

Our Journey to Net Zero: Pursuing Sustainability Goals in Healthcare Waste Management



**NET
ZERO**
TOGETHER

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A Message from Our CEO and Founder

Welcome to the Daniels Health 2026 Carbon Emissions Report, highlighting our ongoing dedication to transparent, sustainable business practices and responsible environmental governance.



This year's Carbon Emissions Report captures a period of substantial customer growth across the US, and corresponding growth across our supporting operations, spanning infrastructure, fleet, and the continued expansion of our workforce, while improving our emissions efficiency even as we scale.

In 2025, Daniels Health moved beyond foundational commitments and into a more mature phase of our sustainability journey. Following the conclusion of the HHS Health Sector Climate Pledge, we joined the Health Sector CARES Pledge, reaffirming our role alongside healthcare leaders working toward a net-zero future. We continued to improve our emissions intensity while strengthening the structure and accountability behind our strategy.

What guides us is a simple but urgent truth: environmental health and human health are inextricably linked. As a partner to healthcare providers across the country, we recognize the responsibility we have to help shape a more sustainable future for the industry.

The progress reflected in this report is a testament to the dedication of our teams and the strength of our partnerships. While there is more work ahead, we are encouraged by the momentum we are building and the tangible steps we are taking to reduce our carbon footprint.



Dan Daniels | CEO & Founder



Our Story So Far

Daniels Health was born out of a passion to improve safety and sustainability in healthcare, a mission solidified with the launch of the world's first reusable sharps containment system in 1986. This achievement challenged existing regulations and governing standards, driving greater consciousness in sustainable purchasing in healthcare and establishing an industry-defining approach to sustainable waste management.





Along with a dedication to safety, sustainable approaches to medical waste management have been a core driver of Daniels Health’s product and service offering. Since entering the US market over 20 years ago, we’ve partnered with healthcare organizations across the country to achieve the highest standards of compliant, sustainable waste management.

Over the decades, our approach to sustainable waste management has evolved. While reusable containment systems and the elimination of plastic waste remains a pillar of our sustainability strategy, this now represents a durable standard across the US healthcare waste landscape.

Daniels Health builds upon this foundation with a partnership approach, working within the four walls of healthcare facilities to develop quantifiable and reportable waste management plans that deliver measurable improvements to waste and carbon footprint reduction. With this results-driven

approach, we deliver much more than a traditional waste management vendor, providing consultative support with on-site waste audits, waste reduction strategies, staff training, and KPI accountability.

Daniels Health is constantly working to improve waste segregation with our customers, supporting waste stream optimization to divert a higher volume of waste away from energy intensive treatment such as high-temperature incineration. Our extensive experience providing services in every area of a hospital enables us to manage all types of healthcare waste, utilizing the best

practices of management, disposal, treatment, and recovery, and delivering efficiencies such as dual-permitted trucks, route optimization and container fill efficiencies, to reduce the environmental impact of total waste management.

As part of our commitment to reducing environmental impact, Daniels Health experts are available to provide detailed sustainability education to our customers through channels such as targeted executive business reviews or broader “lunch and learn” style presentations.

1,263

Number of employees

+31% YOY

387

Vehicles within our US wide fleet*

+49% YOY

45

Number of states in which we operate

19,792

Number of **unique locations serviced** in 2025

+13% YOY

\$51,097,440

Avoided cost of purchasing single-use containers through using our reusable systems

+34% YOY

67,389

Metric tons of **waste processed**

+39% YOY

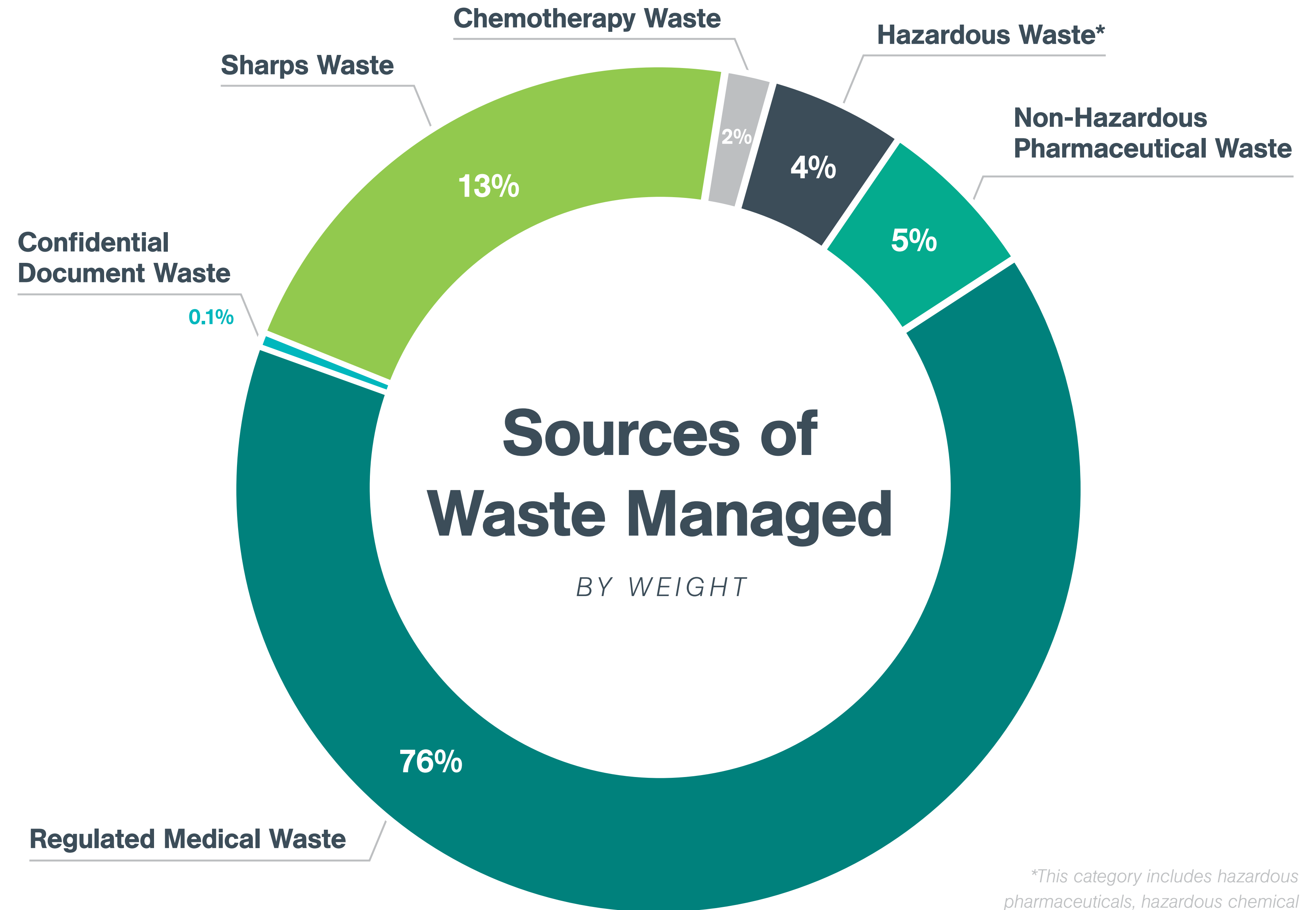
7,729

Metric tons of **single-use container plastic diverted** from landfills

+31% YOY



*For the purposes of this report, vehicle data excludes non-refrigerant stationary trailers as they do not produce emissions. The 2025 emissions report included non-refrigerant stationary trailers, thus stating a value of 345 vehicles. The year-over-year percentage change was calculated after removing non-refrigerant stationary trailers from the 2025 data.



**This category includes hazardous pharmaceuticals, hazardous chemical wastes, and universal wastes*

Our Commitment to Sustainability

As an organization, we are committed to bold collective action in reducing our carbon emissions with the goal of achieving net zero emissions by 2050.



Daniels Health is committed to leading the healthcare waste industry in products, processes and technology that minimize ecological impact. Our integrated waste management approach is focused on reducing environmental footprint across the full lifecycle of the waste journey.

Daniels Health was a signatory of the US Department of Health & Human Services (HHS) pledge to decarbonize the healthcare sector in pursuit of net zero emissions, which was started in 2022. When this initiative became inactive, we remained committed to moving forward with the pledge and what it represents for US healthcare.

In September 2025, we signed the Health Sector CARES (Climate Action, Resilience, and Equity Solutions) pledge, which carried forward the same commitments outlined in the HHS pledge.

As a signer of this pledge, we are formally committed to a 50% reduction in emissions by 2030, with the overarching goal of reaching net zero emissions by 2050.

