

Environmental, Social and Governance Our Approach

CREATING A SURGICAL POWERHOUSE

REINFORCING A SUSTAINABLE AND ETHICAL APPROACH IN EVERYTHING WE DO



- A** ADVANCING SUSTAINABILITY
- M** MINIMISING ENVIRONMENTAL IMPACT
- S** SOCIALLY RESPONSIBLE

AA
MSCI ESG rating

**NET
ZERO**
Carbon target – 2045

18%
renewable/low
carbon energy mix
(inc nuclear)
(2023: N/A)

Message from the Board

As we continue to deliver results for our stakeholders, we are committed to undertaking our business responsibly and devoting significant time and resource to our ESG strategy.

Building an innovative, sustainable and resilient business is more important than ever. By focusing on the most important issues for us and our stakeholders, and integrating sustainable business practices into our core processes, we will continue to generate value for the longer term. We aim to monitor our progress through carefully selected metrics, reflecting the values of the enlarged Group.

Our work on refreshing our Purpose, Mission and Values is close to conclusion and will underpin our future ESG Strategy, which we will refresh this year and will reinforce the strong focus on Sustainability within Peters Surgical.

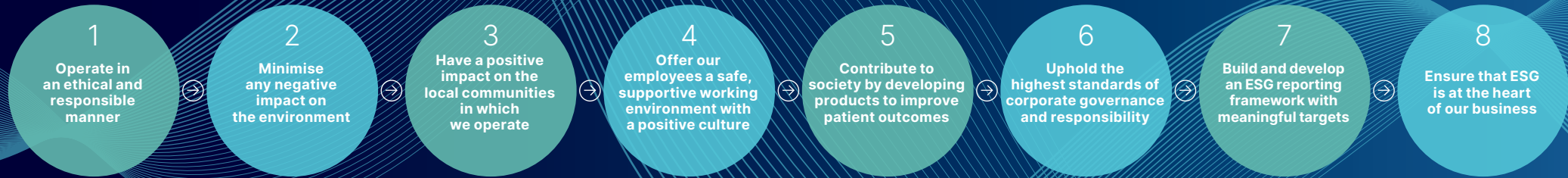
Eddie Johnson,
Chief Financial Officer & ESG Lead

27 May 2025

Environmental, Social and Governance continued

Our Approach

ESG PRINCIPLES



ESG GOVERNANCE AND INTEGRATION



Environmental, Social and Governance continued ESG Model

Our ESG Strategy sets out our commitments and activities that support sustainable and profitable growth. It focuses on the topics that are material to AMS and our stakeholders and considers a dynamic range of planetary and societal needs.



ESG Mission

Underpinned by our Values (Page 4), our ESG mission is to drive progress towards our Mission: To deliver. To make a real difference. To add value. Our Mission helps us to improve patients' lives by aligning and enabling ESG-related initiatives for the benefit of our stakeholders.

ESG Pillars



Planet

We are committed to minimising any negative impact on the environment and upholding the highest standards of corporate responsibility.



People

We are committed to having a positive impact on the local communities in which we operate and offering our employees a safe, supportive working environment with a positive culture.



Product

We are committed to contributing to society by developing products to improve patient outcomes.



Policy

We are committed to operating in an ethical and responsible manner, upholding the highest standards of corporate governance and to building and developing an ESG reporting framework with meaningful targets.

Environmental, Social and Governance continued ESG Framework

Prioritising our Planet, People, Product and Policy Pillars

Our Approach

We are committed to operating our business in a responsible way, minimising our negative impacts and maximising our positive contribution while promoting the sustainability of our business.

Our ESG Framework

Our ESG Framework is what makes us unique and identifies the key areas of focus to drive action on the most impactful areas to assure the future of our business for the longer term.

 PLANET	 PEOPLE	 PRODUCT	 POLICY
Principles <ul style="list-style-type: none"> Minimise any negative impact on the environment. Uphold the highest standards of corporate responsibility. 	<ul style="list-style-type: none"> Having a positive impact on the local communities in which we operate. Offer our employees a safe, supportive working environment with a positive culture. 	<ul style="list-style-type: none"> Operate in an ethical and responsible manner. Contribute to society by developing products to improve patient outcomes. 	<ul style="list-style-type: none"> Uphold the highest standards of corporate governance. Build and develop an ESG reporting framework with meaningful targets.
Stakeholder engagement <ul style="list-style-type: none"> Communities and Environment. Supply Chain. Investors. 	<ul style="list-style-type: none"> Patients, Partners, Clinicians. Employees. 	<ul style="list-style-type: none"> Regulators. Supply Chain. 	<ul style="list-style-type: none"> Investors. Partners. Employees.
Commitments <p>We are committed to minimising any negative impact on the environment and upholding the highest standards of corporate responsibility.</p>	<p>We are committed to having a positive impact on the local communities in which we operate and offering our employees a safe, supportive working environment with a positive culture.</p>	<p>We are committed to contributing to society by developing products to improve patient outcomes.</p>	<p>We are committed to operating in an ethical and responsible manner, upholding the highest standards of corporate governance and to building and developing an ESG reporting framework with meaningful targets.</p>
Link to SDGs 			
















Our mission:

To develop

To make a real difference

To add value

Environmental, Social and Governance continued ESG Focus Areas








ESG pillar	ESG focus areas	Our ambition	KPIs	2024	ESG pillar	ESG focus areas	Our ambition	KPIs	2024
 PLANET	 Climate change and emissions	Reducing our impact on the environment. <ul style="list-style-type: none"> Net Zero by 2045. Reduce energy use at our sites. Increase use of renewable energy. 	1. Total Scope 1 and 2 emissions (tCO ₂ e)**	7,654 (2023: n/a)	 PEOPLE	 Health and safety	Working to be injury free.	1. Accident incident rate (AMS metric – reportable injuries per 100,000 employees)*	4.5 (2023: 3.04) Target = 4.0
	 Circular economy	Make the most efficient use of material resources across our business. <ul style="list-style-type: none"> Minimise waste to landfill and increase recycled waste. Reduce water use at our sites. Operate at or work towards Environmental Management standards ISO 14001. 	1. Total waste (tonnes)**	910.8 (2023: n/a)		 Talent and workforce development	Where employees feel valued, invested in and want to recommend AMS as a great place to work.	1. Employee Engagement Score* (positive or neutral responses based on external benchmark) based on the external benchmark of our Engagement Score	N/A (2023: 83%)
	 Social and community engagement	Engage our wider community to achieve sustainable outcomes.	1. Establish an approximate KPI for community engagement	N/A (2025 metric)		 Equality, Diversity and inclusion	Equality, Diversity and Inclusion are key aspects of integration and sustainable growth.	1. Gender diversity**	Male: 46% Female: 54% (2023: n/a)
 12 RESPONSIBLE SOURCING AND PRODUCTION	 13 CLIMATE ACTION	 17 PARTNERSHIPS FOR THE GOALS	2. Amount donated to charitable causes or sponsorship	£93,563 (2023: n/a)	 3 GOOD HEALTH AND WELL-BEING	 5 GENDER EQUALITY	Operate with integrity and respect to regulation and laws in all dealings.	1. Proportion of eligible employees who received Business Ethics training	N/A (2025 metric)
					 8 DECENT WORK AND ECONOMIC GROWTH	 10 REDUCED INEQUALITIES	2. Total number of investigated breaches of Code of Conduct	N/A (2025 metric)	
							3. Reported incidents of discrimination*	2 (2023: 0)	

Key:

* Legacy AMS (sites prior to the acquisition of Peters Surgical in 2024).

** No comparator data is available for Peters Surgical for 2023. Due to this prior year comparators have not been included for the targets as it does not reflect in year performance.

Environmental, Social and Governance continued ESG Focus Areas

ESG pillar	ESG focus areas	Our ambition	KPIs	2024	ESG pillar	ESG focus areas	Our ambition	KPIs	2024
 PRODUCT	 Innovative and efficient products	Drive growth through high-quality, sustainable products.	1. Number of new product launches* 2. Proportion of revenue from products launched in the last five years**	2 (2023: 1) 9.8% (2023*: 12.4%)	 POLICY	 Compliance	Meet or exceed all compliance requirements.	1. Reported incidents of human rights violations in our supply chain** 2. Fines or sanctions from non-compliance with environmental laws and/or regulations** 3. ESG Steering Committee Meetings held during 2024*	0 (2023: 0) 0 (2023: 0) 3 (2023: 0)
	 Product quality and safety	Design, manufacture and/or supply high-quality and safe products.	1. Establish an approximate KPI for product quality and safety	N/A (2025 metric)		 Employee behaviours	Ethical and responsible behaviour.	1. Incidents of bribery or corruption** 2. Whistleblowing reports** 3. Spend on political campaigns, lobbying or think tanks**	0 (2023: 0) 0 (2023: 0) £0 (2023: 0)
	 Supply chain management	Ensure our supply chain operates in line with our ESG standards by applying our new supply chain policy.	1. Monitor the number of suppliers that conform to the Group Supply Chain Policy 2. Key materials suppliers met with, visited and/or audited in the past year (%)	N/A (2025 metric) N/A (2025 metric)					



Key:
 * Legacy AMS.
 ** Enlarged Group (Legacy AMS sites and sites post acquisition of Peters Surgical in 2024). No comparator data is available for Peters Surgical for 2023.
 1. Ranked critical, crucial or major.

