

## HCE Evergreen SSA Scopes Absolute & Intensity 1, 2 & 3

Scope 1 Absolute and Intensity Targets for Achieving Net Zero by 2045

### 1. Introduction:

Health-Care Equipment & Supplies Co Ltd is fully committed to achieving Net Zero by 2045 and recognizes the critical role that Scope 1 emissions play in our environmental impact. This document outlines our targets for reducing both the overall greenhouse gas (GHG) emissions (absolute targets) and the emissions intensity associated with our medical manufacturing business (intensity targets).

### 2. Scope 1 Categories:

Scope 1 emissions encompass direct emissions from sources that are owned or controlled by Health-Care Equipment & Supplies Co Ltd. Key Scope 1 categories include:

#### Combustion of Fossil Fuels:

Emissions from the combustion of fossil fuels in manufacturing processes and on-site facilities.

#### Industrial Processes:

Emissions resulting from industrial processes, such as chemical reactions and material transformations.

#### Mobile Combustion:

Emissions from on-site transportation vehicles, including company-owned vehicles.

### 3. Scope 1 Absolute Targets:

In alignment with our commitment to achieving Net Zero by 2045, sets the following Scope 1 absolute targets:

#### Combustion of Fossil Fuels:

Achieve a 30% reduction in total Scope 1 emissions from fossil fuel combustion by 2030. Implement energy-efficient technologies and explore alternative, low-carbon energy sources.

#### Industrial Processes:

Work towards a 60% reduction in total emissions from industrial processes by 2040. Invest in process optimization, cleaner technologies, and sustainable materials.

#### Mobile Combustion:

Achieve a 30% reduction in total emissions from on-site transportation vehicles by 2030. Transition to low-emission and electric vehicles and implement fuel-efficient driving practices.

#### **4. Scope 1 Intensity Targets:**

Simultaneously, Health-Care Equipment & Supplies Co Ltd sets the following Scope 1 intensity targets to improve the efficiency of emissions per unit of activity:

Combustion of Fossil Fuels:

Reduce the emissions intensity of fossil fuel combustion by 30% per unit of production by 2030.

Implement operational improvements and energy conservation measures.

Industrial Processes:

Work towards a 60% reduction in emissions intensity per unit of output by 2040.

Explore cleaner production methods, enhance energy efficiency, and optimize raw material usage.

Mobile Combustion:

Achieve a 60% reduction in emissions intensity per unit of transportation activity by 2040.

Promote fuel-efficient driving practices and gradually transition to electric or low-emission vehicles.

#### **5. Monitoring and Reporting:**

Implement a comprehensive monitoring and reporting system to track progress toward the Scope 1 absolute and intensity targets. Regular assessments, data collection, and performance analysis will enable us to identify areas for improvement and measure our success.

#### **6. Continuous Improvement:**

Health-Care Equipment & Supplies Co Ltd is committed to continuous improvement in addressing Scope 1 emissions. We will regularly review and update our strategies, leverage innovative technologies, and engage in research and development to minimize direct emissions from our operations.

### **Scope 2 Absolute and Intensity Targets for Achieving Net Zero by 2045**

#### **1. Introduction:**

Health-Care Equipment & Supplies Co Ltd is committed to achieving Net Zero emissions by 2045 and recognizing the significance of Scope 2 emissions in our overall environmental impact, this document outlines our targets for reducing both the overall greenhouse gas (GHG) emissions (absolute targets) and the emissions intensity associated with our operations (intensity targets).

**2. Scope 2 Categories:**

Scope 2 emissions include indirect emissions associated with the generation of purchased electricity, heat, or steam consumed by Health-Care Equipment & Supplies Co Ltd. Key Scope 2 categories encompass:

**Electricity Consumption:**

Emissions resulting from the use of purchased electricity for manufacturing processes and on-site facilities.

**3. Scope 2 Absolute Targets:**

In alignment with our commitment to achieving Net Zero by 2045, Health-Care Equipment & Supplies Co Ltd sets the following Scope 2 absolute targets:

**Electricity Consumption:**

Achieve a 20% reduction in total Scope 2 emissions from purchased electricity by 2035. Transition to renewable energy sources, increase energy efficiency, and consider on-site renewable energy generation.

**4. Scope 2 Intensity Targets:**

Simultaneously, Health-Care Equipment & Supplies Co Ltd sets the following Scope 2 intensity targets to enhance the efficiency of emissions per unit of activity:

**Electricity Consumption:**

Reduce the emissions intensity of purchased electricity by 35% per unit of production by 2045.

Implement energy-efficient technologies, optimize electricity usage, and explore opportunities for cleaner energy procurement.

**5. Monitoring and Reporting:**

Implement a comprehensive monitoring and reporting system to track progress toward the Scope 2 absolute and intensity targets. Regular assessments, data collection, and performance analysis will enable us to identify areas for improvement and measure our success.

**6. Renewable Energy Procurement:**

Explore opportunities to procure renewable energy and consider entering into power purchase agreements (PPAs) to support the transition to cleaner energy sources.

## **7. Continuous Improvement:**

Health-Care Equipment & Supplies Co Ltd is committed to continuous improvement in addressing Scope 2 emissions. We will regularly review and update our strategies, leverage innovative technologies, and engage in research and development to minimize indirect emissions associated with electricity consumption.

## **Scope 3 Absolute and Intensity Targets for Achieving Net Zero by 2045**

### **1. Introduction:**

Health-Care Equipment & Supplies Co Ltd is committed to achieving Net Zero by 2045 and recognizes the importance of addressing both absolute and intensity-based Scope 3 emissions. This document outlines our targets for reducing the overall greenhouse gas (GHG) emissions and the emissions intensity associated with our medical manufacturing business.

### **2. Scope 3 Categories:**

Scope 3 emissions cover a wide range of indirect activities throughout our value chain. Key Scope 3 categories include:

#### Upstream Supply Chain:

- Raw materials extraction and processing
- Manufacturing of components and materials
- Transportation of goods and services

#### Downstream Use of Products:

- Product use by customers (emissions related to the use of medical devices)

#### End-of-Life Treatment of Sold Products:

- Emissions associated with the disposal and treatment of medical devices at the end of their life cycle.

### **3. Scope 3 Absolute Targets:**

In alignment with our commitment to achieving Net Zero by 2045, Health-Care Equipment & Supplies Co Ltd sets the following Scope 3 absolute targets:

#### Upstream Supply Chain:

- Achieve a 50% reduction in total upstream supply chain emissions by 2035.
- Collaborate with key suppliers to transition to low-carbon practices.

#### Downstream Use of Products:

- Work towards a 80% reduction in total downstream use-related emissions by 2045.

- Develop and promote sustainable practices for the use of our medical devices.

#### End-of-Life Treatment of Sold Products:

Implement strategies to achieve a 30% reduction in total emissions associated with end-of-life treatment by 2035.

Establish a product end-of-life management program to optimize recycling, reuse, or environmentally friendly disposal.

#### **4. Scope 3 Intensity Targets:**

Simultaneously, Health-Care Equipment & Supplies Co Ltd sets the following Scope 3 intensity targets to improve the efficiency of emissions per unit of activity or product:

##### **Upstream Supply Chain:**

Reduce the emissions intensity of our raw materials by 35% per unit by 2035.

Support suppliers in adopting sustainable and low-carbon practices.

##### **Downstream Use of Products:**

Develop and promote sustainable use practices, aiming to reduce customer-related emissions intensity by 40% per unit by 2040.

Provide educational materials to enhance energy-efficient use of our products.

##### **End-of-Life Treatment of Sold Products:**

Work towards a 70% reduction in emissions intensity associated with end-of-life treatment per unit by 2045.

Optimize product design and materials to facilitate environmentally friendly disposal.

#### **5. Collaboration and Stakeholder Engagement:**

Health-Care Equipment & Supplies Co Ltd acknowledges the need for collaboration with suppliers, customers, and other stakeholders to achieve our Scope 3 absolute and intensity targets. We will engage in open dialogue, share best practices, and work collectively to address emissions throughout our value chain.

#### **6. Monitoring and Reporting:**

Implement a comprehensive monitoring and reporting system to track progress toward the Scope 3 absolute and intensity targets. Regular assessments, data collection, and performance analysis will enable us to identify areas for improvement and measure our success.

#### **7. Continuous Improvement:**

Health-Care Equipment & Supplies Co Ltd is committed to continuous improvement in addressing Scope 3 emissions. We will regularly review and update our strategies, collaborate on research and development, and explore innovative solutions to minimize the environmental impact of our entire value chain.

This document is endorsed by Health-Care Equipment & Supplies Co Ltd leadership and will be reviewed annually to ensure its relevance and effectiveness in achieving our Net Zero goals.

**Health-Care Equipment & Supplies Co Ltd**



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