

Cochlear Europe Limited Carbon Reduction Plan

In accordance with PPN 06/21

April 2023

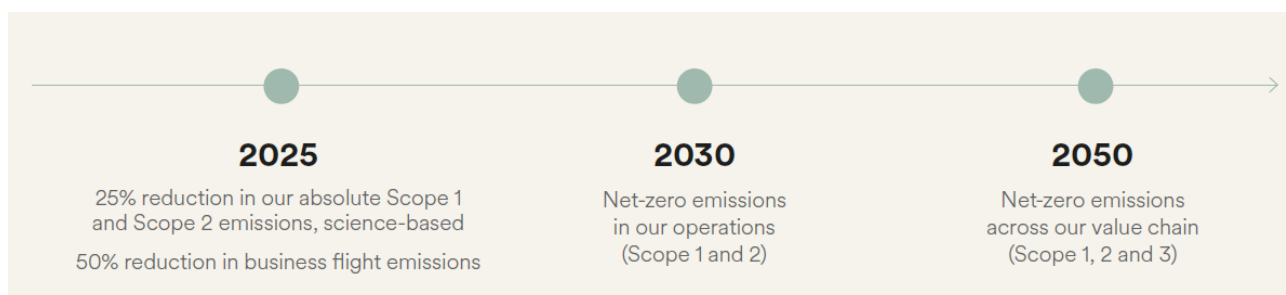
Our pathway to net-zero

Our ambition

In FY22 Cochlear defined the net-zero pathway for its global operations. The carbon reduction strategy is aligned with the Net Zero agenda for the NHS and will support the NHS’s journey to net-zero. Cochlear defined its FY19 baseline based on a comprehensive review of historical emissions data according to the GHG Protocol. For the purposes of Cochlear’s net-zero targets, Scope 1 emissions consist of gasoline and natural gas for its fleet and operations. Scope 2 emissions are related to purchased electricity for the manufacturing sites and other facilities. Scope 3 refers to all indirect emissions, including business travel, employee commuting, distribution, and waste management, among others.

Cochlear’s targets for reducing GHG emissions are in line with the Science Based Target methodology, consistent with the reductions required to limit warming to 1.5 degrees above pre-industrial levels.

Our global targets



Our UK emissions

Consistent with Cochlear’s global targets and in response to the PNL 06/21, Cochlear is monitoring specific emissions for its UK operations.

Emissions	unit	2019 (Baseline)	2022
Scope 1	tCO ₂ e	626	0
Scope 2	tCO ₂ e	235	253
Scope 3			
Upstream transportation and distribution	tCO ₂ e	54.7	63.7*
Waste generated in operations	tCO ₂ e	139.4	120
Business travel	tCO ₂ e	3.4	3.3
Employee commuting	tCO ₂ e	212	212
Downstream transportation and distribution	tCO ₂ e	277.5	334.2*
TOTAL	tCO ₂ e	1,548	986.2

*The tool used to calculate emissions is based on cost of shipping. As shipping costs have risen, the associated emissions appear higher

Emissions reduction initiatives and progress

Cochlear has made good progress on its Scope 1 and 2 targets. The UK site uses 50% renewable energy and work is underway to increase the percentage. All manufacturing sites have transitioned to 100% renewable energy and options are being explored for using or increasing renewable energy at other sites, improving energy efficiency, and reducing fleet emissions.

Cochlear has defined a phased approach for its Scope 3 emissions. Business flight-related emissions have been measured since 2019 and in FY21 a target was set to reduce business flights per FTE (full-time equivalent employee) by 20%, and flight-related emissions by 50% in 2025 (from a 2019 baseline). Cochlear has been working closely with travel providers, including supporting initiatives to enable commercial use of Sustainable Aviation Fuel. As a transition option, we have invested in offsetting projects for most of our flights. We are also leveraging remote collaboration through investment in remote-meeting tools.

For other Scope 3 emissions, Cochlear is conducting a complete inventory and will define the global reduction strategy by 2025. Some of Cochlear's sites/entities, including Cochlear Europe Limited, have already started measuring the emissions related to the five categories prioritised by the NHS.

Environmental performance

The Environmental Policy sets out Cochlear's commitment to managing and reducing its impact on the global environment. Cochlear strives to contribute to the preservation of the global environment by:

- Complying with applicable environmental legislation and endeavouring to meet, or set, industry best environmental practices
- Preventing environmental pollution
- Implementing and maintaining an environmental management system at each of our key manufacturing sites
- Setting and working towards annual environmental objectives and targets
- Continually improving and reviewing company environmental performance.

Cochlear is also investing in responsible packaging. To minimise the environmental impact from packaging waste, in collaboration with local suppliers, Cochlear has implemented recyclable PaperFoam and biodegradable packaging across all its products. Cochlear is working on initiatives to reduce the environmental impact of packaging, aligned with medical device regulation focused on protecting the safety of patients.

Cochlear has also invested in reducing the transport environmental impact of its products. Plastic bubble-wrap as a filler in shipping boxes has been replaced with a paper filler, and packaging is reused wherever possible.

Each Cochlear site is committed to continuously identifying ways to reduce waste going to landfill. Key focus areas are the effective sorting of recyclable materials, and waste avoidance. Waste and recycling performance and measurement differ across regions due to several factors, including local regulations and available infrastructure.

Cochlear's production processes use limited quantities of water, with most consumed through staff kitchens and bathrooms. Cochlear encourages responsible water consumption and continuously identifies appropriate water-saving initiatives

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 Reporting Protocol corporate standard and uses the appropriate emission conversion factors for greenhouse gas company reporting.

Scope 1 and Scope 2 emissions for the UK were calculated according to the Defra/BEIS (2021). The Scope 3 emissions for the UK were calculated with the [Quantis](#) tool, available on the GHG Protocol website.



Richard Brook
President EMEA

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