

Carbon Reduction Plan

Supplier name: Zentiva Pharma UK Ltd

Publication date: March 2024

Commitment to achieving Net Zero

Zentiva Pharma UK Ltd is a subsidiary of Al Sirona (Luxembourg) Acquisition S.a.r.l.). Together with its subsidiaries (collectively “Zentiva Group”) the company is a leading European generics pharmaceutical company, offering generic and OTC medicines across all key therapeutic areas. Zentiva Pharma UK Ltd committed to achieving net zero by 2050 or earlier for UK operations in line with Zentiva’s climate strategy. Zentiva is member of UN Global Compact and registered to SBTi in December 2023 with a near-term target. As the application process with SBTi is in progress we are adding actual data from 2021 and 2022. The new data from 2023 will be available shortly.

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.

Reporting Year: 2021	
Additional Details relating to the Reporting Emissions calculations.	
<i>Reporting year emissions: (2022) was the most recent full year of carbon emissions data.</i>	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	19,893.54
Scope 2	13,692.81
Scope 3	Sources included: <i>Upstream Transportation and Distribution, Waste generated in operations, Business Travel, Employee Commuting, Downstream Transportation and Distribution.</i> Total: 45,494.96
Total Emissions	79,081.31

Current Emissions Reporting

Reporting Year: 2022	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	18,118.37
Scope 2	15,963.70
Scope 3	Sources included: <i>Upstream Transportation and Distribution, Waste generated in operations, Business Travel, Employee Commuting, Downstream Transportation and Distribution.</i> Total: 57,885.11
Total Emissions	91,967.18**

**offset fuels purchased: -769,00 tCO₂e

Clarification

Zentiva Group reports non-financial matters in an annual report, the first of which was released in 2021. The following statements are connected to our 2022 report; we are currently working on the finalisation of our Sustainability Report 2023.

In 2022 the Zentiva Group broadened our Scope 3 emissions calculation, which led to a reported increase in industrial site scope 3 emissions from 44 607 t CO₂e in 2021 to 53 615 t CO₂e in 2022. We increased our production volume to 636 485 454 SMUs compared to 628 677 134 SMUs in 2021. Combined with an absolute decrease in scope 1 and 2 emissions down to 28 541 tCO₂e, from 2021, we reduced our GHG emission intensity to 0,045 g CO₂ per SMU, a decrease of 7,715%. With the inclusion of offsets, our GHG emissions intensity dropped to 0,036 kgCO₂e per SMU, a decrease of 25,5%.

	tCO ₂ e	SMU	Kg CO ₂ per SMU
Total 2020	31,972.2	552,611,990	0.058
Total 2021	30,548.0	628,677,134	0.049
Total 2022	28,541.1	636,485,454	0.045
Total 2022 including Offset	23,041.1	636,485,454	0.036

Our Carbon footprint calculation for Scope 1, Scope 2 and Scope 3 was prepared internally and has been verified by [Preferred by Nature](#).

Emissions reduction targets

Near Term Target

Zentiva Pharma UK Ltd. is dedicated to achieve net zero for UK operations by 2050 or earlier, applying the standards of SBTi.

Carbon Reduction Projects

The following environmental management measures and projects have been completed or implemented since 2021:

Scope 1 & 2

Global Projects:

Carbon reduction

- Zentiva's CO₂ emission intensity from industrial operations decreased throughout 2022 by 8%

Renewable energy and efficiency programmes

- Our European manufacturing sites are already sourced by 100% renewable electricity, and in Asia Zentiva is upgrading the Ankleshwar site to source up to 60% of electricity required from renewable resources
- At our Head Office building in Prague several energy efficiency projects were implemented, including optimisation of heating, ventilation, air conditioning and vacuum station operations, and replacement of lighting. In Ankleshwar, induced draft cooling towers have been replaced by mist of evaporative cooling towers, and cooling water supply pumps replaced to reduce power consumption.
- In addition to this in Bucharest we installed 200 kWh of solar panels that started supplying the factory in November 2022. The new Scope 1 & 2 solar panels are expected to produce up to 233 MWh of electricity each year which should cover approximately 3% of our overall electricity consumption in Bucharest per year.

Zentiva UK Projects:

- In order to reduce our UK carbon emissions, we have closed one office building at our Felstead site, reducing our electrical usage at our Essex location by 40%.
- We incorporated temperature control systems in both Guildford and Felsted sites, to reduce the amount of energy used to heat the offices.
- We set up a Sustainability workgroup that meet quarterly to discuss the ways in which Zentiva UK can be more sustainable, some of these initiatives have included:
 - Economic setting in both offices for heating and air conditioning
 - Office desk policies to ensure all sockets are turning off when not being used
 - Light sensors in the Guildford office

Scope 3:

Global Projects:

In 2022 Zentiva started the carbon footprint calculation and verification of Scope 3. We are reducing and optimising through internal policies and stakeholder dialogue with suppliers and partners.

Zentiva UK Projects:

1 – Upstream transportation & distribution

- In 2022 we moved to a new wholesale partner, Alloga. Alloga have been working on reducing carbon emissions by:
 - Increasing the number of plug-in-points for trailers as an alternative to running trailers on diesel when in the yard.
 - Piloting alternative fuelled vehicles including CNG, HVO and Electric. Initial trials have been conducted and the results have been produced for the business to evaluate and determine next steps.
 - Investigating solar panel installations for the roof areas of their larger buildings (including the warehouse where Zentiva stock is stored) in conjunction with their landlords. The project is in the early planning stages.

2 – Waste generated in operations

- We reduced our paper usage by 17% between 2021 and 2023. We also switched to recycled paper in all the office printers
- We introduced recycling systems at both the Guildford site and hope to work with the council and landlord to introduce additional industrial bins at the Felsted site.

3 – Business travel

- Car sharing between employees during visits between the Guildford and Felsted sites
- We moved to a remote Key Account Model for our sales team, which has meant an increase in home-based employees and a reduction of 39% miles driven between 2019 to 2023.

4 – Employee commuting

Office based employees are required to work a minimum of two days in the office.

- 20% of employees work remotely from home full time
- 8% primarily use public transport to get to work
- 6% primarily walk or cycle to work

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 Protocol Corporate Accounting and Reporting Standard⁵ and uses the appropriate Government emission conversion factors for GHG company reporting⁶.

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) Standard⁷.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors.

Signed on behalf of the Supplier:

DocuSigned by:
Sophie Quin
Signer Name: Sophie Quin
Signing Reason: I approve this document
Signing Time: 26-Mar-2024 | 10:47 CET
A06C818651C0463AB8F2B69AE4E73BA0

UK Board Member with EHS Responsibility

26-Mar-2024 | 10:47 CET

Date:

Footnotes: