

Environmental, Social and Governance

A global force for good

“We aspire to being a global force for good, empowering people to have access to medical ultrasound, one of the world’s leading imaging modalities.”

Stuart Gall
Chief Executive Officer

Our three guiding principles

Make a positive impact on the world

Do the right thing while making an impact

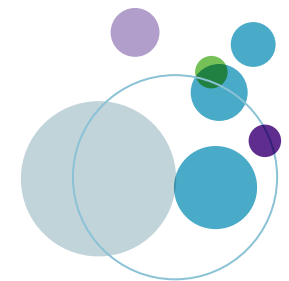
Enjoy making an impact

Message from the CEO

ESG remains a core element of our mission and strategy, and we continue to make improvements in both reducing the environmental impact of our products, operations and practices and our reporting at all levels.

- We are now in our second year of expanded Scope 3 impact analysis.
- Our flexible working policy is both popular and productive.
- We encourage our employees to think about how they travel to work and reward green travel.
- Our STEM and local university engagement programme continues, and we commenced our local intern programme.
- We have made changes to the composition of our Board to meet the corporate governance standards for an AIM-listed company

I am also delighted to include two new case studies that again demonstrate the impact our products and services make on patients and the medical community around the world.



Environmental, Social and Governance continued

ESG Impact

- 1500+ systems operating in over 800 medical institutions around the world.
- Over 1000 systems using our real-time AI image analysis software.
- ScanNav FetalCheck, our gestational age software, is to be used in the largest-ever trial on the use of aspirin to prevent pre-eclampsia (see page 24).
- Partnership with WFUMB to educate underserved regions of the world (see page 23).
- 38% female representation on the Board.
- 35% female representation across the Board, Management and Group.
- 1,056 tonnes of CO₂ emissions in 2023 fully offset in Gold Standard VAR projects.



UN Sustainability Development Goals

At the heart of the United Nation's 2030 agenda for sustainable development are 17 Sustainable Development Goals (SDGs), which recognise that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

The SDGs we consider to be the most relevant to Intelligent Ultrasound are:



At a product level we believe we have an impact through our Classroom to Clinic products helping to support, guide and speed up ultrasound which helps improve global health and wellbeing.

Specifically, this:

- improves access to better maternal health and health of newborns;
- speeds up scanning and improves scanning skills in emergency medicine, critical care and intensive care;
- enables safer ultrasound guided needling procedures.

At a Group level, albeit in a small way, we align to the following SDGs by:



Supporting the health and wellbeing of our employees:

- Providing opportunities to continually develop our employees.
- Commitment to ensure equal opportunities for all, irrespective of gender.
- Supporting our local community.
- Endeavouring to conduct our business in accordance with the best practices.
- Standards of quality and safety.



Environmental, Social and Governance continued

Our ESG Framework is built around our 3 Pillars: **Environment**, **Social** (People and Product), **Governance**.

Framework

Environment

Principles

- Minimise the negative impact on the planet

Stakeholders

- Employees
- Customers
- Investors
- The planet

Commitment

- Understanding our full impact on the environment
- Manage energy-use efficiently and increase renewables where possible
- Improve recycling and reduce waste
- Increase web demonstrations and online training to reduce first-touch travel impact

2023 metric

- Total CO₂ emissions
- Total CO₂ emissions per £ of revenue
- Total CO₂ emissions per employee
- Green travel scheme expenditure

UN Sustainable Goals


9 INDUSTRY INNOVATION AND INFRASTRUCTURE



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



Social (people)

Principles

- Provide a safe and supportive work environment
- Continue to build a positive culture
- Have a positive impact on our local communities

Stakeholders

- Patients
- Employees
- Clinicians
- Local communities

Commitment

- Attract, retain and develop our talent
- Enable equality, diversity and inclusion to thrive
- Support employee health, safety and wellbeing
- Support charity work
- Support local STEM engagement
- Support local university intern schemes

2023 metric

- % employee turnover
- % female representation
- % staff survey response-rate
- Local STEM events
- Interns engaged
- Employee charity days

UN Sustainable Goals

3 GOOD HEALTH AND WELL-BEING



5 GENDER EQUALITY



10 REDUCED INEQUALITIES



8 DECENT WORK AND ECONOMIC GROWTH



Social (product)

Principles

- Operate in an ethical and responsible manner
- Help society by providing products that help patient outcomes

Stakeholders

- Patients
- Clinicians

Commitment

- Uphold ethical standards in our supplier and reseller chain
- Continue to increase our recyclable packaging

2023 metric

- Scope 3 CO₂ emissions
- % of recyclable packaging

UN Sustainable Goals

4 QUALITY EDUCATION



8 DECENT WORK AND ECONOMIC GROWTH



3 GOOD HEALTH AND WELL-BEING



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Governance

Principles

- Be honest, transparent and responsible
- Meet the highest standards of corporate governance relative to our size

Stakeholders

- Investors
- Employees
- Customers
- Patients

Commitment

- Zero tolerance to bribery, corruption or fraud
- Robust data governance and compliance
- Commitment to quality management system (QMS)

2023 metric

- Compliance with the QCA Corporate Governance Code
- Report cases of bribery, corruption or fraud
- Whistleblower reports

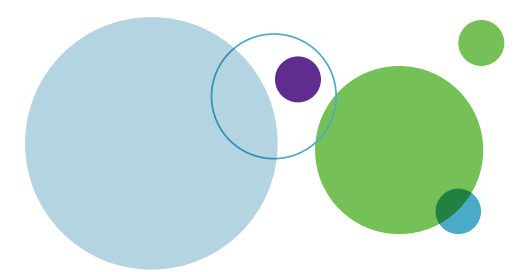
UN Sustainable Goals

8 DECENT WORK AND ECONOMIC GROWTH



5 GENDER EQUALITY





Environmental, Social and Governance continued

> Environment

	2023	2022
Environmental		
Carbon dioxide emissions (tonnes CO ₂)	1,056.0	1,136.0
Carbon dioxide emissions (tonnes CO ₂ per employee)	15.8	17.5
Carbon dioxide emissions (kg CO ₂ per £ of revenue)	0.09	0.11
Scope 1 to 3 CO ₂ emissions offset	100%	100%
Environmental and sustainability policies	Yes	Yes

Highlights from 2023

- We maintained our status of a carbon-neutral company
- We reduced our total Scope 1 to 3 carbon emissions by 7% in 2023
- Our employee commuting scheme continues to incentivise low-carbon travel
 - Electric car and bicycle purchase scheme
 - Free electric charging available to all employees at both our Hodge House and Caerphilly sites
- We strive to reduce the environmental impact of all of our packaging. All our cardboard packaging now comes from sustainable sources, our packing peanuts are fully biodegradable and our pallets are locally sourced. Only 30% of our bubble wrap packaging is from recycled materials but it can itself be recycled
- In late 2022 we started to ship the cart systems we purchase from North America via sea freight instead of air freight which has reduced our upstream emissions in 2023

- At the end of 2022 we joined the DHL GO Green Scheme which allows us to reduce our emissions associated with outbound shipping through the use of Sustainable Aviation Fuel (SAF)
- We continue to review international travel and conference attendance, and continued to conclude that travel was acceptable for the level of business and necessary, given the nature of the products we sell
- Web-based sales demonstrations and training continue to be the first point of customer contact and the primary training medium and since October 2023 these have been monitored using the Group's time-tracking software
- Where possible we try to buy locally, and utilise recycled and/or recyclable materials
- We also completed a review of the energy tariffs to ensure the energy we use is sustainable and from renewable sources
- We continued with our local support of the charity Stump Up for Trees in Wales

Offsetting

- We have offset 100% of the Group's 2023 CO₂ equivalent greenhouse gas emissions through the following Climate Partner Gold Standard Verified Emissions Reductions (VER) programmes:
 - Renewable energy in Asia.
 - Water filters and solar lamps in India.

Goals for 2024

- Review where we can make further positive changes to our products and packaging
- Continue to buy local, recycled and/or recyclable materials where possible
- Review shipping/protective casings to reduce installation impact on travel and resources
- Increase web demonstrations and training in UK and US offices



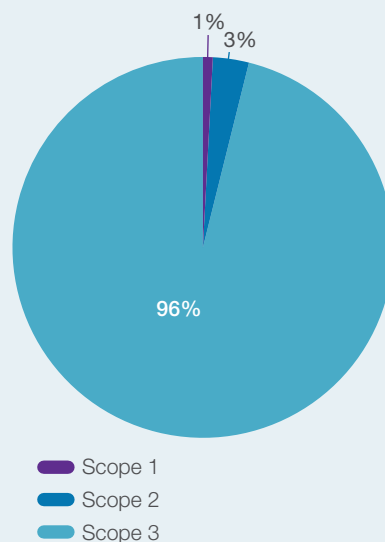
Environmental, Social and Governance continued

> Environment

Emission sources (tonnes CO₂)

	2023	2022	Change
Scope 1	9.9	5.7	4.2
Vehicle fleet	9.9	5.7	4.2
Scope 2	29.5	33.9	(4.4)
Purchased electricity for own use	26.9	31.2	(4.3)
Purchased heating, steam, and cooling for own use	2.6	2.7	(0.1)
Scope 3	1,016.6	1,096.4	(79.8)
Purchased goods and services	526.1	553.6	(27.5)
Fuel and energy-related activities	5.7	3.1	2.6
Upstream transportation and distribution	38.8	136.4	(97.6)
Business travel	184.7	163.4	21.3
Employee commuting	57.2	43.4	13.8
Downstream transportation and distribution	203.3	195.7	7.6
End-of-life treatment of sold products	0.8	0.8	–
	1,056.0	1,136.0	(80.0)

Emissions by Scope



Scope 1	Scope 2	Scope 3
Covers the emissions we make directly, e.g. our buildings or vehicles	Covers the emissions we make indirectly, e.g. the energy we buy to heat and cool our buildings	Covers all the indirect emissions associated with our value chain, e.g. from our suppliers through to our customers
Direct Emissions (tonnes CO₂) 9.9	Indirect emissions (tonnes CO₂) 29.5	Indirect emissions (tonnes CO₂) 1,016.6
2022: 5.7	2022: 33.9	2022: 1,096.4

- Scope 3 emissions reduced by 7% relating mainly to lower stock purchases and the inbound shipping emissions associated with lower purchases
- Scope 1 and Scope 2 emissions combined are consistent year-on-year
- There has been a small reclassification of emissions from Scope 2 to Scope 1 in 2023



Environmental, Social and Governance continued

> Social

	2023	2022
Social		
Employee turnover (%)	17%	13%
Staff survey response rate (%)	74%	87%
Happy staff (%)	88%	94%
Female representation (all Company) (%)	35%	36%

Highlights from 2023

- First interns joined the Group in the summer of 2023 for a one-month IUG internship programme.
- As part of our STEM commitments, we attended a local science festival and also talked at a primary school assembly. Our aim at these events is to give children exposure to the fundamentals of ultrasound, which we believe we do in an interactive and fun environment.
- Our annual staff survey continued to be really positive and showed that a high majority of our employees continue to be 'happy' working for the Company.
- Supported the World Federation for Ultrasound in Medicine and Biology (WFUMB) in its mission to bring sustainable ultrasound programmes to the underserved areas of the world by providing training simulators to support a number of education.
- First year that our employees could take advantage of a 'Charity Day'; an extra day's annual leave to carry out charitable work.
- Switched to a new workplace pension scheme provider that has a higher proportion of sustainable investment funds.
- Female representation across the Group is 36%.

- Our employees continue to work on a flexible basis. This continues to be well received by our staff and makes a significant contribution to the attractiveness of working for Intelligent Ultrasound. For the last two years, our annual, anonymous staff survey shows us that almost 90% of our staff recommend Intelligent Ultrasound as a great place to work. Although there will always be areas we can improve, most of our employees believe we are doing rewarding work that is making a real difference to hospitals and patients around the world.
- We continue to offer employees an excellent combination of attractive salary packages and a flexible work environment located in a vibrant university capital city.
- Our team in North America receive an attractive salary package, but there is a high cost to providing appropriate health care and pension provisions, that is difficult for a small company to provide. We continue to review how to overcome these issues for our US-based employees.

Goals for 2024

- Ongoing support for the WFUMB support programme
- Increase the local schools STEM programme

Case study

Easier to learn Simpler to use

Supporting WFUMB in its mission to bring sustainable ultrasound programmes to the underserved areas of the world

In December 2022 we announced that we would be supporting the World Federation for Ultrasound in Medicine and Biology (WFUMB) in its mission to bring sustainable ultrasound programmes to the underserved areas of the world to improve global healthcare through collaboration, communication and education.

Under the partnership we have donated a ScanTrainer Compact obstetrics and gynaecology and general medicine training simulator as well as a neonate and paediatric BabyWorks training simulator to WFUMB to support their ongoing ultrasound education programme.

The simulators have already been used in a number of congresses and regional Centre of Education courses including two of the key WFUMB events in 2023 – EUROSON 2023 in Riga, Latvia and the WFUMB Congress in Muscat, Oman.

We have provided training and product support through our enhanced web demonstration facility in Cardiff and provided logistics support where appropriate.



Lynne Rudd of WFUMB said:

"The amazing donation of a ScanTrainer and BabyWorks and the support that Intelligent Ultrasound has provided is providing invaluable hands-on experience at our worldwide Centres of Education courses and congresses."

Environmental, Social and Governance continued

Case study

Easier to learn [Simpler to use](#)

Measuring gestational age in primary care in sub-Saharan Africa

ScanNav FetalCheck, our gestational age software, is to be used in the largest-ever trial on the use of aspirin to prevent pre-eclampsia.

Conducted in Kenya, Ghana and South Africa, the trial is funded by the Bill & Melinda Gates Foundation and led by the international NGO Concept Foundation*. It will compare the effects of daily intake of two different doses of aspirin during pregnancy: 75mg and 150mg among pregnant women at high risk of developing pre-eclampsia. It aims to advance evidence on pre-eclampsia prevention and inform policies so that women who are treated with aspirin to prevent pre-eclampsia receive a dose that is both effective and safe.

Having an accurate gestational age is important in the prevention of pre-eclampsia for two reasons. Firstly, the risk of the condition depends on a number of clinical factors which change with gestational age. Secondly, the prophylactic effect of aspirin depends on when it is first administered within the pregnancy. However, accurate determination of fetal age is difficult in LMICs as it must be measured by trained sonographers, and very few front-line healthcare workers have the necessary skills.

The clinical trial sites conducting risk screening will use our ScanNav FetalCheck software to enable frontline healthcare professionals, with no prior experience of ultrasound, to quickly estimate gestational age.

The software uses artificial intelligence (AI) to estimate the gestational age without requiring the sonographer to take precise biometry measurements. As well as allowing any healthcare professional to make the measurement, the technology also reduces equipment cost and speeds up the scan without compromising accuracy**.

Our aim is to roll out the technology in primary care settings in both LMICs and in high-income countries (HICs) by allowing the age of the fetus to be assessed in a primary care setting where women need it. This will not only help reduce the incidence of pre-eclampsia but can also improve the management of other pregnancy-related conditions that affect mother and fetus.



“It will compare the effects of daily intake of two different doses of aspirin during pregnancy: 75 mg and 150mg among pregnant women at high risk of developing pre-eclampsia.”

* The project is conducted in collaboration between Concept Foundation, Burnet Institute, University of Ghana, University of Nairobi, University of Cape Town, Nossal Institute for Global Health – University of Melbourne, Tommy’s National Centre for Maternity Improvement, and Intelligent Ultrasound, with the generous financial support of Bill & Melinda Gates Foundation.

** ScanNav FetalCheck is currently not licensed for clinical use. Validation studies are in progress.

Environmental, Social and Governance continued

> Governance

	2023	2022
Governance		
Female representation on the Board	38%	30%
Independent Board members	50%	50%
CEO cash compensation (vs. UK median earnings)	5.9 x	6.1 x
Highest to lowest pay ratio	9.0 x	12.1 x
CEO & Chairperson role split	Yes	Yes
Adheres to relevant corporate governance code	Yes	Yes
ESG meetings held	10	10
Whistleblowing reports	0	0
Political campaigns, lobbying or think tanks	0	0

Highlights from 2023

- Improved the framework of KPIs across the Group.
- Zero reported incidents of bribery, corruption or fraud.
- Reduced the size of the Board from nine Directors to eight.
- Conducted company-wide training on bribery and corruption, mental health and wellbeing, unconscious bias and health and safety at work.
- We believe we have strong corporate governance practices that help us protect the interests of all our stakeholders, including customers, employees, shareholders and local communities.

Goals for 2024

- Continue on our path to meeting the full requirements of the QCA Corporate Governance Code

Board of Directors

The Board is responsible for oversight of the Group's global business. This includes setting a culture of accountability, the highest standards of ethical conduct and strong corporate values. Its core areas of oversight include strategy, executive performance, financial performance, risk management and internal control framework and ESG matters.

Our governance practices include:

- annual election of all Directors by majority vote;
- 100% committee independence;
- oversight of corporate responsibility and ESG matters;
- 50% of Directors are independent.

Oversight and Management of ESG

The ESG Working Group meets on a monthly basis, is chaired by the CEO and comprises – three Executive Directors, two Non-executive Directors and three staff representatives.

