

Ramsay Health Care Limited ACN 001 288 768

# Ramsay Australia Environment Report 2016

## Ramsay Australia Environment Report

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### Ramsay Australia Environment Report

#### **Overview**

Ramsay Health Care recognises that protecting the environment is a critical issue and a key responsibility of the business and corporate community.

The benefits of environmental protection for current and future generations are clear, but Ramsay Health Care also acknowledges that reducing unnecessary waste and minimising consumption of scarce resources is consistent with ongoing financial sustainability in terms of meeting the expectations of our customers, reducing costs and minimising risks. Ramsay Health Care has invested significant resources into this area and is currently working on several important environmental initiatives that will lead to better outcomes for all.

#### Scope

- · Energy management
- · Waste management
- · Water management
- · Training and awareness
- Compliance and risk management (from corporate through to site level)
- · Reporting and communications

#### **Key Performance Indicators**

- Compliance with relevant environmental legislation including regulatory obligations and reporting.
- · Overall reduction in carbon emissions per patient day.

#### **Major Initiatives**

#### **Environmental Sustainability Strategic Plan**

Ramsay Health Care developed its Environmental Sustainability Strategic Plan in 2012 spanning a three year minimum period. The plan identifies the key areas of focus as well as priority initiatives and performance targets.

The key goal of the Environmental Sustainability Strategic Plan (ESSP) is to deliver targeted improvements across key areas of environmental sustainability and performance and to integrate sustainable business practices into Ramsay's activities.

Performance areas include:

- Reducing energy (all forms) consumption
- Reducing total emissions vehicle use, emissions management
- Water efficiency management recycle, reuse, reduce
- · Eliminating unnecessary waste
- Resource conservation limiting our use of raw materials and nonrenewable resources
- · Monitoring, reporting and communicating in relation to the above areas
- · Compliance with relevant laws, regulations, codes and standards

#### **Lighting Efficiency**

Because of the 24 hour, 7 days per week operation of most of Ramsay Facilities, lighting constitutes a significant proportion of our energy consumption at around 15-20%. This makes lighting efficiency important for total consumption. Because of the extended duration of use, faster return on investment results from efficiency. Because considerable lighting is in use during daylight, lighting efficiency also has a bearing on peak demand. We have 13 sites that have been fully refitted with LED lighting, and intentions to continue the program into other jurisdictions.

#### **Power Factor Correction (SE Qld)**

Energex has introduced kVA measurements into their billing structure, so it has become viable for a number of our SE Queensland sites to install power factor correction. This does not decrease on-site energy consumption per se, but does improve efficiency off-site and slightly increases our power reserves for future purposes, so there are financial, site and social advantages from the program. Other states have had kVA charges for many years, so Power Factor Correction devices have been in place where advantageous for similar years. It is likely that the sole remaining distribution zone (North Queensland) will follow the rest of the nation and we will install power factor correction as needed at those sites.

#### **Energy Efficient Infrastructure**

The Business Development department of Ramsay Australia ensure that whole of life costing is a primary factor in choices of infrastructure to be installed in new projects and major redevelopments. With increasing costs of energy and greenhouse gas emissions, this ensures that energy efficiency is of significant influence in all new projects.

#### **Alternative Energy Sources**

Hospitals are energy intensive facilities with high exposure to risk should energy be available, so we are taking a conservative approach to the more radical concepts of alternative energy. However some forms such as solar are suitable for as a supplement to mains electricity, unlikely to provide more than 10% of consumption with available space. However there are side benefits in peak demand, to go with the energy production. A few sites have also entered into demand management arrangements, where existing generators are used at times of extreme demand (and high cost) to reduce load on the grid, for financial recompense.

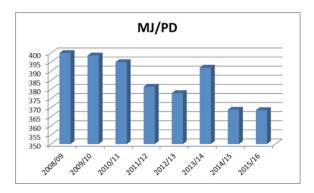
#### Efficient IT

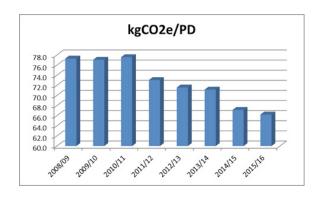
Ramsay Health Care entered into a Managed Print Service agreement with HP whereby all printers older than five years will be replaced with new devices. Part of the specification around this contract is procuring equipment with improved energy efficiency ratings.

#### **National Energy Data & Performance Reporting**

Total energy data for Ramsay's Australian operations is published online.

Detailed reports are prepared annually for each individual site and this year were expended to providing greater trend data, breakdown of energy types and comparisons of site performance against peer groups and the rest of Ramsay Health Care. The data enables sites to better understand energy use and target energy efficiency opportunities.





#### Waste management

The first national waste contract commenced in August 2012 and has now rolled out across 88% Australian sites. As a result detailed waste stream data including waste to land fill or recyclable is now available by site enabling sites to better understand and manage waste.

One of the areas of focus was on increasing the diversion of waste from landfill.

#### **Medical Equipment Donations Program – Recycling For Better Communities**

Ramsay Health Care has been partnering with Rotary Berrima for over 4 years in a joint medical equipment donations program. This program diverts safe, working medical equipment from waste streams and recycles it for further use by developing communities.

In 2016 over 100 items or surgical or medical equipment were donated in addition to patient furniture and uniforms to countries including Philippines, Cambodia, Mozambique, Papua New Guinea and Sierra Leone and Democratic Republic of Congo Rotary).

Equipment included 27 patient beds, training bed and ICU bed, operating table, patient mattresses, anaesthetic machines and an ECG machine.

#### **Environmentally Conscious Supply & Development Contracts**

Supply and development policies and contracts now include consideration of environmental issues e.g. energy efficiency, waste minimisation, water efficiency etc. in the decision making process.

The Ramsay Code of Conduct for Suppliers, Agents and Manufacturers was enhanced to include requirements around Environmental Impact Management. This includes preference for building relationships with suppliers who value the natural environment and are committed to environment and resource sustainability — specifically suppliers that:

- meet legal obligations in relation to environmental performance including any necessary permits, approvals, registrations and reporting requirements;
- establish objectives, targets and key performance indicators that strive for continuous improvement of their environmental performance;
- maintain management systems to plan, document, measure, monitor and regularly review their environmental performance;
- implement systems to ensure materials presenting a hazard to the environment are handled, managed, stored and disposed of appropriately;
- · identify and assess the environmental hazards which arise from their activities, products and services; and
- · effectively manage the risk by applying best practice principles to the prevention of pollution

#### **Achievements**

- · Ongoing inclusion in the FTSE4Good index scoring
- 100% compliance with relevant environmental legislation
- Reduction in total energy consumption on previous years (see table below)
- Enhancement of detailed energy reports and analysis for individual sites to support decision making and energy management
- A number of sites have replaced building management systems and redesigned the operation of major plant to optimise efficiency
- · Managing peak currents and loads on the energy distribution network for improved community benefit.
- Two of our largest facilities, Joondalup and Greenslopes entered into arrangements to permit hospital generators to be run at times of peak network demand, to assist in reducing peak strain on the network and limit the use of greater cost energy sources. Whilst there are some cost advantages to the company, the primary consideration is in contributing to the broader community benefit by reduced peak currents, and therefore the cost of infrastructure. Apart from reducing cost, there are also benefits to the sites by reducing currents within on site infrastructure.
- Enhancement of detailed energy reports and analysis for individual sites to support decision making and energy management.

### **Achievements In Fiscal Year 2016**

Reduction in total energy consumption on previous years

Period	<b>Energy Consumed GJ</b>	MJ/Patient day	CO2e Tonnes	kgCO2e/Patient Day
2008/09	839,292	400	162,190	77.3
2009/10	860,498	399	166,331	77.1
2010/11	858,870	395	168,663	77.6
2011/12	863,279	381	165,342	73.1
2012/13	873,224	378	165,367	71.6
2013/14	905,822	392	164,461	71.2
2014/15	928,427	369	169,005	67.1
2015/16	959,683	369	172,438	66.2

