



Independent Healthcare  
Providers Network

# IHPN Climate Change Group

16/06/2021



# Agenda

- Introduction – David / Danielle
- Recap on our last session
- Setting Net Zero targets
- Industry roadmaps: the wider picture from other industries
- Breakout sessions: breaking down the choices for making an industry wide commitment
- Q&A

**Welcome**

# Schedule of events



## 1. Climate change: a primer

The impact of climate change on business, and the external landscape



## 2. Net zero commitments

Exploration of practical guidance on decarbonisation, committing to and delivering net zero goals

**Today's session**



## 3. COP26 readiness

Practical working session to explore industry commitments, actions, dates and possible communications ahead of COP

# **Recap session 1**

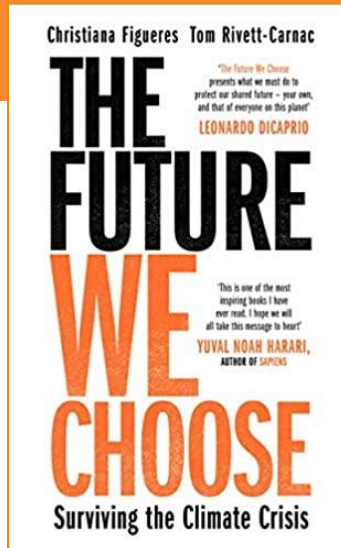
## Climate change: a primer

# Recap from session 1

## Factors driving change

### The science is clear:

"The goal of halving emissions by 2030 represents the absolute minimum we must achieve if we are to have at least a 50 per cent chance of safeguarding humanity from the worst impacts. This is our final limit. We cannot exceed it."



### Stakeholders care:

#### Regulators:

- Mandatory climate risk & strategy reporting being rolled out from 2021

#### Investors

- Black Rock has restated its commitment to reporting using TCFD and SASB guidelines
- LGIM has indicated it will vote against directors that fail to integrate climate risk into decision making

#### Customers

- 43 per cent of consumers claim to be actively choosing brands due to their environmental values (Deloitte)
- 67 per cent of Brits would support the introduction of carbon labelling on products (You Gov)

### Responses are crystallising

#### Net zero

- Proliferation in national and corporate net zero commitments
- Net zero and carbon negative commitments are accelerating elsewhere

#### Climate risk and strategy

- Climate-related disruption in the next three decades will be more profound than digital disruption in the three previous decades
- Scenario analysis is helping companies paint a clearer picture of the future

#### Sustainable finance

- Innovation in this space will accelerate, getting more cash to the right places, more quickly

