



A member of the Mundipharma
network of associated companies

Carbon Reduction Plan

Napp Pharmaceuticals Holdings Ltd

July 2026



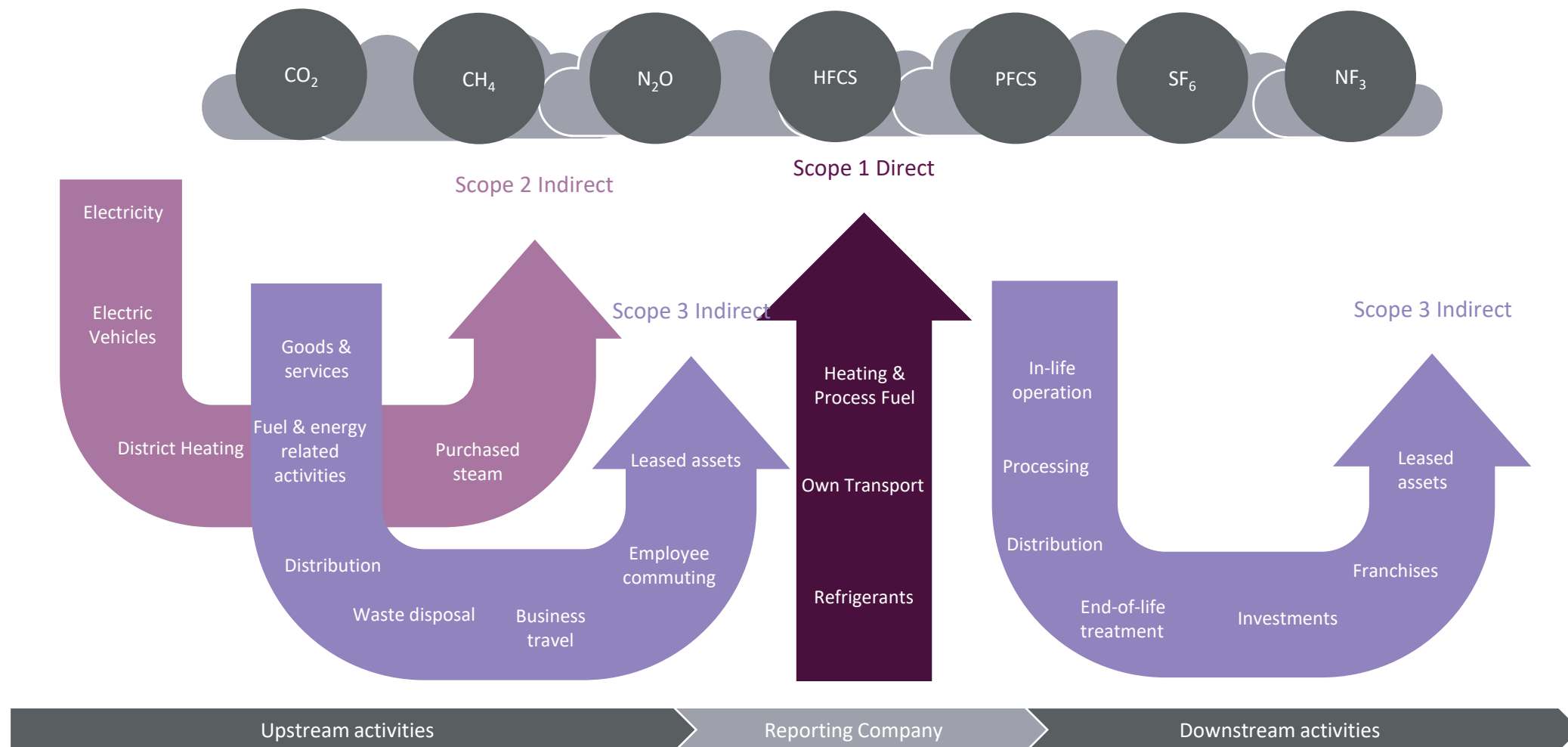
Commitment to Achieving Net-Zero

- **Napp Pharmaceuticals Holdings Limited (Napp Pharmaceuticals) and its subsidiaries*** aims to achieve Net-Zero scope 1, 2 and 3 by 2050 from a 2022 base year.
- Our Carbon Reduction Plan is presented in response to the Procurement Policy Note (PPN) 006 Carbon Reduction Plan guidance and provides transparency and demonstrates our progress towards building a robust carbon reduction programme.
- To achieve net-zero, we are aiming for an at least 90% reduction in absolute emissions compared to our base year – any residual emissions will be offset through carbon sequestration, as per the Science-Based Targets Initiative's (SBTi) Net-Zero Standard guidance.
- Our Scope 2 emission target will be reported using a location-based methodology.
- As a constituent member of the Mundipharma Network of Companies, Napp Pharmaceuticals intends to initiate the process of setting Science-aligned near-term and net-zero targets and committing to the Science-Based Target Initiative in FY26.
- On the journey to net-zero, Napp Pharmaceuticals will strive to reduce emissions from Scopes 1, 2 and 3 in line with the targets set and will report progress against targets annually.
- A full greenhouse gas (GHG) emissions inventory has been calculated across all scopes.

