HOW WE APPROACH EMISSIONS REDUCTION

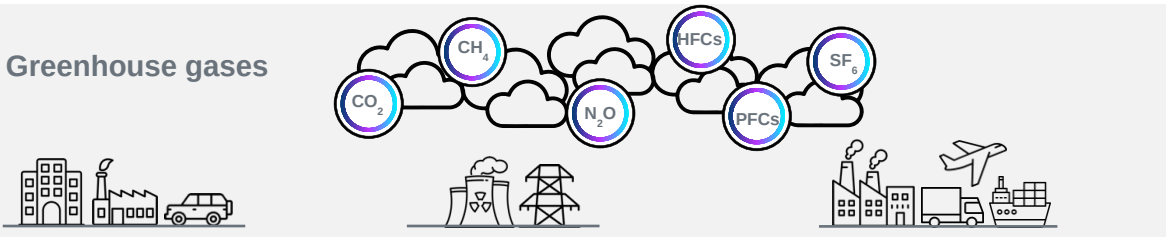
BACKGROUND AND CORE VALUES

Our commitment to improving the lives of patients calls for protecting the planet we all share. True to our core values of caring, meaningful innovation and global collaboration, we take action to reduce our carbon footprint across our entire value chain and invest in efforts to build a sustainable, resilient business that brings value to our customers, patients and communities.

INVESTING IN SUSTAINABILITY

Reducing our carbon footprint is a cornerstone of our efforts to confront climate change, mitigate climate risk to our business and ultimately create a healthier planet for all. Boston Scientific has a long-standing commitment to environmental sustainability, and we have significantly reduced our carbon footprint while driving further progress toward environmental goals:

- **By 2030:** Carbon neutrality across manufacturing and key distribution sites (scopes 1 and 2)
- **By 2050:** Net-zero greenhouse gas (GHG) emissions across entire value chain (scopes 1, 2 and 3)[1]



SCOPE 1
emissions are direct emissions from owned or controlled sources.

SCOPE 2
emissions are indirect emissions from the generation of purchased energy

SCOPE 3
emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.

Greenhouse gases: CO_2, carbon dioxide; CH_4, methane; N_2O, nitrous oxide; HCFs, hydrofluorocarbons; PFCs, perfluorocarbons; SF_6, sulfur hexafluoride.

OUR TARGET: CARBON NEUTRALITY BY 2030 (SCOPES 1 AND 2)[2]

In 2017, we became one of the first medical device manufacturers to pledge to achieve carbon neutrality by 2030 in all manufacturing and key distribution sites. We remain on track to meet this goal and have a well-defined path to achieving it.

As milestones along our path to carbon neutrality, we have also set the following objectives to reduce emissions and support the achievement of our 2030 goal:

- 100% renewable electricity by 2024[2,3]
- 90% renewable energy by 2027[2]

[1] Trajectory to net-zero emissions defined by science-based targets to reach net-zero greenhouse gas emissions across the value chain by 2050 from a 2019 base year.
[2] Inclusive of all manufacturing and key distribution sites only.
[3] Includes renewable electricity generated onsite and purchased electricity matched with electricity from renewable sources.

Our Strategy to Drive Carbon Neutrality

Our cut, convert and compensate (C^3) energy strategy drives our carbon neutrality efforts.

	Objective	Strategies & Actions
Cut energy use	Invest in energy efficiency and energy management practices and ensure new construction meets recognized green building standards.	• Implement energy management systems certified to ISO 50001:2018 to support continual improvement in energy efficiency • Replace, retrofit or refurbish energy intensive and end-of-life equipment with more efficient technology • Consolidate and upgrade existing buildings to optimize energy performance • Design and construct new energy efficient buildings that meet Leadership in Energy and Environmental Design (LEED) certification standard (or equivalent)
Convert to renewable energy	Convert to renewable energy sources rather than relying on fossil fuels.	• Phase out fossil fuel electricity generation in our sites, e.g., decommission combined heat and power units • Reduce fossil fuel usage by switching to electrified heating systems (e.g., heat pumps, electric boilers, electric steam generators) • Design and construct “all-electric” new buildings • Install onsite solar photovoltaic (PV) systems • Participate in virtual power purchase agreements (VPPAs), securing renewable electricity certificates (or equivalent) generated by solar plants and other renewable sources
Compensate for unavoidable emissions	Compensate with carbon credits and offset projects for remaining unavoidable emissions.	• Use high quality carbon removal credits to offset unavoidable emissions from hard-to-abate processes • Our 90% renewable energy by 2027 goal is aimed at limiting the amount of carbon offsets that will be used to achieve the 2030 carbon neutrality goal

Progress to Date (Scopes 1 and 2)

By the end of 2023, our efforts towards carbon neutrality across all manufacturing and key distribution sites have resulted in:

- **82%** of electricity generated from renewable sources[4] on track for 2024 goal of 100%
- **46%** renewable energy
- **27%** decrease in energy intensity since 2017[5]
- **72%** real estate independently certified for energy efficiency[6]

Measuring Our Progress Toward Carbon Neutrality

Boston Scientific developed the Global Energy Management System (GEMS) to implement the C^3 energy strategy and measure progress toward carbon neutrality.[7] The company’s Global Facilities Utility

[4] Includes renewable electricity generated onsite and purchased electricity matched with electricity from renewable sources.
[5] Intensity is measured by the quantity of energy required per unit output or activity so that using less energy to produce a product reduces the intensity.
[6] Percentage of all Boston Scientific real estate (including commercial, leased and owned) that is independently certified for energy efficiency by industry-leading bodies such as LEED for design and Energy Star or ISO 50001:2018 for building operations.
[7] Inclusive of all manufacturing and key distribution sites only.

Management Council is a global community that benchmarks best practices, monitors metrics and reports results using key performance indicators such as carbon footprint, energy use, percentage of renewable electricity and energy and green real estate. GEMS builds on local energy management efforts and is implemented by our Global Energy team and representatives from each of our manufacturing sites.

For our latest results, see our 2023 Performance Report.

Spotlight: Electrification and Renewable Energy

Electrification reduces our use of fossil fuels onsite and shifts much of our emissions from scope 1 (direct emissions) to scope 2 (emissions generated by purchased electricity). Two cornerstones of our C^3 strategy are electrification (step 1) and converting to renewable energy sources (step 2). Our electrification strategy focuses on powering our manufacturing and key distribution sites with energy-efficient electric equipment – such as heat pumps, electric boilers and electric steam generators – to replace onsite equipment that uses natural gas, liquefied petroleum gas or diesel.

Importantly, electrification lays the foundation for step 2 – transition to renewable energy – by providing our sites with the necessary infrastructure to be powered by renewable electricity. Transitioning to electricity generated by renewable sources enables us to reduce, and eventually eliminate, our scope 2 emissions and is a critical steppingstone on our path to carbon neutrality.

We have a two-pronged approach to drive this transition to renewable energy:

1. **Electrification:** Replace fossil fuel equipment with energy-efficient electric alternatives.
2. **Convert to renewable electricity:** Source, generate or match our electricity consumption with electricity from renewable sources.

Case study: European distribution center in Kerkrade

Our distribution center in Kerkrade, the Netherlands, is a good example of the implementation of our C^3 strategy through electrification and use of renewable energy. As an ISO50001:2018 and LEED-certified site, teams on site closely monitor energy performance and GHG emissions.

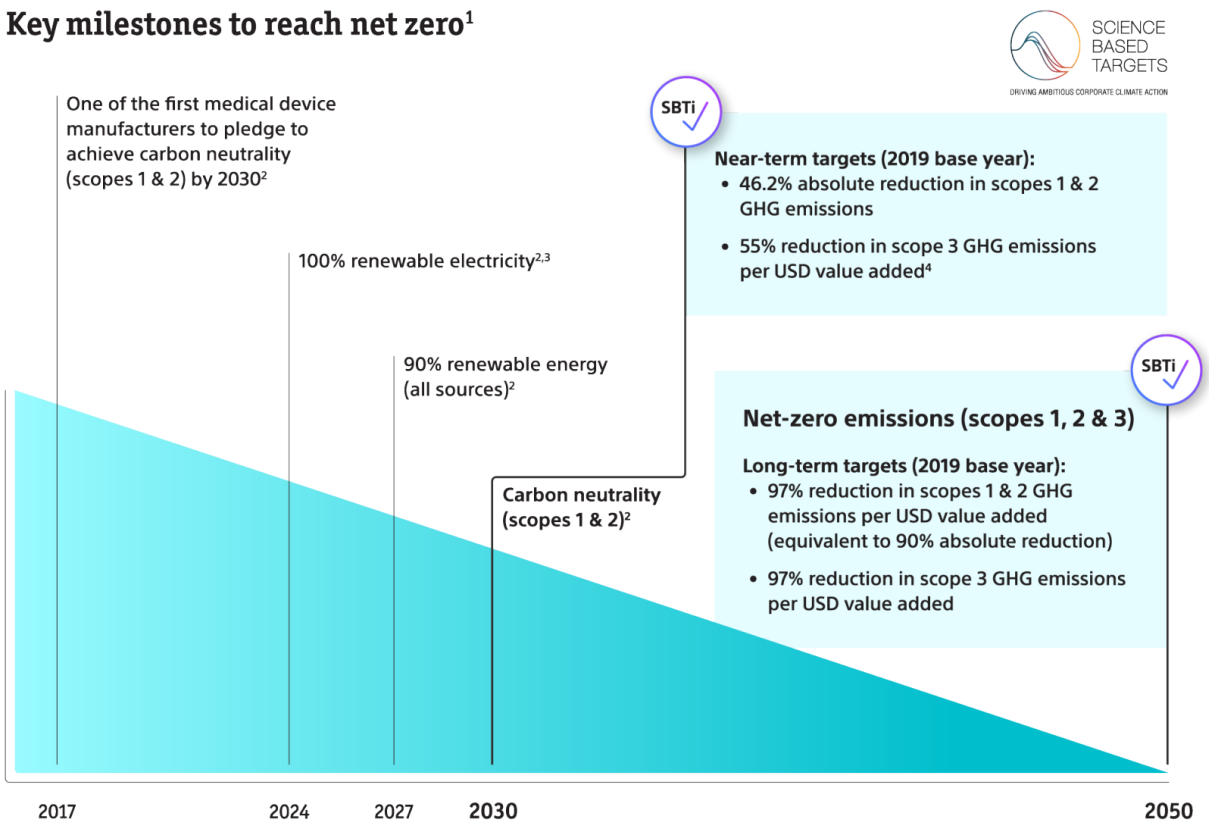
To electrify, the Kerkrade team converted its heating source from natural gas to energy-efficient heat pump technology powered by electricity. This change significantly reduced the site's GHG emissions.

To convert to renewable energy, the Kerkrade team installed nearly 1,500 solar panels with a combined output of 0.8MWp on the roof of the distribution center. When fully operational, the onsite solar PV system is expected to generate approximately 25% of the total electricity needed for the site. To supplement additional energy needed, Boston Scientific secures renewable energy through its European VPPA .

Together, these changes have enabled the Kerkrade distribution center to significantly cut use of energy and convert to renewable sources, including achieving 90% renewable energy as of 2024.

OUR PATH TO NET ZERO BY 2050 (SCOPES 1, 2 AND 3)

Building on the strong foundation we have established as we work to reach our carbon neutrality goal,[8] we are developing and refining our plans to achieve our long-term target: **net-zero GHG emissions across our entire value chain by 2050** from a 2019 base year.



[1] Trajectory to net-zero emissions defined by science-based targets to reach net-zero greenhouse gas emissions across the value chain by 2050 from a 2019 base year.
[2] Inclusive of all manufacturing and key distribution sites only.
[3] Includes renewable electricity generated onsite and purchased electricity matched with electricity from renewable sources.
[4] Boston Scientific has a goal to reduce scope 3 GHG emissions intensity from Purchased Goods & Services, Capital Goods, Fuel & Energy-Related Activities, Upstream Transportation & Distribution, and Business Travel by 55% per USD value added by 2030 from a 2019 base year. Our GHG emissions intensity is calculated as units of carbon equivalent emitted per unit of gross profit.

Science-Based Targets Initiative

In 2021, Boston Scientific expanded our climate action goals by joining the Science Based Targets initiative (SBTi) Business Ambition for 1.5°C campaign. The SBTi aims to drive climate action by enabling corporations to set and validate science-based GHG emission reduction targets. We are aligned with the latest scientific evidence to keep the planet from increasing by more than 1.5°C, a key environmental recommendation from the Paris Climate Accord.

In 2022, our near-term, long-term and net zero by 2050 emissions reduction targets were approved by the SBTi. This made Boston Scientific one of the first companies in the Healthcare Equipment and Supplies sector to have net zero, science-based scope 1, 2 and 3 targets approved under the SBTi Net Zero Standard.

[8] Inclusive of all manufacturing and distribution sites only (scopes 1 and 2).

Our Strategy to Reduce Scope 3 Emissions

Boston Scientific is reducing our scope 3 emissions in several ways, including driving efficiency and sustainability throughout our value chain as well as engaging with suppliers and exploring criteria to reinforce environmentally sound practices.

Supplier engagement

In 2023, we launched a global initiative to better understand our suppliers' environmental impact and collaborate with them to help drive emission-reduction progress. We prioritized suppliers who make up 80% of our scope 3 carbon footprint, such as suppliers of metals, plastic resins and chemicals, packaging, electronics, business travel and transportation and distribution.

We ask suppliers to complete our climate questionnaire, which is designed to help us evaluate their environmental practices, carbon emissions and climate-related risks. With this information we can tailor our approach to sharing sustainability best practices, including how to disclose emissions and set and pursue reduction targets. We also train employees who manage supplier relationships on how to hold important sustainability discussions.

Reducing emissions across our supply chain

We have made important advances in our end-to-end ideal product flow initiative, which is focused on driving more efficiency and sustainability in how our products are sourced, manufactured, packaged and distributed. In its first full year of implementation, our teams recorded progress in lowering carbon emissions, decreasing packaging waste and reducing our global shipping footprint, while delivering more products to more patients.

As part of this initiative, we are shipping products directly from manufacturing sites to the distribution hub closest to their destination. This allows us to deliver products where they are needed most and reduce our emissions by decreasing the distance a product travels and transitioning from air transport to sea transport where feasible.

REPORTING OUR PROGRESS

We are committed to transparent and rigorous disclosure of our progress on emissions reduction. View our 2023 Performance Report and CDP Climate Change Report for detailed disclosures.

Last modified July 2024.