



Carbon Reduction Plan (UK)

Reporting period: 1st January 2025 to 31st December 2025

Corporate office:

London Office (Corporate Headquarters)
Dashwood House, 2nd Floor, 69 Old Broad Street,
London, EC2M 1QS



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1. Supplier Information

1.1 Supplier name

Mercury Pharma Group Limited, on behalf of itself and its Affiliate entities, which include but are not limited to, Mercury Pharmaceuticals Limited, Advanz Pharma Generics (UK) Limited, Advanz Pharma UK & Ireland Limited, and Advanz Pharma Services (UK) Limited, which collectively comprise the UK business of ADVANZ PHARMA (the “**Group**”).

For the purpose of this Carbon Reduction Plan (“**CRP**”), (1) ‘Affiliate’ shall mean, in relation to a party, any legally recognisable entity which: a) is directly or indirectly controlled by a party; (b) directly or indirectly controls a party; or (c) is under common control with a party. “Control” and, with correlative meanings, the terms “controlled by” and “under common control with” mean (a) the power to direct the management or policies of a person, whether through ownership of voting securities or by contract relating to voting rights or corporate governance, resolution, regulation or otherwise, or (b) to own more than 50% of the outstanding voting securities or other ownership interest of such person. (2) ‘ADVANZ PHARMA’ shall mean ADVANZ PHARMA HoldCo Limited along with its subsidiaries.

1.2 Reporting period

1st January 2025 to 31st December 2025

1.3 Publication date

30th June 2026

1.4 Organisational boundary

This Carbon Reduction Plan covers ADVANZ PHARMA’s UK operations, comprising the London corporate office and all UK-based entities under operational control.

2. Commitment to achieving net-zero

ADVANZ PHARMA’s mission is to improve patients’ lives by providing specialty, hospital, and rare disease medicines. In parallel, we are committed to operating sustainably and

responsibly. The Group fully supports the UK Government's climate goals and is dedicated to achieving net-zero greenhouse gas (GHG) emissions across Scope 1, Scope 2, and Scope 3 by 2050.

The Group is currently developing interim emissions reduction targets and plans to align future targets with SBTi.

3. Carbon footprint methodology

ADVANZ PHARMA is a global pharmaceutical company focused on marketing, distribution, and commercialisation of specialty, hospital, and complex generic medicines, with a strong presence in European markets. The Group operates an asset-light business model, partnering with Contract Manufacturing Organisations (CMOs) and conducting its operations primarily from leased office facilities.

The Group's greenhouse gas (GHG) emissions have been calculated in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, the globally recognised framework for emissions measurement and reporting. Emissions are reported across Scope 1, Scope 2, and relevant Scope 3 categories.

All 15 Scope 3 categories, as defined by the GHG Protocol, have been assessed for relevance. Based on the Group's operational profile, the following five categories have been identified as material and are included within this CRP:

Category 4 & 9: Upstream and Downstream Transportation and Distribution

Emissions data for upstream transportation and distribution are primarily obtained from suppliers, covering approximately 98% of our total spend in this category (up from 95% in the prior year). Where suppliers' own reported emissions data is available, emissions are estimated using activity-based methods (eg. weight and distance of goods transported). In limited cases, a spend-based approach is applied.

Category 5: Waste generated in Operations

Emissions are calculated using primary data from UK office consumables and waste streams, applying waste-type-specific emission factors.

Category 6: Business Travel

Emissions related to business travel are calculated using data provided by travel management providers, applying a distance-based methodology. Where activity data is incomplete, a spend-based method is used as a proxy.

Category 7: Employee commuting

Emissions are estimated using employee survey data on commuting patterns, including distance travelled and mode of transport, with appropriate emission factors applied.

In early 2026, the Group implemented a new carbon accounting platform to support emissions data collection and calculation. The platform incorporates updated emission factor databases aligned with the GHG Protocol, improved mapping for spend-based emissions, and enhanced validation controls. This transition has strengthened the accuracy, completeness, and consistency of emissions reporting from FY 2025 onwards.

