



Carbon Reduction Plan (UK)

Reporting year January 2024 to December 2024

Corporate office:

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



Contents

1. Executive Summary.....	3
2. Meeting the reporting requirements.....	3
3. Commitment to achieving net-zero.....	3
4. Carbon footprint methodology.....	4
5. Reporting year Carbon Emissions – January 2024 - December 2024	5
5.1 Baseline year.....	5
5.2 Scope 1 (Fuel based)	5
5.3 Scope 2 (Market Based)	6
5.4 Scope 3.....	6
6. Emission Reduction Targets.....	6
7.1 Scope 1 Actions	7
7.2 Scope 2 Actions	8
7.3 Scope 3 Actions	8
8. Leadership.....	9
9. Declaration and sign off.....	10

1. Executive Summary

Supplier name: Mercury Pharma Group Limited, on behalf of itself and its Affiliate entities, which include but are not limited to, Mercury Pharmaceuticals Limited, Focus Pharmaceuticals Limited, Amdipharm Mercury Midco (UK) Limited, Amdipharm UK Limited, Correvio (UK) Ltd, Advanz Pharma Services (UK) Limited, Advanz Pharma Generics (UK) Limited, Advanz Pharma Europe Limited and Advanz Pharma UK & Ireland 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.

Publication date: 30 September 2025

2. Meeting the reporting requirements

This Carbon Reduction Plan complies with Procurement Policy Note 006, as published by the Cabinet Office in February 2025. This document will be reviewed and updated annually.

3. Commitment to achieving net-zero

ADVANZ PHARMA’s purpose 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 are dedicated to achieving net-zero greenhouse gas (GHG) emissions across Scope 1, Scope 2, and Scope 3 by 2050.

4. Carbon footprint methodology

ADVANZ PHARMA primarily focuses on the marketing, distribution, and commercialization of branded and complex generic medicines. ADVANZ PHARMA operates globally, with a strong emphasis on European markets. While ADVANZ PHARMA does not own in-house manufacturing facilities, it partners with Contract Manufacturing Organizations (CMOs) and operates from leased office spaces.

The Group's carbon footprint assessment for Scope 1, Scope 2, and Scope 3 emissions has been conducted in accordance with the Greenhouse Gas (GHG) Protocol—recognized as the global best practice for corporate GHG emissions accounting and reporting.

There are 15 categories of Scope 3 emissions defined by the GHG protocol. In completing this CRP, the following 5 applicable Scope 3 categories have been calculated for the Group.

4 & 9 Upstream and downstream transportation and distribution: Emissions for upstream transportation and distribution have been provided directly by suppliers, covering approximately 95% of the spend. Downstream distribution has been estimated by our supplier based on number of units shipped and based on cubic footage. In case suppliers' information is not available, emissions are calculated on spend-based method.

5 Waste generated in Operations: We adopted a data-driven approach by utilizing actual consumable inventory data from our UK office. Emissions were calculated using a waste-type-specific methodology.

6 Business Travel: The carbon emissions data relate to our UK-based employees and was calculated based on the information provided by our travel management company along with the distance. The emissions are calculated based on using a distance-based method and the relevant emissions factor.

7 Employee commuting: Average-data method has been used for this calculation, which involves estimating UK-based employee (headcount on 31 December of the respective year) commuting emissions based on average commuting patterns. Relevant emission factors have been applied to average kilometers to generate emissions.

5. Reporting year Carbon Emissions – January 2024 - December 2024

ADVANZ PHARMA is a global business with operations across multiple countries. Our environmental commitments and targets are defined at global level and then cascaded to individual markets to ensure local relevance and alignment.

For clarity, the emissions data presented in this document pertain specifically to ADVANZ PHARMA's UK operations. This includes the full operational scope within the UK for the reporting year and covers multiple subsidiaries owned by ADVANZ PHARMA.

5.1 Baseline year

The baseline year is 2022 for Scope 1, Scope 2 and Scope 3 emissions.

ADVANZ PHARMA has offices in 19 countries, however for the purpose of CRP, we only report data from the London office (Dashwood House, 2nd Floor, 69 Old Broad Street, London, EC2M 1QS).

5.2 Scope 1 (Fuel based)

The Group's Scope 1 data consists of emissions from leased fleet in the London office.

Office Location	2022 (tCO ₂ e)	2023 (tCO ₂ e)	2024 (tCO ₂ e)
London	7.8	15.6	33.23

The Group's Scope 1 emissions increased year-on-year, primarily due to the expansion of our leased vehicle fleet due to acquisition in 2022 and the inclusion of more comprehensive data, resulting in improved accuracy compared to previous years. Additionally, the increase is attributable to higher fuel consumption during the year 2024, driven by business requirements. In case where actual fuel or reimbursement data were unavailable, maximum contract mileage was considered for making the 2024 emissions data complete and clearly identifiable in reporting.

5.3 Scope 2 (Market Based)

The Group's Scope 2 data consist solely of electricity purchased for the London office, which operates entirely on 100% renewable electricity.

Office Location	2022 (tCO2e)	2023 (tCO2e)	2024 (tCO2e)
London	0.1	0.0	0.0

Our UK office is operating with 100% renewable electricity.

5.4 Scope 3

As per GHG protocol, the following Scope 3 categories are applicable to the Group. There are 15 categories of Scope 3 emissions defined by the GHG protocol. The CRP report details five of the below categories as required by technical standard for CRP.

