Carbon Reduction Plan

Supplier name: Carl Zeiss Ltd

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Commitment to achieving Net Zero

Carl Zeiss Ltd is committed to achieving Net Zero emissions by 2050.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any more recent strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: ZEISS Fiscal Year 2019/2020 (1 October 2019 until 30 September 2020)

Additional Details relating to the Baseline Emissions calculations.

In the Baseline Year consumption of energy for Scope 1 and Scope 2 is recorded. For Scope 3; we have used calculated data for fiscal year 2021/2022 and proportioned usage for the baseline year based on turnover. Turnover 2019/2020 is 68.5% of turnover from 2021/2022.

Baseline year emissions:

EMISSIONS	TOTAL (tCO₂e) (Rounded to closest whole number)
Scope 1	645
Scope 2	164
Scope 3 (Included Sources*)	577
Total Emissions	1,386

*Scope 3 included sources: Business travel; Employee commuting; Waste generated in operations; Upstream transportation and distribution and; Downstream transportation and distribution.

Current Emissions Reporting

Reporting Year: ZEISS Fiscal Year 2022/2023 (1 October 2022 until 30 September 2023)	
EMISSIONS	TOTAL (tCO₂e) (Rounded to closest whole number)
Scope 1	1060
Scope 2	0, based on purchase of Energy Attribute Certificates for 100% of electricity and gas consumption
Scope 3 (Included Sources;	1292 thereof ~944 tonnes of CO2e occurred from employee commuting
Total Emissions	2,353

*Scope 3 included sources: Business travel; Employee commuting; Waste generated in operations; Upstream transportation and distribution and; Downstream transportation and distribution. Further information regarding the above emissions reporting data is available upon request.

Emissions reduction targets

We project that carbon emissions will decrease over the next years. To continue our progress to achieving Net Zero, Carl Zeiss Ltd have adopted the following carbon reduction target(s).

Scope 1 & 2; A reduction in Scope 1 & 2 carbon emissions of 59% by Year 2034. This means a reduction to 332 tCO₂e by 2034 compared to baseline year.

Scope 3; A reduction in Scope 3 carbon emissions of 35% by Year 2034, in line with the SBTi Framework for value stream activities. This means a reduction to 375 tCO₂e by 2034 compared to baseline year.

Carbon Reduction Projects

The goal of ZEISS Group is to be CO2-neutral in its own activities by 2025 (Scope 1 & Scope 2). ZEISS is thus contributing to the global goals of the Paris Agreement to limit global warming to below 2°C. To tackle the value stream emissions ZEISS has set up projects to prepare the participation to SBTi. Carl Zeiss Ltd.'s sustainability initiatives are within the overall framework of the ZEISS group sustainability programme, details of which are available on the group's website.

Completed Carbon Reduction Initiatives

The following environmental management measure has been implemented since the 2019/2020 baseline. The carbon emission reduction in **Scope 2**, achieved by this initiative equates to 164 tCO_2e , a 100% reduction against the 2019/2020 baseline;

 ✓ Carl Zeiss Ltd has been purchasing Energy Attribute Certificates for 100% of its' electricity and gas consumption since 2021 and continues to do so. With this measure we can avoid 164 tons of CO₂e on a yearly basis.

The increase of emissions from FY2019/2020 to FY2022/2023 is caused by Carl Zeiss Ltd.'s higher turnover brought about by significant organic growth and company acquisitions. The increase in some reported emissions may also be attributed to the impact of the COVID-19 pandemic during previous years. (For example, the increase in Business Travel (Air)).

Fiscal Year 2022/2023 Sustainability Initiatives

Carl Zeiss Ltd shares its building at 1030 Cambourne Business Park with Carl Zeiss Microscopy Ltd, a manufacturer of Electron Microscopes. Carl Zeiss Ltd has maintained a 34% occupation ratio for the basis of Emissions reporting. During the year, the company has implemented the following initiatives:

- The purchase of Energy Attribute Certificates to match the energy consumption which could not be confirmed by the supplier as being 100% from renewable sources.
- Improvements to the Building Management System to introduce controls which enable non-critical plant to be switched off during evenings and at weekends.
- Development of an energy-saving mode in the production facility, which is calculated to reduce electricity consumption by 10% per year. This is planned to be progressed during the FY23/24 period.
- During the year, the company invested in the provision of electric vehicle charging points for business and employee use. This project was concluded in February 2023. Whist this will increase the company's electricity consumption, the need to support the shift to EVs is clearly defined in the UK Government's 'Transitioning to zero emission cars and vans: 2035 delivery plan'.
- The company is engaging with external partners to further develop its mid-term plans in transitioning to a net zero business. An investment grade proposal based on recommendations for changes to the building plant from the specialist partner will be considered early 2023/24.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 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 standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, 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) Standard³.

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:

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Date:

¹https://ghgprotocol.org/corporate-standard

²<u>https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting</u> ³<u>https://ghgprotocol.org/standards/scope-3-standard</u>