## **2. Setting Net Zero Targets**

## 2. Setting net zero targets

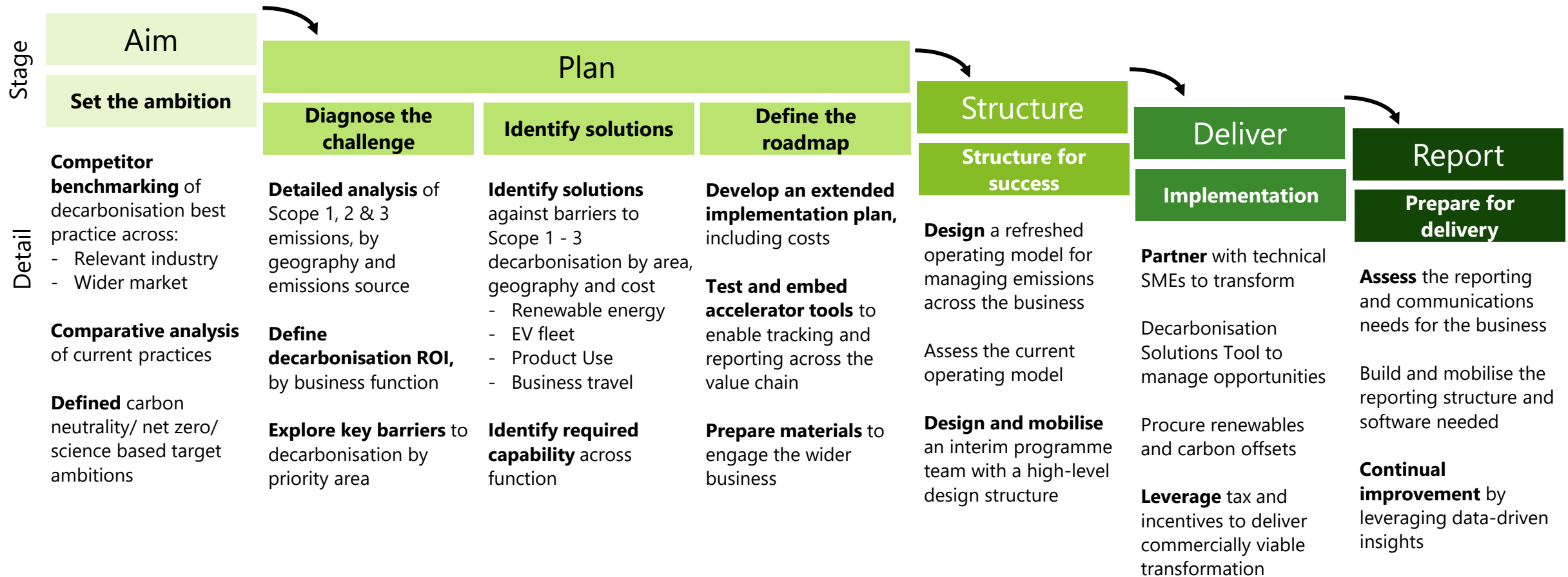
An end to end climate approach

	REVIEW & ANALYSE	CHOOSE & CONSIDER	CHANGE & EXECUTE	
<b>Create</b>  <i>Generate new cash flows and financial value</i>	Market Study – Sustainable Opportunity	Landscape And Internal Guardrails Generating Strategic Options	Funding, Financing And Capital Allocation	
	Business Review – Current Business And Plan - Review	Options Prioritisation Including Build/Buy/Partner/Invest (M&A) Strategy	Operating Model And Process Design	
	Capital Allocation Review	Refreshed Sustainability Strategy For Your Business (Choice Cascade) Incl. Innovation	Culture And Metrics And Management Information Approach (Potential For Commercialisation Considered)	
<b>Protect</b>  <i>Ensure resilience of current operations and business</i>	Qualitative Scenario Analysis To Inform Opportunity / VaR Analytics	Deploy Analytics, Develop Quantitative Scenario Analysis, Decarbonisation Toolset	Bu-specific ESG Plans And Action Plans	
	Establish Decarbonisation Potential In Operations And Consider Target Options	Shape And Execute Sustainability Roadmaps	Revised Governance	
	Stakeholder And Peer Research (Internal And External) Investors, Potential Investors, Government, Clients, Employees, Board, Exco, Business Leaders)	Measurement And Monitoring (KPIs)	Partnership Strategy	
<b>Communicate</b>  <i>Improve understanding of long-term commitments and business strategy</i>	Stakeholder Engagement Strategy	Sustainability Narrative	Green Advocacy	
	Set Esg Ambition & Targets (Use To Inform Choice Cascade And Comms)	Investor And Other External Engagement	Brand And Communications Strategy	
	Brand And Marketing Review			
	<b>Understand the Company and build momentum to focus the company</b>	<b>Unleash the potential of you Company and plan to seize long-term value opportunities</b>	<b>Execute the revised plan to both support value creation but also value translation to the share price</b>	



## 2. Setting net zero targets

An end to end approach



## 2. Setting net zero targets

Take a look at....

“Delivering Ambition  
Zero Carbon is not just  
about engineering, it is  
about innovation, how  
we procure things and  
how we partner with  
others.”

Professor Jason Snape

### AstraZeneca

**Read more:** <https://www.chapterzero.org.uk/wp-content/uploads/2021/03/210127-Deloitte-Academy-7-min-Read-Decarbonisation-Net-zero-in-practice.pdf>

ITV commits to Net Zero carbon emissions by 2030

Published: Mon 14 Sep 2020



### ITV



### Microsoft

Photo by Brian Smale

**Any questions?**

### **3. Industry roadmaps**

# Industry roadmaps

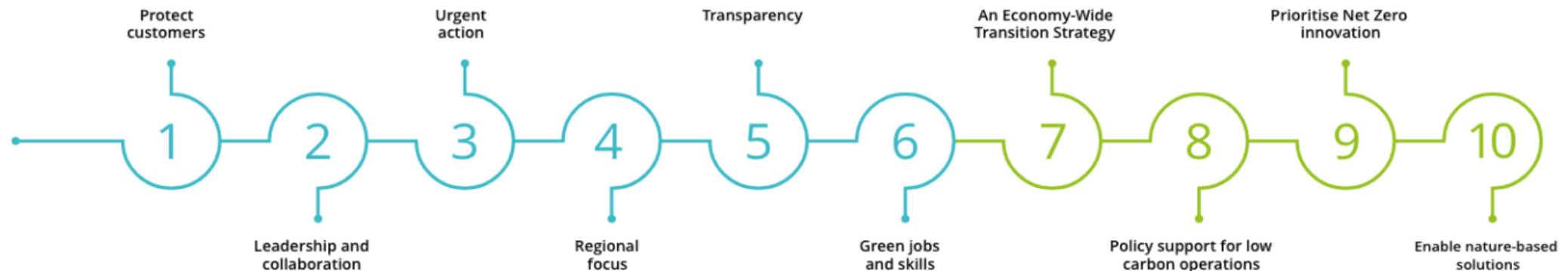
## Water UK: Net zero by 2030

**"We commit to** work together and with others towards five challenging goals for the sector in England as a whole, with companies contributing appropriately given their specific circumstances:

- Triple the rate of sector-wide leakage reduction by 2030
- Make bills affordable....
- **Achieve net zero carbon emissions for the sector by 2030**
- Prevent the equivalent of 4 billion plastic bottles ending up as waste by 2030
- Be the first sector to achieve 100% commitment to the Social Mobility Pledge"

### Commitments:

1. Protect our customers
2. Leadership and collaboration
3. Urgent action
4. Progress in every region of England
5. Transparency
6. Green jobs and skills



# Industry roadmaps

## British Retail Consortium : Net zero by 2040

"BRC's Better Retail Better World campaign commits the retail industry to build a fairer, more sustainable economy in line with the UN Sustainable Development Goals. One of the critical goals determined by us and our stakeholders is Climate Action."

"By 2040 the retail industry will have transformed to deliver our ambition for net zero carbon emissions. It will be serving a UK population of over 70 million people and shaping net zero supply chains across the world."

### The plan has two key areas for enabling and delivering net zero



Our Vision: A Net Zero Retail Industry



Path to net zero





# OUR VISION: A NET ZERO RETAIL INDUSTRY

By 2040 the retail industry will have transformed to deliver our ambition for net zero carbon emissions. It will be serving a UK population of over 70 million people and shaping net zero supply chains across the world.

Technology and data sharing enable informed decision making by customers and throughout supply chains.

PATHWAYS 1 2 3 4 5

## CIRCULAR ECONOMY

Zero carbon manufacturing and circular flows of materials. Efficient nutrient cycling to ensure no resources are wasted.

PATHWAYS 1 3 5

## CUSTOMER

Customers provided personalised, zero carbon products and eating healthy, sustainable diets.

PATHWAYS 1 5

## RETAIL STORES

Powered by renewable energy. Serving the local community and supporting a circular economy.

PATHWAYS 1 2

## DISTRIBUTION

Zero carbon distribution centres for shared last mile logistics in small scale, lightweight vehicles.

PATHWAYS 1 2 3

## AGRICULTURE

Sourcing from carbon-rich, biodiversity-supporting farmland that supports the UK rural economy.

PATHWAYS 1 4 5

## GLOBAL SUPPLY CHAINS

Sustainable sourcing enabled by full supply chain transparency. Supply chain partners thrive and support healthy environments around the world.

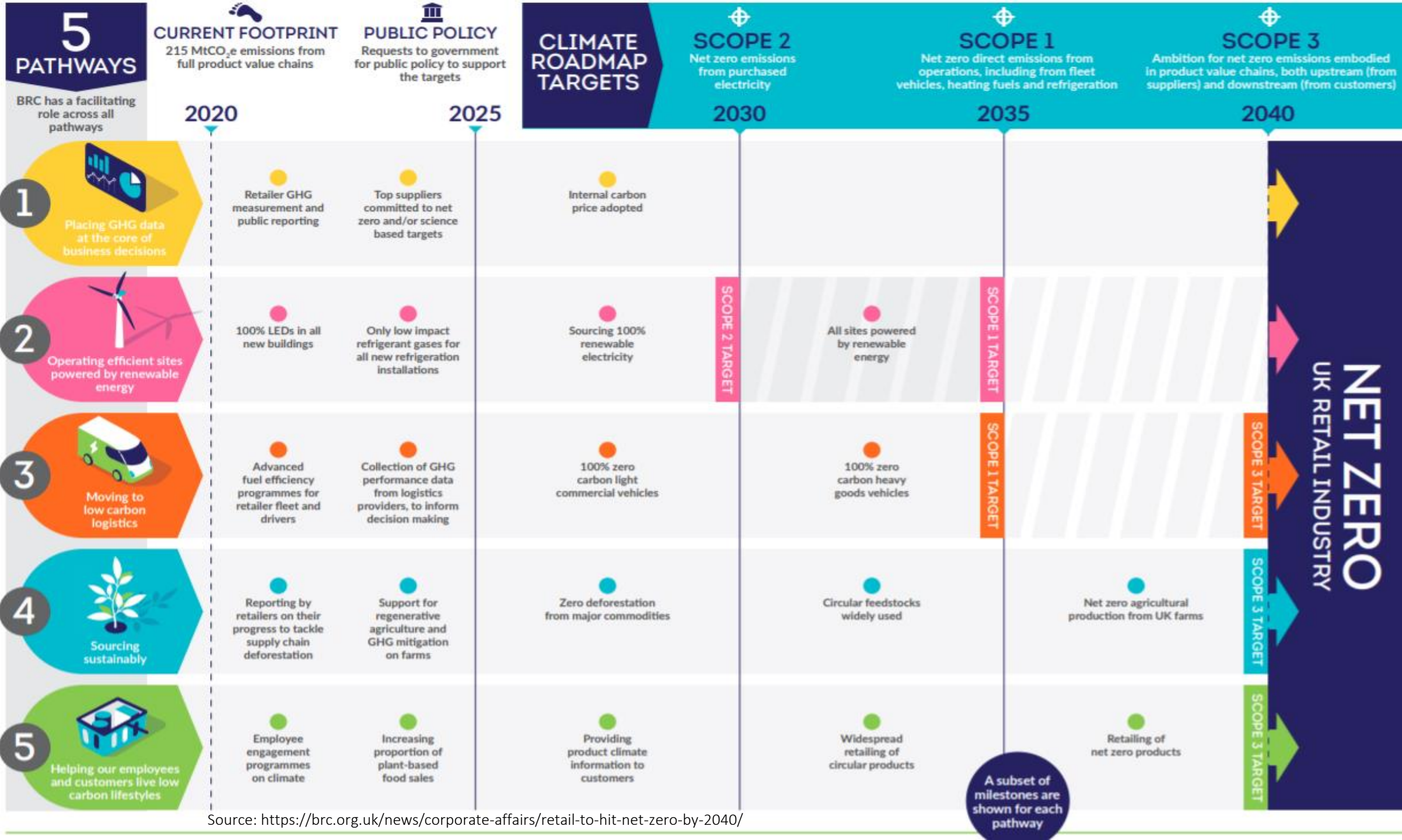
PATHWAYS 1 4

## LOGISTICS

Intermodal logistics infrastructure, powered by low and zero carbon energy sources.

PATHWAYS 1 3





Source: <https://brc.org.uk/news/corporate-affairs/retail-to-hit-net-zero-by-2040/>

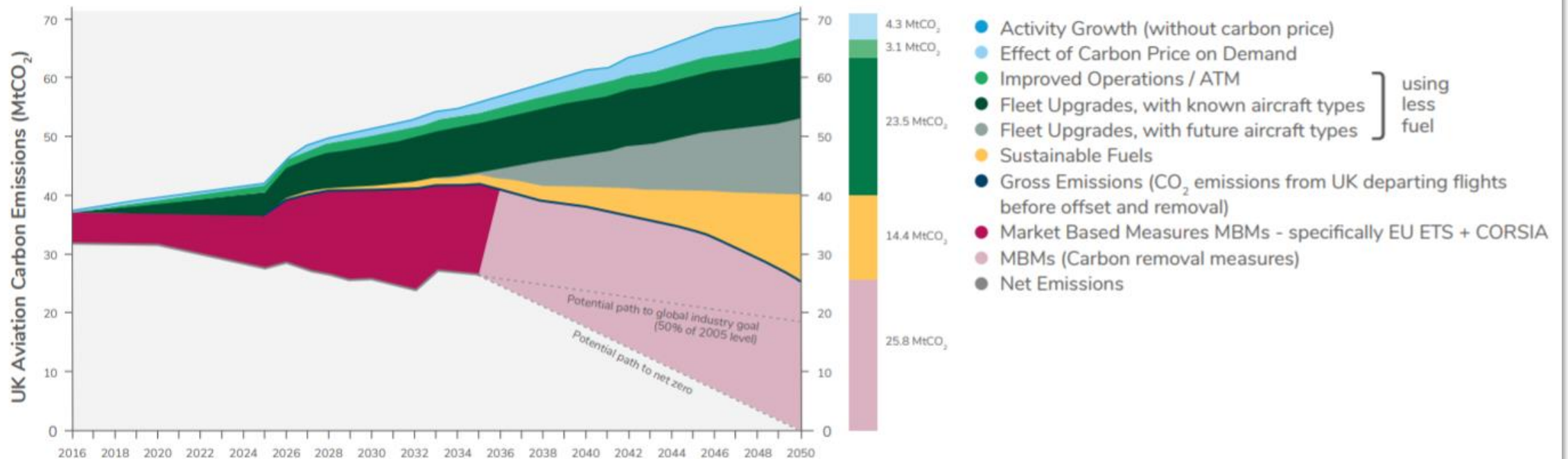


# Industry roadmaps

## UK aviation: Net zero by 2050

“UK aviation as represented through Sustainable Aviation, has become the first national aviation sector to commit collectively to achieving net zero carbon emissions by 2050.”

### Decarbonisation Road-Map for UK Aviation



# Industry roadmaps

NHS: Net zero by 2045:

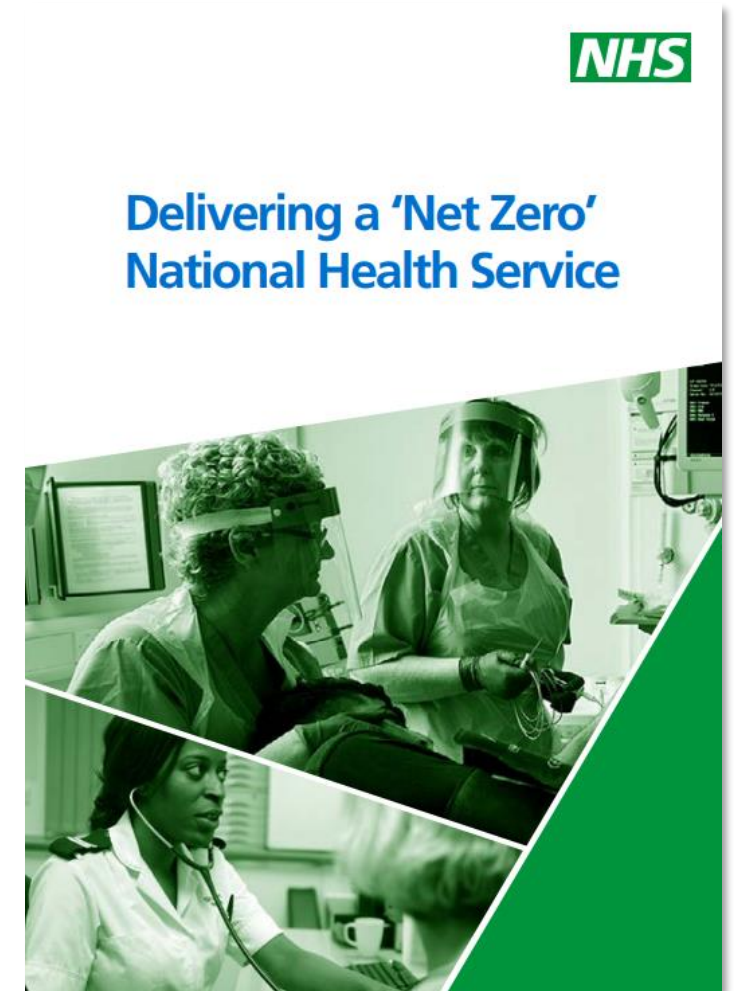
“Two clear and feasible targets emerge for the NHS net zero commitment, based on the scale of the challenge posed by climate change, current knowledge, and the interventions and assumptions that underpin this analysis:

- for the **emissions we control directly** (the NHS Carbon Footprint), **net zero by 2040**, with an ambition to reach an 80% reduction by 2028 to 2032
- for the **emissions we can influence** (our NHS Carbon Footprint Plus), **net zero by 2045**, with an ambition to reach an 80% reduction by 2036 to 2039.”

Press release

**UK enshrines new target in law to slash emissions by 78% by 2035**

The UK's sixth Carbon Budget will incorporate the UK's share of international aviation and shipping emissions for the first time, to bring the UK more than three-quarters of the way to net zero by 2050.



Source: NHS England - <https://www.england.nhs.uk/greenernhs/publication/delivering-a-net-zero-national-health-service/>

# Industry roadmaps

## NHS: Net zero by 2045

### How Net Zero will be delivered

#### Estate and facilities

- Reducing emissions from hospital estates and facilities
- Reducing emissions from primary care estate

#### Travel and transport

- Electrification of transport fleet
- Cycling walking and shifting modes of transport

#### Supply chain

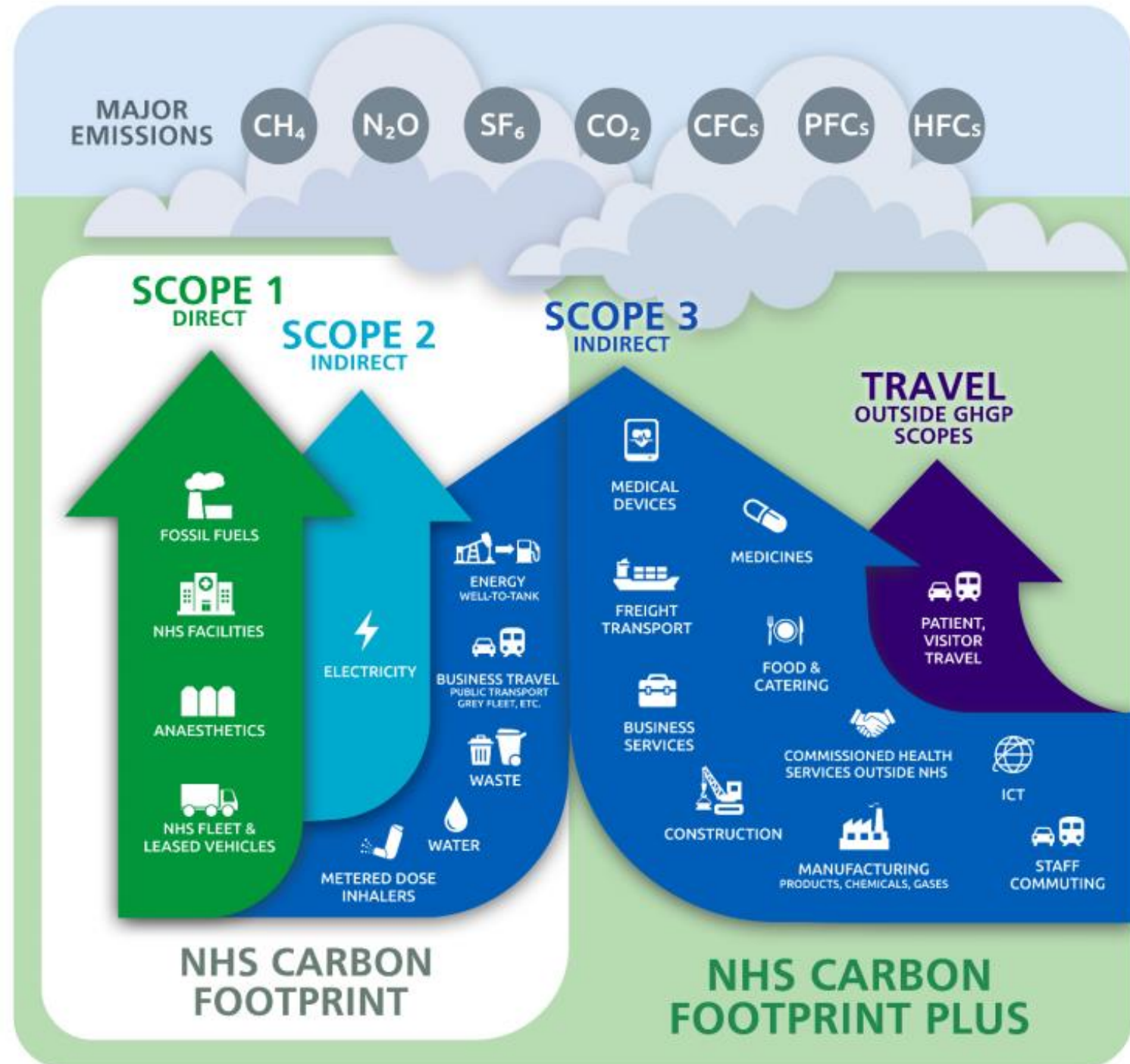
- Decarbonizing the supply chain
- Food, catering and nutrition

#### Medicines

- Low carbon inhalers
- Anesthetic gases

#### Research, innovation and offsets

- Investment in low carbon technology / R&D
- Offsetting residual emissions



**Any questions?**

# Breakouts

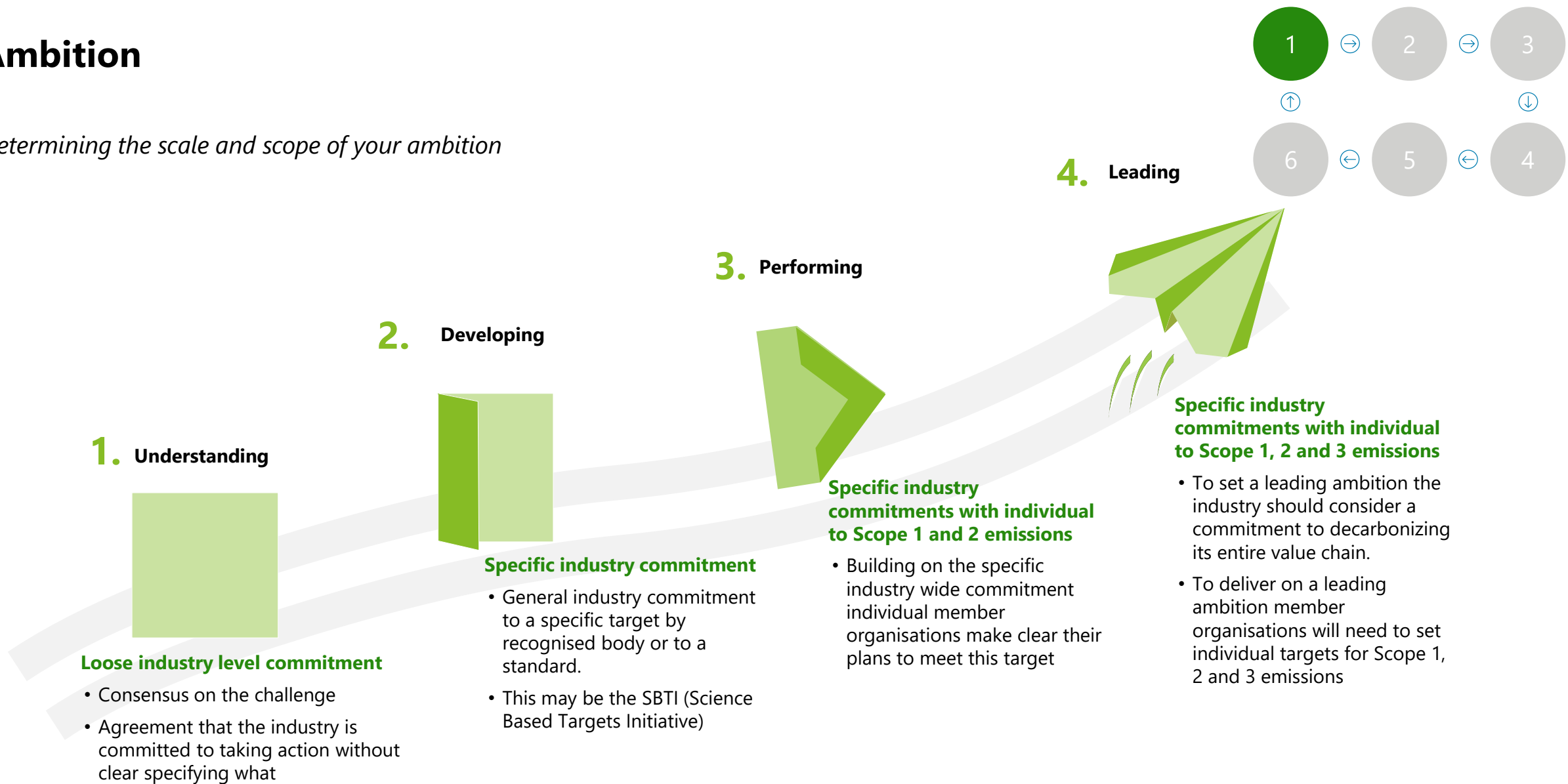
Group discussion

# Breakouts



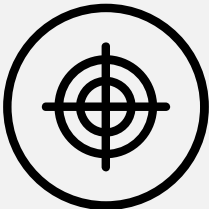
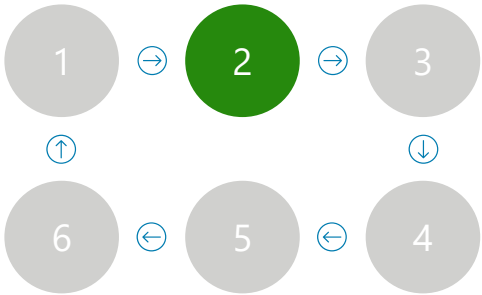
# Ambition

*Determining the scale and scope of your ambition*



# Timeline

Thinking about the pace to deliver on your commitments



2030

Leading target, deadline by which society needs to have cut minimum 50% of emissions



2045

NHS value chain net zero target, longest timeframe for a commitment



Other

A timescale to match the ambition level of the industry

Factors to consider



Existing commitments

Existing industry commitments  
NHS value chain 2045



Interim targets

How should targets be broken down i.e. separate S1,2 and 3 targets.



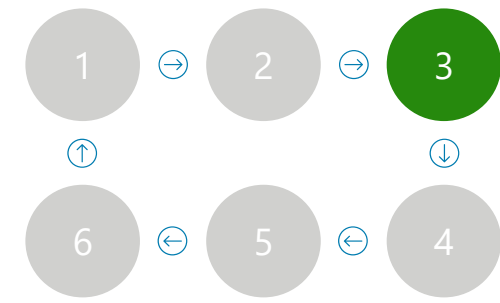
Cost

Balancing the cost of the transition to organisations vs cost of inaction



# Health co-benefits

*Actions taken that build resilience while simultaneously reducing GHG emissions. Identifying opportunities to unlock these co-benefits is crucial to developing a portfolio of climate action*



- Prevention is less carbon intensive than cure, in many cases
- Diet and wellbeing

## Public health



- Footprint of product
- Boosting natural capital

## Connectedness of planetary & human health



## Design of urban environment

- Green spaces
- Air pollution risk
- Boosting walking and cycling
- Clean and equitable transport

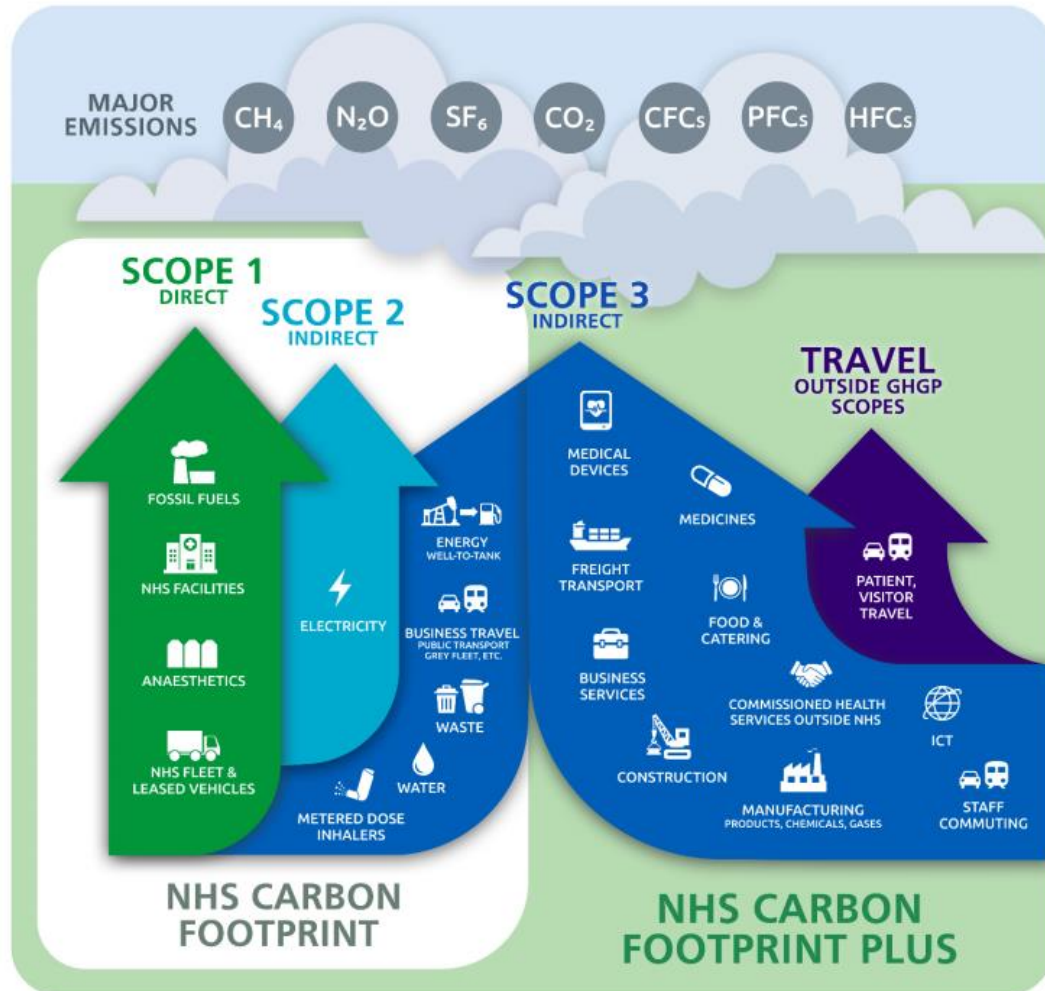
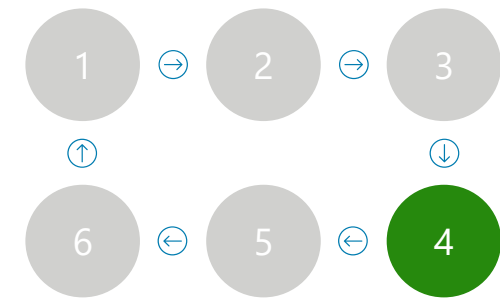


## Mental wellbeing

- 70% of US University students claimed 'eco-anxiety' in 2018
- House flooding increases chances of depression by 50%

# Approaches and levers

*Based on our current knowledge we think that the industry should explore the following areas to activate the approach.*



## Estate and facilities

- Reducing emissions from hospital estates and facilities
- Reducing emissions from primary care estate

## Travel and transport

- Electrification of transport fleet
- Cycling walking and shifting modes of transport

## Supply chain

- Decarbonizing the supply chain
- Food, catering and nutrition

## Medicines

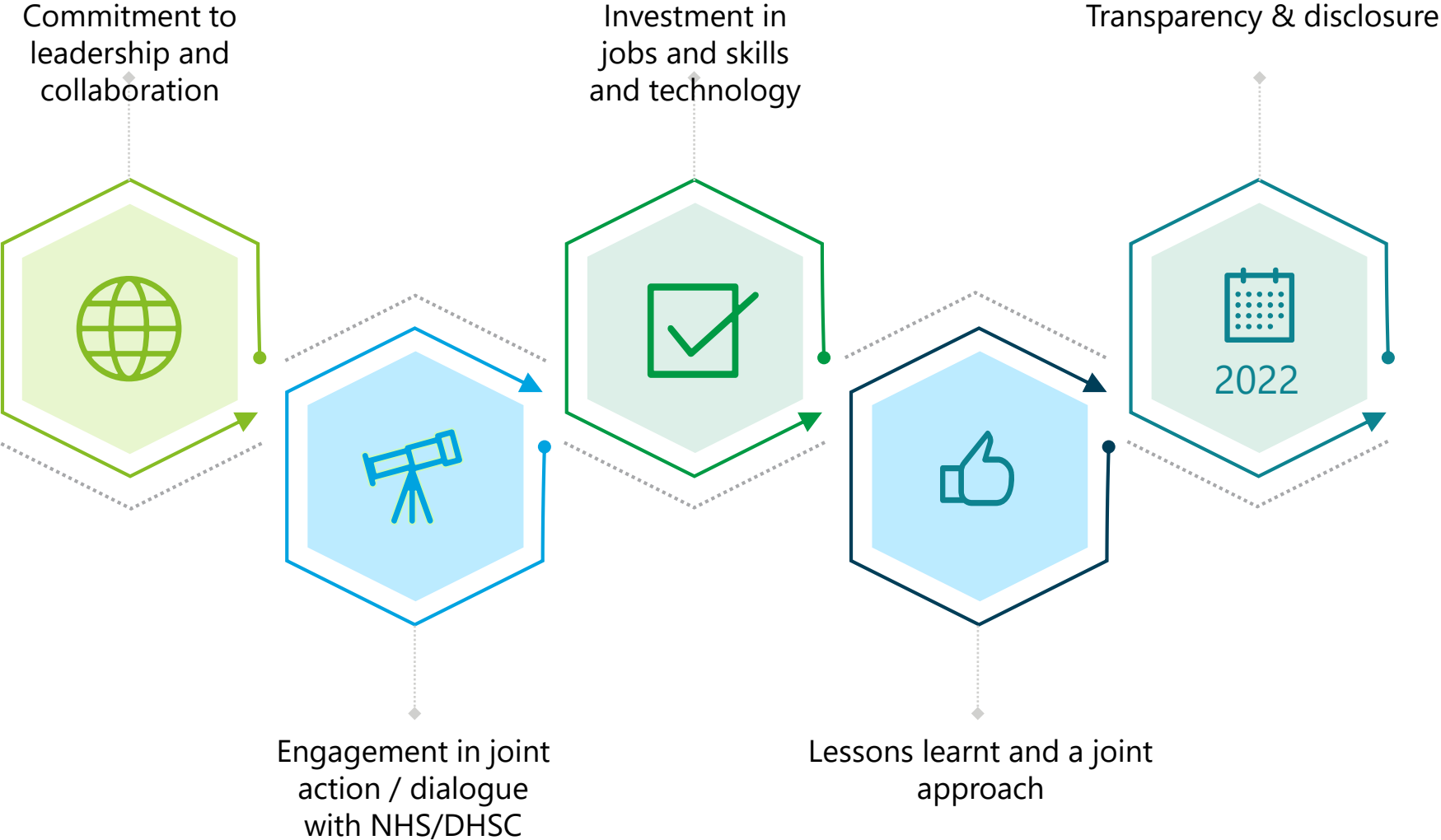
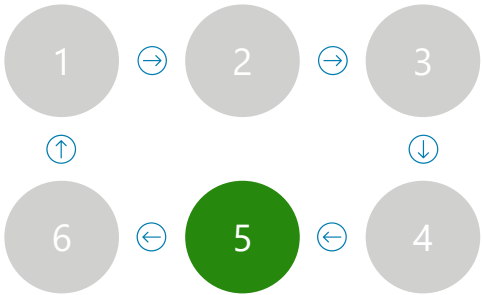
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## Research, innovation and offsets

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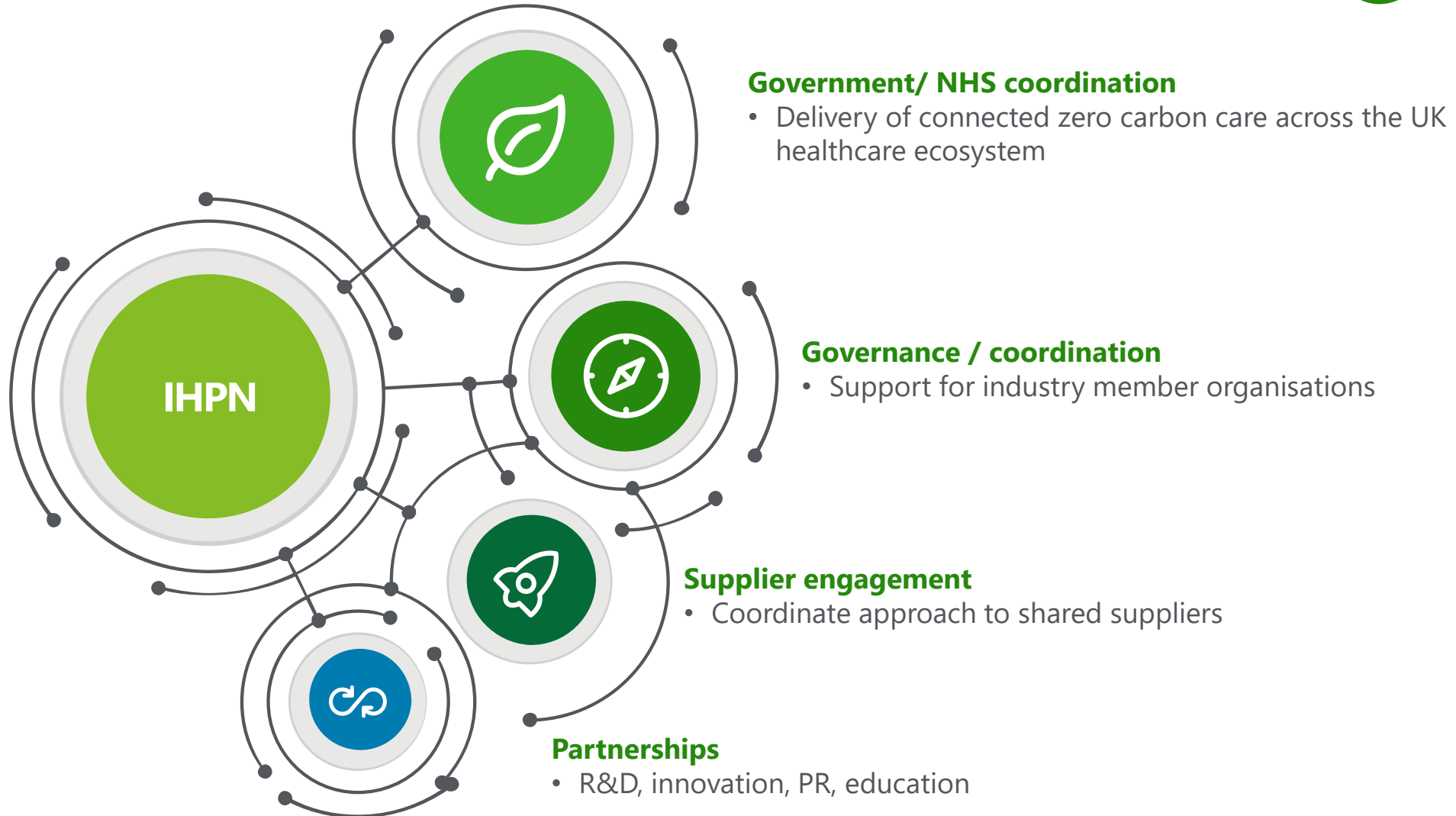
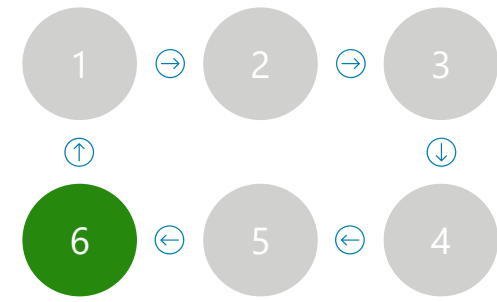
# Commitment to work together, cooperate and invest

Consider how to activate the industry commitments by leveraging internal/external channels



# Resources and tools

*Consider what sub-groups may be required from the industry to deliver on the commitments*



# Q&A

# Schedule of events



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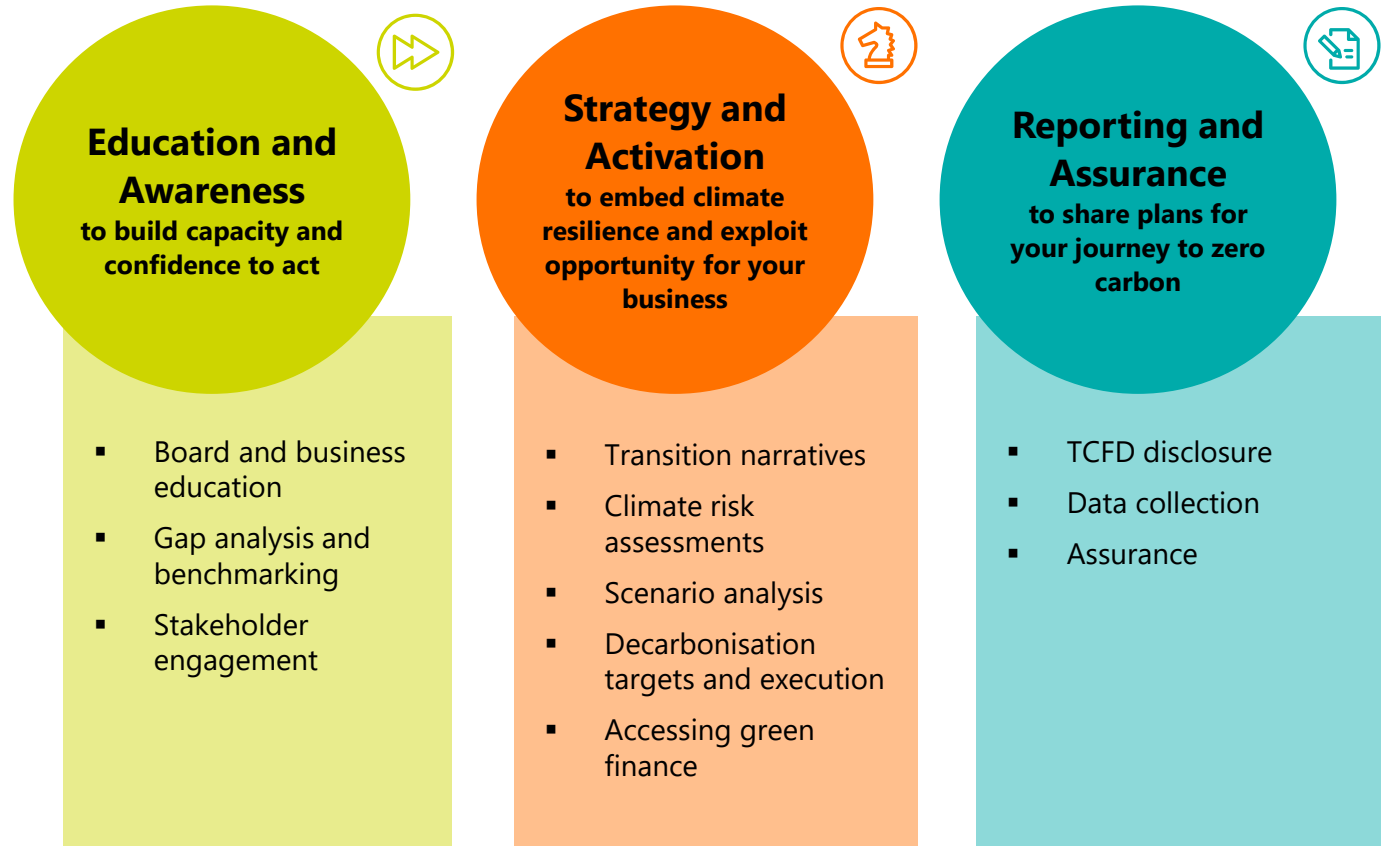
**Next up**

# Climate change services from Deloitte

**We work with clients at every stage of maturity, with every level of ambition. Our products and services change minds, enhance decision-making and accelerate action.**

In doing so, we help clients to be more resilient and more likely to achieve competitive advantage in a zero-carbon world.

Here, we briefly introduce our services. More information on each service can be found on the following pages.



# Useful resources

## [Website full of inspirational stories on climate action](#)



### **Lessons from starting a movement**

Julie Baddeley  
Chapter Zero  
[Link](#)



### **When clear evidence turns into powerful action**

Penny Endersby  
Met Office  
[Link](#)



### **How business can change the world (because it can)**

Mark Wright  
WWF  
[Link](#)



### **The climate race is not a competition**

Sharon Thorne  
Deloitte  
[Link](#)

## [Climate content hub](#)



[Link](#)



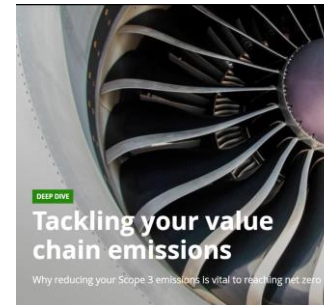
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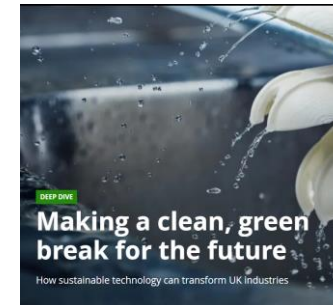
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# Thank you



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