Environmental, Social and Governance continued
Case Study

DEVELOPMENT AND INSTALLATION
OF SUSTAINABLE
TECHNOLOGIES



In 2024 AMS acquired the business and assets of Syntacoll GmbH, a specialist manufacturer of drug-eluting collagens. Based near Munich, Syntacoll provided AMS with a 4,800m², GMP compliant, state of the art collagen manufacturing facility with a class 1 licence for collagen-based drugs.

Following the acquisition it was identified that one of the cold water generators, necessary for temperature and humidity conditioning of the clean room, laboratory and production equipment, was defective.

The project team assessed various options: renting equipment, which would have been more economic in the short-term, repairing the existing equipment, and installing new equipment. The decision was made to install a cold water generator which utilised the latest technology, making it the most energy efficient choice although not the most economic.

The decision was made in keeping with our Planet goals, environmental policy and focus on Sustainability, which has been strengthened with the acquisitions of Peters Surgical.

UN Sustainability Development Goals

The SDGs which we consider to be most relevant to AMS are:

UN Goal	How AMS contributes
 3 GOOD HEALTH AND WELL-BEING	Ensure healthy lives and promote wellbeing for all at all ages <ul style="list-style-type: none"> • Improve patient outcomes. • Focus on employees (mental, wellbeing, Employee Assistance Programme, flexible working).
 5 GENDER EQUALITY	Ensure gender equality and empower all women and girls <ul style="list-style-type: none"> • Ensure equal opportunities during recruitment and promotion. • Equality, Diversity and Inclusion programme.
 8 DECENT WORK AND ECONOMIC GROWTH	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all <ul style="list-style-type: none"> • Work closely with clinicians and partners investing in industry-leading training and education.
 10 REDUCED INEQUALITIES	Promote innovative and sustainable economic growth, full and productive employment and decent work for all <ul style="list-style-type: none"> • Ensure employees are engaged, skilled and motivated. • Pay living wage and support lower earners.
 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Ensure sustainable consumption and production patterns <ul style="list-style-type: none"> • Ensure all products meet highest standards of quality, safety and efficiency, and are ethically sourced.
 13 CLIMATE ACTION	Take urgent action to combat climate change and its impacts <ul style="list-style-type: none"> • Committed to reduce our carbon footprint, reduce waste and utilise renewable energy, where possible.
 17 PARTNERSHIPS FOR THE GOALS	Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development <ul style="list-style-type: none"> • Engage and invest in projects in developing countries where we operate.

Other key ESG activities
Modern Slavery Act

AMS takes its responsibility to protect human rights very seriously. We do not tolerate slavery or human trafficking either internally or in our supply chain. We will never knowingly deal with any organisation which is connected to slavery or human trafficking.

Our full compliance statement can be found on the Company website www.admedsol.com

Gender Pay Gap Reporting – Ensuring Opportunities for All

AMS believes in being an inclusive and diverse employer.

We remain confident that employees are paid equally for doing equivalent jobs, and have opportunities for development and advancement.

Our latest report under the Gender Pay Gap Regulations is available on the Company website www.admedsol.com

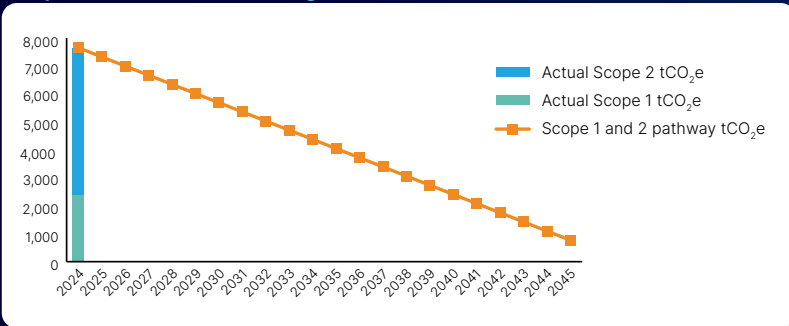
Environmental, Social and Governance continued Carbon Reduction Plan

Advanced Medical Solutions aims to reduce Scope 1 and 2 emissions by 90% by 2045, from an FY24 baseline.

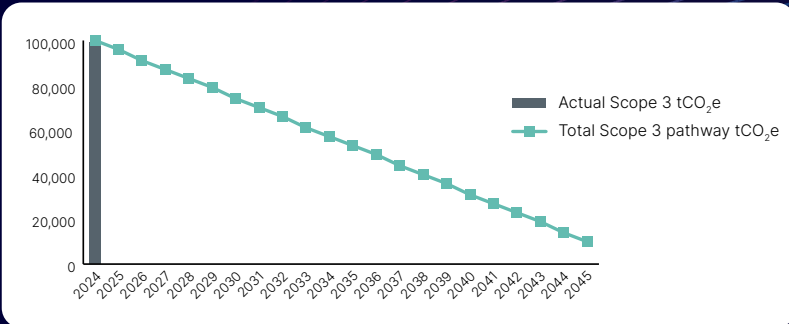
We also aim to reduce Scope 3 emissions by 90% by 2045 from the FY24 baseline. This will require an annual absolute reduction of 4.3%.

To support the achievement of this ambitious target, we have set a Scope 3 near-term target, and in FY25 will determine if a supplier engagement target could support in their journey to net-zero. That target is a 30% reduction in Scope 3 Category 12 (End-of-Life Treatment of Sold Products) GHG emissions per tonne of product sold by 2033.

Scope 1 and 2 Net-Zero Target



Scope 3 Net-Zero Target



Decarbonisation Roadmap Summary

Decarbonisation focus areas

Products	Supply chain	Sites and buildings	People
↓	↓	↓	↓
Short-term Gather product data Conduct LCAs Customer engagement	Short-term Supply analysis Supplier engagement Update procurement policy	Short-term Energy-saving actions Energy efficiency actions Staff training and awareness	Short-term Employee engagement workshops Review travel system and policy Transition on-site vehicles
Medium-term Product design review	Medium-term Request product and journey-specific data from suppliers	Medium-term Solar PV installation Start to replace gas boilers	Medium-term Incentivising green commuting
Long-term Insetting	Long-term Insetting Purchase low-carbon products	Long-term Offsetting	Long-term Insetting Purchase low-carbon products

Environmental, Social and Governance continued

Carbon Reduction Plan

In order to continue progress to achieving Net Zero, we have adopted the following carbon reduction targets.

- Continued development of energy and climate change action plans.
- Solar panel extensions on the Plymouth site roof.
- Walls Insulation Review at Plymouth site.
- Eliminated F-gas losses and waste to landfill through better waste handling processes and waste contractor engagement.
- ISO Certification at four key sites and principles rolled out across the Group to reduce energy use and environmental impact.
- Development of our net-zero strategy, with the help of a third-party consultant.
- Adoption of electric car lease scheme that UK employees can elect to join. Site company cars all either hybrid or electric.
- Commenced roll out of more in-depth recycling processes and significantly upgraded recycling capabilities at our Winsford site.
- Embedded Environmental Pledge Scheme across the Group to encourage employees to reduce their own carbon footprint.
- Installation of new HVAC systems and new building management systems ('BMS').
- Lighting has been replaced with LED bulbs.
- Warehouse sites have been fitted with motion sensor lighting to reduce excess energy consumption.
- Energy and behavioural change initiatives were rolled out across staff to further reduce energy consumption.

Identified opportunities for implementation

- Focus on four key operational areas: Product, Supply Chain, People, and Sites and Buildings.
- Continued improvement of Scope 3 data to better identify specific reduction actions and areas.
- Embed 'ESG Champions' across the business to lead on local and global awareness, initiatives and support.
- Work alongside our top suppliers to identify carbon hotspots and key areas for action.
- Explore further solar PV installation to further decrease reliance on grid supplied electricity and increase the share of renewable electricity.

Recognition



'AA' rating in the MSCI ESG Ratings assessment



Assessed to be at 'Low Risk' of experiencing material financial impacts from ESG factors by Sustainalytics – Top 5% of Healthcare companies



Achieved Silver Sustainability rating from EcoVadis – Top 25% of companies



We maintained and developed ISO 14001 and 50001 Certification



We have Sedex B membership and are working towards the ETI basecode

In 2023 we published the Carbon Reduction Plan, setting out our commitments to reach Net Zero by 2045 with a baseline year of 2021. Following the acquisition of Peters Surgical in 2024 we have collated our emissions from across the expanded Group and reset our baseline year to 2024, which has been a valuable and productive exercise.

Our work on Net Zero and Carbon Reduction is a key part of our ESG Strategy, but only part of a wide range of activities for which we have gained positive recognition. We continue to work to implement all areas of our ESG Strategy.

