



Cabinet Office

CARBON REDUCTION PLAN GUIDANCE

Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier¹ and must meet the reporting requirements set out in supporting guidance, and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The CRP should be specific to the bidding entity, or, provided certain criteria are met, may cover the bidding entity and its parent organisation. In order to ensure the CRP remains relevant, a Carbon Reduction Plan covering the bidding entity and its parent organisation is only permissible where the detailed requirements of the CRP are met in full, as set out in the Technical Standard² and Guidance³, and all of the following criteria are met:

- The bidding entity is wholly owned by the parent;
- The commitment to achieving net zero by 2050 for UK operations is set out in the CRP for the parent and is supported and adopted by the bidding entity, demonstrated by the inclusion in the CRP of a statement that this will apply to the bidding entity;
- The environmental measures set out are stated to be able to be applied by the bidding entity when performing the relevant contract; and
- The CRP is published on the bidding entity's website.

Bidding entities must take steps to ensure they have their own CRP as soon as reasonably practicable and should note that the ability to rely on a parent organisation's Carbon Reduction Plan may only be a temporary measure under this selection criterion.

The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

A template for the Carbon Reduction Plan is set out below. Please complete and publish your Carbon Reduction Plan in accordance with the reporting standard published alongside this PPN.

¹Bidding supplier or 'bidding entity' means the organisation with whom the contracting authority will enter into a contract if it is successful.

²Technical Standard can be found at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991625/PPN_0621_Technical_standard_for_the_Completion_of_Carbon_Reduction_Plans__2_.pdf

³Guidance can be found at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991623/Guidance_on_adopting_and_applying_PPN_06_21__Selection_Criteria__3_.pdf

Carbon Reduction Plan Template

Supplier name: Össur hf

Bidding entity: Össur UK Ltd.

Publication date: 12th September 2023

Commitment to achieving Net Zero

Össur hf is committed to achieving Net Zero emissions by 2050. Carbon emission reporting and reduction plans apply fully to bidding entity.

Baseline Emissions Footprint

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

Baseline Year: January – December 2021*	
*Note: Scope 1 and 2 emission categories, that were reported into the Science Based Target initiative, have the baseline year 2019	
Additional Details relating to the Baseline Emissions calculations.	
Baseline year emissions:	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	2030 (covers all scope 1 emission categories)
Scope 2	250 (covers all scope 2 emission categories)
Scope 3 (Included Sources)	83640 (covers the following scope 3 emission categories: 1. Purchased Goods and Services, 2. Capital Goods, 3. Fuel and Energy-Related Activities, 4. Upstream Transportation and Distribution, 5. Waste Generated in Operations, 6. Business Travel, 7. Employee Commuting, 9. Downstream Transportation and Distribution, 11. Use of Sold Products, 12. End-of-life of Sold Products)
Total Emissions (including bidding entity's emissions)	85920

Current Emissions Reporting

Reporting Year: January – December 2022	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	2500 (covers all scope 1 emission categories)
Scope 2	180 (covers all scope 2 emission categories)
Scope 3 (Included Sources)	102200 (covers the following scope 3 emission categories: 1. Purchased Goods and Services, 2. Capital Goods, 3. Fuel and Energy-Related Activities, 4. Upstream Transportation and Distribution, 5. Waste Generated in Operations, 6. Business Travel, 7. Employee Commuting, 9. Downstream Transportation and Distribution, 11. Use of Sold Products, 12. End-of-life of Sold Products)
Total Emissions (including bidding entity's emissions)	104880

Emissions reduction targets

In order to continue the progress to achieving Net Zero, Össur hf has committed with the **Science Based Target initiative**, to the following absolute emission reduction targets, by year 2030:

- For scope 1 and 2, a 77% reduction from 2019 base year, as reported into SBTi.
- For selected scope 3 categories, listed here and representing **85%** of total scope 3 emissions, a 25% reduction from 2021 base year, as reported into SBTi
 - 3.1 Purchased goods and services
 - 3.3 Fuel and energy related activities
 - 3.4 Upstream transportation and distribution
 - 3.9 Downstream transportation and distribution

This will bring Össur hf's total emissions to approximately 70.000 tCO₂e by year 2030.

In line with Science Based Target initiative requirement, 2050 target envisions 90% emission reduction for scope 1, 2 and the listed scope 3, from the respective base years 2019 and 2021.

Össur hf commits to reporting yearly progress against the above targets.

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

In 2021, Össur hf achieved **carbon neutral status** for scope 1 and 2, mainly by implementing energy efficiency improvement projects and by sourcing 99% of electricity from renewable energy sources. These measures will be in effect when performing the contract.

Furthermore in 2021, the following scope 3 categories were a part of the carbon neutral initiatives:

- 3.4 Upstream transportation and distribution
- 3.5 Waste generated in operations
- 3.6 Business travel
- 3.9 Downstream transportation and distribution

Note that scope 3 categories subjected to emission reduction targets have since then been updated in accordance with SBTi requirements.

In 2022 Össur hf implemented a packaging upgrade program, proceeding to minimize single use plastics and reduce cardboard weight and volume, while aiming for full recyclability. The goal is to have 95% of Össur hf's products in upgraded packaging by 2030.

In 2023, Össur has submitted its Science-Based Targets to SBTi for validation. The validation is planned to take place end of year 2023. Össur is listed as committed on the target dashboard of <https://sciencebasedtargets.org/>.

In order to achieve the set carbon reduction goals, Össur hf is implementing measures such as carbon reduction roadmaps for product portfolios that contribute significantly to carbon emissions and is preparing to adopt circular solutions such as product redesign, refurbishing services, reuse and recycling.

Össur hf's carbon emission reduction projects will directly contribute to reducing carbon emissions of the bidding entity, Össur UK Ltd.

Declaration and Sign Off

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

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Protocol corporate standard⁴ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁵.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard⁶.

⁴<https://ghgprotocol.org/corporate-standard>

⁵<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

⁶<https://ghgprotocol.org/standards/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 the Supplier:

Date: 12th September 2023

Mr. Olafur Gylfason

Chief Commercial Officer, Össur hf

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