*Napp Pharmaceutical Holdings Limited subsidiaries for this Plan comprise Napp Pharmaceuticals Ltd, Napp Pharmaceuticals Group Ltd, Napp Laboratories Ltd, Bard Pharmaceuticals Ltd, and Qdem Pharmaceuticals Ltd. For this Plan, these companies are collectively referred to as **Napp Pharmaceuticals**.



Corporate greenhouse gas (GHG) emissions are split into 3 'scopes'



Source of image: <https://ghgprotocol.org/sites/default/files/ghgp/standards/ghg-protocol-revised.pdf#page=28>



Baseline Emissions Footprint

Baseline Year:

Scope 1, 2 and 3 – 2022 (1st January 2022 – 31st December 2022)

Additional Details relating to the Baseline Emissions calculations:

The Greenhouse Gas (GHG) emissions scope boundary, used to establish Napp Pharmaceutical’s FY22 baseline, was determined via an operational control model following the GHG protocol. The baseline includes all Scope 1 and 2 emissions in accordance with SECR requirements. Scope 3 emissions have been calculated as per the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Standard Guidance. Our baseline includes Napp Pharmaceutical Holdings Ltd and the following subsidiary companies: Napp Pharmaceuticals Ltd, Napp Pharmaceuticals Group Ltd, Napp Laboratories Ltd, Bard Pharmaceuticals Ltd, Qdem Pharmaceuticals Ltd. This baseline may be restated if acquisitions are found to increase emissions by more than 5%.

The emissions displayed were calculated using a location-based approach.

Baseline emissions now include all applicable Scope 3 categories. This has resulted in a significant increase in baseline emissions compared to previous years due to the inclusion of all purchased goods emissions as well as those from products sold by the business.

Emissions		Source	tCO ₂ e
Scope 1	Direct		2,311
Scope 2	Indirect		2,602
Scope 3	1. Purchased Goods and Services		27,332
	2. Capital Goods		2,038
	3. Fuel- and Energy-related Activities		1,311
	4. Upstream Transportation and Distribution		863
	5. Waste Generated in Operations		4
	6. Business Travel		210
	7. Employee Commuting		410
	8. Upstream Leased Assets		n/a
	9. Downstream Transportation and Distribution		167
	10. Processing of Sold Products		51
	11. Use of Sold Products		27,060
	12. End-of-life Treatment of Sold Products		87
	13. Downstream Leased Assets		n/a
	14. Franchises		n/a
	15. Investments		n/a
Total Emissions (Location-based)			64,446

N.B. The reported Scope 1, 2 and 3 emissions have been rounded to zero decimal places. Any totalling of emissions has been conducted using complete, unrounded figures.



Current Emissions Reporting

Reporting Year:	Emissions		Source	tCO ₂ e
Scope 1, 2 and 3 – 2025 (1st January 2025 – 31st December 2025)	Scope 1	Direct		2,148
	Scope 2	Indirect		1,955
	Scope 3	1. Purchased Goods and Services		18,512
		2. Capital Goods		5,367
		3. Fuel- and Energy-related Activities		1,113
		4. Upstream Transportation and Distribution		673
		5. Waste Generated in Operations		38
		6. Business Travel		120
		7. Employee Commuting		350
		8. Upstream Leased Assets		n/a
		9. Downstream Transportation and Distribution		195
		10. Processing of Sold Products		30
		11. Use of Sold Products		12,821
		12. End-of-life Treatment of Sold Products		124
		13. Downstream Leased Assets		n/a
		14. Franchises		n/a
		15. Investments		n/a
Total Emissions (Location-based)			43,447	

The emissions displayed were calculated using a location-based approach.

Emissions footprint now includes all applicable Scope 3 categories, in line with baseline year, to allow for accurate tracking of emissions reductions from initiatives across all operations and supply chain.

Baseline emissions have increased from the FY2024 Carbon Action Plan due to the inclusion of all applicable Scope 3 emissions categories, whereas previously only operational emissions-related were included in line with PPN 06/21 regulations. The emissions total now encompasses our/Napp's/the company's entire value chain, from raw materials purchased for product manufacture through to product use-phase and end-of-life disposal, as well as the previously included categories.

N.B. The reported Scope 1, 2 and 3 emissions have been rounded to zero decimal places. Any totalling of emissions has been conducted using complete, unrounded figures.



Emission Reduction Targets (Scope 1, 2 and 3)

Emissions footprint now includes all applicable categories, in line with baseline year, to allow for accurate tracking of emissions reductions from initiatives across all operations and supply chain.

Baseline emissions have increased from the Carbon Action Plan due to the inclusion of all Scope 3 emissions categories, whereas previously operational emissions-related were included in with PPN 06/21 regulations. The emissions total encompasses our/Napp's/the company's entire chain, from raw materials purchased for product manufacture through to product use-phase and life disposal, as well as the previously included categories.

To continue our progress toward achieving net have adopted the following carbon reduction

- **Net-Zero Scope 1, 2 and 3 by 2050 from a base year**

Napp Pharmaceuticals is in the process of and setting more detailed near-term and long-emission reduction targets in line with the based Targets Initiative (SBTi) guidelines. At Napp Pharmaceuticals has chosen to align with Government's 2050 Net-Zero target. We are evaluating accelerating this goal to 2045 in line NHS Evergreen programme.

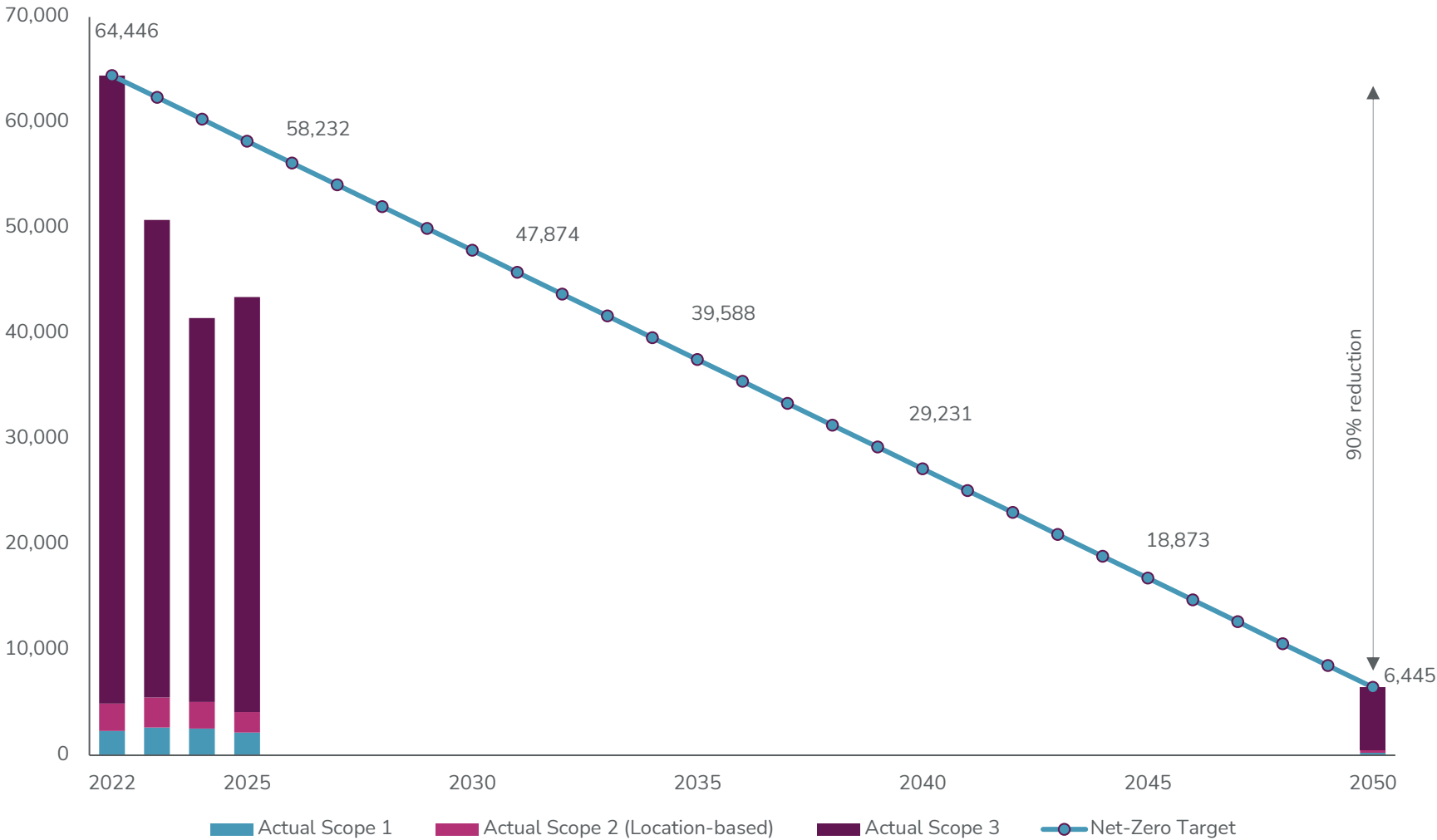


Figure 1: Net-Zero Scope 1, 2 and 3 Target



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2022 baseline. The carbon emission reductions achieved by these schemes, among other initiatives, amount to 20,999 tCO₂e, a 32.6% reduction relative to the 2022 baseline:

