

Carbon Reduction Plan

Supplier name

Canon Medical Systems Ltd (CMSUK)

Publication date

7th August 2025

Commitment to achieving net zero

Canon Medical Systems Ltd is committed to achieving Net Zero emissions by 2045. Commitment was made on the 31st of March 2023 and approved by the board of directors.

Baseline emissions footprint

Baseline year: 2013/14 for scope 1 and 2 and 2024 for Scope 3

Additional details relating to the baseline emissions calculations:

Canon Medical Systems Limited have been measuring Scope 1 and 2 emissions as well as business travel emissions since 2013/14 financial year. We started measuring a larger subset of scope 3 emissions in 2023 and completed measurement for all relevant Scope 3 categories for 2024 leading to a baseline year revision for Scope 3.

Baseline year emissions:

Emissions	Total (tCO2e)
Scope 1	688.4
Scope 2	94.3
Scope 3	11858.9
1. Purchased goods and services	5443.8
2. Capital goods	10.1
3. Fuel-and-energy-related activities (not included in Scope 1 or 2)	16.5
4. Upstream transportation and distribution	112.2
5. Waste generated in operations	0.4
6. Business trips	161.2
7. Employee commuting	47.3
8. Upstream leased assets	23.4
9. Downstream transportation and distribution	89.0
10. Processing of sold products	0.0
11. Use of sold products	5920.6
12. End of life treatment of sold products	34.4
13. Downstream leased assets	0.0
14. Franchises	0.0
15. Investments	0.0
Total emissions	12641.6

Current emissions reporting

Reporting year: 2024	
Emissions	TOTAL (tCO ₂ e)
Scope 1	609.2
Scope 2	39.7
Scope 3	11858.9
1. Purchased goods and services	5443.8
2. Capital goods	10.1
3. Fuel-and-energy-related activities (not included in Scope 1 or 2)	16.5
4. Upstream transportation and distribution	112.2
5. Waste generated in operations	0.4
6. Business trips	161.2
7. Employee commuting	47.3
8. Upstream leased assets	23.4
9. Downstream transportation and distribution	89.0
10. Processing of sold products	0.0
11. Use of sold products	5920.6
12. End of life treatment of sold products	34.4
13. Downstream leased assets	0.0
14. Franchises	0.0
15. Investments	0.0
Total emissions	12507.8

Emissions reduction targets

In order to continue our progress to achieving net zero, the following emissions reduction targets are in place:

- Reduce Scope 1 & 2 GHG emissions by 42% compared to 2022 levels by 2030 (Canon Group target validated by the Science Based Target Initiative)
- Reduce Scope 3 emissions (categories 1 and 11) by 25% compared to 2022 levels by 2030 (Canon Group target validated by the Science Based Target Initiative)
- Reduce emissions from our fleet by 20% by end of 2025 against 2022.
- Adopt 100% EV fleet by 2030
- 80% renewable energy by end of 2025

Carbon reduction projects and future plans

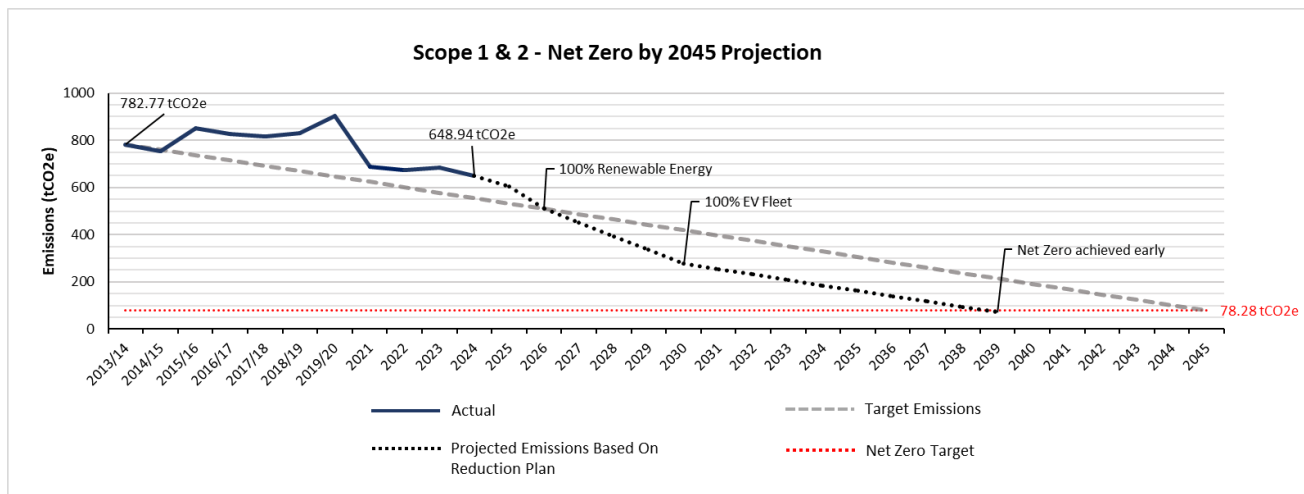
Environmental Management system

ISO14001 Environmental Management System Certification held since 2008.

Scope 1 and 2

Scope 1 covers our direct emissions from fuel (diesel, petrol and gas) consumption and refrigerants. Scope 2 (market-based) covers our indirect emissions from non-renewable electricity used to charge our EV fleet.

We have measured our Scope 1 and 2 emissions since 2013/14 and have seen a 17.1% absolute emissions reduction against the baseline. We have also seen a 3.94% decrease in Scope 1 and 2 emissions between 2022 and 2024. Based on planned reduction strategies, we are on track to reach 42% reduction against 2022 by 2030 target and net zero ahead of our 2045 commitment date.



To reduce Scope 1 and 2 emissions we have moved to 100% renewable electricity on sites we have operational control of, including in 2017 at our Crawley head office. In line with our target to increase use of renewable energy to 80% by the end of 2025, we will be switching all our gas supply to green gas during 2025. To reduce energy consumption, we have completed energy performance improvements at our Crawley head office including LED lighting with motion sensors, installation of more efficient gas boiler and air conditioning unit.

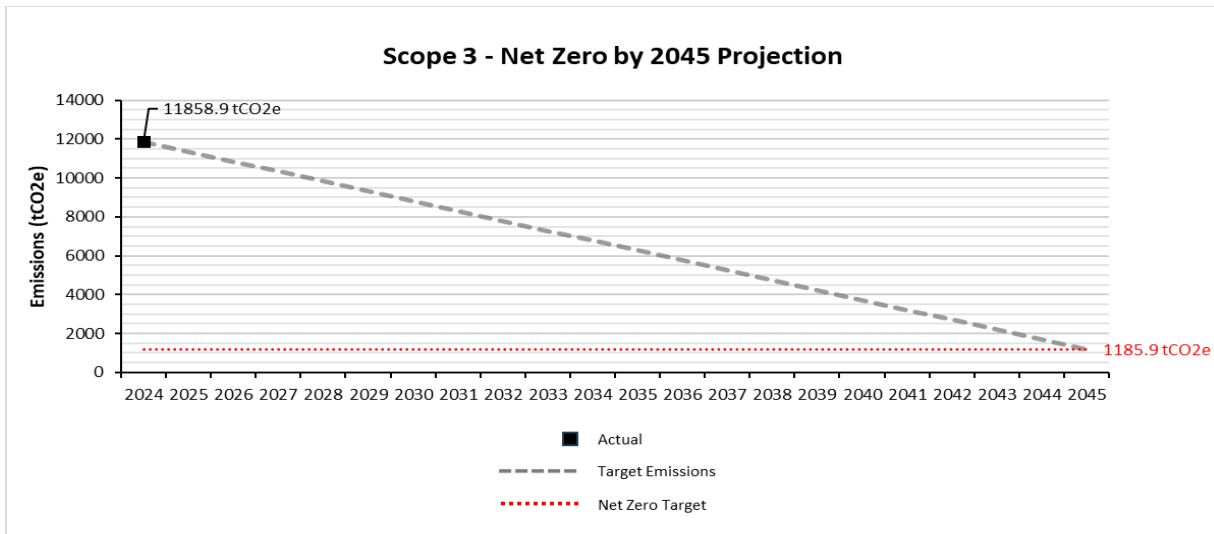
In 2023 we installed solar panels at our Dinnington Training and Distribution Centre. In 2024 the solar panels generated 62,025 kWh of electricity and supplied 20% of the electricity used in the facility. Generating our own electricity reduces our reliance on the grid and we continue to explore ways in which to expand our renewable energy efforts.

In 2024, made a commitment to convert our fleet to EVs by 2030. Significant progress has been made since the introduction of the first EV in 2020. At the end of 2024 46% of our fleet was EVs up from 41% at the end of 2023 and 2% at the end of 2020. At the end of 2024 the remaining fleet was 19% pure combustion and 35%

hybrid. We have installed charging points at Crawley and Dinnington Training and Distribution Centre to support EV adoption.

