Carbon Reduction Plan

Supplier name: LEO Pharma A/S (parent company of LEO Laboratories Limited)
Publication date: September 2025

Commitment to achieving Net Zero
LEO Pharma A/S is committed to achieving Net Zero emissions by 2050.

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.

Baseline Year: 2019	
Additional Details relating to the Baseline Emissions calculations.	
1. Value provided for Scope 2 is marked-based emissions *2. Scope 3 baseline was established in 2020*	
Baseline year emissions:	
EMISSIONS	**TOTAL (tCO_2e)**
Scope 1	**24.047**
Scope 2	**14.724**
Scope 3 (Included Sources)	**Cat. 4 Upstream transportation and distribution: 55.336** **Cat. 5 Waste generated in operations: 2.053** **Cat. 6 Business travel: 3.415** **Cat. 7 Employee commuting: 6.061** **Cat. 9 Downstream transportation and distribution: 160**
Total Emissions	**105.796**

Current Emissions Reporting

Reporting Year: 2024	
EMISSIONS	**TOTAL (tCO_2e)**
Scope 1	**22.050**
Scope 2	**266**
Scope 3 (Included Sources)	**Cat. 4 Upstream transportation and distribution: 16.839** **Cat. 5 Waste generated in operations:14.130** **Cat. 6 Business travel: 17.111** **Cat. 7 Employee commuting: 3.037** **Cat. 9 Downstream transportation and distribution: 464**
Total Emissions	**73.897**

Emissions reduction targets
In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets.

Scope 1 and 2 emissions target
LEO Pharma committed to reduce its Scope 1 and 2 by 53% by 2030. We project that carbon emissions will decrease over the next five years to **18.022** tCO_2e by 20**30**. This is a reduction of **19**%

Scope 3 Supplier Engagement target
LEO Pharma committed to have 75% of its suppliers by emissions commit to setting climate targets by 2026, focusing on our most material Scope 3 categories.

Net-zero target
LEO Pharma has committed to the Science Based Targets initiative to set a net-zero target. We are actively developing both a target and a comprehensive net-zero transition plan, incorporating key decarbonization strategies. This document will be updated in the future to reflect our net-zero reduction pathway.

Progress against these targets can be seen in the graph below:

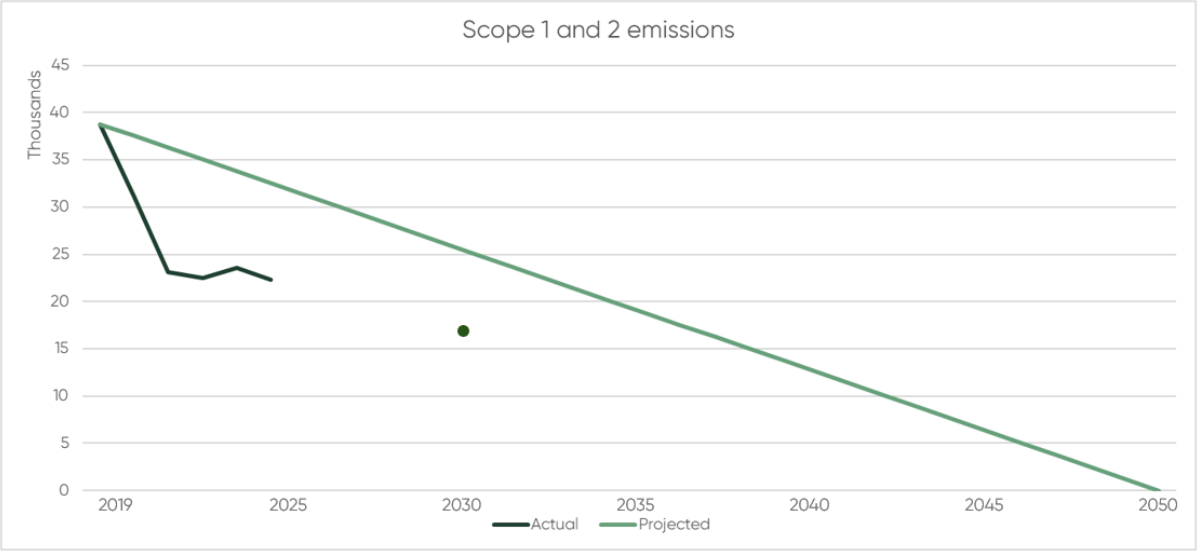

Figure 1 - Progress against Scope 1 and 2 targets

Carbon Reduction Projects

Completed Carbon Reduction Initiatives
The following environmental management measures and projects have been completed or implemented since the 20**19** baseline. The carbon emission reduction achieved by these schemes equate to **16.455** tCO_2e, a **42**% reduction against the 20**19** baseline and the measures will be in effect when performing the contract.