As a result of this methodological improvement, some variation in reported Scope 3 emissions may be observed compared to prior years. These changes mainly reflect enhanced data quality and updated emission factors rather than significant changes in underlying business activity. The Group is in the process of recalculating prior year emissions using the updated methodology to improve comparability and support future target setting.

4. Baseline Emissions Footprint

4.1 Baseline year

The baseline year for Scope 1 and 2 emissions is 2022.

4.2 Baseline emissions table

Emissions (tCO₂e)	2022 (Baseline)
Scope 1	7.79
Scope 2 (market-based)	0.06
Scope 3	1160.37
Total	1168.22



Baseline year comparability note: The FY2022 baseline reflects the Scope 1, Scope 2, and Scope 3 categories that were considered material and measurable at the time of reporting. Emissions associated with Scope 3 Category 1 (Purchased Goods and Services), which now represent the majority of the Group’s total greenhouse gas emissions, were not included in the FY2022 baseline inventory. As a result, direct comparison between FY2022 baseline and FY2025 baseline should be interpreted with caution.

This reflects our ongoing efforts to improve the completeness and accuracy of our emissions inventory and aligns our reporting with best practices. By expanding the scope of emission sources assessed, we provide a more comprehensive representation of our environmental footprint and strengthen the transparency of our sustainability disclosures.

5. Current Emissions Reporting for FY2025

5.1 Total emissions table

Emissions (tCO2e)	2025
Scope 1	21.17
Scope 2 (market-based)	0.00
Scope 2 (location-based)	7.00
Scope 3	9,190.15
Total	9,211.32

5.2 Scope 1 emissions, current and historical

Year	Emissions (tCO2e)
2023	15.60
2024	33.23
2025	21.17

Commentary: The increase in emissions in 2024 reflects fleet expansion following acquisition activity and improved data completeness. Emissions decreased in 2025, as the transition to hybrid and EVs accelerated.

5.3 Scope 2 emissions, current and historical



Year	Emissions (tCO2e)
2023	0.0
2024	0.0
2025	0.0

Commentary: Emissions are reported using the market-based method. Our London office is supplied with electricity through renewable-backed contracts.

5.4 Scope 3 emissions for select CRP-aligned Categories, current and historical

In accordance with the Carbon Reduction Plan Technical Standard, only selected Scope 3 categories relevant to the reporting requirements are presented below. Total Scope 3 emissions reported in Section 5.1 also include additional material Scope 3 categories, including Purchased Goods and Services (Category 1), which are not separately disclosed in this table. Therefore, the figures presented below will not reconcile to total Scope 3 emissions reported in Section 5.1.

GHG Scope 3 Category	2023	2024	2025
4. Upstream T&D	1,064.3	464.0	1,637.75
5. Waste generated in operations	0.014	0.011	<0.01
6. Business travel	807.3	545.9	355.45
7. Employee commuting	68.6	71.2	87.48
9. Downstream T&D	420.5	679.0	152.19

Commentary: Changes in Scope 3 emissions in 2025 are primarily driven by improved data quality and updated emissions factors following the transition to a new carbon accounting platform. These changes enhance accuracy but reduce direct comparability with prior years.

6. Emissions Reduction Targets

ADVANZ PHARMA has set a target to:

- Reduce Scope 1 and Scope 2 (market-based) emissions by 50% by 2030 from a 2022 baseline

- Achieve Net Zero emissions by 2050

Scope 1 emissions are expected to decline through continued fleet decarbonisation, while Scope 2 market-based emissions are already minimised through renewable electricity procurement.

7. Carbon Reduction Initiatives

7.1 Initiatives in 2025

Fleet decarbonisation

- Transition to low-emission vehicles continued, with 54.5% hybrid and 45.5% fully electric vehicles.
- All temporary vehicles are now plug-in hybrid or fully electric.
- Introduction of a Green Vehicle Policy, formalising the Group's commitment to low-emission fleet operations and supporting the transition away from internal combustion engine vehicles.