SUSTAINABILITY FOCUS ON

OUR
PLANET



We are committed to minimising any negative impact on the environment and upholding the highest standards of corporate responsibility.

Eddie Johnson
Chief Financial Officer and ESG Lead



KEY PLANET STATISTICS

910.8
Total waste (tonnes)
(2023: n/a)

7,654
tCO2e Scope 1 & 2 emissions
(2023: n/a)

AMS is committed to operating our business in a responsible way, which minimises negative impacts on the Planet. Our goal is to achieve Net Zero by 2045, requiring a 4.3% yearly reduction in Scope 1 and 2 emissions and we will set short-term targets in 2025.

In March 2025 we filed our first ESOS action plan outlining key energy reduction initiatives. These initiatives are in addition to actions completed in 2024, which included wall insulation at our Plymouth site, eliminating F-gas losses and waste to landfill, further work on ISO certification and installation of new HVAC systems, as well as behavioural initiatives.

Moving forward we are focused on four key operational areas; Product, Supply Chain, People, and Sites and Buildings, as well as improved Scope 3 data collection, working with our Supply Chain to identify carbon hot spots and exploring further PV installation.



Links to SDGs



SUSTAINABILITY FOCUS ON

OUR
PEOPLE



We are committed to having a positive impact on the local communities in which we operate and offering our employees a safe, supportive working environment with a positive culture.

Cathy Tomlinson
Chief People Officer



KEY PEOPLE STATISTICS

4.5

H&S (AMS Accident Incident Rate)
(2023: 3.04)

11%

Attrition
(2023: 12%)

People are our most important asset – by collaborating with employees, we have put in place changes to drive meaningful improvement in our work environment to attract, retain and develop talent while promoting equality, diversity and inclusion and supporting mental wellbeing.

We are always looking for ways to improve by listening and responding to feedback from our employees. We made changes in 2024 based on feedback received from the 2023 engagement survey. The engagement with employees resulted in attrition falling from 12% in 2023 to 11% in 2024.

We have engaged employees across the Group, both individually and in focus groups, to gain input into a new Purpose, Mission and Values to ensure our employees are united and will work collaboratively moving forward. This will be rolled out in mid-2025.



Links to SDGs



Environmental, Social and Governance continued
Strategic Priority

SUSTAINABILITY FOCUS ON
|
OUR
PRODUCT



We are committed to contributing to society by developing products to improve patient outcomes.

Andy Donnelly
Group R&D Director



KEY PRODUCT STATISTICS

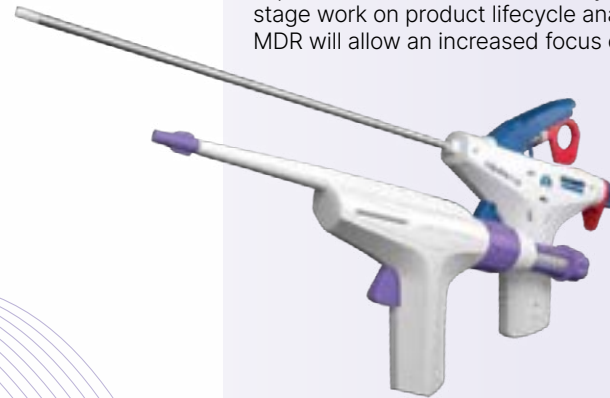
£12.9m
dedicated investment in R&D
(2023: £12.6m)

7%
of revenue spent on R&D and Innovation
(2023: 10%)

AMS is committed to upholding the highest ethical standards across our value chain. Working with partners, patients and clinicians to identify unmet needs.

We aim to ensure that there is no modern slavery or human trafficking in any part of our business. This is a particular focus following the acquisition of Peters Surgical and our expanded manufacturing footprint. We will review our Modern Slavery policies and procedures in 2025, in addition to a supply chain risk assessment.

We will further develop our R&D processes to reduce waste, targeting improvements in the Sustainability of our packaging alongside some early stage work on product lifecycle analysis. The reduction in spend required on MDR will allow an increased focus on innovation in 2025 and moving forward.



Links to SDGs



SUSTAINABILITY FOCUS ON

OUR POLICY



We are committed to operating in an ethical and responsible manner, upholding the highest standards of corporate governance and to building and developing an ESG reporting framework with meaningful targets.

Owen Bromley
Company Secretary



KEY POLICY STATISTICS

0

whistleblowing reports
(2023: 0)

0

incidents of bribery or corruption
(2023: 0)

AMS are committed to upholding external standards to protect human rights, with zero tolerance towards bribery, corruption and fraud both within our company and throughout our supply chain.

We work to the highest levels of Corporate Governance, following the UK Corporate Governance Code and constantly ensuring we act with integrity.

We will focus in 2025 on ensuring all policies are rolled out across the enlarged Group, supported by an Ethical Training program and introducing a new Code of Conduct to reflect the values of all our employees and monitoring compliance with this Code.

We believe that our goals will be strongly supported by enrolling in the UN Global Compact.



Links to SDGs



Environmental, Social and Governance continued SECR Highlights

Year-on-year Changes

Natural Gas (Scope 1) emissions decreased by 0.71% in FY24 compared to FY23.

Electricity (Scope 2) emissions significantly increased by 17.91% in FY24 compared to FY23.

Transport emissions significantly decreased by 29.75% in FY24 compared to FY23 due to a reduction in company vehicle usage.

Energy Saving Projects: Highlights

- Energy Optimisation
- Solar Panel Extension
- Wall Insulation Review

Table 1: Energy Source Breakdown for Total UK Location-Based Emissions**.

	Natural Gas	Electricity	Transport	Total
FY24 Carbon & Energy Consumption				
kWh	4,423,761	4,099,825	203,725	8,727,312
tCO ₂ e	809.11	834.72	45.21	1,689.04
FY23 Carbon & Energy Consumption				
kWh	4,454,482	3,492,733	283,512*	8,230,727*
tCO ₂ e	814.85	707.90	64.36*	1,587.12*
YOY percentage change (tCO ₂ e)	-0.71%	+17.91%	-29.75%	+6.42%

Table 2: Emission Intensity Breakdown for Total UK Location-Based Emissions**.

	Natural Gas	Electricity	Transport	Total
Carbon Intensity Metric				
FY24 tCO ₂ e per FTE	1.96	2.02	0.11	4.10
FY23 tCO ₂ e per FTE	1.95	1.70	0.15*	3.81*
YOY percentage change (tCO ₂ e)	+0.39%	+19.22%	-28.97%	+7.60%

* N.B. FY23 transport emissions figures have been restated to reflect more accurate reporting and improved data accuracy.

** N.B. The reported Scope 1, 2 and 3 emissions have been rounded to two decimal places. Any year-on-year comparison calculations have been conducted using complete unrounded figures.

Environmental, Social and Governance continued

SECR Highlights

Executive Summary

SECR disclosures are mandatory for listed and large unlisted UK companies with reporting cycles beginning on or after 1 April 2019.

This report summarises Advanced Medical Solution's ('AMS') energy usage, associated emissions, energy efficiency actions and energy performance under the government policy Streamlined Energy & Carbon Reporting ('SECR'). This is implemented by the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

Under the legislation, AMS must disclose its energy consumption, emissions, intensity metrics and all energy efficiency improvements implemented for all UK operations.

AMS is a UK-incorporated business. An operational boundary has been applied for the purposes of the reporting.

100% verifiable data coverage was achieved, with no estimations required. This is consistent with the 2023 estimation level.

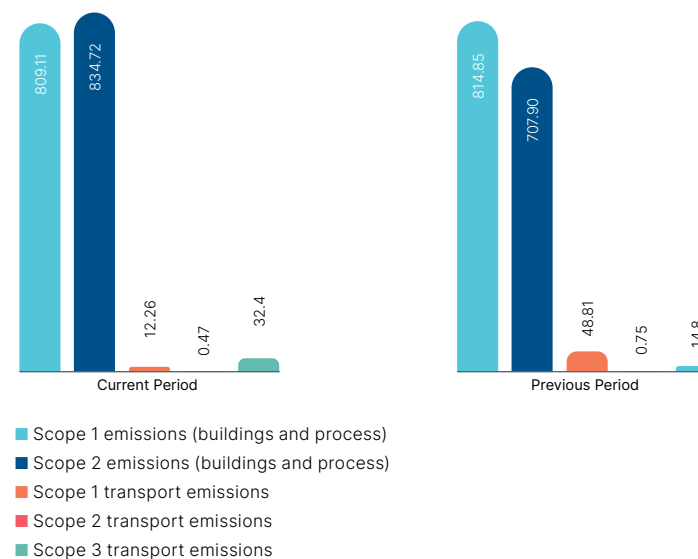
Reporting Year: January – December 2024

AMS Scope 1 direct and Scope 2 & 3 indirect emissions (combustion of natural gas and transportation fuels) for this reporting year are 854.32 tCO₂e, resulting from the direct combustion of 4,627,486 kWh of fuel. This represents a carbon reduction of 2.83% from last year ending December 2023 (Table 1).