In 2024, the data collection process was enhanced to improve the accuracy of emissions reporting. As a result, emissions data for 2022 and 2023 have been revised, where applicable, to ensure consistency and comparability across reporting periods.

Scope 3 Categories	2022 (tCO2e)	2023 (tCO2e)	2024 (tCO2e)	Comments
Category 4: Upstream transportation and distribution	697.0	1,064.3	464.0	Lower emissions due to updated methodology and shift from express to combined deliveries.
Category 5: Waste generated in operations	0.09	0.014	0.011	
Category 6: Business Travel	127.1	807.3	545.9	Lower emissions due to updated methodology .
Category 7: Employee commuting	64.3	68.6	71.2	2022 and 2023 data were adjusted based on a 2024 survey to ensure consistency.
Category 9: Downstream transportation and distribution	250.2	420.5	579.0	2022 data remained unchanged due to limited information. 2023 emissions are updated to include spend based data.

6. Emission Reduction Targets

As a lean and asset-light pharmaceutical company, the Group has a low footprint regarding emissions from its own operations (Scopes 1 and 2). To further reduce this footprint, we have

set the target to reduce 50% of Scopes 1 and 2 (market-based) by 2030 vs 2022 baseline (this will be adjusted in case of future M&A). We have already achieved zero Scope 2 emission by sourcing 100% renewable electricity.

To achieve our 50% reduction target for Scope 1 emissions, we are transitioning our fleet to hybrid electric vehicles (“HEV”) and fully electric vehicles (EVs) with the ambition to have higher percentage of HEV and EVs by 2030. A key priority in reducing our carbon emissions is ensuring data accuracy. This includes enhancing mileage tracking to distinguish between business and personal use of company vehicles and investment in our existing expense claims system for more accurate reporting.

In mid - 2024, only 60% of company car users had fuel cards, leading to data gaps and accuracy concerns. By 2025, this increased to 98%, significantly improving data accuracy and ease of collection. A long-term fleet management strategy is also being developed leading up to 2030 and aims to transition from internal combustion engines (ICE) to Hybrid (HEV) and EVs with annual targets for each country.

7. Carbon Reduction Projects

The Group has engaged third-party consultants for Scope 3 emissions estimation and subscribed to a platform for carbon management. Currently, we are evaluating applicable Scope 3 emissions to set the reduction targets for the near term to reach our 2050 net zero target at the Group level.

7.1 Scope 1 Actions

- The Group is currently assessing the feasibility of onboarding leased electric vehicles as a measure to reduce emissions.
- Currently, employees in the UK office have 10 leased fleet vehicles, with 80% being HEVs and 20% EVs.
- Additional EV’s are scheduled to be added to the fleet in 2025, with all new joiners primary being offered HEV/EV vehicles, further supporting our transition towards full electrification.
- The Group is evaluating the introduction of a Green Vehicle Policy within the next 2 years to formalize the commitment to low-emission fleet operations.

7.2 Scope 2 Actions

The Group has engaged a third-party consultant and carried out an energy audit for the London office. The Group has reviewed the energy saving projects recommended by the consultant and prioritised the following for implementation:

- **Meeting room TVs** should be turned off after hours and set to standby during working hours to conserve energy.
- **Server Room temperature** setpoint should be raised from 20°C to 24°C, following a monitored incremental adjustment within equipment operating limits.
- **FCU (Fan Coil Unit)** operating hours should be reduced to 8 AM– 5 PM, Tuesday to Thursday, with limited use on Mondays and shutdown on Fridays to align with occupancy levels.

Additional Measures:

- The London Headquarters is BREEAM-accredited, recognizing its energy-efficient design and operation.
- Electricity is sourced through a 100% renewable energy contract.
- The Air Source Heat Pump (ASHP) is now fully operational, eliminating reliance on gas for heating further reducing our carbon emissions.

7.3 Scope 3 Actions

- The Group has introduced a Sustainability Declaration within the Manufacturer-Supplier Agreement to align suppliers with its ESG goals, now being rolled out to both existing and new partners.
- We have engaged EcoVadis for supplier ESG performance assessments (Manufacturers, Transporters, Distributors) and are also working with key suppliers who contribute 80% of our purchased product volume to collect GHG emissions data. This will support the estimation of emissions associated with our upstream and downstream supply chain, enabling a transition to improved data quality and accuracy in our estimations of Scope 3 emissions.
- The Group continues to operate on a hybrid working model, encouraging the continued use of virtual meeting platforms.

- We have partnered with key freight logistics and distribution providers who are committed to the Science Based Targets initiative (SBTi) for carbon emissions reduction. Regular meetings are held to monitor their performance against defined objectives and targets. These collaborations support our long-term goal of achieving net zero emissions by 2050.
- The Group launched a survey to collect country-wise travel information from employees, and associated emissions were estimated using average data and secondary emission factors. We encourage our employees to use more sustainable transport options such as public transport, carpooling, or cycling for shorter distances and to avoid activities driving GHG emissions in the first place.
- The Group has developed content for a general awareness training module on ESG topics to enhance sustainability awareness. The module will cover key areas such as climate change, pollution, biodiversity, circular economy, sustainable transport, and sustainable procurement. The objective is to foster a culture of sustainability across the organization.

8. Leadership

The Executive Leadership Team of ADVANZ PHARMA has proven full commitment 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 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:

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Name: Andreas Stickler

Title: Director

Date: 30 September 2025