Energy efficiency

- Installation of an air source heat pump at the London office eliminated gas usage and reduced energy consumption by approximately 5%.
- HVAC optimisation and reduced operating hours.
- Server room temperature setpoint increased from 20°C to 23°C following controlled adjustments within equipment operating limits.
- TVs are switched off after hours and set to standby during working hours to reduce energy use.

Data quality improvements

- Fuel card adoption increased to 98%, significantly improving Scope 1 data completeness.
- Enhancements to mileage tracking and expenses systems have improved the accuracy of fuel type, distance, and EV charging data.

7.2 Planned initiatives

Fleet transition strategy

- A fleet decarbonisation strategy to 2030 has been implemented, including emissions thresholds for new vehicles (< 64g/km CO₂ and 80mg/km NO_x), to accelerate the transition to low-emission vehicles.
- Continued transition to EV and hybrid fleet.

Energy efficiency

- Ongoing collaboration with the landlord to enhance monitoring of office lighting and energy usage, identifying further opportunities to reduce consumption.
- The London Headquarters is BREEAM-accredited, reflecting energy-efficient design and operation.

Supply chain engagement

ADVANZ PHARMA recognises that the majority of its carbon footprint arises from its supply chain. As such, the Group is prioritising supplier engagement and data improvement to enhance the accuracy of Scope 3 emissions reporting and support long-term emissions reduction.

- A Sustainability Declaration has been incorporated into the Manufacturer-Supplier Agreements to align suppliers with the Group's ESG expectations, now being rolled out to both existing and new partners.
- The Group has engaged EcoVadis to assess supplier ESG performance and risk across key categories, including manufacturers, transporter providers, and distributors and engage suppliers to mitigate risks to adapt to upcoming ESG regulations.
- In parallel, ADVANZ PHARMA is working with suppliers representing approximately 90% of total spend to collect more accurate GHG emissions data, supporting a transition from spend-based estimates to more robust, activity-based reporting.

- ADVANZ PHARMA received an EcoVadis rating of 68/100 in November 2025, an improvement from 60/100 in April 2023. Insights from this assessment are being used to inform ongoing enhancement to the Group's ESG strategy and performance.
- The Group collaborates with key logistics and distribution partners who are committed to SBTi. Regular engagement is maintained to transition to lower emission activities such as combined shipments, optimised pickups, and evaluating a shift of transport vehicle fuel from diesel to biofuel or EVs. The Group continues to monitor progress and encourage alignment with emissions reduction objectives.
- The Group continues to operate on a hybrid working model, encouraging the continued use of virtual meeting platforms.
- The Group has launched a general awareness training module on ESG to enhance sustainability awareness. The online module covers key areas such as climate change, sustainable procurement, and responsible resource use. This supports establishing a culture aligned with the Group's long-term sustainability objectives.

8. Leadership

The Executive Leadership Team of ADVANZ PHARMA is fully committed to the Carbon Reduction Program and will continue to do so. This includes allocating the necessary budget to support the transition to electric vehicles, subscribing to a new carbon management tool, and engaging external consultants for target setting and energy audits.

We have established a systematic reporting for updates on all ESG-related activities to ADVANZ PHARMA's Executive Leadership Team on a regular basis – at least 3 times per year - to ensure the most senior level of our organisation has oversight of, and accountability for, our ESG proposition and performance.

9. Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with Procurement Policy Note (PPN) 006 and associated guidance and reporting standard for Carbon Reduction Plans.

Scope 1, 2, and 3 emissions have been estimated in accordance with the published reporting guidelines for carbon reduction plans and the GHG reporting protocol.

This Carbon Reduction Plan has been reviewed and signed off by the Board of Directors.

Signed for and on behalf of the Supplier:

Signature:

DocuSigned by:

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Name: Andreas Stickler

Title: Director

Date: June 29, 2026 | 10:35 BST