Scope 2 indirect emissions (purchased electricity) for this reporting year are 834.72 tCO₂e, resulting from the consumption of 4,099,825 kWh of electricity purchased and consumed in day-to-day business operations, including self-generated electricity. This represents a carbon increase of 17.91% from last year ending December 2023 (Table 1).

AMS's operations have an intensity metric of 4.10 tCO₂e per FTE for this reporting year. This represents an increase in the operational carbon intensity of 7.60% from last year ending December 2023 (Table 2).

Figure 1: Scope 1, 2 and 3 emissions (tCO₂e) for this reporting period vs the previous reporting period.



Environmental, Social and Governance continued

SECR Highlights

Annual Reporting Figures: Consumption and Location-Based Emissions

The following tables show the consumption and associated emissions for financial years ending December 2024 and December 2023 for all operations.

Scope 1 consumption and emissions include direct combustion of natural gas, and fuels utilised for transportation operations, for example, company vehicle fleets.

Scope 2 consumption and emissions cover indirect emissions related to the consumption of purchased electricity in day-to-day business operations, including the use of electric vehicles. Total Scope 2 consumption also includes self-generated electricity, with no associated emissions.

Scope 3 consumption and emissions cover emissions resulting from sources not directly owned by AMS i.e., grey fleet business travel undertaken in employee-owned vehicles only.

Table 3: Advanced Medical Solutions Total Emissions Intensity Metrics**.

Intensity Metrics	Location-based		Market-based	
	FY24	FY23	FY24	FY23
Total FTE	412.44	417.01	412.44	417.01
All Scopes tCO₂e per FTE	4.10	3.81	3.46	N/A*
Percentage change	+7.60%		N/A*	

* N.B. Market-based calculations have been included for the first time in FY24. Therefore, no year-on-year comparisons are available.

** N.B. The reported Scope 1, 2 and 3 emissions and intensity metrics have been rounded to two decimal places. Any year-on-year comparison calculations have been conducted using complete unrounded figures.

Table 4: Advanced Medical Solutions Total Energy Consumption (kWh).

Utility and Scope	FY24 Consumption kWh	FY23 Consumption kWh***
	UK	UK
Scope 1 Total	4,478,432	4,668,729
Natural Gas (Scope 1)	4,423,761	4,454,482
Transportation (Scope 1)	54,671	214,247
Scope 2 Total	4,102,080	3,496,375
Grid-Supplied Electricity (Scope 2)	4,031,488	3,418,587
Transportation (Scope 2)	2,255	3,643
Self-Generation (Scope 2)	68,337	74,145
Scope 3 Total	146,800	65,622
Transportation (Scope 3)	146,800	65,622
Total	8,727,312	8,230,727

Table 5: Advanced Medical Solutions Total Location-based Emissions (tCO₂e)**.

Utility and Scope	FY24 Emissions tCO ₂ e	FY23 Emissions tCO ₂ e***
	UK	UK
Scope 1 Total	821.37	863.67
Natural Gas (Scope 1)	809.11	814.85
Transportation (Scope 1)	12.26	48.81
Scope 2 Total	835.19	708.66
Grid-Supplied Electricity (Scope 2)	834.72	707.90
Transportation (Scope 2)	0.47	0.75
Self-Generation (Scope 2)	32.48	14.80
Scope 3 Total	32.48	14.80
Transportation (Scope 3)	32.48	14.80
Total	1,689.04	1,587.12

*** N.B. FY23 transport emissions figures have been restated to reflect more accurate reporting and improved data accuracy.

Environmental, Social and Governance continued

SECR Highlights

Voluntary Market-Based Emissions

AMS dual-reports on location-based and market-based emissions factors. Market-based emissions demonstrate the carbon reduction achieved by renewable electricity procurement. Market-based emissions are reported in tCO₂ only, and reflect the specific emissions associated with a supplier-specific fuel mix or residual grid factor. Total market-based emissions are reported in Table 6.

Where supplier-specific emissions factors were not available, UK Government published emissions factors were utilised.

Table 6: Advanced Medical Solutions Total UK Location and Market-based Emissions*.

Utility and Scope	FY24 Emissions	
	Location-based tCO ₂ e	Market-based tCO ₂ /tCO ₂ e
Scope 1 Total	821.37	821.37
Natural Gas (Scope 1)	809.11	809.11
Transportation (Scope 1)	12.26	12.26
Scope 2 Total	835.19	574.29
Grid-Supplied Electricity (Scope 2)	834.72	573.82
Transportation (Scope 2)	0.47	0.47
Scope 3 Total	32.48	32.48
Transportation (Scope 3)	32.48	32.48
Total	1,689.04	1,428.14

* N.B. Market-based calculations have been included for the first time in FY24 therefore no year-on-year comparisons are available.

COMPLIANCE STATEMENT

MITIGATING THE IMPACT OF CLIMATE CHANGE

The UK's Companies Strategic Report Climate-related Financial Disclosures ('CFD') Regulations 2022 require certain publicly listed and large private companies to disclose climate-related financial information in their annual reports. As an AIM-listed company with more than 500 employees, AMS falls within the scope of these regulations and has included a CFD statement in line with the mandated framework. This marks AMS's second year of mandatory CFD reporting, reflecting our continued commitment to transparent climate disclosure. In FY2024, AMS complied with eight of eight CFD disclosure requirements.

Governance

AMS is committed to strengthening its climate-related strategy to enhance operational resilience. We recognise the risk climate change can pose to our future operations, so we are preparing for potential climate-related disruptions and actively developing our Environmental, Social, and Governance ('ESG') strategy to drive long-term sustainability. To support this, we partnered with an ESG consultancy, Inspired ESG, to develop our climate strategy.

Our governance structure (Table 1) ensures that climate change is considered throughout the Group.

Table 1: Advanced Medical Solution's ESG governance structure.

Board of Directors	Holds overall responsibility for climate matters, including overseeing climate strategy, risks, and progress toward sustainability goals.
ESG Steering Committee	Responsible for identifying climate risks and opportunities with Inspired ESG. Responsible for assessing, managing and monitoring climate risks and opportunities and ensuring compliance with regulations. Reports to the Board quarterly with updates.
Sustainability Team	Supports and oversees the Department Working Group in implementing climate mitigations and meets bi-weekly with Inspired ESG. Supports the ESG Steering Committee with identifying climate risks.
Department Working Groups (Includes Operations, Supply Chain, Sales, Marketing)	Executes climate initiatives within departments and reports progress to the ESG Steering Committee and Sustainability Team.

Climate-Related Financial Disclosure Report continued

Board Oversight and Accountability

The AMS Board of Directors has the overall responsibility for climate matters. In FY2024, the Board continued to oversee and guide our climate strategy, focusing on integrating climate risk considerations into both short- and long-term financial planning to proactively manage such risks, ensuring long-term resilience across our operations. AMS and Peters have a budget for ESG, including climate risk mitigations and energy efficiency projects; for example, in FY2024, the Board approved the solar panel extension at the Plymouth site. In FY2025, the Group budget will be formalised to include all compliance costs and decarbonisation actions. The Board met eight times in FY2024. The ESG Steering Group, chaired by the Chief Financial Officer ('CFO') and Group Company Secretary provides updates to the Board quarterly. Key discussion topics included progress on CFD, identified climate-related risks and opportunities, and progress on emissions reduction. Two Board members have significant recent experience of climate matters through the development and implementation of ESG through their other roles. To support all Board members in their oversight of climate change, in December 2024, Inspired ESG presented an overview of CFD, climate change and the identified climate risks and opportunities. Climate change was discussed by the Board five times in FY2024.

Historically, executive remuneration and climate-related performance metrics were linked. However, as the Group acquired Peters Surgical during 2024, the two were not linked during FY2024. The possibility of reinstating this will be reviewed in FY2025.

ESG Steering Committee

The Board has delegated the responsibility for identifying, assessing and managing climate risks and opportunities to the ESG Steering Committee. The Committee, alongside the Sustainability Team, supports Inspired ESG to identify climate risks and opportunities annually. Meeting quarterly, the ESG Steering Committee actively manages climate matters, including conducting regular reviews to ensure compliance with evolving climate regulations and monitor progress on mitigation efforts such as net zero updates, emissions and energy reduction, energy monitoring trials and sustainable packaging. Quarterly updates are provided to the Board by the CFO, who also sits on the Board, supporting the straightforward dissemination of key information. Other members of the ESG Steering Committee include the Company Secretary, Group Health and Safety Manager, Group Operations Director, and senior managers from Operations, Supply Chain, Sales, and Marketing.

The ESG Steering Committee members, including the CFO, met bi-weekly with Inspired ESG to facilitate data collection and ensure CFD compliance. Members also attended the climate risk management workshops in November 2024 to assess climate risks and opportunities and evaluate the effectiveness of current mitigation measures (see Page 48 for more information). The Department Working Groups also supported the assessment of climate risks, and the implementation of new mitigation measures and actions delegated from the ESG Steering Committee.