- **Phase 4 of LED Lighting Replacements**
 - Further improve energy efficiency of lighting throughout the site.
- **Low-Temperature Hot Water (LTHW) Heating System Controls**
 - Controls for the LTHW heating system will be implemented to improve the temperature differential.
- **Building Management System (BMS) Upgrades**
 - Upgrades to deliver improvements in control capabilities. This will improve electricity usage and prevent wastage.
- **Travel to work survey scope 3 travel**
 - Tracking commuting data for site employees and what our scope 3 impact is
- **Packaging waste projects**
 - EPR compliance and reducing impact and emissions in Scope 3 Category 5 - Waste generated in operations.
- **Installed steam condensate traps around site**
 - Reduces gas usage on site
- **Canal pump recirculation**
 - Reducing energy usage from the pump

Future Carbon Reduction Initiatives

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

- **Solar PV panels** project to cover Unit 191 roof space fully, this will help reduce location-based emissions from Scope 2 by generating a noticeable amount of renewable electricity on-site.
- **Flutiform project** in April 2024, we committed to reformulating flutiform® (fluticasone propionate/formoterol fumarate) pressurised metered-dose inhaler (pMDI) as a commitment to reducing the product's carbon footprint. The current propellant (HFA-227) has a global warming potential of 3350. Initial trials of the reformulation have been successful with the replacement propellant emitting only 10g of carbon dioxide. This will have a material reduction in our Scope 3 - Category 11 Downstream Emissions of Sold Products. Following regulatory approval, **we aim to begin the replacement process in 2029 with the phase-out completed by 2031.**
- **Implementing a waste tracker**, where all internal waste will be digitally tracked to reduce waste on-site and impact. By reducing the amount of waste generated on-site, the Scope 3, Category 5: Waste Generated in Operations will also be reduced.



Declaration and sign off

- This Carbon Reduction Plan has been completed in accordance with PPN 006 and the 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 standard (<https://ghgprotocol.org/corporate-standard>), and the appropriate government emission conversion factors for greenhouse gas company reporting. (<http://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>)
- Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements (where required), and the required subset of Scope 3 emissions has been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard. (<https://ghgprotocol.org/standards/scope-3-standard>)
- 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:

Name: Bryan Lea

Role: Director

Signature:

DocuSigned by:
Bryan Lea
1074747BAE4044A...

Date: 23 June 2026



Reporting Methodology

- Scope 1 and 2 greenhouse gas emissions have been calculated in accordance with the 2019 UK Government environmental reporting guidance. Consistent with the guidance, relevant emissions factors published in the UK Government's Department for Department of Energy Security and Net-Zero (DESNZ) "Greenhouse gas reporting: conversion factors", for the specific reporting year, have been used. The CO2 equivalent conversion factor has been used throughout, and, where applicable, the kWh gross calorific value (CV) was used.
- Scope 1 and 2 emissions have been calculated using both a location-based and market-based approach:
 - Location-Based: This method calculates emissions associated with fuel and electricity consumption by using UK average emissions intensities. DESNZ provides UK fuel and grid electricity emissions factors annually for location-based reporting.
 - Market-Based: This method calculates emissions associated with fuel and electricity consumption by using contract-specific emissions intensities. Market-based reporting enables companies that purchase lower-carbon fuels and electricity to demonstrate the benefits of their investments.
- Transport-related emissions from fuel combustion were calculated using the DESNZ "Greenhouse gas reporting: conversion factors" 2025 V1.0 database.
- Scope 3 emissions have been calculated in accordance with the Greenhouse Gas Protocol "Corporate Value Chain (Scope 3) Standard".
- For all operations, applicable Scope 3 categories were identified based on an operational control boundary. Scope 3 emissions for applicable categories were calculated following methodologies outlined in the GHG Protocol "Technical Guidance for Calculating Scope 3 Emissions", with further guidance taken from the GHG Protocol's detailed methodology chapters for each applicable Scope 3 category.
- Most conversion factors were sourced from the DESNZ Greenhouse gas reporting: conversion factors, v1.0 2025 database. Where a spend-based approach was used, as per the GHG Protocol guidance, conversion factors were taken from the University of Leeds and the Department for Environment, Food and Rural Affairs' UK Footprint Results (1990 – 2018)' study or the Department for Environment, Food and Rural Affairs' Indirect emissions for the supply chain' database. Scope 3 emissions include Well-to-Tank (WTT) and Transmission and Distribution (T&D) losses.



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Where care and collaboration meet,
to make a difference
when it matters most