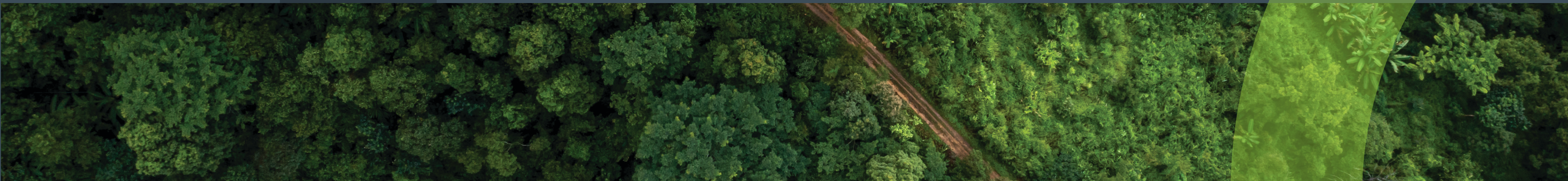
Our first step in meeting these commitments was establishing an emissions baseline through the compilation of Scope 1, 2, and 3 emissions data, which we accomplished for the 2023 calendar year.

In this year's publication, we are proud to build upon this foundation with the completion of Scope 1, 2, and 3 emissions data for the 2025 calendar year, enabling us to compare progress against the 2023 baseline. As with our 2024 report, we are utilizing intensity metrics to objectively measure emissions reduction against considerable organizational growth.



2025: Key Milestones and Initiatives

Daniels Health achieved a number of key milestones and initiatives this past calendar year related to our net zero journey.



Climate Excellence Standard

In alignment with our commitment to the Climate Excellence Standard, Daniels Health completed Scope 1, 2, and 3 greenhouse gas inventories for CY 2024 and CY 2025, strengthening the consistency and transparency of our emissions reporting. We obtained third-party verification of our 2024 Scope 1 and Scope 2 emissions data through an independent assurance provider.

National Academy of Medicine Health Sector Climate Action Survey

In 2025, we proactively engaged key suppliers on sustainability initiatives by distributing the NAM Health Sector Climate Action Survey, strengthening collaboration across our supply chain. The survey was designed to deepen our understanding of how suppliers measure and report Scope 1, 2, and 3 emissions, providing critical insight into opportunities to reduce our own Scope 3 footprint. We successfully engaged our largest vendors to participate in the survey, opening the door to meaningful conversations around future collaboration and shared climate efforts.



NATIONAL FLEET EMISSIONS

In 2025, Daniels Health implemented a series of targeted operational improvements to reduce fleet emissions, including vehicle weight reduction, horsepower optimization, and idle time reduction. Combined, these initiatives are projected to deliver an annual reduction of approximately 1,000 metric tons of CO₂, equivalent to more than 100,000 gallons of fuel saved per year. We also collaborated with California utility providers and explored electric vehicle options as part of our broader effort to evaluate long-term fleet decarbonization opportunities.

WASTE CONSOLIDATION FOR TRANSPORT

As our customer base and supporting operational footprint continues to expand, Daniels remains focused on logistical optimization to reduce the number of miles traveled per volume of waste processed. This is exemplified by waste consolidation initiatives such as our Baton Rouge Business Unit, where regulated medical waste is consolidated from small tubs into 400-gallon super totes prior to transportation to our Houston plant for treatment. This consolidation effort reduces the number of shuttle runs required for the same volume of waste, saving on transportation-related emissions.

RMW BIN BLOW MOLDING

In 2025, Daniels Health began producing 28-gallon and 38-gallon reusable RMW bins in-house, reducing not only the emissions associated with transport of manufactured goods but also enabling recycling efficiencies. As part of the in-house process, trimmed blow molding scraps are captured, recycled, and repurposed into the production of new RMW bins, supporting circular manufacturing and waste reduction.

Emissions Data and Intensity Metrics

This report covers 2025 emissions data and year-over-year intensity metric calculations.



2025 EMISSIONS DATA

The Greenhouse Gas (GHG) inventory was prepared by Daniels Health in accordance with the GHG Protocol Corporate Accounting and Reporting Standard.