Sustainability Team

The Sustainability Team was established in FY2024 after the acquisition of Peters Surgical. Some members of the ESG Steering Committee are members of the Sustainability Team, which ensures a clear avenue of information sharing. The main function of the Team is to support the Department Working Groups in their execution of climate mitigations and oversee progress, such as the LED rollout at our Plymouth site in December 2024. The Sustainability Team share the responsibility for identifying climate-related risks and conducting annual reviews with Inspired ESG and the ESG Steering Committee.

Risk Management

The Board understands the importance of appropriate risk management and delegates the responsibility for identifying, assessing, monitoring and managing risks to the ESG Steering Committee, supported by the Sustainability Team. An annual review of AMS's risk management process (Figure 1) is conducted. To ensure that climate risks and opportunities are effectively monitored and managed, a climate risk register was developed in FY2023 and updated in FY2024 in collaboration with Inspired ESG. The climate risk register is reviewed at least annually. The climate risk register has not been integrated into the corporate risk register, but we will review the feasibility of merging in FY2025.

Figure 1: AMS risk management approach, which climate change has been incorporated into.



Climate-Related Financial Disclosure Report continued

Step 1 | Identify climate risks and opportunities

FY2024 marks the second time we have fully identified the climate risks and opportunities that may impact the business. Climate-related data was provided to Inspired ESG to conduct climate scenario analysis on 23 of our operational sites and four key supplier sectors. The analysis outcomes were presented at two climate risk management workshops held in November 2024. The first workshop covered transition risks (associated with the transition to a decarbonised economy), which were identified at the Group level. The second covered physical risks (physical impacts of climate change, such as flooding) identified at the site level. Physical risks can cover two categories: acute (event-driven) such as heatwaves, or chronic (longer-term shifts in the climate's patterns), such as water stress. Members of the ESG Steering Committee and the Sustainability Working Team attended the workshops. Climate-related opportunities were also identified at the Group level. In total, nineteen climate risks and six opportunities were identified. Thirteen risks were deemed material: seven transition and six physical risks (Tables 4 and 5). Two opportunities were deemed material (Table 6). We will repeat the climate risk identification and assessment process annually.

Step 2 | Analyse and Assess

The climate scenario analysis, conducted in October 2024, informed the climate risk management workshop in November 2024. The workshop was attended by key stakeholders, such as members of the ESG Steering Committee, including the CFO, Group Company Secretary, and Peters Surgical Chief Regulatory and Sustainability Officer. During the workshop, they evaluated three potential global warming pathways and three timescales over which climate risks and opportunities may materialise. See Pages 48-54 of the Strategy section for more information.

Following the workshops, the attendees internally reviewed the potential financial and operational impact and likelihood of each risk to assess which are most significant for the business (Tables 4 and 5). Each risk was scored based on the likelihood (of the risk occurring and impacting the business) and significance (financial impact on the Group's profit) (Table 2). Risks scored >£10 million for significance or >50% for likelihood are considered material. Material risks will have mitigation measures prioritised.

Table 2: AMS climate risk scoring system.

		Likelihood:		
		<20%	20%-50%	>50%
Significance:	<£2m	0.4	1.0	2.0
	£2m-£10m	2.0	5.0	10.0
	>£10m	5.0	12.5	25.0

Step 3 | Monitor and report

We understand that the threat of climate change may pose changes annually. Therefore, the climate scenario analysis and risk assessment will occur annually to ensure our classification remains appropriate. This will allow us to assess the impact and likelihood of existing risks and evaluate emerging ones. During this process, we will review the effectiveness of our mitigation measures and implement new ones where required. The publication of this CFD report demonstrates the steps we are taking to ensure transparency with our stakeholders on climate-related topics.

Climate-Related Financial Disclosure Report continued

Step 4 | Manage

In December 2024, the Board was presented with an overview of climate change risk management, including the findings from the climate scenario analysis and the identified risks and opportunities. Climate change is a risk on the Group risk register under geopolitical issues. The Board delegated the Group CFO and Group Company Secretary responsibility for reviewing and approving the Group's FY2024 climate risks register.

As AMS did not experience any significant financial impacts of climate change in FY2024, climate change was not identified as a principal risk. However, during a review of the Group's geopolitical risks in the second half of FY2024, it was highlighted that physical risks are likely to intensify with climate inaction and, thus, are more likely to impact operations in future years, including supply chain disruptions, which may impact the sector as a whole. Therefore, we classified climate change as an emerging risk for FY2024. This classification will be reviewed annually, and as an emerging risk, AMS will continually monitor this and its potential effects and prioritise action where needed. AMS has assessed the resilience of the Group's business model and strategy against the three different climate scenarios (Table 3). AMS assessed the potential effect on the business model and strategy (Tables 4 and 5) and found they are resilient to the three climate scenarios.

Strategy

We reviewed the identified climate-related risks and opportunities in November 2024 across three distinct timeframes chosen to align with the UK's Net Zero target of 2050; these are the short (2024-2029), medium (2030-2039), and long-term (2040-2055). The short-term timeframe (2024-2029) was chosen to provide insight into the immediate climate impacts, such as increasing emissions reporting regulations and growing stakeholder concerns. The medium-term timeframe (2030-2039) aligns with the UK's interim Scope 1 and 2 targets. It demonstrates the intensification of transition and physical risks, allowing AMS the opportunity to develop proactive risk mitigation strategies. The long-term timeframe (2040-2055) aligns with the Group's net zero target, NHS England's Net Zero target of 2045, and the UK's Net Zero target of 2050, ensuring long-term climate resilience. Our climate scenario analysis reviewed three distinct warming scenarios, chosen to demonstrate different international engagements and responses to tackling climate change, ranging from 'business as usual' to a rapid transition to a low-carbon economy. A climate scenario is a plausible representation of potential future climate conditions that could have an impact on business operations directly and indirectly. The scenarios are outlined in Table 3.

Table 3: The three warming scenarios and their implications for climate risk and action.

Scenario	Explanation
Proactive (<2°C)	This scenario aligns with the Paris Agreement and the UK's Net Zero target for 2050 with stricter government mandates, driving investment in low-carbon products and services. We would expect to see increased customer pressure for sustainable alternatives. AMS is improving energy efficiency across its portfolio and developing carbon reduction targets, ensuring long-term sustainability and compliance with evolving regulations.
Reactive (2-3°C)	Delayed climate action leads to uncoordinated policies as governments scramble to enact climate policy to meet international targets. Limited funding and minimal incentives hinder low-emission investment. Some climate tipping points are breached, causing unpredictable risks. To enhance resilience, AMS conducts an annual climate scenario analysis through its partnership with Inspired ESG, identifying risks and implementing necessary mitigations.
Inactive (>3°C)	A 'business as usual approach' accelerates climate change. Few net zero targets are set and reached, and limited investment is made into low-emission products. Most climate tipping points are breached, causing severe risks to materialise. AMS reports annually under CFD to drive accountability with emission targets, ensuring continued focus on climate despite external challenges.

Our Resilience

The inactive scenario modelled is expected to significantly impact our operations, including increasing costs and reducing profitability. The physical risks will most likely affect the Group in the long term. Due to the nature of the sector in which we operate, we have specialised suppliers that cannot be replaced quickly due to industry-specific requirements and approvals. As such, we are committed to expanding our risk analysis to our supply chain and developing relevant mitigations to reduce the risk of operational disruption from our supply chain. We will annually review climate risks to ensure our classification remains appropriate. We will ensure our resilience by engaging in proactive research and development into low-emission and sustainable products where feasible. We also take proactive measures to avoid supply chain disruptions such as multi-sourcing. AMS has analysed the resilience of the Group's strategy and business model under each climate scenario. We have analysed the potential effects on our strategy and business model of each of these three scenarios and have determined AMS is resilient to these scenarios.

Climate-Related Financial Disclosure Report continued

Climate scenarios

We assessed the identified risks against the likelihood and impact of each risk on the Group's operations, strategy and business planning. To conduct our climate-scenario analysis, we used internationally recognised climate models and frameworks, including the International Energy Agency's World Energy Models ('WEM'), Shared Socioeconomic Pathways ('SSPs'), Climate Natural Catastrophe Damage Models, Coordinated Regional Climate Downscaling Experiment ('CORDEX') forecasts, and Integrated Assessment Models ('IAM'). These models offer important insights into the potential impacts of climate change but have limitations, such as potential deviations between predicted and actual conditions. Additionally, potential exaggerations or underestimations of climate variables could occur.

In FY2023 and FY2024, we analysed the climate-related risks against the locations of our 12 sites. In FY 2024, we expanded this to include our Peters Surgical sites, analysing 23 sites. The Group further expanded its analysis to understand how climate change may impact key business sectors within its supply chain, such as the manufacturing industry, further embedding resilience in the business strategy. Sites were selected for analysis based on historical data; if a site was near a major historic climate event, we considered the site to be vulnerable. Our analysis identified nineteen climate-related risks and six opportunities. Risks with an expected financial impact greater than £10 million or more than a 50% chance of occurring were deemed material and required heightened management and monitoring. Thirteen risks were deemed material: seven transition risks and six physical risks (Tables 4 and 5). Two opportunities were deemed material (Table 6).

