

# 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 CHC medicines across all key therapeutic areas. Zentiva Pharma UK Ltd is committed to achieving net zero by 2050 or earlier for UK operations in line with Zentiva Group's climate strategy. Zentiva Group is member of UN Global Compact and registered to SBTI in December 2023, formally committed to review the entire GHG Footprint and set a near-term target following the Science Based Target Initiative Standards. As the application process with SBTI is in progress, we are reporting actual data from 2021, 2022 and 2023.

The information from 2024 will be available shortly in our 2024 non-financial disclosure, Sustainability Report, that will be published on the www.zentiva.co.uk.

#### **BASELINE EMISSIONS**

#### **Footprint**

Baseline emissions are a record of the greenhouse gases that have been produced in the past and that were produced prior to the introduction of any strategies to reduce emissions. Zentiva Group has set 2021 as its GHG Emissions baseline.

Emissions	Reporting Year Total (tCO2e)		Baseline Total (tCO2e)
	2023	2022	2021
Scope 1	15,038	18,117	17,636
Scope 2	13,607	15,964	12,911
Scope 3*	52,799	55,656	44,607
Total Emissions	81,444	89,738	75,154
Offsets purchased by suppliers**	1,358	769	-
Offsets purchased by Zentiva**	-	5,500	-
Total inc. all offsets	80,086	83,469	75,154

<sup>\*</sup> Sources included: Upstream Transportation and Distribution, Waste generated in operations, Business Travel, Employee Commuting, Downstream Transportation and Distribution.

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 2023 report; we are currently working on the finalisation of our Sustainability Report 2024. Zentiva saw a decrease in its Scope 1 and Scope 2 emissions compared to 2021, in line with the current decarbonization plan; we also faced an increase in Scope 3 emissions in 2023 compared to 2021 due to the broadening of Scope 3 emissions calculations and the increase of our production volume by 13,267,907.00 SMUs.

Our Carbon footprint calculation for Scope 1, Scope 2 and Scope 3 was prepared internally and has been verified by a third-party, Preferred by Nature.

<sup>\*\*</sup>Offset fuels purchased by suppliers and hydropower CDM offsets purchased in India. None of such offsets was applied to GHG emissions from the UK.

#### **EMISSIONS REDUCTION**

#### **Targets**

As a pharmaceutical manufacturer, we recognize our impact on society and the environment and acknowledge our responsibility as a corporate citizen. Zentiva Group is committed to mitigating risks associated with environmental damage, pollution, and health hazards. We have committed to a comprehensive climate strategy that defines our contribution to limiting the temperature increase by mid-century to no more than 1.5 degrees Celsius as outlined in the Paris agreement. To underline this commitment, we signed up for the Science Based Targets Initiative in 2023.

Zentiva Group aligns its strategy and operations with the 10 Universal Principles related to Human Rights, Labour, Environment and Anti-Corruption, and the implementation of the 17 Sustainable Development Goals (SDGs).

Additionally, we have taken initial steps to join the Race to Zero, a global campaign led by the United Nations Framework Convention on Climate Change (UNFCCC), aimed at fostering a healthy, resilient, and zero-carbon future.

Zentiva Group signed up for a regular Sustainability evaluation by EcoVadis, the world's largest and most trusted provider of business Sustainability ratings and scored a Silver rating, placing us in the top 7% of the pharmaceutical industry.

In 2023, Zentiva Group participated in its second S&P Corporate Sustainability Assessment, joining over 10,000 companies worldwide and placing within the top 16% of the industry.

#### ISO Certifications

- Prague Site: ISO 14 001, ISO 45 001, ISO 50 001
- Bucharest Sites: B1 ISO 14 001, ISO 45 001, ISO 50 001, ISO 9001 | B2 ISO 14 001, ISO 45 001
- Ankleshwar Site: ISO 14 001, ISO 45 001, ISO 50 001

At Zentiva, we are committed to act today for a sustainable tomorrow.