Table 1. US GHG emissions data for calendar year 2025

Emissions source	MTCO ₂ e (metric tons CO ₂ e)
SCOPE 1 EMISSIONS	
Stationary Combustion	4,103
Mobile Sources	16,636
LOCATION-BASED SCOPE 2 EMISSIONS	
Purchased and Consumed Electricity	2,277
TOTAL SCOPE 1 AND 2 EMISSIONS	
Total Scope 1 & Location-Based Scope 2	23,016
SCOPE 3 EMISSIONS	
Scope 3 – Category 1: Purchased Goods and Services	36,499
Scope 3 – Category 3: Fuel- and Energy-Related Activities	524
Scope 3 - Category 4: Upstream Transportation and Distribution	925
Scope 3 - Category 5: Waste	29,390
Scope 3 - Category 6: Business Travel	871
Scope 3 - Category 7: Employee Commuting	615
SCOPE 3 SUMMARY	
Total Location-Based Scope 3	68,824
Total Market-Based Scope 3	68,824
TOTAL GHG EMISSIONS	
Absolute Emissions (Scope 1, 2 and 3 Emissions)	91,839

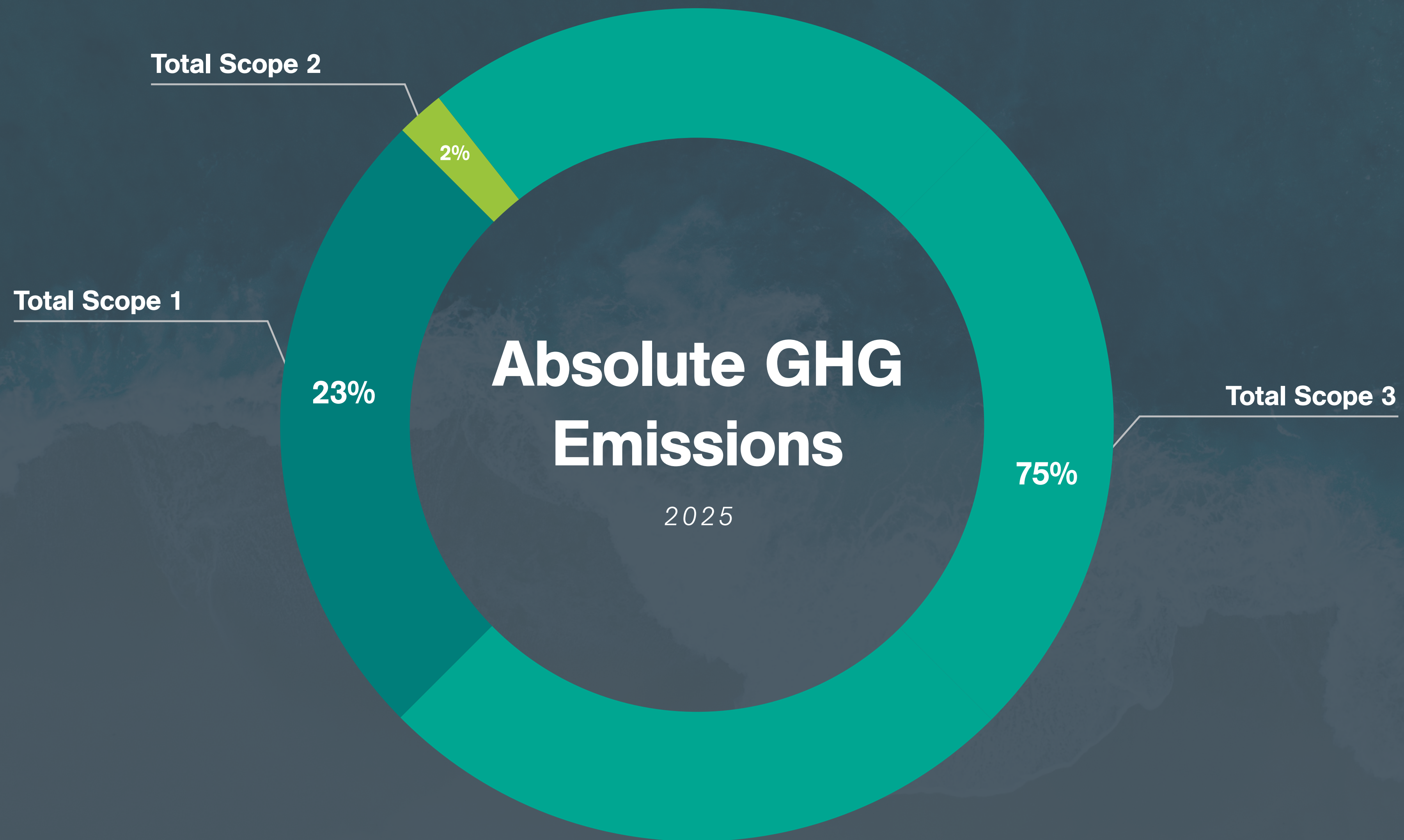


Figure 1. US GHG emissions data for calendar year 2025

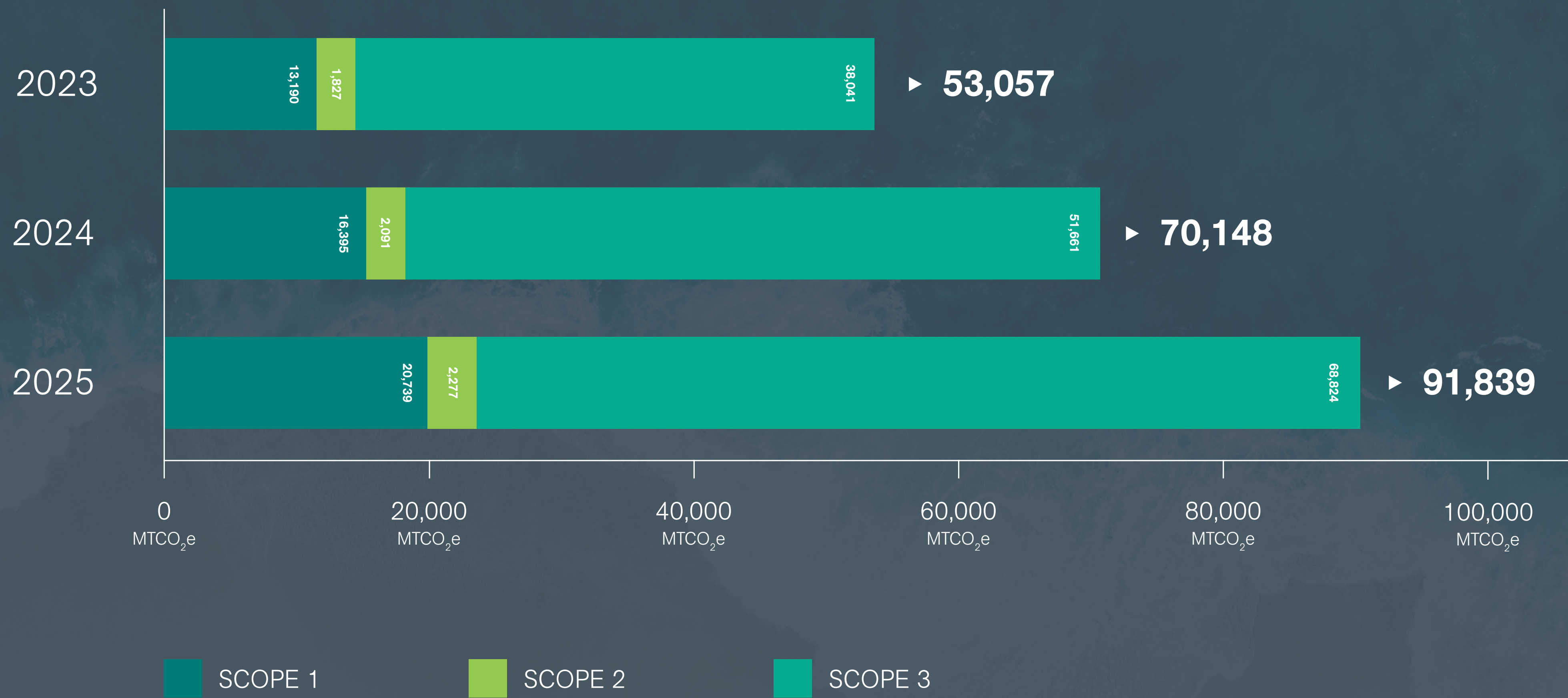


Figure 2. US GHG emissions data comparison for calendar years 2023, 2024 and 2025

Note that 2023 and 2024 emissions data was revised in 2025 due to new data and refined calculations. The data included in this report represents the accurate emissions figures for Daniels Health.