Transition risk

Transition risks are associated with a transition toward a low-carbon economy and themes of increased policy and legal mandates, shifts in markets, the implementation of low-emission technology, and threats to company or industry reputation. These risks are most prevalent in the short-term under a below 2°C scenario, driven by stricter climate policies such as increased emission reporting obligations and stakeholder concerns. AMS is well-positioned to mitigate transition risks and take a proactive approach. The Group has been working with a third-party consultancy to prepare for CSRD, should Peters Surgical be captured after the proposed changes from the European Union. Material transition risks are further explored in Table 4.

Physical risks

Physical risks stem from the direct physical impacts of climate change, such as heatwaves and flooding, that may threaten the Group's operations or strategy in the longer term. Physical risks can be either acute (event-driven), such as flooding or wildfires, or chronic (longer-term shifts in the climate patterns), such as rising mean temperatures or sea level rise. Whilst physical risks, such as flooding, have impacted the Group before, mitigations, such as replacing storm drains, have been implemented (Table 5).

Key outcomes

While climate change has not been recognised as a principal risk for the Group, the transition and physical risks in Tables 4 and 5 are predicted to have a higher business impact than the other climate-related risks. AMS also aims to capitalise on the opportunities presented by climate change where possible (Table 6). Costs to implement mitigation measures for the material climate risks will be factored into the Group's new budget plan, which will be formalised in FY2025 and will increase the resilience of the Group. AMS is actively working to reduce the Group's carbon footprint to minimise potential carbon pricing risks and reduce our environmental impact, as detailed in the Metrics and Targets section.

Climate-Related Financial Disclosure Report continued

Table 4: Climate-related transition risks that could have a greater potential impact on the business and the mitigations.

Climate-related risk	Impact Description	Mitigations
<p>Risk: Enhanced emissions-reporting obligations</p> <p>Time Horizon: Short to Medium Term (2024-2039)</p> <p>Warming Scenario: <2°C, 2-3°C</p> <p>Likelihood: >50%</p> <p>Impact: <£2m</p> <p>Financial Impact: Expenditures – increased operating costs. Write-offs and early retirement of existing assets due to policy changes.</p>	<p>Actual</p> <p>AMS has seen an increase in reporting regulations such as CFD. CSRD may impact the Group, increasing compliance costs and potentially forcing early retirement or write-off of assets due to emissions policy changes.</p> <p>Potential</p> <p>Increased regulation in the UK to reach net zero by 2050. In the EU, a bid submitted for Parliament's approval aims to (1) ban climate claims like 'climate neutral' or 'eco' based solely on offsetting and (2) ban green labels not from an approved sustainability scheme.</p>	<p>AMS engages with a third-party ESG consultancy and annually reviews CSRD reporting requirements. In FY2023, AMS developed a net zero reduction plan with Inspired ESG, aiming to become net zero by 2045, with an absolute target across Scope 1, 2, and 3 emissions. Peters Surgical committed to the Science Based Targets Initiative in FY2023 and the Group intends to honour this commitment in FY2025. The Sustainability Team monitors emerging legislation.</p> <p>Related Metrics & Targets: Scope 1, 2 and 3 emissions.</p>
<p>Risk: Mandates on and regulation of existing products and services</p> <p>Time Horizon: Short to Medium Term (2024-2039)</p> <p>Warming Scenario: <2°C, 2-3°C</p> <p>Likelihood: >50%</p> <p>Impact: <£2m</p> <p>Financial Impact: Decreased revenue due to reduced demand for current products and services. Increased costs from fines.</p>	<p>Actual</p> <p>Mandates and regulations to address climate change may increase, such as the Environment Act (2021), aiming to improve air and water quality. This can result in increased compliance or operating costs for AMS.</p>	<p>AMS plans to monitor this risk annually. AMS is also a member of the environmental regulations, group and the Corporate Sustainability Reporting ('CSR') group of its trade union, representing the medical device sector in France, to monitor applicable regulations, including climate regulations such as emission reporting.</p> <p>Related Metrics & Targets: Scope 1, 2 and 3 emissions.</p>
<p>Risk: Carbon pricing</p> <p>Time Horizon: Short Term (2024-2029)</p> <p>Warming Scenario: <2°C</p> <p>Likelihood: >50%</p> <p>Impact: <£2m</p> <p>Financial Impact: Expenditures – increased capital costs and operating costs (e.g., higher compliance costs, increased insurance premiums).</p>	<p>Potential</p> <p>Carbon pricing would put a price on Scope 1 and Scope 2 emissions, potentially impacting AMS and the Group's suppliers. The cost could be most significant for AMS in the Proactive scenario in the short term. The EU has also broadened the scope of the Emissions Trading Scheme to include the transport and taxation of imported carbon via the Carbon Border Adjustment Mechanism ('CBAM'). AMS is below the carbon tax thresholds but may experience increased raw materials and transport costs.</p>	<p>AMS will use its net zero strategy to reduce emissions across the Group and minimise this risk. AMS will monitor this risk annually and aim to implement a responsible purchasing approach aligned with a low-carbon trajectory.</p> <p>Related Metrics & Targets: Scope 1, 2 and 3 emissions.</p>

Climate-Related Financial Disclosure Report continued

Climate-related risk	Impact Description	Mitigations
<p>Risk: Uncertainty in market signals</p> <p>Time Horizon: Short to Medium Term (2024-2039)</p> <p>Warming Scenario: <2°C, 2-3°C</p> <p>Likelihood: <20%</p> <p>Impact: >£10m</p> <p>Financial Impact: Decreased access to capital. Abrupt and unexpected shifts in energy costs.</p>	<p>Potential</p> <p>Lack of a clear climate transition plan may lead to reduced access to capital. New sectors and competitors may form, offering customers a range of companies to take their business to. New financing from government schemes and green investment opportunities may be missed if AMS fails to make progress its net zero journey. Additionally, abrupt and unexpected shifts in energy costs, driven by regulatory changes or energy supply disruptions, could significantly increase operational expenses, further impacting profitability and competitiveness.</p>	<p>With the support of a third-party consultancy, AMS will remain informed about market changes.</p> <p>Related Metrics & Targets: Scope 1, 2 and 3 emissions.</p>
<p>Risk: Increased cost of energy and raw materials</p> <p>Time Horizon: Short to Long Term (2024-2055)</p> <p>Warming Scenario: <2°C, 2-3°C</p> <p>Likelihood: >50%</p> <p>Impact: <£2m</p> <p>Financial Impact: Increased operating costs. Re-pricing of assets (e.g., fossil fuel reserves).</p>	<p>Potential</p> <p>Energy: Increased energy costs as carbon prices are introduced on gas and oil imports. Renewable energy is often more expensive than non-renewables but more reliable.</p> <p>Raw Materials: The EU has identified plastic, steel, ceramics, hydrogen and fertilisers as high-impact materials. High-impact products will be forced to decarbonise, and as a result, new processes and technologies may be introduced, increasing the raw material cost. AMS may experience supply chain disruption from reliance on any identified products.</p>	<p>AMS utilises solar energy technology. The Thailand site uses solar panels for part of its electricity production. A green electricity contract has been signed at the Domalain production site, providing a more stable cost.</p> <p>Related Metrics & Targets: Scope 1, 2 and 3 emissions.</p>
<p>Risk: Increased stakeholder concern</p> <p>Time Horizon: Short to Medium Term (2024-2039)</p> <p>Warming Scenario: <2°C, 2-3°C</p> <p>Likelihood: >50%</p> <p>Impact: <£2m</p> <p>Financial Impact: Decreased access to capital, reduced Company valuation.</p>	<p>Potential</p> <p>As the world transitions to a decarbonised economy, stakeholders will likely have increased interest and concern regarding sustainability credentials. Companies not matching stakeholder expectations could be financially impacted. AMS may experience damage to its reputation if found to not comply with mandated climate disclosures. This could result in loss of partnerships, reduced access to capital and increased regulatory scrutiny, affecting its revenue and market position.</p>	<p>AMS ensures transparency with stakeholders by publishing an annual CFD statement in the Group's Annual Report and Accounts, completing a CDP response and having a dedicated Sustainability section on the Group website for stakeholders. The Group has set environmental targets to mitigate the risk of increased stakeholder concern (see Pages 55-57). Progress towards these targets will be reported annually, demonstrating our commitment to reducing our carbon footprint.</p> <p>Related Metrics & Targets: Scope 1, 2 and 3 emissions.</p>

Climate-Related Financial Disclosure Report continued

Climate-related risk	Impact Description	Mitigations
<p>Risk: Substitute existing products and services with lower emissions alternatives</p> <p>Time Horizon: Short to Medium Term (2024-2039)</p> <p>Warming Scenario: <2°C, 2-3°C</p> <p>Likelihood: 20% – 50%</p> <p>Impact: >£10m</p> <p>Financial Impact: Expenditures – increased capital costs. Write-offs and early retirement of existing assets.</p>	<p>Potential</p> <p>Customer preferences are changing as people are considering the environment when making purchasing decisions, resulting in additional costs to improve product sustainability. This shift may also force the write-off or early retirement of AMS's assets that no longer meet evolving sustainability standards, further escalating costs.</p>	<p>AMS continuously monitors developments that could impact product costs. AMS has shifted towards electric vehicles ('EVs') for its company car fleet, particularly in the UK.</p> <p>Related Metrics & Targets: Scope 1 and 2 emissions.</p>

Table 5: Climate-related physical risks that could have a greater potential impact on the business than other climate risks and the mitigations.

Risk Details	Risk Description	Mitigation
<p>Risk: Heatwave</p> <p>Time Horizon: Short to Long Term (2024 – 2055)</p> <p>Warming Scenario: <2°C, 2-3°C, >3°C</p> <p>Likelihood: >50%</p> <p>Impact: <£2m</p> <p>Financial Impact: Reduced revenue from decreased production capacity.</p> <p>Reduced revenue and higher costs from negative impacts on workforce (e.g. health, safety, absenteeism).</p> <p>Write-offs and early retirement of existing assets (e.g. damage to property and assets in 'high-risk' locations).</p>	<p>All of AMS (e.g. Winsford and Dublin) and Peters Surgical sites (e.g. Gurugram and Markneukirchen) analysed will experience heatwaves in the short to long-term in the Reactive and Inactive scenarios.</p> <p>Actual</p> <p>Extreme heat can disrupt manufacturing processes through power outages, reduced employee capacity, or degradation of temperature-sensitive raw materials. Investments may be needed to protect products and infrastructure, such as reinforced AC systems, special packaging, and temperature-controlled storage.</p> <p>Potential</p> <p>Potential impacts include long-term changes to working hours, supply chain or operational disruption from roads melting or rails buckling, and increased maintenance as air conditioning use increases.</p> <p>Investments may be needed to protect products and infrastructure, such as reinforced AC systems, special packaging, and temperature-controlled storage.</p>	<p>All offices, manufacturing sites, and warehouses have AC to maintain inventory quality and employee well-being. LiquiBand® is transported in temperature-controlled environments to preserve quality.</p> <p>Related Metrics & Targets: Scope 1, 2 and 3 emissions.</p>

Climate-Related Financial Disclosure Report continued

Risk Details	Risk Description	Mitigation
<p>Risk: Rising Mean Temperatures</p> <p>Time Horizon: Medium to Long Term (2030 – 2055)</p> <p>Warming Scenario: 2-3°C, >3°C</p> <p>Likelihood: >50%</p> <p>Impact: <£2m</p> <p>Financial Impact: Expenditures – increased capital and operating costs.</p>	<p>100% of analysed AMS (e.g. Domazlice and Plymouth, UK) and Peters Surgical sites (e.g. Plymouth, MA and Warsawa) will experience rising mean temperatures in the medium to long term in the Reactive and Inactive scenarios.</p> <p>A slower working pace may result in total working hours lost, and an increase in heat-related illnesses is possible. Energy and maintenance costs may increase as the need for cooling increases.</p>	<p>No significant impacts have been observed. However, employees can work from home during rising temperatures. AMS sites have temperature-controlled rooms.</p> <p>Related Metrics & Targets: Scope 1, 2 and 3 emissions.</p>
<p>Risk: Increased Severity of Flooding</p> <p>Time Horizon: Medium to Long Term (2030 – 2055)</p> <p>Warming Scenario: >3°C</p> <p>Likelihood: >50%</p> <p>Impact: £2m – £10m</p> <p>Financial Impact: Reduced revenue from decreased production capacity (e.g. transport difficulties, supply chain interruptions).</p> <p>Reduced revenue and higher costs from negative impacts on workforce (e.g. health, safety, absenteeism).</p> <p>Write-offs and early retirement of existing assets (e.g., damage to property and assets in 'high-risk' locations).</p>	<p>A total of 38% of analysed AMS sites (e.g., Stafford and Teesdorf) are in high flood-risk zones, and 60% of Peters Surgical sites (e.g., AMT Wachsenburg and Gurugram) Surgical sites are in high flood-risk zones.</p> <p>Direct impacts could cause site closure and property or equipment damage, increasing capital spending. Indirect impacts could prevent suppliers, customers, or employees from reaching the site, reduce productivity, or create disruptions operationally or within the supply chain.</p> <p>No AMS sites have been directly impacted as of FY2024. However, there have been indirect impacts due to neighbouring facilities flooding, which caused disruption to AMS's operations.</p>	<p>Sites have disaster recovery plans with delegated responsibilities for evacuation. For example, one site in Thailand has implemented a flood prevention plan, including a high wall and flood gate to mitigate any potential risks of flooding.</p> <p>Related Metrics & Targets: Scope 1, 2 and 3 emissions.</p>
<p>Risk: Water Stress</p> <p>Time Horizon: Medium to Long Term (2030 – 2055)</p> <p>Warming Scenario: <2°C, 2-3°C, >3°C</p> <p>Likelihood: >50%</p> <p>Impact: £2m – £10m</p> <p>Financial Impact: Expenditures – increased capital and operating costs.</p>	<p>A total of 25% of analysed AMS sites (e.g. Nuremberg and Moscow) are in potential high water stress zones and 60% of Peters Surgical sites (e.g. Bangkok, AMT Wachsenburg) are in potential high water stress zones.</p> <p>Increased expenditures may be observed from alternative water sourcing requiring greater treatment or the installation of water conservation technology may be mandated. Energy disruptions from lack of water may cause business disruption.</p>	<p>AMS will monitor water stress risk annually through climate scenario analysis.</p> <p>Related Metrics & Targets: Scope 1, 2 and 3 emissions.</p>

Climate-Related Financial Disclosure Report continued

Risk Details	Risk Description	Mitigation
<p>Risk: Sea Level Rise</p> <p>Time Horizon: Long Term (2040 – 2055)</p> <p>Warming Scenario: <2°C, 2-3°C, >3°C</p> <p>Likelihood: <20%</p> <p>Impact: >£10m</p> <p>Financial Impact: Expenditures – increased capital and operating costs.</p>	<p>A total of 25% of analysed AMS sites (e.g. Etten-Leur and Haifa) are in potential sea level rise risk zones, and 20% of Peters Surgical sites (e.g. Bangkok and Plymouth, MA) are in potential sea level rise risk zones.</p> <p>Indirect impacts, such as decreased insurance coverage or increased premiums, are likely in high-risk zones. The disruption of roads, railways, seaports, and airports may create operational or supply chain disruption.</p>	<p>AMS will conduct climate scenario analysis annually, to assess the potential impact that sea level rise may have on the business.</p> <p>Related Metrics & Targets: Scope 1, 2 and 3 emissions.</p>
<p>Risk: Increased Frequency of Wildfires</p> <p>Time Horizon: Long Term (2040 – 2055)</p> <p>Warming Scenario: >3°C</p> <p>Likelihood: <20%</p> <p>Impact: >£10m</p> <p>Financial Impact: Reduced revenue from decreased production capacity (e.g. transport difficulties, supply chain interruptions).</p> <p>Reduced revenue and higher costs from negative impacts on workforce (e.g. health, safety, absenteeism).</p> <p>Write-offs and early retirement of existing assets (e.g. damage to property and assets in 'high-risk' locations).</p>	<p>A total of 8% of analysed AMS sites (e.g. Nantes) are at potential risk from wildfire impacts and 10% of Peters Surgical sites (e.g. Domalain) are at potential risk from wildfire impacts.</p> <p>Wildfires are not expected to impact AMS sites directly, but the risk should be continually monitored as wildfire occurrences increase globally.</p> <p>Smoke and ash can damage AC units, creating increased maintenance costs. Energy disruptions could impact business productivity. Operational and supply chain disruptions could be observed through closed transport networks (airports, rails, roads), or government travel bans due to air quality.</p>	<p>Thailand Site Grass Fires (2010 – 2015)</p> <p>Impact: Smoke and ash can impact the performance of AC units and also the health of employees.</p> <p>Response: Coordinated with the industrial estate to monitor the fire and identify the cause. The industrial estate coordinated with the area owner to clear grass and trees.</p> <p>Related Metrics & Targets: Scope 1, 2 and 3 emissions.</p>

Climate-Related Financial Disclosure Report continued

Table 6: Key opportunities identified and how AMS will capitalise on it.

Opportunity type	Description	Time Horizon (years)	Warming scenario	Financial impact	Description of opportunity response
Resource Efficiency	Adoption of energy-efficient technology, transport, distribution, recycling, and water conservation.	Short to Medium Term (2024-2039)	<2°C 2-3°C	Lower costs, higher productivity, and asset value.	Improved efficiency reduces energy costs, increases revenue, and enhances asset value. Better workforce management leads to lower costs and improved health and safety. Related Metrics & Targets: Scope 1, 2 and 3 emissions.
Resilience	Climate adaptation, renewable energy adoption, and resource diversification.	Short to Medium Term (2024-2039)	<2°C 2-3°C	Higher asset value, supply chain reliability, and revenue stability.	As AMS continues to embed and strengthen resilience planning, this ensures operational continuity and long-term competitiveness. To increase resilience, the Group has set climate targets (see Pages 55-56). To demonstrate our commitment to reducing our greenhouse gas emissions progress towards these targets will be reported on annually.

