

SYNERGY HEALTH (UK) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Post reporting date events

The Covid-19 pandemic, along with the response to the pandemic by governmental and other actors, has disrupted our operations throughout this financial year and continues to have a lingering effect after the end of the reporting period, the financial effect of which cannot be reliably estimated. Furthermore, we have experienced unpredictable fluctuations in demand for certain of our products and services, including some products and services that experienced an increase in demand, as a result of deferrals of certain medical procedures, and other factors, such as stay-at-home orders. We have modified, and may further modify, our business practices in response to the risks and negative impacts associated with the COVID-19 pandemic. The company has also taken advantage of the government assistance schemes available in respect of the Job Retention Scheme and VAT payment deferrals, and we have continued to invest in expansion projects as planned. Whilst we have no guarantee that these measures will be temporary or successful, after the financial year end the UK government has lifted all restrictions originally put in place to help combat the spread of Covid-19. As such, we have seen revenues begin to return to the levels experienced before the Covid-19 pandemic and we are beginning to investigate the reversal of some of our measures such as employees working from home.

Auditor

In accordance with the company's articles, a resolution proposing that Ernst & Young LLP be reappointed as auditor of the company will be put at a General Meeting.

Energy and carbon report

During the year energy consumption has been as follows:

	2021 kWh	2020 kWh
<i>Energy consumption</i>		
Aggregate of energy consumption in the year	29,996,018	29,664,340
<i>Emissions of CO2 equivalent</i>		
	Metric tonnes	Metric tonnes
Scope 1 - direct emissions		
- Gas combustion	2,901	2,867
- Fuel consumed for owned transport	712	1,067
	3,613	3,934
Scope 2 - indirect emissions		
- Electricity purchased	2,601	1,481
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the company	14	902
Total gross emissions	6,228	6,317
Intensity ratio		
Tonnes CO2e per full-time employee	6.27	6.64

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per full time equivalent employee, the recommended ratio for the sector.

SYNERGY HEALTH (UK) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Measures taken to improve energy efficiency

Synergy Health (UK) Limited continues to achieve direct savings in energy and associated carbon emissions, through operational and technological improvements, including:

- Introduction of EV and PHEV to the STERIS car fleet policy
- Undertaking of an options appraisal targeting the incorporation of EV to our commercial logistic routes across Sheffield and Southwest London
- Installation of 3 EV chargers at our STERIS Administrative Office in Derby
- A Waste Management Kaizen is currently underway to achieve a target of zero waste to landfill by the end of 2022, a 10% reduction in clinical waste and a 20% reduction in paper use
- Development of an emissions dashboard which can provide a global, regional, country and facility level view of our scope 1 and 2 emissions
- Publishing our first UK Sustainability Report 2020/21
- Planting of over 25,000 trees as part of our supplier contracts

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report certain information required to be contained in the directors' report.

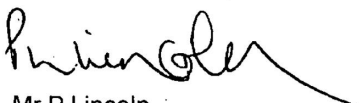
Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Going concern

The Company's business activities, together with a review of the business and the impact of the Covid-19 pandemic have been described in the strategic report. For the year to 31 March 2021 the company made a loss amounting to £4,781,000 and had net assets of £155,889,000. However the company has received confirmation from its intermediate parent undertaking, STERIS Limited, of its intention to provide support, where needed, for a period of at least 12 months from the date of approval of the accounts. The directors therefore have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

On behalf of the board



Mr P Lincoln
Director

10 December 2021