG priorities and commitments. This will help us to optimise our assets and allocate capital for the long term, for example through new product innovation.

Our products have been built to the highest standards to ensure that they can withstand their high-volume usage. The approach of our service engineers has always been to repair first to extend the life of products. We are exploring programmes to expand the capabilities of equipment in place through hardware and software to optimise the use of existing resources, maximising return on initial investments. By maximising the lifetime value of products, we can reduce both waste and carbon emissions. This will also lead to cost savings for the business.

Set against a backdrop of unprecedented circumstances and the ongoing repercussions of a global pandemic which has disrupted global supply chains, the economy and working arrangements, never has there been a better time to continue to evaluate the impact our business has and will continue to have on our planet and on society, and ensure we act responsibly towards them, in partnership with our stakeholders. In this way we can deliver sustainable long-term value to our customers and our shareholders.

1. Biospectrum Asia (2022) Greening Asia's Healthcare Industry (biospectrumasia.com) accessed
2. Source: B1030-applying-net-zero-and-social-value-in-the-procurement-of-NHS-goods-and-services-march-2022.pdf (england.nhs.uk)
3. Source: NHS Supply Chain Sustainability Strategy - Delivering Health Sustainably accessed
4. Source: Procurement Policy Note 06/21: Taking account of Carbon Reduction Plans in the procurement of major government contracts - GOV.UK (www.gov.uk)

2. Our current position

The challenges faced by our business, our stakeholders and our customers continue to evolve. We acknowledge that changes in economics, politics, capital spending, climate and equality and wages continue to be dominant themes.

The Covid19 pandemic impacted the lives of billions of people and the long-term effects of that will continue to unfold. The result of this is that setting a realistic ESG strategy is particularly challenging and there will need to be a continual process to monitor, refine and adjust if necessary.

We have accelerated product launches, increased innovation within our roadmap and adapted our practices to meet these challenges. However, we see many further possibilities to have a measurable positive impact.

As a business, we recognise we have a responsibility to strengthen our position, to align with and support our customers and augment the way we operate through ethical and sustainable practices. Our business, like all others, is intertwined with ESG concerns.

We continue to invest in technologies that will have a positive impact on people's health, improve efficiencies and reduce waste for businesses, delivering superior long-term value to customers and shareholders. As well as quantifying our social impact, the aim is to enhance investment returns by allocating capital for the long term, with a particular focus on asset optimisation, new product innovation and the supply chain.

With a strong and continued focus on productivity uplift, efforts are made to maintain employee motivation and be able to attract and retain talent. We invest in our people and strive to be an employer to be proud of. We promote inclusion and offer opportunities for personal development including the promotion and participation in apprenticeships and the Kickstart scheme. We also ensure a healthy and safe working environment. We behave ethically and with integrity, participating in several charitable activities, and see an opportunity to communicate this in an open and transparent way.

In December 2022, we launched our ESG programme, fully supported by the Executive and Senior Management Team. We recognise that we need to formalise and hold ourselves accountable for accelerating our actions to ensure that we are doing everything we can to deliver on our ESG responsibilities.

We will take a best-in-class approach to the creation of a meaningful, impactful, and deliverable ESG strategy and embed it across the business. A core component of this is to ensure that we have the right knowledge and skills. So, we have made investment and engaged with a market leading consulting firm to support with expertise, knowledge transfer and capability development so that we can properly understand the risks and opportunities created by ESG. This upskilling opportunity can also be seen as a valuable part of our sustainability strategy.

2.1 The process

We have worked closely as a team to work through a comprehensive materiality assessment aimed at identifying both the areas of highest impact and highest importance. In-depth research and interviews were conducted to derive a long list of material topics to be considered with inputs gathered from a variety of sources:

CUSTOMERS **COMPETITORS** **INVESTORS** **SUPPLIERS** **REGULATION** **FRAMEWORKS**

Material Topics

1. Waste Management
2. GHG Emissions
3. Circular Economy
4. Energy Management
5. Responsible Material Sourcing
6. Product Lifecycle Management
7. Plastic in Products & Packaging
8. Sustainability Solutions

1. Human Rights
2. Diversity, Equity & Inclusion
3. Social Impact
4. Product Quality & Patient Safety
5. Health & Safety

1. Supply Chain Management
2. ESG Governance
3. Business Ethics
4. Risk Management (including regulatory compliance)

The findings of the materiality assessment, as well as comprehensive explanation of the importance of ESG, were discussed at a cross-functional workshop attended by our senior business stakeholders. This provided us with the forum to come together and gain the awareness and knowledge required to embark on setting our ESG strategy . We are all aligned on our ambition level, which is high, as well as the areas we need to prioritise across all ESG dimensions to ensure we play our part, and we are all committed to the results we need to deliver through our ESG strategy

We do not underestimate the progress we have already made as a team through the many fundraising activities, process improvements, product innovations and initiatives that are part of everyday life at Marsden. However, we recognise that to measure our impact and the distance travelled towards a goal of becoming Net Zero for scope 1 emissions controlled directly by 2040 and for scope 2 and a subset of scope 3 emissions by 2045 and meeting the commitments across all other ESG domains, we need to be able to collect data, monitor, measure and report our progress.

3. Our ambition

Our ambition is:

" We will act responsibly towards our planet and Society. Whilst continuing to build on our heritage, we will invest in our people, be an employer to be proud of and together deliver superior long-term value to customers and shareholders." "

4. Our values

Our values are united with our ESG ambition. They are embedded throughout the organisation and inform our decisions.

Integrity – doing the right thing and speaking up – acting responsibly.

Ambition – leading the way and pushing ourselves to achieve more.

Collaboration – working together with partners and stakeholders for the good of our planet and our communities.
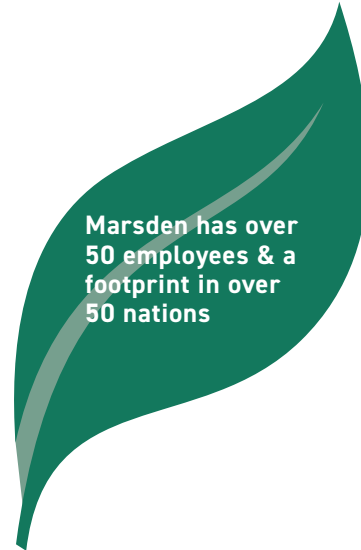
Resilience – overcoming challenges and not giving up.

5. Our priorities

We acknowledge that we are a small but growing business with big ambitions. To fulfil those ambitions we need to act with intent and deliver on our commitments.

The output from the materiality assessment was a long list of material topics to Marsden's stakeholders, as well as frameworks and regulation.

A detailed report with best practice and leading edge thinking on each subject supported a discussion at the workshop. Following alignment of our understanding and ambition we narrowed down our six strategic priorities based on a materiality matrix generated by a voting system comparing the ESG impacts as well as the importance to the stakeholders. As a result, we have set a list of six priority areas that form the backbone of our ESG strategy across the dimensions.

Marsden has over 50 employees & a footprint in over 50 nations

ENVIRONMENTAL

- **Greenhouse Gas Emissions**

- **Waste Management and Plastics**

- **Circular Economy and Product Lifecycle**

SOCIAL

- **Social Impact and Patient Safety**

- **Diversity, Equality, and Inclusion**

GOVERNANCE

- **Supply Chain Management**

Following the workshop we spent 9 months as a team, refining and developing the plan that forms the basis of this strategy which will continue to evolve. We strive to create meaningful, measurable change over the next decade and beyond.

6. Framework

This report launches our new ESG strategy which details our goals and the reporting and communications methods by which we will hold ourselves accountable to making progress in our key priority areas.

Our plan will be informed by The Sustainability Accounting Standards Board (SASB[5] an internationally recognised framework and include relevant metrics to measure progress against UN Sustainable Development Goals (SDGs)[6]).

We will align our activities with our values ensuring the approach augments the financial and commercial objectives of the organisation.

There will be transparency about our aims, our progress, and any challenges we face in meeting them.

Progress will be assessed through a KPI dashboard for each dimension (Appendix E). The whole plan will be continually reviewed and reported upon annually to assess progress and ensure it reflects any change in external factors. It will be refined by a better understanding of the baselines and the methods by which we can achieve and measure success.

In support of these commitments, we will establish a series of overarching milestones and actions to ensure we continue to make progress and hold ourselves accountable when delivering change. In some cases, the actions taken in one priority area will have a knock-on beneficial effect in other areas as they are inextricably linked – for example reduction in GHG emissions, product lifecycle and supply chain management.

Priority Area ➡ **Milestones** ➡ **Actions**

We will use 2023 and 1H 2024 to put this infrastructure in place and establish the baselines from which to measure success. This will vary according to the priority area and is clearly our roadmap.

ENVIRONMENTAL

· In 1H 2023 complete a design and manufacturing evaluation to identify how the design, procurement and manufacturing processes impact the business. Identifying clear areas for improvement, efficiency and growth opportunities

· In 1H 2023 quantify the volume of waste by type and by disposal method that we produce internally

· In 1H 2023 establish baselines for plastic packaging used

· By the end of Q1 2024 establish our carbon footprint

· By the end of Q1 2024 produce a Board approved CRP

· In 2024 utilise the UK Government GHG factors for company reporting[7]

· Before the end of Q1 2024 complete the Evergreen assessment set up by NHS England

· Before the end of 1H 2024 we will obtain a rating report provided by a globally recognised external organisation (e.g. EcoVadis or equivalent)

· By the end of 1H 2024 commit to the Science-Based Targets initiative ('SBTi') through adherence to the SBTi target setting process by submitting a letter to SBTi within 9 months, the effective date of this document, with our intent to set a science-based target, and will within 24 months of such submission develop an emissions reduction target in line with the SBTi criteria and submit its target to SBTi for official validation

5. Source: SASB
6. Source: THE 17 GOALS | Sustainable Development (un.org)
7. Greenhouse gas reporting: conversion factors 2022 - GOV.UK (www.gov.uk)

SOCIAL

· In 1H 2023 evaluate social impact baseline through assessment of installed base of weighing devices

· In 2H 2023 establish relationships with BAPEN and BDA and define ways of working

· In 2H 2023 define project scopes for Clinical Studies and white papers

· By the end of Q1 2024 conduct a customer survey on MUST adoption and compliance

· By end of Q1 2024 conduct an employee engagement survey

GOVERNANCE

· 1H 2023 assess readiness for ISO13485.

· By end of 2023 assess supplier agreements in place

· Provide annual reporting in line with the recommendations of the Task Force on Climate-Related Financial Disclosures as part of our financial reporting, commencing 1 year after the publication of our ESG strategy

· By the end of Q1 2024 set audit criteria for suppliers

· By the end of Q1 2024 create Code of Conduct and embed

6.1 Embedding the Strategy

We are clear that our strategy will not be realised without it being fully embedded in the organisation. This will be an ongoing and iterative process. It will require a top-down approach driven by the board covering the following:

Factor ESG into the organisational establishment:

· Appoint Senior Leadership to oversee the creation and implementation of the ESG strategy. This was completed in 2023.

· Invest in additional dedicated resources and expertise to support, with both execution and capability development before the end of 2023.

· A board level agenda item commencing in 2024 and quarterly, with bi-annual alignment on KPIs.

· In 2024 establish a dedicated ESG committee meeting.

· Establish ESG Champions for each commitment in 2024.

Test structures regularly:

· Put structures and processes into place to support the ESG initiatives by end 2023.

· Test the effectiveness of structures through an audit process and share the outcomes throughout the process.

Create a transparent and agile ESG culture:

· Creation of an ESG KPI dashboard in 1H 2023.

· Share information freely up and down the organisation through regular communications and presentations at quarterly company meetings or town halls on a quarterly basis commencing in 2024.

· Creating accessible engagement structures and materials through which plans, and progress can be discussed by the end of Q1 2024.

· Be congruent in what is said and what is done throughout the process.

Reevaluate incentives:

· KPIs built into staff appraisals from Q1 2024.

· Re-evaluate current incentive structures and align these with the broader ESG agenda from Q1 2024.

Training and awareness:

· A companywide awareness and training plan by the end of Q1 2024.

· Embedding ESG activities into our values, our recruitment practices, and our recognition awards from 2024 onwards.

· Management teams leading by example, encouraging their teams to adopt a mindset and every day practices aligned with our ESG strategy and the commitments within it on an ongoing basis.

Governance:

· Before the end of Q1 2024 publish a Carbon Reduction plan and update it annually.

· Embed Code of Practice into the organisation and supply chain by the end of Q1 2024.

· Align with the recommendations set forth by the Taskforce on Climate Related Financial Disclosures[8].

· Maintain and report on progress regularly through a KPI dashboard on a quarterly basis.

· Ensure the Governance committee meets quarterly and shares minutes.

8. Task Force on Climate-Related Financial Disclosures | TCFD) (fsb-tcfd.org)

7. The "Weigh" Ahead

2023

Establish baselines. Create infrastructure and embed the ESG Strategy

Greenhouse Gas Emissions

Reduction in use of gas & electric.

Carbon accounting platform assessment.

Launch connected proposition.

Waste Management & Plastics

Plastic packaging tax compliance.

Quantify volume of waste by type and by disposal method we produce internally.

Establish baselines for plastic packaging used.

Circular Economy & Product Lifecycle

Design & manufacturing evaluation.

Social Impact & Patient Safety

Increased charitable activity.

Launch weight matters campaign.

Engage BAPEN and BDA.

Define & scope clinical studies and white papers.

Diversity Equality & Inclusion

DE&I Policy published.

Conduct employee engagement survey.

Encourage employee and leaver contribution via Glassdoor.

Supply Chain Management

Assess readiness for ISO13485.

Assess supplier agreements in place.

Due diligence framework created.

Launch Global Distributor Compliance toolkit.

2024

Greenhouse Gas Emissions

Carbon accounting platform implementation.

Produce Carbon reduction plan.

Utilise UK Government GHG factors for Company reporting.

Targets set of reduction in use of gas and electric.

Obtain a rating report from a globally recognised external organisation.

Commit to Science Based Targets.

Waste Management & Plastics

Target set for waste reduction and plastics use.

Circular Economy & Product Lifecycle

New warranty procedures published.

Product development .

New product innovation.

Operational improvements.

Social Impact & Patient Safety

ISO13485 accreditation

Communicate social impact baseline.

Produce white papers.

Facilitated employee volunteering.

Diversity Equality & Inclusion

Embed employee engagement survey.

Customer Survey on MUST compliance.

DEI training complete.

Management training to all line managers complete.

Appoint a female Board Member

Supply Chain Management

Modern Slavery Policy published.

Set Audit Criteria for suppliers.

Create Code of Conduct.

Launch training on Modern slavery, anti-bribery, and corruption.

Establish supplier sustainability assessment.

Product development.

2025

Greenhouse Gas Emissions

7% reduction in travel emissions from non-renewable sources.

Waste Management & Plastics

Overall reduction in waste to landfill of 10%.

Overall waste consumption reduction of 5% relative to turnover.

Circular Economy & Product Lifecycle

Reuse schemes available.

Increase customer product recycling.

7% of revenue from circular solutions.

Product development.

New product innovation

Social Impact & Patient Safety

5% workforce on employment related schemes.

Robust clinical evidence published for key product lines.

Diversity Equality & Inclusion

Investors in People accreditation.

Supply Chain Management

Supplier visits.

Embed robust supply chain management process covering ESG compliance.

Product development.

New product Innovation.

2030

Greenhouse Gas Emissions

Reduction in 10% of energy coming from non-renewable sources.

Reduction in onward freight transport emissions.

Waste Management & Plastics

Overall reduction in waste to landfill of 15%.

Overall waste consumption reduction of 10% relative to turnover.

10% reduction in plastics and packaging.

Circular Economy & Product Lifecycle

Reuse schemes fully operational.

Increased service revenues.

10% revenue from circular solutions.

Social Impact & Patient Safety

BAPEN accredited publications and pathways.

Diversity Equality & Inclusion

Initiatives will be implemented based on progress to date and any changes in market requirements.

Supply Chain Management

Initiatives will be implemented based on progress to date and any changes in market requirements.

2040

Greenhouse Gas Emissions

Carbon neutral across scope 1 working towards scope 2 and subset of scope 3 by 2045.

Reduction in inward freight admissions.

Waste Management & Plastics

Overall reduction in waste to landfill of 20%.

Overall waste consumption reduction of 15% relative to turnover.

20% of our products.

Made from recyclable components.

Circular Economy & Product Lifecycle

Initiatives will be implemented based on progress to date and any changes in market requirements.

Social Impact & Patient Safety

Target to get a weighing protocol and optimal nutritional screening guideline in place within NICE guidelines.

Diversity Equality & Inclusion

Initiatives will be implemented based on progress to date and any changes in market requirements.

Supply Chain Management

Supply chains have made significant progress towards a carbon neutral target.

Aim of 100% suppliers and supply chain partners to be compliant with ESG criteria.

7.1. Greenhouse Gas Emissions

Air pollution is the single environmental threat to human health in the UK, accounting for 1 in 20 deaths.

The UK heatwaves of 2020 claimed more than 2,500 lives. Nine of the hottest years on record occurred within the last ten.

Reducing emissions will mean fewer cases of asthma, cancer and heart disease.

(Source: NHS England, 2022)

Climate change is ever-present and poses a major threat to our health. Greenhouse gas concentrations are at the highest level they have been for two million years.[9] If we do not make a collective global effort to reduce carbon emissions the impact on the planet and society will be catastrophic and irreversible[10].In 2019 the UK Government amended the Climate Change Act 2008[11] by introducing a target of at least a 100% reduction of greenhouse gas emissions[12] (compared to 1990 levels) in the UK by 2050. This is otherwise known as the 'Net Zero' target.

The UK, under the Paris Agreement communicated its Nationally Determined Contribution (NDC)[13] to reduce GGCs by 68% by 2030 and the Government has a commitment to reach net zero by 2050. We are determined to make a positive contribution to support these objectives.

Globally, Healthcare sectors account for more than 4% of the global CO2 emissions, which is more than the aviation or shipping industries combined[14]. Our biggest customer, the NHS, has set itself the target of becoming the world's first carbon net zero national health system by 2045, and 2040 for emissions controlled directly[15].

NHS England has set a net zero supplier roadmap. From April 2022, all NHS procurements include a minimum 10% net zero and social value weighting.[16] Suppliers are seen by NHS England as fundamental to achieving their ambition and as a key supplier, we pledge to adhere to that and support their goal. NHS England has mandated the requirements for all suppliers to have a CRP in place and advised that to best prepare for future NHS roadmap milestones, suppliers are encouraged to set a net zero target of 2045, although a target of 2050 will still meet the minimum requirements of CRPs[17].

As a result, Marsden has set its own target to be carbon neutral across scope 1 (direct emissions), scope 2 (energy indirect) by 2040 and a subset of scope 3 (other indirect) by 2045.

9. *United Nations: What Is Climate Change? | United Nations accessed 26/10/2022*
10. *Source: Decarbonisation: The Basics (morganstanley.com)*
11. *1 Climate Change Act 2008: www.legislation.gov.uk/ukpga/2008/27/contents*
12. *2 When the reporting of GHG emissions is measured, it is often done so in carbon dioxide equivalent units (CO2e). The use of CO2e allows for more accessible reporting and straightforward tracking and reporting of emissions over time. CO2e includes all of the greenhouse gases defined within the Kyoto protocol: carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFC), perfluorocarbons (PFC), sulphur hexafluoride (SF6) and nitrogen trifluoride (NF3). Each of these greenhouse gasses has a conversion factor as published by DEFRA. When the phrase 'Net Zero Carbon' is used, it refers to both CO2 and CO2e emissions and means net zero GHG rather than net zero CO2.*
13. *Source: United Kingdom of Great Britain and Northern Ireland's Nationally Determined Contribution (publishing.service.gov.uk)*
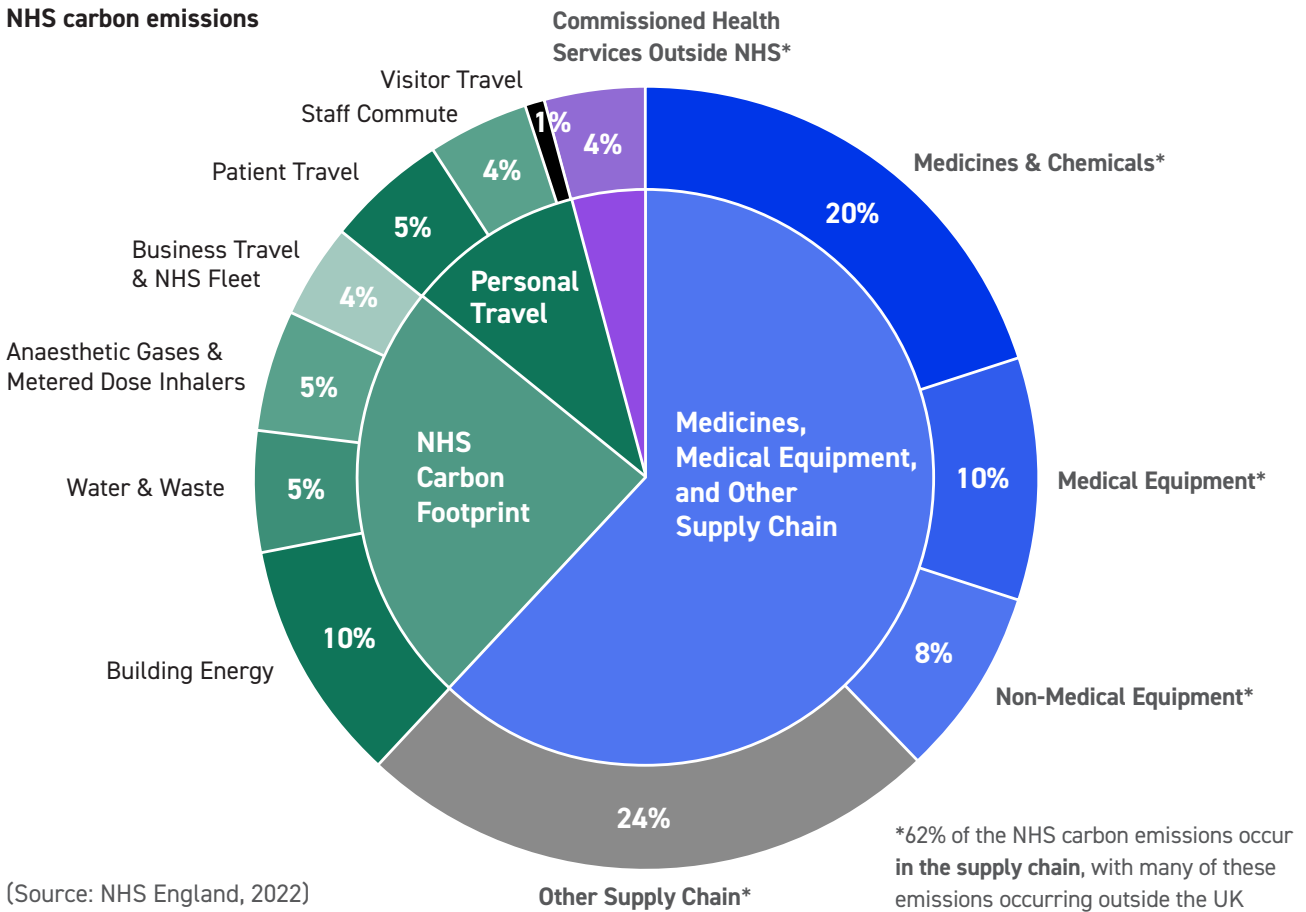14. *Biospectrum Asia Edition (2022) Greening Asia's Healthcare Industry (biospectrumasia.com) accessed 20/10/2022*
15. *NHS Supply Chain (2022): Source NHS Supply Chain Sustainability Strategy - Delivering Health Sustainably accessed*
16. *NHSE Sustainable Supply Chain Webinar (2022)*
17. *Source: NHS England » Carbon reduction plan requirements for the procurement of NHS goods, services and works*

NHS carbon emissions

Commissioned Health Services Outside NHS* — 4%
Medicines & Chemicals* — 20%
Medical Equipment* — 10%
Non-Medical Equipment* — 8%
Other Supply Chain* — 24%
Visitor Travel — 1%
Staff Commute — 4%
Patient Travel — 5%
Business Travel & NHS Fleet — 4%
Anaesthetic Gases & Metered Dose Inhalers — 5%
Water & Waste — 5%
Building Energy — 10%

Personal Travel
NHS Carbon Footprint
Medicines, Medical Equipment, and Other Supply Chain

(Source: NHS England, 2022)

*62% of the NHS carbon emissions occur **in the supply chain**, with many of these emissions occurring outside the UK

We are committed in 2023 to understanding our emissions and publishing them in line with the UKs Streamlined Energy and Carbon Reporting (SECR) requirements[18]. We will also complete the Evergreen Assessment set out by NHS England (NHSE). Evergreen is a single centralised source of information recording how suppliers are aligning with the NHS net zero trajectory and aligns with NHSE's supplier roadmap. We will then set ambitious reduction targets.

This is a complex area and one of our first tasks will be to engage with a consultant to help us to evaluate our footprint and identify means by which we can make the most material impact on reducing our emissions and set a realistic approach to decarbonisation. This will be done in line with the production of our CRP and in line with the Carbon Reduction Plan Template issued by the central Government as part of PPN 06/21.[19]

Our aim is to set goals which cover each of these areas:
• Reduction of fuel usage

In terms of the scope of our initial baseline position we will ensure we observe the following principles:

• Greenhouse gas emissions, reductions of greenhouse gas emissions and removals of greenhouse gas from the atmosphere will be measured or calculated in tonnes of carbon dioxide equivalent (CO2e) using the appropriate conversion factors published by BEIS7[20].

• The specific emissions reporting in CO2e (carbon dioxide equivalent) will be the seven greenhouse gasses named by the Kyoto Protocol.[21] Namely (carbon dioxide [CO_2], methane [CH_4], nitrous oxide [N_2O], hydrofluorocarbons [HFCs], perfluorocarbons [PFCs], sulphur hexafluoride [SF_6] and nitrogen trifluoride [NF_3]).

• In accordance with the GHG Protocol's Corporate Standard[22], our carbon footprint will account for emissions within our operational boundary using the Financial Control method optimising direction, allocation, and usage of resources.

As part of our phase 2 reporting and targets, we will extend from Scope 1 and 2 emissions to include the following Scope 3 emissions: the five relevant categories have been set out by the GHG Protocol[23]:

• Upstream transportation
• Business Travel
• Employee commuting
• Downstream transportation
• Waste generated in operations

18. Environmental Reporting Guidelines (publishing.service.gov.uk)
19. Procurement Policy Note 06/21: Taking account of Carbon Reduction Plans in the procurement of major government contracts - GOV.UK (www.gov.uk)
20. Greenhouse gas reporting: conversion factors 2022 - GOV.UK (www.gov.uk)
21. Kyoto Protocol - Targets for the first commitment period | UNFCCC
22. World Resources Institute and World Business Council for Sustainable development (2004) GHG Protocol Corporate Standard Revised
23. Source: NHS England » Carbon reduction plan requirements for the procurement of NHS goods, services and works

7.1.1 The benefits

· Our approach to decarbonisation will ensure we are aligned with our largest customer and sector.

· Have access to the revenue opportunities presented in tenders by sharing our green credentials when we participate in tenders and supplier selections.

· Make cost savings through utilising less energy to run the business operations and initiatives such as implementing recycled paper.

· Considering the recent price hikes in energy, reducing energy requirements can also mitigate future cost increases. As well as efficiencies, we are able to demonstrate an alignment with the wider environmental agenda, boosting brand reputation and staff retention.

7.1.2 Where are we now?

Green House Gas Emissions

· We reduce travel through use of online meetings, virtual training sessions and webinars for our customers. 10% of our employees are on hybrid or home working contracts.

· In Jan 2022 our vehicles were 7.7% petrol. In 2023 40% petrol.

· All new cars are petrol (these are leased vehicles).

· We have an in-house team of engineers improving our UK coverage and reducing engineer travel miles.

· We have increased our general recycling at our Production facility from 24 tonnes (2021) to 29 tonnes (2022) and invested an additional £32K in recycling costs to manage our general recycling requirements from our Head Office facility.

· In 2023, we standardised all of our paper used for printing from a variety of types to recycled 80gsm.

· We encourage use of rail travel where feasible: 30% of Senior Management meetings and events are travelled to by rail.

· We have converted all the office lighting to LED.

· We have implemented a ride-to-work scheme to reduce dependency on vehicles.

· We have installed water coolers in all our offices to reduce plastic bottle usage.

· We are communicating with our suppliers to explore more sustainable practices. Our main supplier has managed to deliver a Carbon reduction from 134,278 kg (year 2021) to 100,382 kg (year 2022).

7.1.3 Our commitments

Milestones	Actions
	During 2023 we will appoint a GHG Champion to own the agenda
We will be carbon neutral across scope 1, 2 and a subset of scope 3 by 2040	In 2023 we will switch to recycled copier paper standardised to 80gsm
	By the end of Q1 2024 we will have published a Carbon Reduction Plan for direct emissions
	By the end of 2024 we will have published a Carbon Reduction plan for non-direct emissions
	Before the end of 1H 2024 we will obtain a rating report provided by a globally recognised external organisation (e.g. EcoVadis or equivalent)
	By the end of 1H 2024 we will commit to Science Based Targets initiative ('SBTi') through adherence to the SBTi target setting process by submitting a letter to SBTi within 9 months of the Effective date of this document with our intent to set a science-based target and will within 24 months of such submission develop an emissions reduction target in line with the SBTi criteria and submit its target to SBTi for official validation
	In 2025 we will complete the Carbon Waste and Water module on the NQC portal
	We will work with our principal manufacturing suppliers to develop their carbon reduction plans by 2025
We will set ourselves targets in 2023 for reduction in use of gas, electricity, and water	We will convert all office lighting to LED by 2023.
	In 2023 we will review smart thermostats, motion activated lighting and insulation
We will set ourselves targets for 2030 for the % of energy coming from renewable sources	We will make renewable energy sources a design priority in plans for factory relocation by 2024
	We will investigate the use of solar power within the factory and the office by 2024
	We will make positive choices when we renew our energy contract in 2024 based on the sources of energy from providers

Milestones	Actions
We will reduce our travel emissions by at least 10% by 2025 pro rata to turnover	We will collect and monitor all required data to calculate work travel emissions in 2023
	We will move our whole company car fleet away from diesel by 2027 to EVs, hybrid, or alternative fuels
	We will move our whole fleet of vans away from diesel by 2030
	We will continue to implement schemes to encourage use of public transport and walking and cycling to work
	We will continually aim to recruit to minimise commuting miles and offer flexible working patterns
We will reduce the emissions produced from our inward freight transport per KG of goods transported by 2030	We will survey all our freight suppliers to understand their plans to reduce their emissions
	We will make positive choices about freight providers based on these responses
	We will minimise air freight where possible and commit more resources to stock holdings to protect the environment
We will reduce the carbon emissions of onward transportation of goods to customers by 2040	We will survey our onward freight providers to understand their plans to reduce their emissions
	We will collect, monitor, and analyse the current position to understand our baseline

These commitments support the following United Nations SDGs

7.2 Waste Management and Plastics

Some estimates have shown that global waste could be set to grow up to 70% unless urgent action is taken[24] and all aspects of how waste is being managed are under scrutiny. As a result, there has been a rise in responsible waste management and sustainable waste management practices.

> "Natural capital is one of our most valuable assets. The air we breathe, the water we drink, the land we live on, and the stock of material resources we use in our daily lives are at the heart of our economy, our society, and our way of life. We must not take these for granted".
> (DEFRA, 2018)[25]

The Resources and Waste Strategy (RWS) was published in December 2018 and sets out the actions the government aims to take to preserve material resources by minimising waste, promoting resource efficiency and moving towards a Circular Economy in England. It also sets long-term policy direction in line with the 25- Year Environment Plan including doubling resource productivity and eliminating avoidable waste of all kinds by 2050.

The RWS identifies five strategic ambitions:

• to work towards all plastic packaging placed on the market being recyclable, reusable, or compostable by 2025.

• to work towards eliminating food waste to landfill by 2030.

• to eliminate avoidable plastic waste over the lifetime of the 25-Year Environment Plan.

• to double resource productivity by 2050; and

• to eliminate avoidable waste of all kinds by 2050.[26]

We have identified Circular Economy and Product Lifecycle as a distinct and separate priority area given its importance to the business.

Within the RWS there are eight chapters and we have determined that some specific areas under two of these chapters where we can respond under this priority area:

1. Sustainable production

a. invoke the 'polluter pays' principle and extend producer responsibility for packaging, ensuring that producers pay the full costs of disposal for packaging they place on the market.

b. stimulate demand for recycled plastic by introducing a tax on plastic packaging with less than 30% recycled plastic.

2. Resource recovery and waste management

a. improve recycling rates by ensuring a consistent set of dry recyclable materials is collected from all households and businesses[27].

In 2019, the Department for Environment, Food and Rural Affairs (Defra) launched three interlinked consultations, these were on:

• Extended Producer Responsibility (EPR) packaging regulations

• Deposit Return Schemes (DRS)

• Household consistent waste collection.

After several rounds, a global pandemic, and initiatives on single-use plastics the proposed changes are beginning to be implemented.[28]

Extended Producer Responsibility (EPR) is a new UK legislation that will replace the current Packaging Waste Regulations with phased implementation from 2023. It is an environmental policy that requires producers to pay the full costs of dealing with the waste they produce from when it is placed onto the market, through to the end of its life. It is hoped that this will achieve a reduction in the environmental impact of products throughout their life cycle.[29]

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24. Source: Global Waste to Grow by 70 Percent by 2050 Unless Urgent Action is Taken: World Bank Report accessed 27/10/22
25. Source: Resources and waste strategy: at a glance - GOV.UK (www.gov.uk)
26. Source: Resources and Waste Strategy - WikiWaste
27. Source: Resources and waste strategy: at a glance - GOV.UK (www.gov.uk)
28. Source: Upcoming Environmental Regulatory Changes and What This Means for Suppliers to the NHS » NHS Supply Chain. Accessed 6th Feb 2023
29. Source: What is Extended Producer Responsibility UK? (swiftpak.co.uk). Accessed 6th Feb 2023

EPR will affect all UK organisations that handle or supply packaging. Our obligations are explained under the current Producer Responsibility Obligations (Packaging Waste) Regulation 2007.[30] Due to this and based on our benchmarking, we can demonstrate that we handled or supply less than 25 tonnes of packaging in 2022: we do not meet the threshold for EPR. It is, however, good practice for us to record and monitor the levels of packaging and waste in line with the latest regulations. We will capture and monitor:

· Individual materials in the packaging we handle and supply.

· Materials used in our primary, secondary and transit packaging.

Many countries have successfully used DRS to increase recycling rates of drinks containers, with well-functioning schemes achieving collection targets of 90% or higher. DRS will play an important role in increasing the supply of high-quality plastic suitable for recycling, so both complements and supports the objectives of the Plastic Packaging Tax[31] and our ambition to use recyclable material in our product development. Materials in scope of DRS will not be obligated under EPR.

We will actively encourage all our employees to return all containers they use within the scope of DRS to a return point.

Consistency of collection centres around five core materials: plastic, glass, paper/card, metal, and food waste and will require businesses to segregate all these waste streams, so that each is able to be collected and recycled separately. The UK has a target of eliminating all avoidable waste by 2050, and consistency of collections plays a crucial role in achieving this. As general waste is the most expensive to dispose of, minimising residual waste will offer benefits, both financial and environmental with cost savings of up to 11% referenced.[32] We will continue to focus on optimising our waste management and containers to enable the segregation of waste at both our Head Office and our Production facility and remain registered under the WEEE Directive.

Our products have been built to the highest standards to ensure that they can withstand their high-volume usage. Their robustness and enduring life is a key selling point. We have a repair first policy. We already have a high proportion of recyclable products in our packaging. However, there is still more we can do to look at the plastic content of our products, ensure those plastics are recyclable and continue to drive down our non-recyclable waste.

7.2.1 The benefits

· By creating actionable plans to actively reduce the amount of waste we generate, our teams can spend less time sorting, loading, and removing materials from the premises.

· Sorting waste correctly and recycling properly means less waste goes to landfill, which may help reduce the costs to the business of removal.

· Improving waste segregation and increasing recycling could result in an average cost saving of 11% for businesses.[33]

· As general waste is the most expensive to dispose of, minimising residual waste will offer benefits, both financial and environmental.

· Build a healthier and safer workplace and boosts brand image.

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30. *The Producer Responsibility Obligations (Packaging Waste) Regulations 2007 (legislation.gov.uk)*
31. *Introducing a Deposit Return Scheme for drinks containers in England, Wales and Northern Ireland Government response 20 January 2023*
32. *Source: Consistency of Collections | Veolia UK*
33. *Source: Consistency of Collections | Veolia UK*

7.2.2 Where are we now?

WASTE MANAGEMENT

- We are registered under WEEE Directive.

- Our administration and finance teams have gone paperless with the introduction of a new CRM and digital storage system.

- We recycle our printer cartridges.

- We recycle our cardboard and plastic waste.

- We recycle our shredded paper.

PLASTICS IN PRODUCTS AND PACKAGING

- Some of our products do contain durable plastic elements such as covers and trays made of durable moulded plastic.

- These products all have an estimated useful life of 8 years or more and we offer a warranty plus we have a repair before replace policy extending their life and reducing the impact on landfill.

- In 2023 we will develop the specification for innovation and review componentry to make these recyclable as part of the user requirements documentation.

7.2.3 Our commitments

We aim to make a significant reduction in terms of both waste generation and volume of waste going to landfill. We will recycle more, repair more and influence the behaviour of our customers through our product lifecycle initiatives.
Our primary target is to eliminate plastic packaging as much as far as possible.

Milestones	Actions
	During 2023 we will appoint a Waste Management and Plastics Champion to own the agenda
During 2022/2023 we will set a waste consumption reduction target with an aim of reducing total waste by 10% by 2030 and 15% by 2040 relative to turnover	During 2023 we will quantify the volume of waste by type that we produce internally and record it broken down into general office waste, cardboard, paper, industrial waste
	During 2023, we will encourage all employees to return containers within the scope of DRS to a return point
	In 2023 / 2024 we will reduce the number of user manuals from two to one in all medical products and rely on our Manufacturing partner to create the printed copy to eliminate printing in our customer base
	By 2025 we will reduce paper usage by at least 30% from 2019 levels
	By 2025 we will implement a paperless factory system
	We will continually ensure all waste collection suppliers can provide volumetric data on a regular basis
During 2023 we will set a landfill reduction target with an aim of reducing it by 20% by 2040	By 2023 we will quantify the volume of waste by disposal method that we produce internally and record it broken down into landfill, recycling, and incineration
	By 2023 we will implement a shredding collection service so we can quantify volumes of paper discarded and recycled
	We will provide every engineer with a battery recycling bin and allow customers to give us their used batteries for safe recycling
	We will track news and information from the Healthcare Plastics Recycling Council with a view to joining once we are clear on our baseline and improvement targets
We will set a target for plastic packaging reduction, aiming to reduce plastic in packaging by 20% by 2025	By April 2023 we will establish the baseline for tonnes of plastic packaging used per annum by the business in imported goods
	By 2023 we will ensure compliance with the plastic packaging tax reporting and payment requirements
	By July 2023 we will establish the baseline for volumes of plastic packaging used to forward delivery of products to end users in the UK and for export
	By the end of 2023 we will set a target for reduction of plastic packaging and an action plan to deliver on those targets through engagement with our supply chain
	In 2023 we will identify potential suppliers who focus on sustainable packaging for our UK packaging purchases
We will create a roadmap to progress aiming for a minimum of 20% of our products made from recyclable components	During 2023 we will categorise and quantify the plastic content of every product and the carbon footprint
	We will create a product refresh map in 2023 to move towards conversion of existing plastic components to recyclable materials by 2030 where technically feasible
	We will ensure all new products are developed with recyclable plastic components where available and define this as part of user requirements documentation

These commitments support the following United Nations SDGs

7.3 Circular economy and product life cycle

A circular economy is a model of production and consumption, which involves sharing, leasing, reusing, repairing, refurbishing, and recycling existing materials and products for as long as possible. It aims to tackle global challenges like climate change, biodiversity loss, waste, and pollution by emphasising design-based implementation of the three base principles of the model: eliminating waste and pollution, circulating products and materials, and the regeneration of nature.[34]

Circular design is about creating and retaining value for customers and businesses in a resource-constrained world. Up to 80% of a products' environmental impact is determined at the design stage[35].

In the linear economy, business models are focused on selling new products; therefore, revenues come from maximising the number of sales and minimising costs. These models encourage the design of short-lived products toto sell new units again. In this dynamic, the manufacturer usually loses control over the product once it is sold, limiting its responsibility but also missing future business opportunities. To make a transition to the circular economy, companies must question the paradigms of the linear economy and adapt their business models and strategies. To help establish business strategies compatible with the principles of the circular economy, a tool has been developed: The Value Hill Model[36].
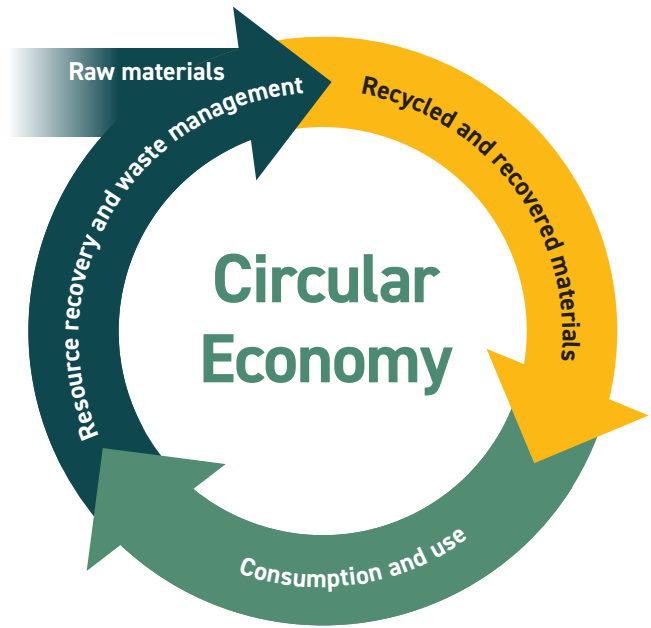
Whereas in the linear model, the value of the product falls rapidly to zero, the circular model implements several strategies to maintain the value of the product by reintroducing it in the previous phases.

The Value Hill model:
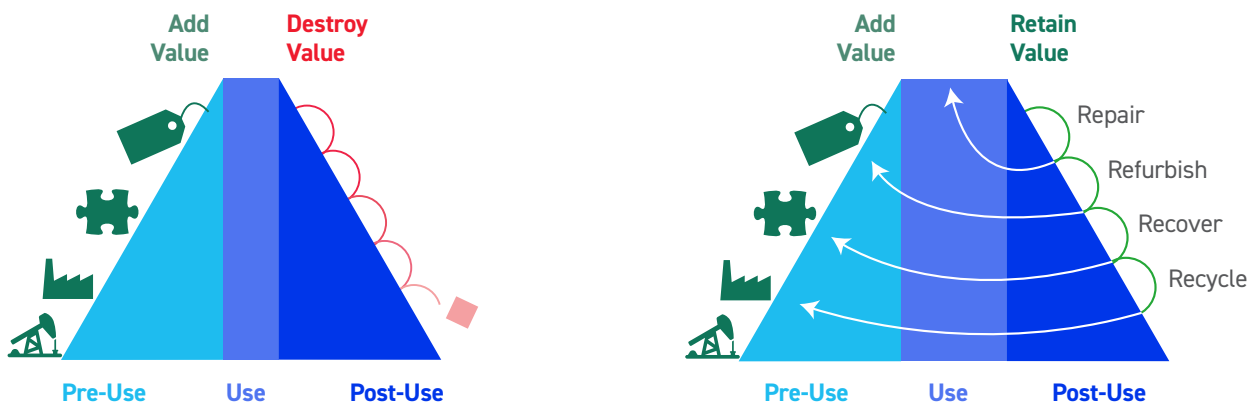
34. Source: Circular economy - Wikipedia accessed 27/05/23
35. Source: Marsden commissioned report on Circular Product Assessment – December 2022
36. Achterberg, E.; Hinfelaar, J.; Bocken, N. Master Circular Business Models with the Value Hill; White Paper; Circle Economy: Utrecht, The Netherlands, September 2016. [Google Scholar]

The UK Government Resources and Waste Strategy[37] has the following specific areas of action which we have linked to our Circular economy priority area:

· Helping consumers take more considered actions.

· Incentivise consumers to purchase sustainably.

· Provide consumers with better information on the sustainability of their purchases.

· Address barriers to reuse.

· Support the market for remanufactured goods.

· Encourage appropriate disposal of used products.

Circularity will also be a fundamental principle to address sustainable use of energy and waste reduction in healthcare. There is logic behind the desire to explore circular solutions to extend lifetime value, capabilities, and usability of medical products. Our customers will be looking to co-operate with like-minded suppliers, and this is already evident in recent tenders.

We therefore looking at circularity within our product lifecycle and innovation roadmap. We are exploring programmes to expand the capabilities, of our current portfolio through product development. This will include consolidation of common parts across all product lines, design changes to the 'low hanging fruit' products where low-cost changes can be made to reduce assembly time, shipping costs and manufacturing times. Also, extend our capabilities through software development and partnerships to support paperless healthcare systems. This will optimise the use of existing resources, maximising return on initial investments and enhance investment returns.

Within the product lifecycle, there are also opportunities to innovate with completely new products. This will enable us to generate and own IP and components that could be implemented across the range and grow revenues and market access via export to countries where we currently do not have a solution or need to improve the current solution.

7.3.1 The benefits

· By maximising the lifetime value of products, we can reduce both waste and carbon emissions. This will also lead to cost savings for the business.

· Optimise the use of existing resources, maximising return on initial investments and enhance investment returns.

· Drive top line growth through attracting new customers with more sustainable solutions.

· Our product life-cycle management and roadmap will deliver new sources of sustainable revenues through upgrade programs, new commercial models such as software as a service, longer term managed service agreements and new product introduction.

· Generate and own IP and components that could be implemented across the range creating value and new market opportunities.

· Gain market access to new export markets where we do not currently have a solution.

7.3.2 Where are we now?

CIRCULAR ECONOMY AND PRODUCT LIFECYCLE

· **We have a policy of repair before replacing and use our best endeavors to maintain scales in a good working order for as long as their useful life allows.**

· **We manufacture our products with robustness, resilience in mind and find scales in use in the field for many decades in good working order.**

· **Where scales are beyond repair, we remove and dispose of them responsibly when requested free of charge.**

37. Department for Food Environment & Rural Affairs (2018) available: Resources and waste strategy: at a glance - GOV.UK (www.gov.uk) accessed 27/10/22

7.3.3 Our commitments

We aim to shift our product range towards more sustainable and more durable materials to prolong the life and reduce the environmental impact of the product lifecycle whilst maintaining qualiity and product safety. We also aim to move from a linear scenario where products are not returned to Marsden and instead disposed of and recycled to a circular scenario where products are collected and returned to us and refurbished.

Goals	Targets/Actions
	During 2023 we will appoint a Social Impact and Patient Safety Champion to own the agenda
We will revise and publish new warranty procedures in 2023	
We will encourage our customers to recycle their old equipment by 2025	We will promote our warranty commitments and encourage customers to service and maintain their equipment rather than replacing
	We will formalise a financial incentive for customers to recycle their used devices through us
	We will aim to increase takeback of equipment by 20% volume in 2024 from a baseline measured in 2023
	We will create a re-use scheme in 2023
We will increase our repair revenues by 20% by 2025 from a baseline in 2020	
We will implement product development across all Marsden fabricated products by the end of 2025	We will implement design changes to the 'low hanging fruit' products where low-cost changes can be made to reduce assembly time, shipping costs and manufacturing times
	We will consolidate common parts across all product lines by 2024
We will make operational improvements for product builds by the end of 2025	We will implement SOPs for product builds in 2023 and 2024
	We will implement timing/productivity measurements on Marsden manufactured products in 2023 and 2024
We will invest in new product innovation	We will launch a connected proposition in 2023
	We will bring a new product to market in 2027
	We will utilise Marsden's own proprietary technology in other products in the range by 2030
We will look for schemes by which we can re-use products by 2025	We will move from a linear scenario to a circular scenario by 2025
	We will aim to send used equipment to the developing world
	We will help large customers meet their own environmental goals by trying to match them to companies where they can send their used equipment for reuse and potentially create a revenue stream

These commitments support the following United Nations SDGs:

7.4 Social Impact and Patient Safety

Our whole purpose is linked to social impact. As an industry, providers of health technologies are in a unique position to be enablers of optimal care through equipping Service providers and healthcare professionals with essential equipment, innovation, and service.

3 GOOD HEALTH AND WELL-BEING

Ensure healthy lives and promoted welfare for all at all ages

Our products can make a positive impact on patient care and patient experience. This is in line with United Nations Sustainable Development Goals[38] (UN SDG 3). Weighing equipment is an essential monitoring and diagnostic tool. It provides vital information for calculating appropriate medication, managing malnutrition, and eating disorders, measuring fluid retention, and informing on treatments such as chemotherapy. Even perceived minor changes in weight can be clinically significant, and can have a direct link to outcomes, patient experience and the cost of interventions.

Failing to weigh patients accurately can have a substantial negative impact on diagnosis and treatment, and yet this vital aspect of patient safety is rarely prioritised. Over and above this, it is a legal requirement to have weighing equipment that is accurate and fit for purpose in healthcare establishments.

Inconsistencies in recording patient body weight, estimation, as well as using inaccurate or inappropriate weighing equipment, can have a negative impact on patient care[39]. This can increase the risk of errors in diagnosis, interventions, treatment or medication dosage[40]. Weight is an essential element of assessing nutritional status and there is guidance laid out as part of NICE Clinical Guideline 32 (CG32) to support the screening and treatment of malnutrition in hospital and community settings.[41]

NICE has also issued a Quality Standard: Faltering Growth (QS197)[42] which outlines the importance of monitoring the weight and growth of babies and children – access to calibrated equipment is a core requirement of that standard.

Our largest single customer is the NHS, however patient safety is of similar importance in every global territory in which we sell our products. Accurate weight can play a key role in the mitigation of medication errors as well as minimising errors in transcription - important to safeguard patient safety.

Worldwide, medication errors cost $42 billion per year[43]. It has been estimated that nearly three quarters of medication errors are attributable to distractions, which can be easily mitigated at little cost to the organisation[44]. Other factors, such as pharmacist involvement in discharge planning, have proven effective in mitigating the near 10% of readmissions due to adverse drug events post-discharge[45,46].

The NHS spends around £16 billion a year on drugs[47], and it is estimated that £300 million of prescribed medicines are wasted each year[48]. With an excess bed day in the NHS costing between £2,089 and £2,532 a week[49], ensuring accurate weighing can have a significant impact on reducing drug wastage, litigation, and length of stay, helping to make best use of NHS resources.

All of this leads to our focus on implementing connectivity from our devices to electronic patient care records as a measure to help minimise transcription errors. This will also give us the opportunity to extend the life of our products and earn annuity revenues.

A freedom of Information request was conducted in 2020/2021 by Marsden and from the results disclosed there had been 1970 reported incidents in the last 3 years where weight was a factor in the incident report. We will continue to work with the NHS patient safety organisation to get better visibility of weight related drug dose errors.

38. United Nations (2015) Available at: Goal 3 | Department of Economic and Social Affairs (un.org)
39. Nursing Times (2014) https://www.nursingtimes.net/clinical-archive/assessment-skills/accurate-assessment-of-patient-weight-14-03-2014/
40. 4 Department of Health (2010); Local Authorities Coordinators of Regulatory Services (LACORS), 2009
41. NICE (2007) CG32: Nutrition support for adults: oral nutrition support, enteral tube feeding and parenteral nutrition accessed: 1 Guidance | Nutrition support for adults: oral nutrition support, enteral tube feeding and parenteral nutrition | Guidance | NICE
42. Faltering growth Quality standard Published: 28 August 2020 www.nice.org.uk/guidance/qs197
43. Tariq, R.A., Vashisht, R., Scherbak, Y. (2020). Medication Errors. StatsPearl.
44. Tariq, R.A., Vashisht, R., Scherbak, Y. (2020). Medication Errors. StatsPearl.
45. Lee, R., Malfair, S., Schneider, J., Sidhu, S., Lang, C., Bredenkamp, N., Liang, S.F., Hou, A., Virani, A. (2019). Evaluation of Pharmacist Intervention on Discharge Medication Reconciliation. The Canadian Journal of Hospital Pharmacy. 72(2): 111-118.
46. Kanaan, A.O., Donovan, J.L., Duchin, N.P., Field, T.S., Tija, J., Cutrona, S.L., Gagne, S.J., Garber, L., Preusse, P., Harrold, L.R., Gurwitz, J.H. (2013). Adverse Drug Events Post-Hospital Discharge in Older Patients: Types, Severity, and Involvement of Beers Criteria Medications. Journal of the American Geriatrics Society, 61(11), 1894- 1899. https://doi.org/10.1111/jgs.12504

We will develop robust evidence and clinical proof points to demonstrate our social impact in all these areas and quantify the benefits. We will continue to put patient safety and quality at the heart of our Research and Development strategy with a particular focus on digitalisation and the automatic transmission of weight to electronic patient care records, third party applications and monitoring platforms. This will be a crucial step to meeting our goal of 95% adoption of and compliance with screening tools.

Our technologies can also be used for remote patient monitoring, virtual wards, and clinical studies. This can support with the decentralisation of healthcare and ensure people to be cared for in a place they call home. This will expand access to care, can reduce length of hospital stays, avoid admissions, and improve workforce efficiencies. We will partner with providers of remote services and collectively measure the impact.

As a leading supplier to the NHS, our already well-known reputation for product quality and compliance, plus the fact that our roadmap supports bespoke integrations, means that Marsden is a preferred partner for service providers and other leading health technology companies operating in this space. As well ensuring positive impact on patient care, we also understand the importance of maintaining the safety, quality, and usability of our technology as part of clinical workflows for healthcare professionals and end users. As well as conducting product development and innovation to meet expectations, we are committed to doing this in line with quality and regulatory frameworks. We will obtain ISO13485 accreditation and supply products under the new Medical Device Regulations as part of our transition from the Medical Device Directive.

As experts in our field, we will launch a strategic campaign in 2023 to build strong awareness and participation in matters relating to relevant physical health topics, and advanced sectoral understanding of what makes for good health. Weight Matters will give us the opportunity to structure how we engage with, communicate with, support our customers, and promote optimal social impact.

Alongside this, our aim is to motivate and boost employee motivation, also giving them a sense of purpose. Our aim is to create an open and diverse culture that encourages co-operation and innovation. We want our team to feel that they are valued and can make a positive contribution to the success of the business. Of course, compliance with the Equality Act[50] forms a cornerstone of how we behave and implement ways of working to reduce instances of discrimination and ensure appropriate action if an incident does occur.

7.4.1 The benefits

· A quantifiable assessment of patient impact enables us to better communicate and monitor our social impact.

· Increases our opportunity to access funding allocated to virtual wards and remote monitoring initiatives[51] and increase revenues through the supply of devices and services.

· Align with the strategic initiatives set out by healthcare providers globally to safeguard patient safety, improve patient, and staff experience and improve access to and lower the cost of care.

· Opportunity for new revenues from marketing of nutritional screening applications.

· A connected proposal enables us to extend the life of our products and earn annuity revenues.

· Have a long-term and sustained impact on people's health.

· Boost employee motivation, productivity and reduce absenteeism.

· Attract talent through greater social credibility.

47. https://www.england.nhs.uk/five-year-forward-view/next-steps-on-the-nhs-five-year-forward-view/funding-and-efficiency/#:~:text=Get%20 best%20value%20 out%20of,NHS%20England's%20specialised%20services%20budget)
48. https://www.england.nhs.uk/wp-content/uploads/2015/06/pharmaceutical-waste-reduction.pdf
49. Reference Cost Collection: National Schedule of Reference Costs - Year 2015-16 - NHS trust and NHS foundation trusts (https://www.gov.uk/government/ publications/nhs-reference-costs-2015-to-2016).
50. Equality Act 2010: guidance - GOV.UK (www.gov.uk)
51. NHS England (2022). Virtual ward including Hospital at Home: Supporting information. Available at: www.england.nhs.uk/wp-content/uploads/2021/12/B1478- supporting-guidance-virtual-ward-including-hospital-at-home-march-2022-update.pdf accessed 27/10/22

7.4.2 Where are we now?

SOCIAL IMPACT

- We will increase our installed base of products across the globe by 10% YOY.

- We design our products with the needs of our communities in mind and create design control processes to support design improvements.

- Our products are designed to make the process of weighing patients safer, more dignified, and more accurate and are compliant with Regulatory Standards for NAWI and MDD.

- From design, manufacture, testing and service we take our responsibility for patients and businesses seriously through robust quality systems (ISO9001) which are regularly audited and monitored.

- In 2021 we published a white paper which stressed the importance of weight as both a critical measure for the administration of weight related drugs and a vital sign for continuing to monitor patient health.

- We provide customer training free of charge and in 2023 we appointed a full-time Clinical Education Specialist.

- We hold ISO9001 certification and are working towards ISO13485, an accreditation held by our manufacturing partners to ensure quality of products within the Medical Device market.

- All our engineers are provided with annual refresher training from the UK Weighing Federation as well as Health and Safety training.

- We regularly raise money for charity within the business, donating to food banks, holding coffee mornings, and sponsoring sporting activities undertaken by employees.

- We promote apprenticeships and have had 4 individuals on apprenticeship schemes in the past 3 years.

- We have engaged in the Kickstart Programme and successfully moved an unemployed individual through the programme and into a full-time role.

- We offer beneficial rates to charities for scales, and we regularly donate scales to charities.

7.4.3 Our commitments

We aim to create long term meaningful social value in the communities and environments in which we work and tackle economic inequality.

Goals	Targets/Actions
	During 2023 we will appoint a Social Impact and Patient Safety Champion to own the agenda
Support with 95% compliance with the adoption of and compliance with nutritional screening tools in hospital and community by 2040	Establish a baseline for compliance with nutritional screening tools by 2025
	Gain accurate data on weight-related drug dose errors on an annual basis
	Complete a project with BAPEN commencing in 2023 to automate MUST screening
	We will strive to get new screening tool adopted by NICE by 2040
We will invest in innovation to enable compatibility with the major electronic patient record systems by 2025	We will launch a connected proposition in 2023
We will work with the Malnutrition Action Group together with BAPEN to deliver and share Research	We will define the scope of a Research project in 2023
We will produce Clinical evidence that demonstrates improvements to patient care, patient outcomes and clinical workflows our unique innovations have	We will appoint a dedicated Clinical Resource in 2023
	We will generate a project and write-up for the PTS in 2023
	We will generate a White paper for the M-615 in 2023
We will support our local economy by providing employment and work placement opportunities from 2023	We will target having 5% of our workforce on government-backed schemes such as apprenticeships and unemployment programmes by the end of 2023 and 10% by the end of 2025
	In 2024 all employees will be encouraged to partake in facilitated volunteering for up to two working day per annum
	We will offer work placements to up to 2 young people per year and advertise with local schools and colleges
	We will set a target for charitable fund-raising activities and target ourselves to raise over £1,000 per annum for good causes
	We will continue to promote our discounts to charitable organisations and evaluate sponsorship opportunities for local organisations
We will promote healthy eating and welfare internationally	We will actively publish and promote communications linked to raising awareness of issues around weight related issues
	We will seek partnerships with gyms and fitness apps and organisations linked to malnutrition, obesity and eating disorders to help raise awareness of the importance of health and welfare
	We will remain responsive and flexible to customer needs by offering bespoke solutions and new products
	We will investigate ways to link our recycling of product aspirations with our charitable activities to try to make the movement of recycled scales to third world countries a regular activity

Goals	Targets/Actions
We will achieve ISO13485 accreditation by 2024	
We will gain clinical evidence to support the improvement in patient outcomes, staff experience, clinical workflows, delivered by the PTS by 2025	We will complete a clinical study by 2025 to prove the benefits delivered by the PTS
	We will strive to get specific guidance on methods for weighing immobile patients included within NICE guidelines by 2030
We will raise awareness of weight-related issues and compliance topics.	We will continue to raise awareness of the importance of an accurate weight in the administration of weight-dependent drugs in clinical settings to drive improvements in patient safety through a comprehensive communications strategy
	We will continue to lobby for NHS acknowledgement of the importance of weight as a vital health monitoring measure
	We will work with partners to drive the awareness of the importance of establishing connectivity of scales to patient records systems to promote accurate assessment and monitoring of weight and reduce transcription errors
	We target having 3 remote patient monitoring projects live by 1H 2024
We will keep innovation and technology at the heart of our development strategy	We will drive the technology agenda to embed automated workflows into the working practices of our customers with digital solutions and launch an agnostic electronic patient care record compatible solution by in 2H 2023
	We will develop and launch new proprietary product innovation by 2027
	We will remain responsive and flexible to customer needs by responding with bespoke solutions

These commitments support the following United Nations SDGs:

7.5 Diversity, Equality, and Inclusion

Diversity, Equality, and Inclusion (DEI) is the way we support our employees in a fair and equitable way, providing equal opportunities for all. To us we believe the essence of this means:

> "Fairness for employees compared to each other and wider society. A celebration of people's differences and a recognition that businesses are richer, engender more creativity and innovation when they bring together people from a wide range of backgrounds who feel valued, safe and empowered".

We appreciate that there are characteristics protected by the Equality Act 2010[52] and we recognise the importance of these across the business. We also ensure there is equality of opportunity ensuring no-one is disadvantaged in terms of skills and tools required to access opportunities.

We embed DEI in our operations through the hiring process, encouraging a safe working environment, supporting education discrimination and we embrace the difference in the team. We do not treat it as a box-ticking exercise. We actively encourage and reward diverse thinking through initiatives. One example is rewarding ideas that drive innovation and result in product improvements, new product development and cost reductions.

It is a continual process to attract, engage and retain talent and grow value in the business.

THE CHARACTERISTICS PROTECTED UNDER THE EQUITY ACT (2010):

- **Age**
- **Disability**
- **Gender reassignment**
- **Marriage and civil partnership**
- **Pregnancy and maternity**
- **Race**
- **Religion or belief**
- **Sex**
- **Sexual orientation**

52. Equality Act 2010: guidance - GOV.UK (www.gov.uk)

7.5.1 The Benefits

- A workforce of motivated and engaged employees with evidence showing significant benefits in terms of productivity uplift[53]:

  - Diverse companies enjoy 2.3 times higher cash flow per employee.

  - Inclusive teams improve team performance by up to 30 percent in high-diversity environments.

  - Companies with diverse management teams had a 19 percent increase in revenue compared to their less diverse counterparts.

- Building a strong brand to attract a bigger pool of new and diverse talent.

- Retain and develop the team we have reducing staff turnover and improving engagement.

- Opportunities to grow revenues, make cost savings and identify risks through the generation of new and diverse ideas.

- Our business is international by nature and by attracting people from diverse backgrounds we can acquire knowledge to support access to new markets.

53. Future Business (2022) The business benefits of Diversity, Equity and Inclusion

7.5.2 Where are we now?

DIVERSITY, EQUALITY, AND INCLUSION

- **53% of our management team are female.**

- **We have 100% ethnicity pay equality.**

- **We pay all our employees at least the Living Wage.**

- **This year we have introduced an Employee Assistance Programme and financial benefits app for employees.**

- **We have also helped employees suffering hardship with loans or advances.**

- **We have a balanced gender and ethnicity profile across the organisation.**

- **We support flexible working where practical.**

- **We have done much work in the last 12 months to equalise pay bandings and ensure remuneration levels are fair.**

- **We recently delivered the Inspire Management training programme to our senior management team, working on team and individual coaching and leadership training.**

- **We have training plans for every individual and all technical training to do the role is provided to employees and kept up-to-date.**

- **We support a number of employees with professional qualifications such as CIMA, ACCA and IOM.**

- **We make Health and Safety central to all of our meetings and our review framework with both internal and external consultancy focus to ensure we are mitigating the risks as far as possible.**

- **We are paying an additional financial reward to all non-Director employees over a 6-month period to 2023 to support with the cost-of-living crisis.**

53. Future Business (2022) The business benefits of Diversity, Equity and Inclusion

7.5.3 Our commitments

We strive to foster a culture where all employees feel safe and included and we recognise that Diversity, Equality, and Inclusion is a continuous long-term journey which requires a constant focus.

Goals	Targets/Actions
	During 2023 we will appoint a Diversity, Equality, and Inclusion Champion to own the agenda
We will publish a Diversity, Equality, and Inclusion Policy in 2023	
We will train senior managers in awareness of Diversity and Inclusion Issues in 2023	
In 2023 we will implement a Health and Safety online platform with e-learning content and bi-annual external inspections to ensure our employees are well protected	
We will provide tools and resources to help our employees manage their physical, mental, and financial health	We will establish and train mental health first aiders by 2023
	We will register on the NQC Labour Standards Assessment Tool in 2023
	We will introduce an employee satisfaction survey in 2023
	We will introduce a health benefit to all employees by 2025
	We will commit to paying the Living Wage as a minimum
	We will ensure our marketing content reflects the diversity of our customer base and the territories in which we operate
	When we relocate, we will ensure disability access is a priority
We will monitor & measure employee engagement	We will implement employee engagement surveys on a quarterly basis from 2024 onwards
We will support the needs of our workforce through training and development	We will deliver leadership training to all our supervisors and new managers annually
	We will encourage employees to undertake supported professional training courses relevant to their roles
We will actively seek to maintain a balance of genders, ages, ethnicity, religious background, and sexual orientations within the workforce	We will collect, monitor, and report on employee characteristics in 2023
	We will review our advertising channels for new roles to engage with a diverse cross-section of people
	We will aim to maintain a balanced gender representation in management roles (currently 53%)
We will incentivise our employees to embrace the values and promote our ESG initiatives	By 2023 we will introduce value awards for employees which reward and recognise behaviour, promoting our values and our ESG commitments
	By 2023 we will launch our innovations inbox and a process to support it encouraging employees to put forward and be financially rewarded for ideas that make it into production
We will commit to working towards an Investors in People accreditation by the end of 2025	

These commitments support the following United Nations SDGs

7.6 Supply Chain Management

As a business we have a supply chain that is spread globally and multi-tiered. We are deeply engaged with it to understand and mitigate the risks that are typically driven by ESG factors.

This inevitably brings the challenge of diverse cultures, different regulations, different political agendas, and a different approach to addressing climate change.

We appreciate that sustainable supply management is not only about compliance, but also about working together to reduce our environmental impact and to increase the governance around topics such as Anti-bribery, Slavery and Corruption. We will create a Code of Conduct and embed this in to our organisation and implement the Distributor Compliance toolkit.

We are addressing the requirements of the UK Modern Slavery Act by verifying product suppliers with elevated risk by evaluating and addressing the risks of human trafficking and slavery through the following mechanisms:

· Adopting the Global Human Rights and Labour Standards Policy that prohibits the use of slavery and human trafficking in Medtronic and its supplier facilities.

· Adopting the Global Anti-Human Trafficking and Forced Labour Policy that reinforces the company's commitment to prohibiting the use of human trafficking, slavery, and forced labour in supplier facilities.

· Providing Standards that set expectations for suppliers' social, environmental, and business conduct.

· Establishing a Supplier Sustainability Assessment programme to monitor and verify the compliance of its suppliers with elevated risk through desk-top and on-site audits.

· Identifying geographies and industries where suppliers could have elevated modern slavery risks.

· Mitigating modern slavery risks by executing training in Global Human Rights Programme (internally) and Supplier Sustainability Assessment Programme (externally, in the supply chain).

· Requiring suppliers to comply with the laws regarding slavery and human trafficking of the country or countries in which they are doing business.

· Maintaining internal accountability standards and procedures for employees or contractors failing to meet company standards regarding slavery and trafficking.

· Requiring comprehensive Responsible Supply Management awareness training for employees with direct responsibilities for supplier selection and management.

We are committed to instilling the importance of our other 6 priority areas and influencing our supply chain to also make progress in these areas.

There are also some distinct additional areas of focus for them:

· Due to the resources needed and the availability of materials, as manufacturers the subject of waste is broader and goes further than packaging and plastics.

· The use of energy is far higher and more significant to their operations. However, running enterprise scalable manufacturing operations presents opportunities to introduce lean manufacturing practices and more environmentally-friendly factories with lower carbon emissions.

· Our suppliers are operating indifferent global environments and their remoteness from us heightens the risks presented by ESG topics and the need for a focus on subjects such as human rights and natural resource depletion.

Due to the heavily reliance on our supply chain and the disruption caused by COVID-19, it also is pragmatic for the Marsden business to gain greater control of the supply chain as part of our operations. We can do this through operational improvements, product development and new product innovation.

7.6.1 The benefits

· Establishing a sustainable supply chain enables us to be competitive.

· Offers the potential to make cost and efficiency savings, increasing profitability.

· Has a positive effect on our overall environmental footprint.

· Attract potential new investment.

7.6.2 Where are we now?

· **We hold regular meetings with our key supply chain partners, and we monitor their financial stability.**

· **We engage regularly to discuss quality, product non-compliances, design and innovation, regulatory changes, stock levels and supply challenges.**

· **Our partners are long-standing, trusted partners with relationships built up over many years.**

· **We have reports from major suppliers on their commitments.**

7.6.3 Our commitments

Our ability to succeed in every aspect of our business depends on ability to work with, influence and communicate with our suppliers. We aim to first set an example to them in terms of ESG aspirations and then to inspire and encourage them to share and implement those aspirations in their own businesses.

Goals	Targets/Actions
	By 2025 we will seek to undertake audit visits to our key suppliers' sites to verify their compliance with our labour policies
We will take all reasonable steps to ensure that human rights issues do not exist in our supply chains	In 2023 we will implement the BS 25700 2022 into our business
	We will register on the NQC Modern Slavery Assessment Tool in 2023
	In 2023 we will create and embed a Code of Practice into our operations
	In 2023 we will work with all our supply chain partners to educate them on the policy and gain written commitment to adhere to the policy
	In 2024 we will establish internal training to support with Responsible Supply Chain management
	By Q1 2024 we will publish a Modern Slavery statement and review our Modern Slavery Policy
	By 2025 we will seek to undertake audit visits to our key suppliers' sites to verify their compliance with our labour policies
We will standardise our governance and monitoring processes with our supply chain	By 2023 we will ensure we have new updated contracts in place with all suppliers accounting for more than 5% of purchases
	In 2023 we will create a Supplier Sustainability Assessment
	In 2023 we will implement the Global Distributor Compliance Toolkit into our business
	By 2023 we will implement quarterly reviews with all such suppliers
	In 2023 we will survey our suppliers representing more than 5% of spend on their sustainability plans and reporting
	We will overhaul our on-boarding processes for new suppliers to include awareness of and compliance with our policies of slave labour, quality, values, governance, and reporting as well as initial financial and credit checks in line with the Global Distributor Compliance Toolkit
	By 2025 we will assess all suppliers representing more than 5% of our supplier spend on sustainability performance
We will gain greater control of the supply chain as part of our operations	We will implement design changes to the 'low hanging fruit' products where low-cost changes can be made to reduce assembly time, shipping costs and manufacturing times
	We will introduce timing and productivity measures as well as SOPs to support lean processes by 2024

These commitments support the following United Nations SDGs

8. Reporting and KPI's

By the 2H of 2023 we will have established our baselines, and we will have developed a reporting framework and KPI dashboard to collate and monitor the data required to assess progress towards our goals.

This will lead onto SMART, measurable targets.

Our progress against these aims will be monitored quarterly via a submission to the Board meeting and aligned with a defined set of KPIs put in place by our Investors from 2H 2023.

We will produce an annual progress report commencing in December 2024. Our baseline year will be 2023 and this report will analyse the progress we make throughout 2024. We will report on overall progress towards our goals and provide an update on key actions completed.

We will utilise clear visuals to ensure that at-a-glance, our progress towards our commitments can be easily assessed.

9. Ownership and Governance

The ESG strategy will be owned by the Chief Executive, Mark Holdaway and Becky Boughey, Product and Commercial Director. Responsibility for our actions will be owned by the management team.

Additional resource needs to be added to the team to support the execution, implementation, and monitoring of the strategy. This is to ensure it is practically possible to deliver on our commitments and to support capability gaps to be successful.

We will form an ESG committee comprising the champions for the priorities, and we will meet quarterly to assess progress.

The Operations Manager and Financial Director will take responsibility for collating the information needed for a quarterly progress report which will be discussed at the Board meeting. The Product and Commercial Director will take responsibility for creating the report and leading the ESG Committee.

We will develop a communications plan for ESG with the aim of engaging and involving all our stakeholders on our ESG journey.

10. Appendices

Appendix A SASB

SASB Standards guide the disclosure of financial material sustainability information by companies to their investors. Available for 77 industries, the Standards identify the subset of environmental, social, and governance (ESG) issues most relevant to financial performance in each industry.

SASB Standards are maintained under the auspices of the Value Reporting Foundation, a global non-profit organisation that offers a comprehensive suite of resources designed to help businesses and investors develop a shared understanding of enterprise value—how it is created, preserved, or eroded.

A wide range of constituencies—including investors, companies, policy makers, regulators, NGOs, and civil society—use corporate sustainability reporting to inform a wide range of decisions. A dynamic ecosystem of organisations has evolved to meet these various information needs. Disclosure standards and frameworks, including SASBs, are the foundation of this ecosystem. They facilitate the disclosure of comparable, consistent, and reliable ESG information. Using this information, data providers and rating agencies can build tools, analytics, and resources for the capital markets.

It is important to distinguish between sustainability frameworks and sustainability standards. Frameworks provide principles-based guidance on how information is structured, how it is prepared, and what broad topics are covered. Meanwhile, standards provide specific, detailed, and replicable requirements for what should be reported for each topic, including metrics. Standards make frameworks actionable, ensuring comparable, consistent, and reliable disclosure. Frameworks and standards are complementary and are designed to be used together.

In September 2020, five leading framework- and standard-setting organisations—CDP, CDSB, GRI, IIRC and SASB—announced a shared vision for a comprehensive corporate reporting system that includes both financial accounting and sustainability disclosure, connected via integrated reporting. The joint statement outlines how existing sustainability standards and frameworks can complement generally accepted financial accounting principles (Financial GAAP).

SASB Standards are designed for communication by companies to investors about how sustainability issues impact long-term enterprise value.

Appendix B Sustainable Development Goals (SDGs)

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and in the future. At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries - developed and developing - in a global partnership. They recognise that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

The SDGs build on decades of work by countries and the UN, including the UN Department of Economic and Social Affairs.

1. End poverty in all its forms everywhere.

2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture.

3. Ensure healthy lives and promote welfare for all at all ages.

4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

5. Achieve gender equality and empower all women and girls.

6. Ensure availability and sustainable management of water and sanitation for all.

7. Ensure access to affordable, reliable, sustainable and modern energy for all.

8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

9. Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.

10. Reduce inequality within and among countries.

11. Make cities and human settlements inclusive, safe, resilient and sustainable.

12. Ensure sustainable consumption and production patterns.

13. Take urgent action to combat climate change and its impacts*.

14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development.

15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

17. Strengthen the means of implementation and revitalise the global partnership for sustainable development.

Today, the Division for Sustainable Development Goals (DSDG) in the United Nations Department of Economic and Social Affairs (UNDESA) provides substantive support and capacity-building for the SDGs and their related thematic issues, including water, energy, climate, oceans, urbanisation, transport, science and technology, the Global Sustainable Development Report (GSDR), partnerships and Small Island Developing States.

Appendix C The scopes of greenhouse gas emissions

To take action to reduce emissions, we need to understand and measure where they are sourced from in the first place.

The three scopes are a way of categorising the different kinds of emissions a company creates in its own operations and in its wider 'value chain' (its suppliers and customers).

As the Greenhouse Gas Protocol itself puts it: "Developing a full emissions inventory – incorporating Scope 1, Scope 2 and Scope 3 emissions – enables companies to understand their full value chain emissions and focus their efforts on the greatest reduction opportunities".

Essentially, scope 1 and 2 are those emissions that are owned or controlled by a company, whereas scope 3 emissions are a consequence of the activities of the company but occur from sources not owned or controlled by it.

Scope 1 emissions

Scope 1 covers emissions from sources that an organisation owns or controls directly – for example from burning fuel in our fleet of vehicles (if they're not electrically-powered).

Scope 2 emissions

Scope 2 are emissions that a company causes indirectly when the energy it purchases and uses is produced. For example, for our electric fleet vehicles the emissions from the generation of the electricity they are powered by would fall into this category.

Scope 3 emissions

Scope 3 encompasses emissions that are not produced by the company itself and are not the result of activities from assets owned or controlled by them, but those that it is indirectly responsible for, up and down its value chain. An example of this is when we buy, use, and dispose of products from suppliers. Scope 3 emissions include all sources not within the scope 1 and 2 boundaries.

Appendix D NHS Supply Chain

Net Zero Supplier Roadmap

NHS England

2022 — From April 2022, all NHS procurements will include a minimum 10% net zero and social value weighting. The net zero and social value guidance for NHS procurement teams will help unlock heath-specific outcomes (building on PPN 06/20)

2023/24 — From April 2023, for all contracts above £5 million, the NHS will require suppliers to publish carbon reduction plan for their UK Scope 1 and 2 emissions as a minimum (building on PPN 06/210). From April 2024, the NHS will extend this requirement to cover all procurements.

2027 — From April 2027, all suppliers will be required to publicly report targets, emissions and publish a carbon reduction plan for their UK Scope 1, 2 and 3 emissions.
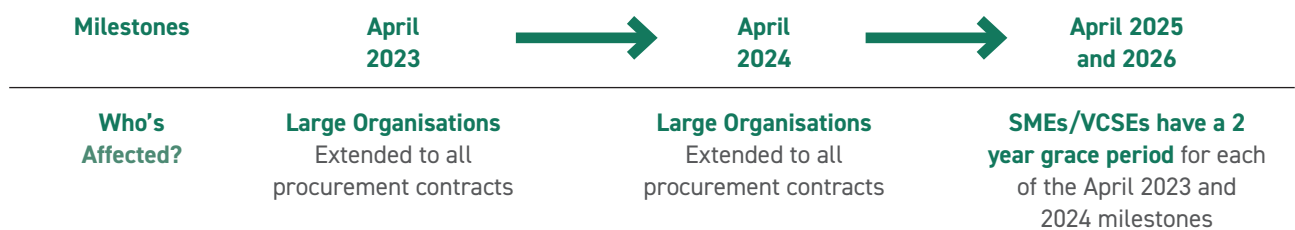
2028 — New requirements will be introduced overseeing the provision of carbon footprinting for individual products supplied to the NHS. The NHS will work with suppliers and regulators to determine the scope and methodology.

NB: A two-year period on the 2023, 2024 2nd 2027 milestones will apply for small and medium-sized enterprises (SMEs) and voluntary, community and social enterprises (VCSEs).

April 2023 and 2024 Milestones – When are suppliers affected?

NHS England

NHS Carbon Reduction plan (CRP) requirements will come into effect for suppliers at different times.

Milestones	April 2023	April 2024	April 2025 and 2026
Who's Affected?	**Large Organisations** Extended to all procurement contracts	**Large Organisations** Extended to all procurement contracts	**SMEs/VCSEs have a 2 year grace period** for each of the April 2023 and 2024 milestones

April 2023 and 2024 Milestones – NHS Requirements

NHS England

The NHS will introduce Carbon Reduction Plan (CRP) requirements.

	Minimum Requirements	Good Practice
Net Zero Target Year	Before 2050	Before 2045
Geographical emissions boundary	Any including the UK	Global boundary
Emission Scopes	At least scope 1 and 2	Scopes 1,2 and 3
Reporting Mechanism	Information shared through Evergreen Supplier Platform on Atamis	
Carbon Reduction Plan (CRP) Approval	Board approved and publicly available on the company website	

Appendix E ESG KPI Dashboards

ENVIRONMENTAL

- % of energy in kWh from renewable energy sources as of total energy consumed

- % of energy in kWh from combined heat and power generation as of total energy consumed

- Energy Efficiency Energy Consumption Total vs revenue

- GHG Emissions

- Water Consumption

- Percentage of material recovered for reusage and at end of life-cycle

- # of patents

- Total R&D expenses as a percentage of total revenues

- Percentage of revenues from repeat business as a percentage of total business

SOCIAL

- Male Board Members

- Female Board Members

- Total Board Members

- Full-Time Female Employees

- Full-Time Male Employees

- Part-Time Female Employees

- Part-Time Male Employees

- Total Employees

- Amount spent on employee training

- Total Employees

- Employee engagement scores

- # of weighing devices

- # of connected devices

- Percentage of new customers as a percentage of total customers

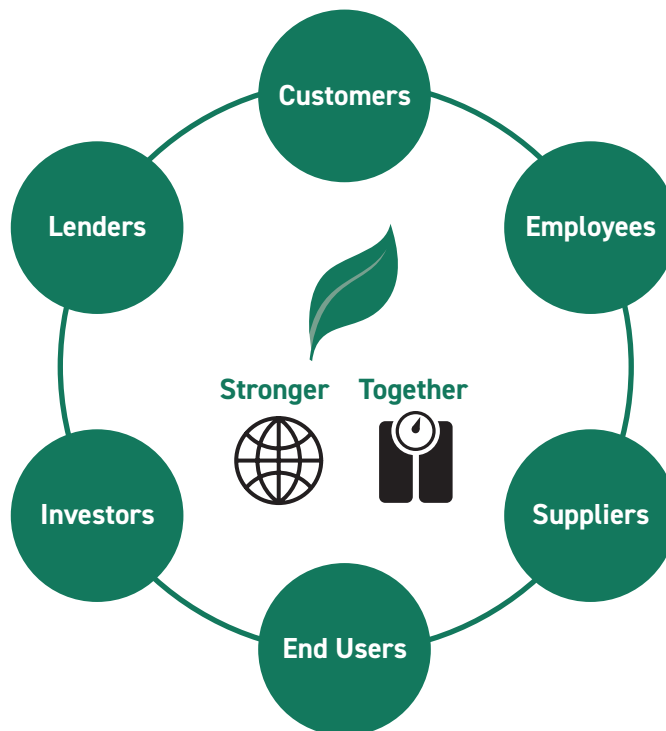- Average length of time of customer relationship in years

GOVERNANCE

- **#supplier visits**
- **#NCRs**
- **#standardised components**
- **Percentage of suppliers and supply chain partners screened for compliance with ESG-criteria as a percentage of total supply chain**
- **Compliance with MAST**
- **Audit findings/compliance with - ISO9001**
- **Audit findings/compliance with - ISO13485**

- **# of Conflicts of Interest received**
- **Percentage completion of Compliance Training**
- **# of Due Diligence completed vs # of suppliers**
- **# of Self-Certification received vs # of suppliers***
- **# of suppliers adopting Global Compliance toolkit**

* This applies to the Self-Certification of Compliance with applicable Anti-Bribery and Anti-Corruption Laws, Regulations, Industry Codes, and Company Code of Conduct

MARSDEN

Customers

Lenders

Employees

Stronger Together

Investors

Suppliers

End Users

MARSDEN