Metrics & Targets

In FY2024, the business underwent significant changes through the acquisition of Peters Surgical. Part of this process included reconciling the net zero ambitions of both businesses. Therefore, we have decided to re-baseline our emissions to FY2024 to reflect future operations more accurately. Previously, AMS had committed to a 90% absolute reduction of Scope 1, 2 and 3 emissions by 2045 (to align with NHS England's net zero target), from our FY2021 baseline. This ambition remains, and the Group will target net zero by 2045, from our updated baseline of FY2024. Interim targets (Table 7) will be reassessed in FY2025 to incorporate all new business operations.

Our previous commitment to submit our targets for validation to the Science Based Targets initiative ('SBTi') will also be moved to FY2025. Peters Surgical have already committed to submitting Science Based Targets and the Group will fulfil this commitment. These targets will support our efforts to mitigate climate-related risks, as outlined in Tables 4 and 5.

Table 7: Emissions Reduction Targets for Advanced Medical Solutions, FY2024¹.

Emissions Scope	Interim Targets (to be reassessed in FY2025)	Net Zero Targets
Scope 1	42% absolute reduction in Scope 1 and 2 GHG emissions by 2030 from our restated FY2024 baseline. We require an annual reduction of 7.0% to meet this target.	90% absolute reduction by 2045, from our restated FY2024 baseline across Scope 1, 2 and 3. An annual reduction of 4.3% is required annually to meet the net zero target. Residual emissions (up to a maximum of 10%) will be neutralised through permanent carbon removals. To meet our 42% absolute reduction in Scope 1 and 2 GHG emissions by 2030, an annual reduction of 7.0% will be necessary.
Scope 2 (location-based)		
Scope 3	72% of suppliers to have science-based targets by 2028. The current position will be established in FY2025. 30% reduction in Scope 3 Category 12 (End-of-Life Treatment of Sold Products) GHG emissions per tonne of product sold by 2033, from our restated FY2024 baseline.	

1. Performance against target was not measurable in 2024 as we have reset our baseline to 2024 following the acquisition of Peters Surgical.

Climate-Related Financial Disclosure Report continued

Moving forward, we are committed to annual reporting on our environmental performance as a group. During FY2024, we aligned AMS's and Peters Surgical's emissions reporting with an extensive data collection initiative to ensure a comprehensive and transparent greenhouse gas ('GHG') footprint. In the coming years, we aim to expand our sustainability reporting to include key performance indicators ('KPI's) that will track resource usage relative to production and measure year-on-year progress in carbon reduction. We will also work internally to track data on the tonnes of product produced, as this is not only one of AMS's key performance indicators but also a part of our carbon reduction targets. This effort will help AMS monitor production efficiency and contribute to a more accurate estimation of carbon emissions associated with the products we sell. Further progress towards our net zero target is expected in FY2025 as the below actions have been identified for completion within the year. These actions are expected to save over 300,000 kWh per annum, once fully implemented.

Energy Efficiency Narrative

AMS is committed to year-on-year improvements in its operational energy efficiency. Our FY2024 initiatives are below:

Energy Optimisation

Throughout FY2024, AMS monitored energy-consuming activities and identified energy reduction opportunities. Through closely observing processes and reporting energy usage, the Group has been able to identify key areas to focus on for maximum energy reduction.

Solar Panel Extension

In FY2024, AMS carried out a solar panel extension on the Plymouth site roof. This initiative has decreased dependence on non-renewable energy sources and demonstrates the Group's commitment to net zero goals. The extension will lead to an increase in renewably sourced electricity for future years, with no emissions associated with the consumption.

Wall Insulation Review

In FY2024, AMS installed suitable insulation on the walls of the Plymouth extension area. By conducting a thermographic review, the Group confirmed heat loss rates and identified the cost savings associated with the insulation installation.

We have also implemented compressed air heat recovery systems at Winsford and Stafford, in addition to LED lighting at Stafford. In Plymouth, we have replaced our energy-inefficient boiler and installed heating and cooling temperature adjustments at Winsford.

Greenhouse Gas Emissions

We have quantified all applicable Scope 3 categories; 11 of the 15 GHG Protocol Scope 3 categories are relevant to the Group. Category 8 (Upstream Leased Assets), Category 11 (Use of Sold Products), Category 14 (Franchises), and Category 15 (Investments), as AMS does not have any upstream leased assets, sell any energy-consuming products, operate on a franchise model or have any investments, are not applicable. Table 8 provides a comprehensive breakdown of our emissions. AMS and Peters Surgical utilise different third parties to calculate emissions, with the Group totals compiled by Inspired ESG. A third party has not audited the figures.

Table 8: Group Carbon Balance Sheet¹.

Emissions	FY2024 (restated baseline) tCO ₂ e	Share of Total Emissions (%)
Scope 1	2,409	2.3%
Scope 2 – location-based	5,245	4.9%
Scope 3	98,907	92.8%
1: Purchased Goods and Services	43,512	40.8%
2: Capital Goods	30,209	28.3%
3: Fuel-related Emissions	2,449	2.3%
4: Upstream Transportation and Distribution	8,055	7.6%
5: Waste Generated in Operations	268	0.3%
6: Business Travel	913	0.9%
7: Employee Commuting	1,594	1.5%
9: Downstream Transportation and Distribution	6,675	6.3%
10: Processing of Sold Products	4,700	4.4%
12: End-of-life Treatment of Sold Products	507	0.5%
13: Downstream Leased Assets	24	0.02%
Total Scope 1, 2 and 3 (location-based)	106,561	100%

1. Group Carbon Balance Sheet includes Peters Surgical as we have reset our baseline to 2024.
2. No comparator data is available for Peters Surgical for 2023. Due to this prior year comparators have not been included for the targets as it does not reflect in year performance.

Climate-Related Financial Disclosure Report continued

Streamlined Energy and Carbon Reporting ('SECR')

Per the UK's SECR requirements, all energy consumption and emissions for UK operations have been disclosed below. Carbon emissions are categorised as follows:

Scope 1: Consumption and emissions related to direct combustion of natural gas, fuels utilised for transportation operations, such as company vehicle fleets, any other fuels, and fugitive emissions from refrigerant gases.

Scope 2: Consumption and emissions from indirect emissions relating to purchasing electricity in daily business operations.

Scope 3: Consumption and emissions from sources not directly owned by AMS, i.e., grey fleet business travel undertaken in employee-owned vehicles only.

Table 9: Advanced Medical Solutions Total Location-based Emissions (tCO₂e).

Emissions Scope	FY2023 UK tCO ₂ e	FY2024 UK tCO ₂ e	Year-on-Year change (%)
Scope 1 Total	863.67	821.37	-4.9%
Natural Gas, Other Fuels, & Refrigerant	814.85	809.11	-0.7%
Transportation	48.81*	12.26	-74.9%
Scope 2 Total	708.66	835.19	+17.9%
Grid-Supplied Electricity	707.90	834.72	+17.9%
Transportation (Scope 2)	0.75*	0.47	-38.1%
Scope 3 Total (Grey Fleet)	14.80*	32.48	+119.6%
Total	1,587.12	1,689.04	+6.4%
Total tCO₂e/FTE	1.845	1.926	+4.3%

* FY23 transport emissions figures have been restated to reflect more accurate reporting and improved data accuracy.

Table 10: Advanced Medical Solutions Total Energy Consumption (kWh).

Consumption (kWh)	FY2023 UK kWh consumption	FY2024 UK kWh consumption	Year-on-Year change (%)
Scope 1 Total	4,668,729	4,478,432	-4.1%
Natural Gas, Other Fuels, & Refrigerant	4,454,482	4,423,761	-0.7%
Transportation	214,247*	54,671	-74.5%
Scope 2 Total	3,496,375	4,102,080	+17.3%
Grid-Supplied Electricity	3,418,587	4,031,488	+17.9%
Transportation (Scope 2)	3,643*	2,255	-38.1%
Self-Generation (Scope 2)	74,145	68,337	-7.8%
Scope 3 Total (Grey Fleet)	65,622*	146,800	+123.7%
Total	8,230,727	8,727,312	+6.0%

* FY23 transport emissions figures have been restated to reflect more accurate reporting and improved data accuracy.

Table 11: Advanced Medical Solutions Total Intensity Metric.

Intensity Metrics	Location-based	
	FY24	FY23
Total FTE	412.44	417.01
All Scopes tCO ₂ e per FTE	4.10	3.81
Percentage change	+7.60%	

Next Steps

After the acquisition of Peters Surgical, the Group is working to align and embed the most appropriate climate considerations and risk processes across the business. We are focused on reducing our emissions and reaching our targets to satisfy our stakeholders' expectations. We will prioritise actions in the short term whilst preparing for the medium and long term. We will continue to invest in low-carbon initiatives and provide progress in our annual CFD disclosure.