

CARBON REDUCTION PLAN 2023–24

COMMITMENT TO ACHIEVING NET ZERO

Chromis UK Ltd UK Limited (trading as Freeway Medical & Freeway Med-Tech) is committed to achieving a near-term Net Zero target for Scope 1 and 2 emissions by 2040 against a 2018 baseline.

By 2045, the organisation is focused on reaching Net Zero for its Scope 1, 2 and 3 emissions (Scope 3 emissions as defined in PPN 06/21) against the baseline year. Chromis UK Ltd is pursuing a path of continuous improvement, to develop innovative solutions that integrate environmental issues into the organisation's business strategy, to reduce its environmental impact.

Over the last five years, Chromis UK Ltd has recorded progress against its targets by monitoring energy consumption and calculating the carbon emissions of its UK sites.



BASELINE EMISSIONS FOOTPRINT

Baseline emissions are a record of the greenhouse gases (GHG) that have been produced in the past and were created prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

BASELINE YEAR: 2018

ADDITIONAL DETAILS RELATING TO THE BASELINE EMISSIONS CALCULATIONS Chromis UK Ltd's GHG emissions are calculated for the reporting period running between January and December 2023, in line with the GHG Protocol Corporate Accounting and Reporting Standard. UK 2021 CO2e conversion factors and calorific converters have been used as part of this methodology. The reporting covers all material emissions sources within Chromis UK Ltd's operational boundary, using the financial control approach.

SCOPE 1

Encompasses Chromis UK Ltd's direct emissions, including those associated with the direct consumption of gas and fuel and the emissions generated by owned and leased vehicles. Scope 1 emissions are calculated based on the volume of consumed fuel detailed on utility invoices and the equivalent CO2e value calculated

SCOPE 2

Encompasses indirect emissions, including those associated with the purchase and consumption of electricity. Scope 2 emission calculations are based on the volume of consumed fuel detailed on utility invoices.

SCOPE 3

Encompasses emissions that are a consequence of company activities, generated from sources not owned or controlled by Chromis UK Ltd. The scope 3 figures reported in this CRP include the following emissions as per the Technical Standard guidance:

- upstream transportation and distribution
- business travel; employee commuting
- downstream transportation and distribution
- and waste generated in operations.

The baseline year is 2018, to align with the base year chosen by other UK government schemes such as Climate Change Agreements (CCA).

EMISSIONS REPORTING

TABLE 1: 2023 EMISSIONS AGAINST THE 2018 BASELINE. SCOPE 1 & 2 HAS REDUCED BY 45%.

Emissions Scope	2018 Baseline Kg CO2e	2023 Baseline Kg CO2e	% Change
Scope 1	46,972	32,602.29	30.6%
Scope 2	24,084	6232	74.17%
Scope 1 & 2	71,056	38,834	45.32%
Scope 3			
Business Travel	20,542	16,049	21.9%
Employee Commuting	24,137	20,850	13.6%
Upstream Transportation and Distribution {1}	182,270	169,446	7.03%
Downstream Transportation and Distribution {1}			
Waste	332,124	60,889	81.7%
TOTAL SCOPE 3	559,073	267,234	52.2%
TOTAL EMISSIONS	630,129	306,069	51.40%

⁽¹⁾ Chromis UK Ltd is assessing all transportation and distribution emissions, but is not able to separate upstream and downstream emissions. This report therefore combines all transportation and distribution emissions into the upstream total.

EMISSIONS REDUCTION TARGETS

Chromis UK Ltd is committed to achieving Net Zero by 2040 for Scope 1 and 2 emissions and Net Zero by 2045 for all scopes, including Scope 3 emissions as defined in PPN 06/21. Chromis UK Ltd has adopted the following near-term carbon reduction target, as part of its journey towards net zero:

REDUCE SCOPE 1 AND 2 GHG EMISSIONS BY 50% BY THE END OF 2030 FROM A 2018 BASELINE.

Chromis UK Ltd's performance so far.

SCOPE 1 AND 2 EMISSIONS HAVE DECREASED BY 45.32% FROM 71,056 KgCO2E IN 2018 TO 38,834 Kg CO2e IN 2023. Chromis UK Ltd PROCURES 60% OF ITS ENERGY FROM RENEWABLE SOURCES, WHICH HAS BEEN THE MAIN DRIVER OF THIS REDUCTION TO DATE, and will qualify to move to 100% renewable from current tariff contract in 2029

Chromis UK Ltd continues to initiate projects that reduce energy usage across the organisation.

COMPLETED CARBON REDUCTION INITIATIVES

The following environmental management measures and projects have been completed or implemented since the baseline year of 2018. These significant investments have improved efficiencies to reduce Chromis UK Ltd's GHG emissions.

- Investment in LED lighting continued in 2022 across all sites. Chromis UK Ltd is using an approach of Lighting as a Service (LaaS) on its Thatcham site as part of its commitment to be 100% LED. In other facilities, Chromis UK Ltd continues to invest directly in LED.
- Installation of Electric Vehicle (EV) Charging Points are planned for Thatcham site staff car parks for 2024, to support Chromis UK Ltd employees who are transitioning to EVs.
- Roll out of a new salary sacrifice Green Car Scheme to encourage Chromis UK Ltd employees to transition to EVs to reduce GHG emissions generated by employee commutes.
- Continued investment in more efficient electrical CNC machines, to support industrial manufacturing processes.
- Continued investment in a more efficient heating, ventilation, and air conditioning (HVAC) infrastructure that uses more environmentally friendly gases.
- Replacement of old gas heating systems with more energy efficient solutions.
- Reduction in the company's office footprint and maximisation of its office spaces, to improve energy efficiency.
- Initiation of humidity control studies for manufacturing facilities, to reduce energy consumption.

CARBON REDUCTION INITIATIVES PLANNED

Moving forward, Chromis UK Ltd has an ambitious pipeline of activity to accelerate its carbon reduction performance further. Chromis UK Ltd is planning to implement the following further measures to reduce its overall carbon footprint:

- Investigation and assessment of large scale Solar Photovoltaics (PV). This will include a direct site feed and own site projects.
- Expanding Smart Building Management Systems within its facilities.
- Exploring the use of new Data Centres, to minimise energy consumption on premises.
- Researching the wider use of Sustainable synthetic Fuel within its core fleet where electrification is not possible with current technology.

ALIGNMENT TO ALL GROUP COMPANIES

and Defence Sector in its commitment to Sustainability.

The integration of Sustainability into the Group's business model is enabled by the full coordination of strategic targets and initiatives envisaged in the Sustainability Plan. The direct involvement of each business, legal entity, or division will be required to support the achievement of such targets.

Chromis UK Ltd is committed to reducing climate-altering emissions, mitigating climate change risks, and fostering the transition to a low-carbon economy, especially through research and the implementation of innovative solutions, which also encompass the wider supplier ecosystem.

In 2022, Chromis UK Ltd gave further impetus to its climate-related strategy, by committing itself to ambitious target to reduce direct and indirect CO2 emissions, in line with the objectives set in the Paris agreement. On this basis, positioning the company as a leader in its commitment to climate change for a SME enterprise, as we believe it is everyone's responsibility to reduce their Carbon foot print not just large industry .

DECLARATION AND SIGN OFF

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

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard, using the appropriate Government emission conversion factors for GHG company reporting.

Scope 1 and Scope 2 emissions have been reported in accordance with Streamlined Energy and Carbon Reporting (SECR) requirements. The required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard.

This Carbon Reduction Plan has been reviewed and signed off by the Board of Directors (or equivalent Management Body).

Signed on behalf of Chromis UK Ltd.

Date: 2nd January 2024

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