Elekta carbon emission report 2018

Elekta began disclosing its data related to climate change in accordance with the Carbon Disclosure Project (CDP) already in 2010. Measuring our carbon footprint is a way of measuring the indirect climate impact of Elekta's business.

In all our interactions with customers, business partners, employees and the public, Elekta strives to reduce our environmental impact, in our proprietary operations and during the lifecycle of our products.

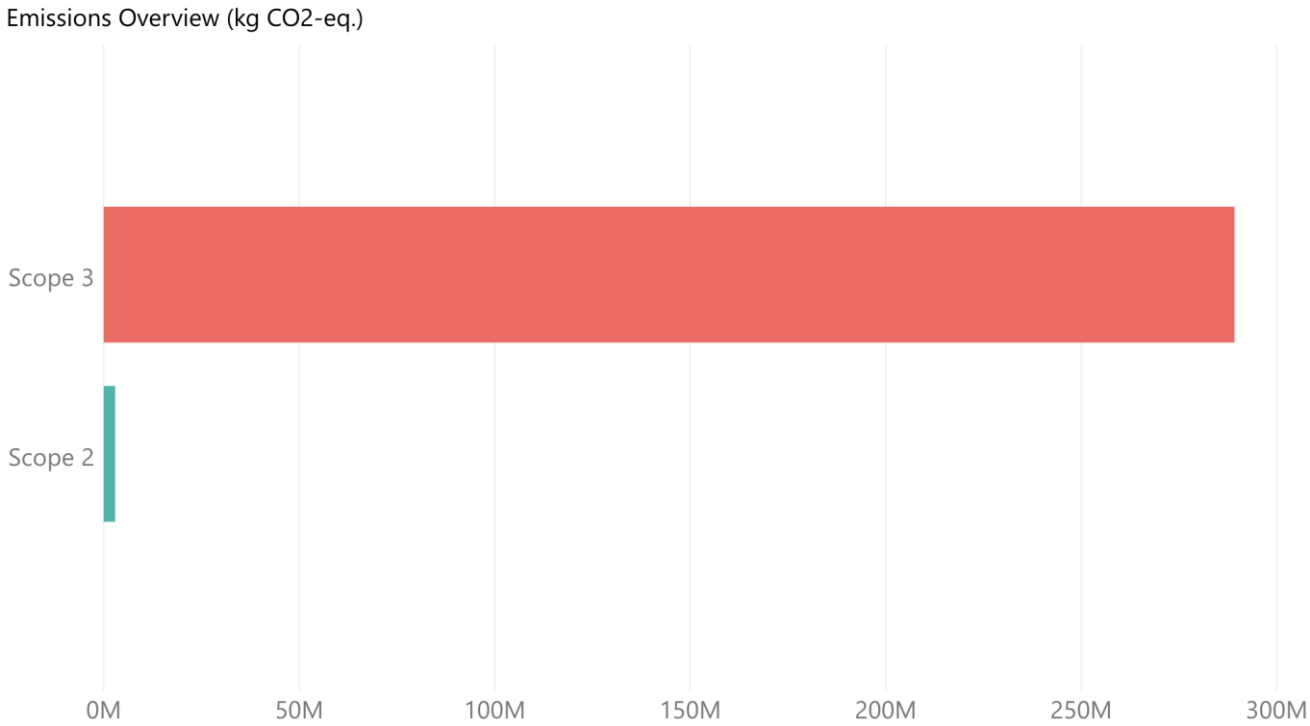
Elekta has maintained an approach to work with environmental management systems in alignment with the ISO14001 standard and for certified sites, an emissions reduction target has been established. Our environmental strategy is communicated internally through various levels and functions, i.e. through environmental education programs and the company's intranet. Elekta's environmental responsibility is based on the group's Environmental Policy. It describes how each employee should attempt to limit the operation's overall environmental impact.

Climate-related issues are continuously managed by a Corporate Responsibility Steering Committee headed by the Senior Vice President (SVP) Chief Compliance and Integrity Officer comprising five members of the Executive Management. Both the Steering Committee and the SVP Chief Compliance and Integrity Officer reports directly and regularly to the Board.

For many years, we have strived to continuously reduce the environmental impact of our operations and from our products. Elekta's Environmental Policy includes areas such as resource consumption during production, reducing emissions to air and water and, as far as possible, avoiding the use of environmentally hazardous materials. Elekta's greatest environmental impact comes from electricity use in production processes and from the heating of facilities, as well as transportation and business travel. Special procedures have been established for corrective and preventive action. Elekta's products help customer clinics meet their own environmental targets, as well as their requirements for cost-effective treatments. One such example is one of Elekta's linear accelerators (Versa HD), which use about 30 percent less energy than comparable devices in the market.