#### **NEAR TERM**

#### **Targets**

Zentiva Pharma UK Ltd. is dedicated to achieving Net Zero for UK operations by 2050 or earlier, applying the standards of SBTI. Zentiva Group targets set up and verification by SBTI is in progress.

Zentiva Group's ambition is to become carbon neutral for Scope 1 and for Scope 2 by 2030, we have defined a transformation plan that we call "Decarbonization Roadmap 2030" which includes actions such as:

- Driving efficiency in our operations
- Reducing our reliance on natural gas
- Increasing the proportion of electricity generated from renewable sources, and
- Increasing the share of our own sources of renewable energy, focused on solar and wind energy
- Investing in modernizing our buildings and equipment
- Investing in high quality offsets for the remaining locked-in emissions.

For more information, please visit <a href="https://www.zentiva.co.uk/sustainability">https://www.zentiva.co.uk/sustainability</a>



#### **CARBON REDUCTION**

### **Projects**

### Completed Carbon Reduction Anitiatives

- In 2023 our global carbon emissions were reduced by 16.9% (Scope 1), 14.7% (Scope 2) and 5.2% (Scope 3 on comparable basis) well ahead of our Decarbonization Roadmap 2030.
- Since 2022, our European manufacturing sites are powered by 100% renewable electricity and we have upgraded the Ankleshwar site to a level of 60% renewable energy, the maximum allowed under current legislation at that time.
- The optimisation of our settings related to compressed air parametric and the elimination of leaks through regular compressed air inspection were major efficiency drivers in our Prague Site.
   We optimised the setup of HVAC (Heating, ventilation, and air-conditioning) and its consumption during production-free time. We modernized our lighting infrastructure by replacing a total of 1,695 light bulbs with energy-efficient LED lights.
- Our Ankleshwar Site optimised its energy consumption by replacing an old screw air compressor
  with an IE4 Motor high-efficiency screw air compressor. Further efficiency gains have been made
  with the replacement of conventional lights by LED lights in the chemistry plant. The biggest
  reduction in gas consumption was achieved by the switch to steam provision from an external
  supplier. Phase 1 of heat pumps installation began in August 2023, significantly reducing the
  volume of steam consumed for hot water systems in the pharmaceutical plant.
- Zentiva UK reduced electrical usage at the Essex site by closing one office building and centralising operations.
- Zentiva UK optimised delivery efficiency by moving to a new third-party logistics provider, whose carbon emissions are reduced by piloting alternatively fueled vehicles including CNG, HVO and Electric and whose energy consumption is transferring to self-generated renewable energy.

#### Fiture Carbon Reduction Anitiatives

- Continue working on reducing our dependency from natural gas and switching to renewable energy sources and improving onsite energy generation from renewable sources.
- Improving energy efficiency
- Product Carbon Footprint- Aligned with NHSE carbon roadmap we aim to conduct lifecycle analysis on key products and further implement packaging and waste reduction initiatives
- Waste We envision a future without waste: our objective is to achieve zero landfill disposal from routine operations by 2030 and a complete repurposing of 100% of our plastic waste
- Reforestation Following our commitment to plant 1 million trees by 2030 we continue to deliver
  according to the target. In total, in 2023, we have planted 100,000 trees in various countries with
  our teams and experts training us to do so correctly. We follow the 10 principles of the Forest
  Stewardship Council (FSC) to guide our activities.
- Embed Sustainability into the company purpose by rolling out a mandatory training program for the entire Zentiva team and empowering Sustainability Ambassadors
- Review 80% of our suppliers and their status on ESG within our Responsible Sourcing program and further embed our ESG commitments across our supply chain.

## 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 Standard and uses the appropriate Government emission conversion factors for GHG company reporting.

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) Standard . This Carbon Reduction Plan has been reviewed and signed off by the board of directors. Signed on behalf of the Supplier:

**UK Board Member with EHS Responsibility** 

Sophie Quin (Mar 20, 2025 14:22 GMT)

20-Mar-2025 Date: