

Environment and Climate Action

Climate change will be a shaping force on human health and we must understand it and act on it. This means addressing our direct business footprint to minimise harm, and maximise our sustainability. It also means acting on our indirect value chain, and advocating for change in the wider world.



2020 Group activities

During 2020 we continued to manage the impact of our business on the environment while developing a new strategy for the future. We put key foundations in place for increased future action in this agenda.

- **Governance:** As outlined on pages 20-21, we enhanced our governance of this critical agenda with the establishment of a dedicated global executive team committee for environment and climate action and global programme team comprising of subject matter experts from our Finance, Risk, Corporate Affairs, Procurement and Clinical functions. Board scrutiny of this agenda was maintained through the CRS Advisory Committee.
- **Enhancing data collection:** We implemented a new global environmental reporting tool across our businesses worldwide which added new rigour to our system for data collection.
- **Future strategy development:** We progressed the development of our Environment and Climate Action strategy. We are taking decisive action to reduce our footprint and embrace sustainability.
 - Integrating into strategy and planning
 - Embedding climate risks/opportunities in our operations and risk management approach
 - Decarbonising direct and indirect value chain with plans to adopt science-based targets
 - Managing resource use (waste, plastics and water), promoting circular economy and restorative action

- Building clinical horizon-scanning and health outcomes capability, focusing on the link between health and the environment
- Developing products and services to incorporate climate adaptation and mitigation.
- We have placed an immediate and specific focus on carbon reduction by assessing how we apply science-based targets across our direct (i.e. Scope 1 and 2) carbon impacts. This work, together with a new reporting tool, has meant that we have interrogated 2019 data and sources further across the Group and spent more time analysing our 2020 results. This work continues and will go through external audit in the first half of 2021. As a consequence, in this Annual Report we are only publishing UK energy use and emissions data for 2020 as explained below. Further global performance data for 2020 (and 2019) and our future targets will be published during 2021.
- We will develop a target for our indirect carbon impacts (i.e. Scope 3). Together, these targets will serve as a baseline ambition, with opportunities to explore greater levels of ambition.

2020 activity in the UK

In 2020, our aged care business and the Cromwell Hospital acted on the Energy Savings Opportunity Scheme (ESOS) report findings to further lower their carbon emissions, including replacing inefficient chillers and adjusting timers on air handling units to reduce energy consumption. A number of our corporate offices and health clinics installed new Building Energy Management Systems. As a supporter of the UN Climate Neutral Now initiative, we work to offset our carbon emissions by supporting One Carbon World's reforestation projects in Uruguay and renewable energy initiatives in India¹. We also moved to a new, centralised carbon reporting tool to improve energy management.

2020 data

For this financial year, we are reporting in line with the Streamlined Energy and Carbon Reporting (SECR) requirements of a large unquoted UK company for the first time and reporting our emissions for UK only. As we progress the external audit by the Carbon Trust of our other markets during 2021, we will publish the remainder of the 2020 global emissions data from our other markets across the group on bupa.com. We will also confirm 2019 global data once this too has been fully audited.

In the next Annual Report we plan to report in line with the SECR requirements of a quoted UK company, further adopt the Task Force on Climate-related Financial Disclosures (TCFD) requirements, and include our global footprint for 2021.

UK emissions²

The following table shows the carbon intensity of our UK operations:

UK-based energy and carbon footprint	Quantity	Unit
Energy usage (fuel used in fleet and buildings and electricity from grid and solar generation)	152,819	MWh
Footprint Scope 1&2: Location based (grid average factors)	31,422	tCO ₂ e
Footprint Scope 1&2: Market based (account for tariff-specific footprint)	19,142	tCO ₂ e
Intensity		
All customers (insurance, provision and aged care) ³	5,040	thousand customers
Energy intensity	30.32	MWh/ thousand customers
Scope 1&2 market based intensity	3.80	tCO ₂ e/ thousand customers

2021 focus

In 2021, we will refine and embed ambition for reducing Bupa's environmental footprint (i.e. carbon, waste, water). This includes our commitment to the Science Based Targets initiative. We will focus more on the intersection between health, climate change and biodiversity. We will continue the work to fully embed climate change considerations into the Risk Management Framework and strengthen and embed business ownership of data and decision-making. This includes enhancing and expanding our approach to climate stress testing and further developing our external disclosure to ensure we comply with TCFD requirements.

See the Risks section on pages 36-41 for more about our work related to the environment and climate action.



1. Pre-audited 2019 carbon emissions for our BGUK Market Unit. Any adjustment on the figures will be offset in 2020.
 2. Activities and emissions across operational control approach against criteria set out in the GHG Protocol. These figures have been verified by The Carbon Trust in accordance with the ISO 14064 standard.
 3. Customer numbers across: insurance businesses (2.7m), health provision (2.3m) and aged care (6,000).