This report gives an overview of Elekta's carbon emissions for the FY 2017/18.

Overview



Elekta does not have any greenhouse gas (GHG) emissions in Scope 1. During 2018, Elekta had gross global Scope 2[1] (indirect) CO2 emissions of 2,938.74 metric tons in total. We have used the Greenhouse Gas Protocol (a corporate accounting and reporting standard) to collect activity data and calculate the Scope 1 and 2 emissions.

Most of Elekta's carbon emissions – Elekta does not have any other greenhouse gas emissions than carbon dioxide – fall under Scope 3[2] emissions (from our supply chain). The Scope 3 emissions have been calculated using a spending-based method, in accordance with the Greenhouse Gas Protocols Technical Guidance. Elekta's Scope 3 emissions basically consist of distribution/transport, business travel and purchased goods and services.

We work on mitigating our impact by using inter alia tools to find emissions "hotspots" in our energy usage, procurement, travel, transport and other business activities.

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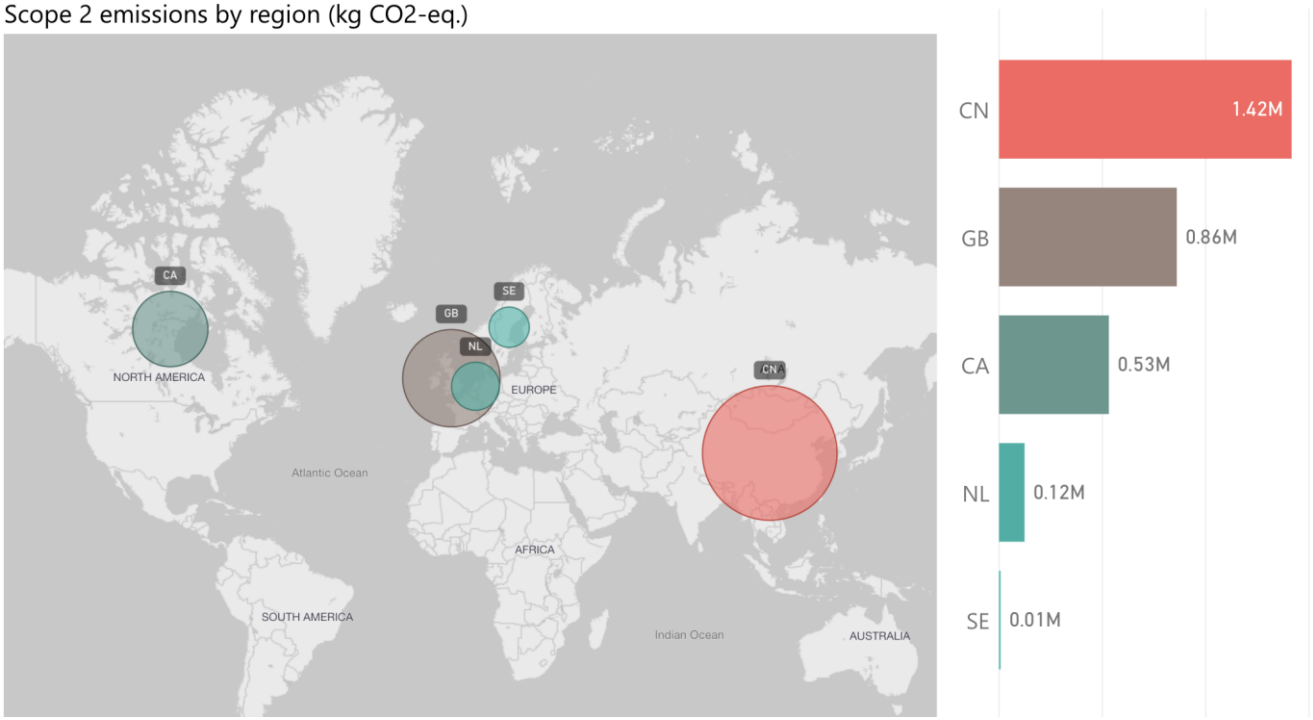
[1] The Scope 2 Guidance standardizes how corporations measure emissions from purchased or acquired electricity, steam, heat and cooling (called "scope 2 emissions"). https://ghgprotocol.org/scope_2_guidance

[2] Scope 3: Other indirect emissions, such as the extraction and production of purchased materials and fuels, transport-related activities in vehicles not owned or controlled by the reporting entity, electricity-related activities (e.g. T&D losses) not covered in Scope 2, outsourced activities, waste disposal, etc. https://ghgprotocol.org/calculationg-tools-faq

Scope 2 Emissions

Scope 2 emissions by region (kg CO2-eq.)

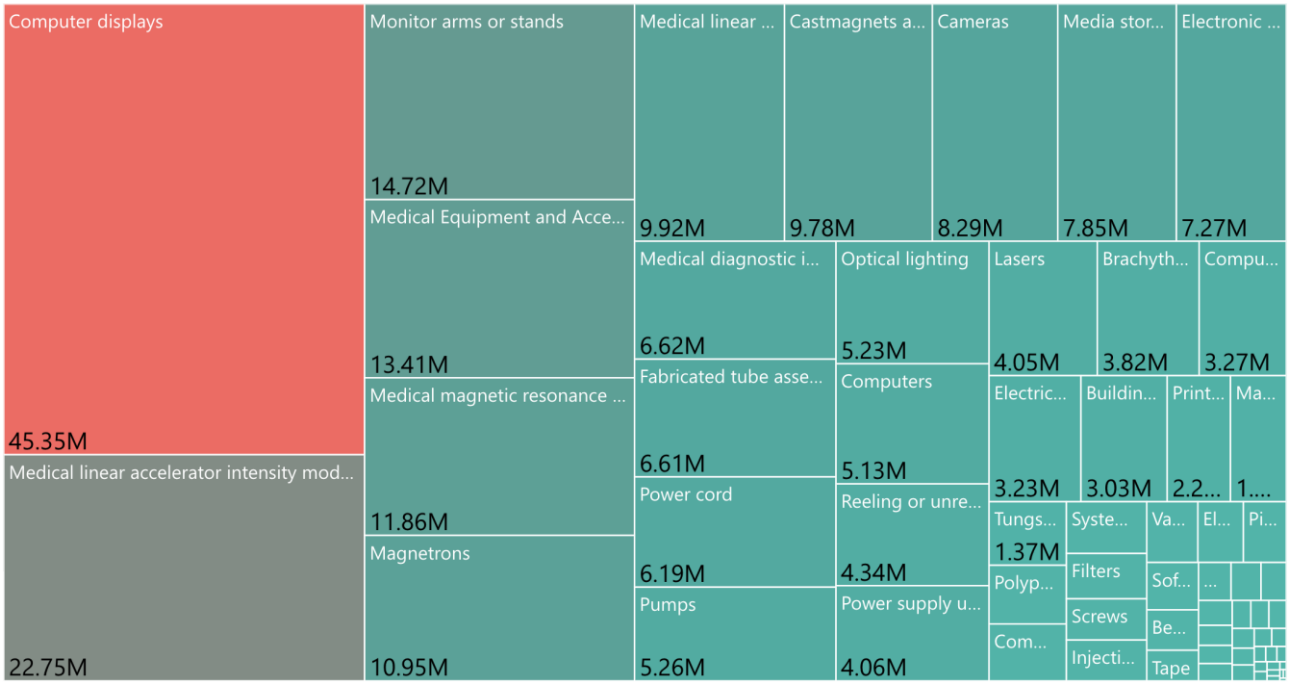


Most of our Scope 2 emissions originate from China. A calculation using a location-based approach, finds that an estimated 48 percent of our GHG emissions comes from our Chinese offices.

One of our emission targets is for 90 percent of our consumed electricity to come from renewable sources. The initiative supporting this target will also be possible in our Chinese offices because of the launch of Chinas Green Electricity Certificates (GEC).

