Carbon Reduction Plan

Supplier name: Macleods Pharma UK Limited

Publication date: 22nd March 2024

Commitment to achieving Net Zero

Macleods Pharma UK Limited 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 strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2023

Additional Details relating to the Baseline Emissions calculations.

All emissions categories as required under PPN 0621 have been included. All reporting is in line with the Greenhouse Gas Protocol's Corporate Accounting and Reporting Standard

Baseline year emissions

EMISSIONS	TOTAL (tCO₂e)
Scope 1	0.74
Scope 2 (Location-Based)	0.30
Scope 2 (Market-Based)	0.53
Scope 3	1,777.16
Category 1: Purchased goods and services Category 2: Capital goods Category 3: Fuel and energy related activities Category 4: Upstream transportation and distribution Category 5: Waste generated in operations Category 6: Business travel Category 7: Employee commuting Category 9: Downstream transportation and distribution	
Total Emissions (Market-Based)	1,778.43

Current Emissions Reporting

Reporting Year: 2023	
EMISSIONS	TOTAL (tCO2e)
Scope 1	0.74
Scope 2 (Location-Based)	0.30
Scope 2 (Market-Based)	0.53
Scope 3	1,777.16
Category 1: Purchased goods and services	
Category 2: Capital goods Category 3: Fuel and energy related activities	
Category 4: Upstream transportation and distribution	
Category 5: Waste generated in operations	
Category 6: Business travel	
Category 7: Employee commuting	
Category 9: Downstream transportation and distribution	
Total Emissions (Market-Based)	1,778.43

Emissions reduction targets

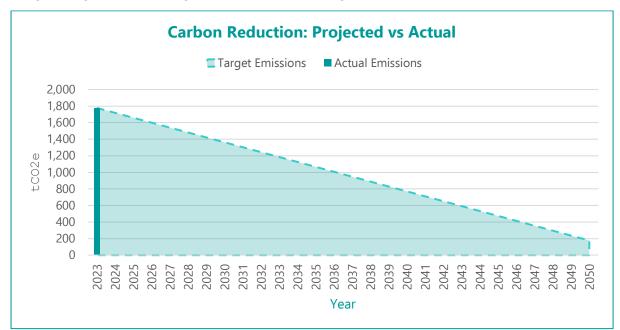
To continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets.

Long-term Target

Macleods Pharma UK Limited commits to reduce absolute Scopes 1,2 & 3 emissions 90% by 2050 from a 2023 base year using the Market Based approach.

Near-term (interim) Target

We project that carbon emissions will decrease over the next ten years to $1,185.62 \text{ tCO}_{2}e$ by 2033. This is a reduction of 33.3%.



Progress against these targets can be seen in the graph below:

Important: any remaining residual emissions, estimated at a maximum of 10% of the 2023 baseline emissions, will be rebalanced to Net Zero or 100% of the 2023 baseline by using carbon removals projects.

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented and are reflected in the 2023 baseline, the measures will be in effect when performing the contract.

- Many face-to-face business meetings have transitioned to virtual meetings, minimising emissions associated with Category 6: Business travel as reflected in our baseline.
- Staff can work remotely, minimising emissions associated with Category 7: Employee commuting as reflected in our baseline.

In the future we hope to implement further measures such as:

- Monitoring of activity data to continually enhance the accuracy of our emissions reporting.
- Minimisation of our Scope 1, Scope 2 and Scope 3 Categories where we have the highest level of control or influence. This includes minimisation of business travel, commuting and energy use.
- Assess the opportunity of sourcing renewable electricity for offices and homeworking.
- Transition to use of electric vehicles, minimising emissions from Category 6 and 7.
- We are committed to understanding ways in which we can grow our business operation whilst reducing emissions across our direct and indirect activities. An essential part of this will be engagement with our suppliers to minimise emissions from Category 1, 4 and 9. First, we will look to improve the emissions data associated with the products and services we are purchasing through supplier engagement. Second, we will work with our suppliers to understand their Net Zero targets and Carbon Reduction Plan to assess how this will feed into the Macleods Pharma UK Limited overall reduction plan. Through engagement with suppliers that have a Net Zero target and Carbon Reduction Plan in place, this will ensure that our most challenging emissions associated with Category 1, 4 and 9 are reducing through action that is being taken now and in the future by our suppliers to drive down their Scope 1 and Scope 2 emissions. This will ultimately decouple business growth from carbon emissions.
- Resource will be focused on engagement with transportation suppliers to understand the embedded carbon emissions of the services that they provide.
- Resource will also be focused on engagement with pharmaceutical product suppliers to understand the embedded carbon emissions of the goods that they provide.

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 standard⁴ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁵.

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) Standard⁶.

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:

Date: 21st March 2024

⁴<u>https://ghgprotocol.org/corporate-standard</u>

⁵https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting ⁶https://ghgprotocol.org/standards/scope-3-standard