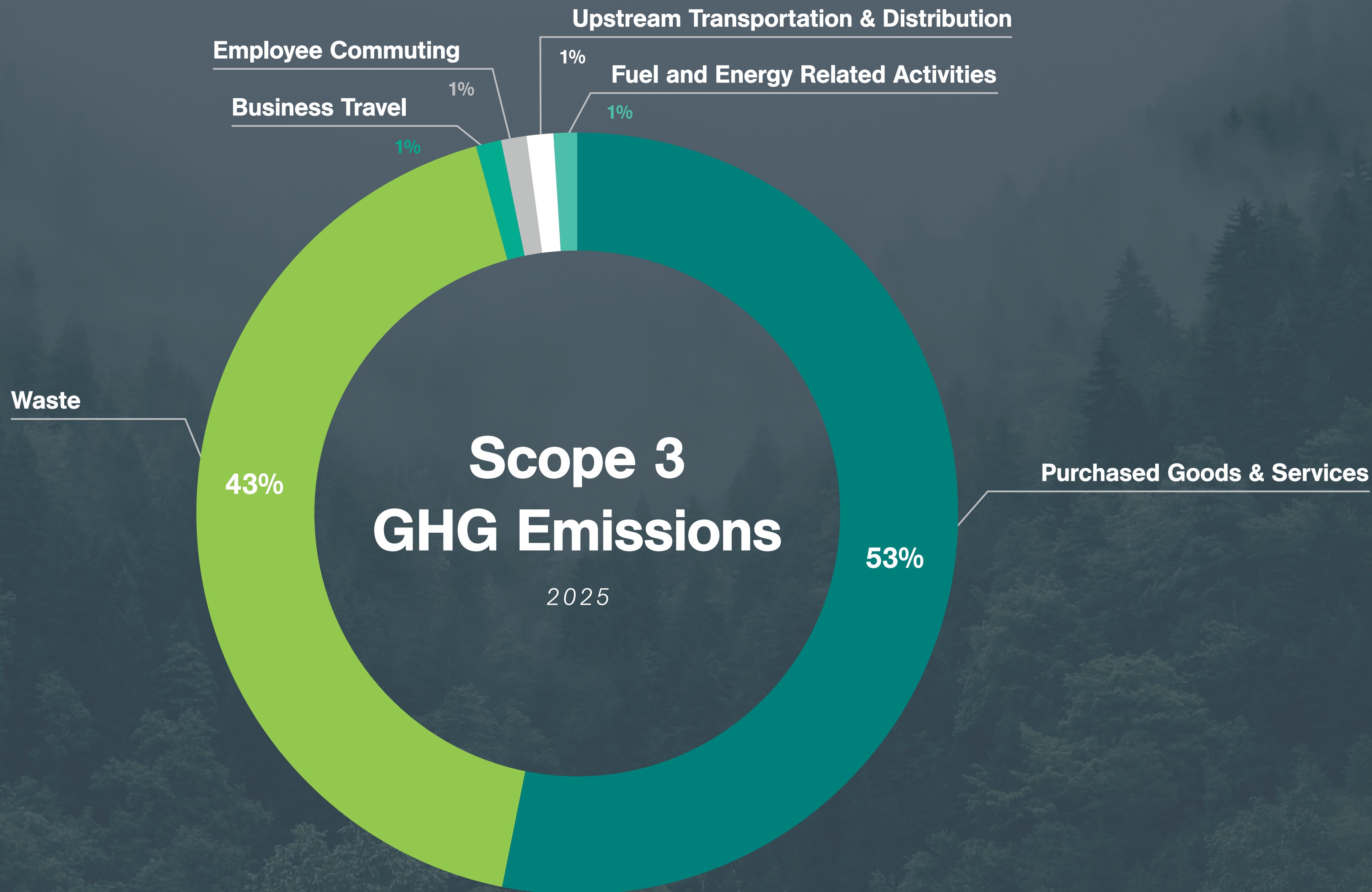


Figure 3. Daniels Health Scope 3 greenhouse gas emissions by category

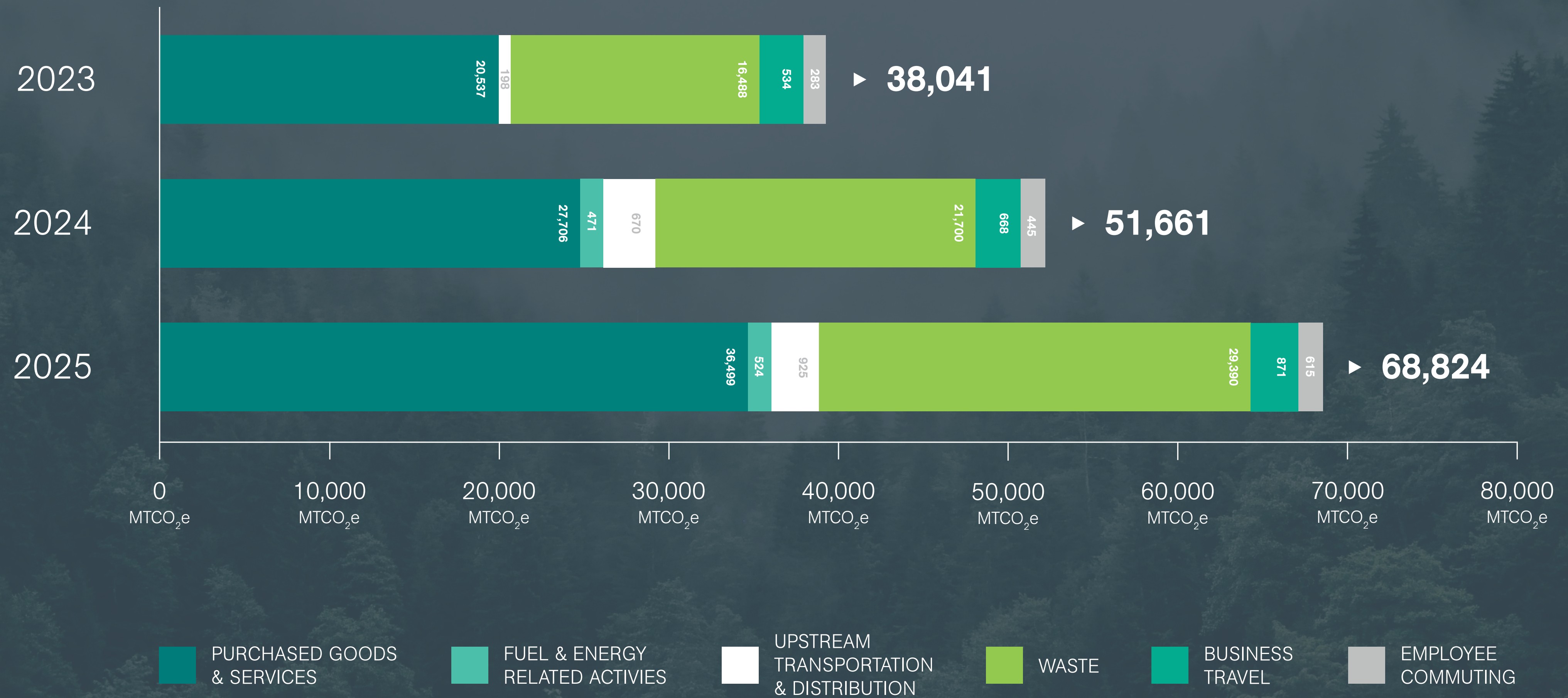


Figure 4. Daniels Health Scope 3 greenhouse gas emissions by category comparison for calendar years 2023, 2024, and 2025

INTENSITY METRICS FOR CARBON EMISSIONS

Much like in our report covering 2024 emissions, Daniels Health has incorporated intensity metrics to provide efficiency improvement insights relative to growth. Because Daniels Health is a rapidly growing organization, and as more customers engage Daniels as their partner, year-over-year emissions naturally rise; however, by measuring annual emissions against a common denominator, such as total waste processed, Daniels can gauge the impact of emissions reduction strategies against a normalized standard. This provides an accurate depiction of results while accounting for organizational growth.

While waste processing volumes increased in 2025 due to customer growth, MTCO₂e emissions generated per pound of waste processed, and per vehicle mile traveled, both decreased by 17% and 4% respectively relative to our baseline emissions year. Daniels Health is committed to leveraging data analysis to sustain this positive trend in 2026 and beyond, as we implement ongoing strategies for sustainable emissions reduction.

Table 2. US Emissions Metrics

Metric	2023	2024	2025	Percentage change from baseline year
Total Waste Processed (in metric tons)	36,520	48,365	67,389	85%
Absolute Emissions (Scope 1 and 2)	15,016	18,487	23,016	53%
Operational Intensity (per metric ton processed)	0.411	0.382	0.342	-17%
Fleet Intensity (per 1,000 miles)	1.297	1.262	1.239	-4%

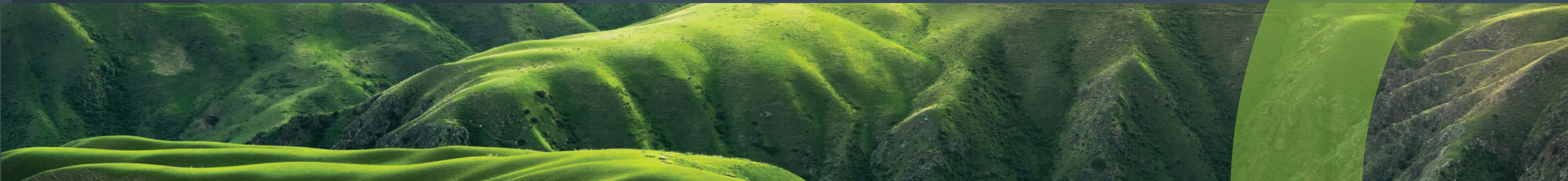
Prior period intensity metrics for 2023 and 2024 have been restated to reflect updated waste volume calculations.

The following emissions metrics have been calculated:

- *Absolute emissions (Scope 1 and 2): The total amount of Scope 1 and 2 emissions.*
- *Operational intensity: The amount of Scope 1 and 2 emissions created (MTCO₂e) for every metric ton of medical waste processed by Daniels Health.*
- *Fleet intensity: The amount of mobile Scope 1 emissions created (MTCO₂e) for every 1,000 vehicle miles traveled in the process of doing business.*

Emissions Reduction Journey: Next Steps

These actions undertaken by the business will be the foundation of our emissions reduction strategy moving forward.





Transporter Manufacturing

In 2026, Daniels Health is transitioning transporter manufacturing from China to a US-based facility. This near-elimination of international shipping distance is projected to cut upstream transportation emissions associated with transporter logistics by 98%, equivalent to removing approximately 24 gasoline-powered passenger vehicles from the road annually.

Equipment Redesign for Greater Efficiency

Daniels Health is advancing two significant equipment redesigns aimed at improving operational efficiency and reducing our environmental impact. Following the success of our UK business, the US entity is redesigning our autoclave carts to increase capacity by 32%, meaning more waste will be processed per cycle and fewer cycles are required overall. This translates directly to reductions in the gas, water, and electricity needed to treat the same volume of waste, with new carts being implemented on a rolling basis across US business units. Complementing this effort, we are developing a next-generation RMW container engineered to maximize transport capacity and operational efficiency, reducing the number of transport runs required and meaningfully lowering associated emissions.

Supplier Engagement

Daniels Health will continue strengthening strategic engagement with key suppliers on sustainability initiatives through distribution of the NAM Health Sector Climate Action Survey and collaborative discussions to advance shared climate action priorities.

Fleet Emissions Reduction

Daniels Health remains committed to the ongoing decarbonization of our fleet through a multi-faceted approach. We will implement the Roadnet routing platform to maximize routing efficiency, reduce overall and per-stop mileage, and improve truck capacity utilization. We will also maintain a continued focus on idle time reduction, targeting a 5% year-over-year improvement. We will continue evaluating opportunities to transition to smaller-capacity vehicles to improve fuel efficiency and reduce emissions. In parallel, we are assessing the viability of incorporating electric vehicles into our fleet and exploring lower-emission fuel alternatives. Continuous fuel use monitoring and fleet performance analysis will inform future procurement decisions, ensuring that each vehicle acquisition supports our long-term goal of a cleaner, more sustainable fleet.



Solar Panels at New Transfer Stations

As Daniels Health expands into the Mountain West region, we are exploring the integration of solar energy at new transfer stations. This initiative reflects our commitment to reducing our environmental footprint by leveraging renewable energy sources to power our facilities and decrease reliance on traditional energy grids.

Deepening Customer Engagement on Sustainability

Building on the momentum of our sustainability engagement efforts, Daniels Health is committed to expanding meaningful dialogue with our customers on our emissions reduction journey in 2026 and beyond. Already scheduled at the time of this publication are in-person presentations and case study explorations with multiple customers, reflecting the growing interest in collaborative climate action across our client base. These touchpoints complement our ongoing efforts to advance corporate social responsibility initiatives in partnership with the customers we serve.



Further Information

To learn more about our emissions reduction commitments, please reach out to hello@danielshealth.com



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