Scope 3 Emissions

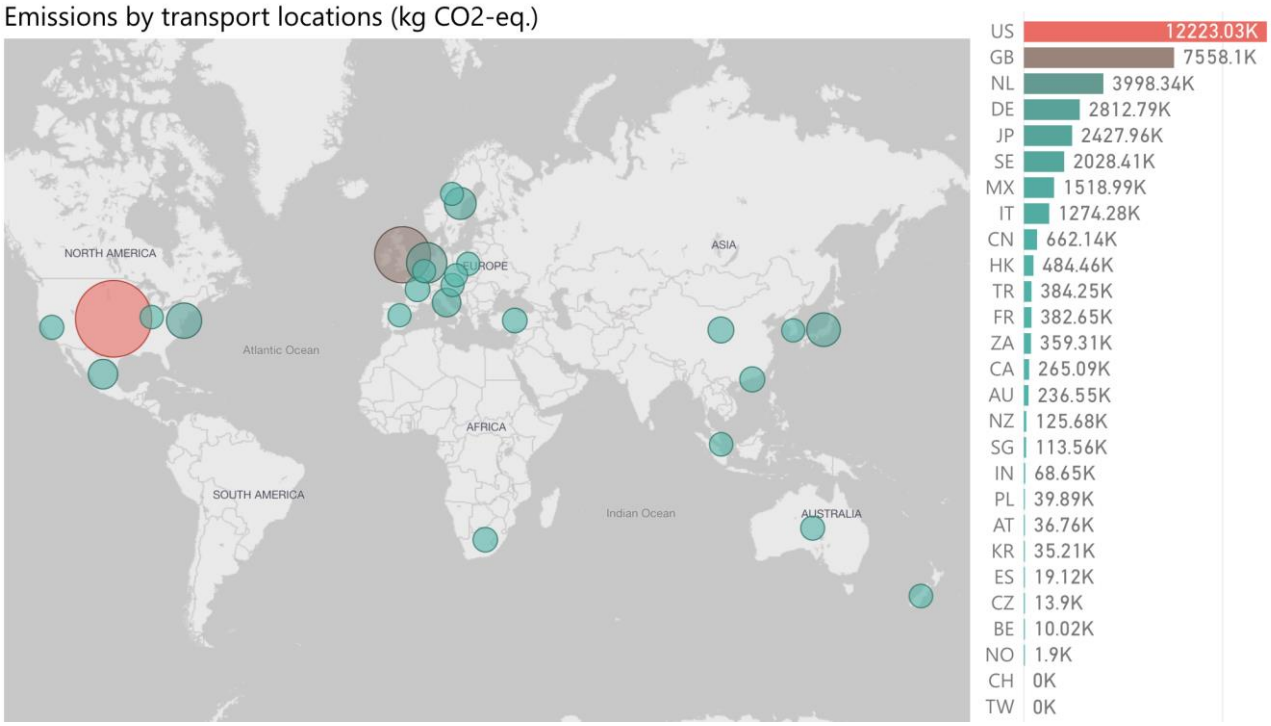
Emissions by Product Category (kg CO2-eq.)



The vast majority of Elekta's emissions are caused by purchasing components used in our products. The total of 320,000 metric tons has been calculated comes from Elekta purchased goods and services.

The table shows emission hotspots, from a life-cycle perspective, for purchased components that are a part of Elekta's product offering, which comprises over 90 percent of our total Scope 3 emissions. The results were yielded by classifying each purchase into categories and applying category-specific emission factors. Elekta's total CO2 emissions represented in this table amounts to 319,904 tons.

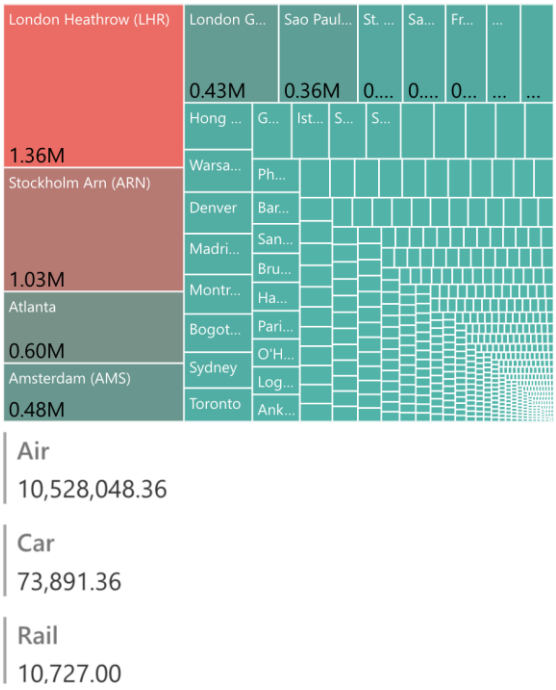
Elekta's flagship linear accelerator, Versa HD™, uses about 30 percent less energy than comparable devices in the market.



A total of 37,081 metric tons of Elekta's Scope 3 CO2 emissions are caused by transportation and distribution of our products. These emissions were calculated using a spending-based method, in accordance with the Greenhouse Gas Protocol's Technical Guidance for calculating Scope 3 emissions. Most transportation and distribution takes place in the U.S.

Emissions by destination (kg CO2-eq.)

Emissions by departure airport (kg CO2-eq.)



Air
10,528,048.36

Car
73,891.36

Rail
10,727.00

Business travel accounts for about 10,100 metric tons of CO2 emissions. The data was provided by our suppliers and calculated using a distance-based methodology in accordance with the Greenhouse Gas Protocols Technical Guidance.