To further reduce fleet-related emissions we use auto-route planning and prioritise remote diagnostics and repair where possible to reduce service engineer callouts and therefore vehicle mileage. We have a target for 35% of our CT and MR resolutions to be handled remotely, and we consistently operate above it.

Scope 3



Starting from 2024, additional emissions categories included within Scope 3 are:

- Purchased goods and services
- Capital goods
- Fuel and energy related activities (not included in scope 1 and 2)
- Upstream leased assets
- Use of sold products
- End of life treatment of sold products

All relevant Scope 1, 2 and 3 emissions, aligned to the GHG Reporting Protocol Corporate Standard, are now included in our measurement. This has yielded improvements in data accuracy and confidence which allows better insight into pathways for reducing our emissions and priority for 2025 is to develop further reduction initiatives.

Category 1 (Purchased Goods and Services) and 11 (Use of Sold Products) account for 95.8% of our Scope 3 emissions. Canon Group validated Science Based Target is to reduce category 1 and 11 emissions by 25% compared to 2022 levels by 2030. Between 2022 and 2024 there has been a 17.7% reduction in Scope 3 Category 1 and 11 across Canon Group. Groupwide CO₂ emissions improvement index per product has reduced by 44.6% against 2008 baseline and target of 50%.

Some of the recent environmental improvements in our medical systems include 54% lower energy consumption and 16% reduction in packaging weight for our new Aplio Beyond Ultrasound and introducing a complete power-off mode to our Alphenix VL Angio installation, consuming almost no energy (0.01kVA) during this mode.

Our Secondlife programme extends the life of medical imaging equipment through refurbishment, restoring CT, X-ray, and ultrasound systems to original factory standards per COCIR guidelines and IEC63077 contributing to circular economy and reducing the need for new raw materials.

Upstream and downstream transportation and distribution emissions contribute about 1.7% to our Scope 3 emissions. Transporting medical systems often requires specialist logistics and we will be undertaking a review both the mode of transport used as well as third party logistics partners to ensure we use the lowest emission transport mode.

We prioritise reduction of waste in all of our waste processes and maximising the recycling of remaining waste. Currently, 59.3% of our waste is recycled and we are committed to our new 2025 target of increasing this to

65%. Currently 1.5% of our waste goes to landfill and we are working to eliminate that as we progress towards our goal of zero waste to landfill.

Carbon credits and biodiversity

While our priority is to reduce overall emissions in line with our net zero 2045 commitment, we have continued to maintain PAS2060 Carbon Neutral certification since 2014 to provide vital funding for climate initiatives, resulting in both positive social and environmental outcomes, in East Africa and India. In addition to Scope 1, 2 and subset of Scope 3 emissions we have offset the manufacturing, transport as well as the lifetime use of the all our sold products since 2014 and have supported the following, Gold Standard or Verra verified, projects:

- Energy efficient cookstoves in East Africa
- Water boreholes in Uganda
- Wind turbines in India (since 2023)

Some of the key environmental and social outcomes by the end of 2024 are

- 67,099.86 tonnes of CO2e avoided
- 10,355 energy efficient stoves distributed
- 50,730 tonnes of wood saved
- 41,896,275 litres of clean water supplied
- 18,121 instances of serious illnesses attributable to indoor smoke reduced

Since 2022, for every £1,000,000 turnkey building works undertaken with our customers, we have donated £1,000 towards projects that restore biodiversity. Between 2022 and 2024, this has seen us support a mangrove planting project off the coast of Kenya resulting in planting of 10,000 mangroves.

Mangroves are hugely beneficial both in terms of carbon storage and ecosystem services. They provide habitat for fish and crabs, which are essential for livelihood in coastal communities while also offer effective protection against storm surges, which is critical in low-lying coastal communities, who most urgently are affected by anticipated rising sea levels.

Declaration and sign off

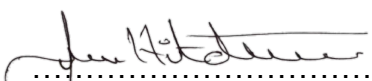
This Carbon Reduction Plan has been completed in accordance with PPN 006 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹³ and uses the appropriate government emission conversion factors for greenhouse gas company reporting.¹⁴

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements (where required), and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard.¹⁵

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the supplier:

 (Mark Hitchman, Managing Director)

Date: 8th August 2025

13 <https://ghgprotocol.org/corporate-standard>

14 www.gov.uk/government/collections/government-conversion-factors-for-company-reporting

15 <https://ghgprotocol.org/standards/scope-3-standard>