

Medical Devices Technology International Sustainability Report 11/06/2024

Brief/Executive Report Details

Item/paragraph 1.0	<p>PURPOSE OF THE REPORT</p> <p>The Sustainability report is to allow the company to understand what impact its business has on three different categories: environmental, social and governance.</p> <p>This report covers:</p> <ul style="list-style-type: none"> a) the sustainability risks of Medical Devices Technology International Ltd (MDTi) may be facing and how we plan to overcome them, b) our business model and what impact our way of doing business has on the environment, and c) how we work with sustainability within Medical Devices Technology International Ltd (MDTi) through codes of conduct or other policies. <p>The purpose of this reports is to provide an update on:</p> <ol style="list-style-type: none"> 1. Whether the company has taken steps to understand its environmental impact and carbon footprint relevant to the delivery of any public sector contract. 2. has the company made a commitment to reduce their emissions over time to achieve Net Zero by 2050. 3. Has the Company established a Carbon Reduction Plan which has been appropriately signed off? 4. Has the company provided details within the Carbon Reduction Plan of the environmental management measures that will be applied in the performance of any contract? 5. Does the Carbon Reduction Plan meet the Technical Standard for completing a Carbon Reduction Plan?
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2.0	<p>Assessment of Sustainability Risks to the business</p> <p>Evaluation of all risks that may potentially have an impact on the business and its customer, the output summary is presented below in table 1:</p>																																																
<p>Table 1</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 35%;"></th> <th style="width: 10%; text-align: center;">Packaging</th> <th style="width: 10%; text-align: center;">Carriage</th> <th style="width: 10%; text-align: center;">Raw material</th> <th style="width: 10%; text-align: center;">Production</th> <th style="width: 10%; text-align: center;">IT</th> </tr> </thead> <tbody> <tr> <td>The level of existing activity within the organisation to mitigate sustainability risks and optimise sustainability opportunity arising from procurement? (1 = high; 2 = medium; 3 = low/none)</td> <td style="text-align: center;">2</td> <td style="text-align: center;">2</td> <td style="text-align: center;">2</td> <td style="text-align: center;">2</td> <td style="text-align: center;">2</td> </tr> <tr> <td>Is there scope to do more within the organisation to mitigate sustainability risks and optimise sustainability opportunity arising from procurement? (1 = no; 2 = partially; 3 = yes)</td> <td style="text-align: center;">2</td> <td style="text-align: center;">2</td> <td style="text-align: center;">2</td> <td style="text-align: center;">1</td> <td style="text-align: center;">1</td> </tr> <tr> <td>Is there a significant reputational risk level surrounding the organisation's current procurement? (1 = no; 2 = partially; 3 = yes)</td> <td style="text-align: center;">2</td> <td style="text-align: center;">2</td> <td style="text-align: center;">2</td> <td style="text-align: center;">2</td> <td style="text-align: center;">1</td> </tr> </tbody> </table>		Packaging	Carriage	Raw material	Production	IT	The level of existing activity within the organisation to mitigate sustainability risks and optimise sustainability opportunity arising from procurement? (1 = high; 2 = medium; 3 = low/none)	2	2	2	2	2	Is there scope to do more within the organisation to mitigate sustainability risks and optimise sustainability opportunity arising from procurement? (1 = no; 2 = partially; 3 = yes)	2	2	2	1	1	Is there a significant reputational risk level surrounding the organisation's current procurement? (1 = no; 2 = partially; 3 = yes)	2	2	2	2	1	<table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr> <td style="width: 30%;">Spend score:</td> <td style="text-align: center;">2</td> <td style="text-align: center;">5</td> <td style="text-align: center;">4</td> <td style="text-align: center;">3</td> <td style="text-align: center;">1</td> </tr> <tr> <td>Environmental risk score:</td> <td style="text-align: center;">2</td> <td style="text-align: center;">2</td> <td style="text-align: center;">2</td> <td style="text-align: center;">2</td> <td style="text-align: center;">1</td> </tr> <tr> <td>Socio-economic risk score:</td> <td style="text-align: center;">5</td> <td style="text-align: center;">5</td> <td style="text-align: center;">5</td> <td style="text-align: center;">5</td> <td style="text-align: center;">5</td> </tr> <tr> <td>Overall Risk Score: (maximum = 24)</td> <td style="text-align: center;">15</td> <td style="text-align: center;">18</td> <td style="text-align: center;">17</td> <td style="text-align: center;">15</td> <td style="text-align: center;">11</td> </tr> </table>	Spend score:	2	5	4	3	1	Environmental risk score:	2	2	2	2	1	Socio-economic risk score:	5	5	5	5	5	Overall Risk Score: (maximum = 24)	15	18	17	15	11
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Comprehensive GHG inventory

Inventory	Spend Year 2023/24	Spend Score
Packaging	£ 30,000.00	2
Carriage	£ 55,000.00	5
Raw material	£ 40,000.00	4
Production	£ 35,000.00	3
IT	£ 10,000.00	1
Total spend:	£ 170,000.00	

Environmental Assessment

	Packaging		Carriage		Raw material		Production		IT	
CO2 and other greenhouse gases	1	No	3	Yes	1	No	1	No	1	No
Other air emissions	1	No	2	Partially	1	No	1	No	1	No
Emissions to water	1	No	1	No	1	No	1	No	1	No
Waste to landfill	2	Partially	1	No	1	No	1	No	2	Partially
Hazardous substances	1	No	1	No	2	Partially	2	Partially	1	No
Raw materials	3	Yes	2	Partially	3	Yes	3	Yes	1	No
Energy	2	Partially	1	No	3	Yes	3	Yes	3	Yes
Other natural resources	1	No	1	No	1	No	1	No	1	No
Water	2	Partially	1	No	1	No	1	No	1	No
Biodiversity	1	No	1	No	1	No	1	No	1	No
Local environment	2	Partially	2	Partially	2	Partially	2	Partially	2	Partially
Environmental Risk Score:	2		2		2		2		1	

Socio-economic Assessment

	Packaging		Carriage		Raw material		Production		IT	
Health	3	Yes	3	Yes	3	Yes	3	Yes	3	Yes
Education	3	Yes	3	Yes	3	Yes	3	Yes	3	Yes
Employment	3	Yes	3	Yes	3	Yes	3	Yes	3	Yes
Community	2	Partially	2	Partially	2	Partially	2	Partially	2	Partially
Developing world supply chains	2	Partially	2	Partially	2	Partially	2	Partially	2	Partially
Equalities - Accessibility	3	Yes	3	Yes	3	Yes	3	Yes	3	Yes
Equalities - Equality Group Needs	3	Yes	3	Yes	3	Yes	3	Yes	3	Yes
Equalities - Cultural	3	Yes	3	Yes	3	Yes	3	Yes	3	Yes
Equalities - Appropriate Communication	3	Yes	3	Yes	3	Yes	3	Yes	3	Yes
Equalities - Poverty	2	Partially	2	Partially	2	Partially	2	Partially	2	Partially
Socio-economic Risk Score:	5		5		5		5		5	

	<p><u>Plan to Mitigate Risks.</u></p> <p>The MDTi's Green Plan set out to achieve an interim target of 25% reduction of its carbon emissions from 2023/24 baseline by April 2028 with commitments to reach net zero by 2030 on direct emissions and 2050 on indirect emissions. It is worth noting that the Company has never received a penalty notice from the Environment Agency for breaching the UK ETS carbon emissions allocation.</p> <p>We will commit to the following targets:</p> <ol style="list-style-type: none"> 1) Reduce greenhouse gas emissions by 25% from a 2022/2023 baseline from the whole operation and business-related travel. 2) Reduce the amount of waste we generate by 25% from a 2022/2023 baseline, 3) Reduce water consumption from a 2022/2023 baseline, and report on office water use against best practice benchmarks, 4) Ensure the Company buys more sustainable and efficient products and engages with suppliers to understand and reduce the impacts of supply chains.
<p>3.0</p>	<p>Company's Business Model and What Impact Our Way of Doing Business has on the Environment.</p> <p>Medical Devices Technology International Limited business model is to operate as a 'virtual manufacturer' of medical devices, undertaking the production of end user product through the sub-contract to a single UK critical contractor, effectively purchasing machine time and assembly. All raw material, tooling, packaging, downstream distribution and regulations are directly managed through MDTi's operation. The organisation runs through one physical location based in the UK, and virtual offices in Cyprus and New Zealand that are entirely web based for regulatory purposes.</p> <p>The entire organisation functions through the employment of 3 Full time individuals. The business has been operating since 2003.</p> <p>All end-user products are produced in the UK</p>

<p>4.0</p>	<p>Carbon Reduction Plan must conform to the required reporting methodology as defined in the Technical Standard for the completion of Carbon Reduction Plans</p> <p><u>MDTi's SME Climate Commitment</u></p> <p>Medical Devices Technology International Limited recognise that climate change poses a threat to the economy, nature, and society at large, our company commits to take action immediately in order to:</p> <ul style="list-style-type: none"> • Halve our greenhouse gas emissions before 2030. • Achieve net zero emissions before 2050. • Disclose our progress on a yearly basis. <p>In doing so, we are proud to be recognised by the United Nations Race to Zero campaign, and join governments, businesses, cities, regions, and universities around the world that share the same mission.</p> <p>A Carbon Reduction Plans (CRPs) has been completed by the Company and meet the reporting requirements and include the Company's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.</p> <p>The Carbon Reduction Plans (CRP) will help the Company and customers understand the impact of any contract and therefore its wider operations have upon the environment. It details the organisation's emissions across a single year against a range of emissions sources and greenhouse gases.</p> <p>The Carbon Reduction Plan must be provided by the Company when responding to in-scope procurements as defined by PPN 06/21. It is a summary document that details high level information that demonstrates our compliance with the measure.</p> <p>The Carbon Reduction Plans focus upon the recording and reporting of Scope 1 and 2 emissions and introduce additional reporting against a subset. of Scope 3 emissions. The CRP is completed in accordance with the latest environmental reporting guidance for Scope 1 and Scope 2 emissions, and the reporting of the required subset of Scope 3 emissions is in line with best industry practice.</p> <p>The CRP will be reviewed and updated annually to reflect changes in organisational structure and to take account of the efforts made to reduce its emissions over time. Ideally, the CRP should be updated within 6 months of the organisation's financial year-end.</p> <p>To increase transparency, MDTi will publish its latest Carbon Reduction Plan on its website. The Company will place a link to its CRP on a prominent place on its homepage.</p>
<p>5.0</p>	<p>Carbon Footprint Data</p> <p>The Company's Plan sets out to achieve an interim target of 25% reduction of its carbon emissions from 2022/23 baseline by April 2028 with commitments to reach net zero by 2030 on direct emissions and 2050 on indirect emissions. From 1 April 2023 to 31 March 2024, the sustainability initiatives implemented to reduce the Company's carbon emissions have delivered around 7.37% reduction from baseline. This figure is likely to change once the rest of scope 3 reduction initiatives has been accounted for.</p>

<p>6.0</p>	<p>Task Force on Climate-related Disclosure (TCFD) compliance status</p> <p>The Task Force on Climate-related Financial Disclosure (TCFD) phase 1 comes into force. Below are the details:</p> <ol style="list-style-type: none"> 1. Target period: 2023-24 Annual reports ending 31 March 2-24 2. Focus: High level overview 3. Requirements: Provide a TCFD Compliance statement and recommended disclosures for: <ul style="list-style-type: none"> • Governance – Disclose the Company’s governance around climate related risks and opportunities including a description of Company’s oversight of climate-related risks and opportunities and the Company’s management role in assessing and managing climate related risks and opportunities. • Risk Management - Disclose how the Company identifies, assesses, and manages climate-related risks and how processes for identifying, assessing, and managing climate-related risks are integrated into the Company’s overall risk management. • Metrics and Targets - Disclose the metrics (Scope 1, Scope 2, Scope 3, and related risks) used by the Company to assess climate-related risks and opportunities in line with its strategy and risk management process and the description of the targets used by the organisation to manage climate-related risks and opportunities and performance against targets. <p>A compliance statement will be included within a sustainability section of the Company’s annual report. Phase 2 implementation of the TCFD will come in force in March 2025. The disclosure will include all Phase 1 disclosure requirements in addition to the TCFD Strategy disclosures. The Strategy disclosures require the Company to disclose actual and potential impact of climate-related risks and opportunities on the Company’s business, strategy, and financial planning as well as the risks and opportunities the Company has identified over the short, medium, and long term. A description of the resilience of the Company’s strategy, taking into consideration different climate- related scenarios, including a 2C or lower scenario should also be included.</p>
<p>7.0</p>	<p>Financial impact</p> <p>Without capital and revenue investment, the Company will fail to deliver on targets. Repeated failure to invest in carbon reduction initiatives will affect the Company ability to achieve its mandatory net zero and climate related financial disclosures commitments.</p>
<p>8.0</p>	<p>RECOMMENDATIONS</p> <p>To note the following:</p> <ol style="list-style-type: none"> 1. Task Force on Climate-related Financial Disclosure (TCFD) phase 1 compliance requirement and the requirements for phase 2 implementation. 2. Risks of delivering the 2024-25 deliverables. <p>Decide the Company’s position on the revenue and financial investment required to deliver its net zero and climate related financial disclosure commitments</p>