ISO14001 and 50001 certification
We are continuing to reduce our environmental impact through resource efficiency and ongoing energy performance improvements, driven by ISO 50001 certifications at all sites except Vernouillet, and all our sites are certified under ISO 14001.

Car fleet electrification in Europe
In 2023, we initiated the first phase of our new car policy implementation, aimed at advancing the electrification of our fleet, which in 2024 contributed 20% of our Scope 1 and 2 emissions. Building on this progress, the first half of 2024 marked the beginning of the second phase, where we introduced a Battery Electric Vehicle (BEV) only policy across nine additional European markets. With these additions, the policy now spans 11 countries, covering 36% of our total fleet. Within the first six months of the expanded implementation, we observed an increase in the electric vehicle (EV) share of our fleet to 17%.

Renewable electricity procurement
In 2024, LEO Pharma reached a significant milestone by transitioning to 100% renewable electricity across all manufacturing sites, moving us closer to our climate target. Additionally, the solar panels installed at our facilities produced a total of 231 MWh of clean, renewable energy.

Local energy saving projects
Energy-saving initiatives across various locations have significantly reduced electricity and natural gas consumption. These efforts include transitioning to more efficient cooling systems, upgrading boiler controls, improving heating, ventilation, and air conditioning (HVAC) systems, repairing compressed air systems, and enhancing combined heat and power systems. Additional measures, such as switching to LED lighting, implementing advanced HVAC controls, and using high-efficiency motors, have further contributed to energy savings. Collectively, these initiatives have achieved an annual reduction of approximately 2.3 GWh, equivalent to the average yearly energy needs of about 620 European households.

Net-zero commitment
In 2024, LEO Pharma reinforced its commitment to sustainability by pledging to achieve net-zero emissions across its entire value chain by 2050. This ambitious goal goes beyond our own operations, reflecting a holistic approach to environmental responsibility. To achieve this vision, we will craft a detailed transition plan that will not only outline specific actions and milestones but also help us assess where decarbonization is possible and take targeted action. By prioritizing sustainability and innovation, we aspire to create a lasting legacy for future generations.

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

Car fleet electrification worldwide
Looking forward, we are preparing for the next phase of the car fleet electrification, aiming to expand our BEV only policies to further countries across Europe and globally, contingent on each market's EV readiness. Our goal is to achieve 50% fleet coverage under the new policies by 2026, reflecting our commitment to reducing operational emissions and accelerating our path toward sustainability.

Air to ocean freight
By shifting the transportation of our products from air to sea, we are embracing a more energy-efficient mode of transport that significantly lowers carbon emissions. Through careful optimization of our logistics network and this strategic change in transportation methods, we want to achieve a remarkable 40% reduction in upstream transportation emissions by 2030. This reduction is an important milestone in our journey toward achieving net-zero emissions by 2050.

Energy efficiency projects locally on sites
In the coming years, we will continue to focus on energy efficiency by implementing measures such as upgrading heating, ventilation, and air conditioning systems, transitioning to energy efficient lighting like LEDs and optimizing boiler controls. These efforts will help us improve our manufacturing processes, reduce energy consumption, and achieve further emissions reductions.

Power Purchase Agreement
Even though 100% of our electricity is already renewable, we have initiated preparations for a Power Purchase Agreement as a pilot for broader implementation. This will ensure that the renewable electricity we use supports the development of new green energy facilities, promoting a shift away from fossil fuels. We expect the first sites to operate on our own renewable electricity by 2026/2027, with other sites to follow in the upcoming years.

Engagement with suppliers
We are advancing our sustainability efforts through a Scope 3 supplier engagement target to address emissions in our value chain. Our goal is for 75% of our suppliers by emissions to commit to setting climate targets by 2026. By the end of 2024, 81% of our suppliers had committed to reducing their carbon emissions. In the coming years, we will continue to engage with our suppliers, to ensure that our target is upheld.

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 Reporting Protocol corporate standard[1] and uses the appropriate Government emission conversion factors for greenhouse gas company reporting[2].
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[3].

[1] https://ghgprotocol.org/corporate-standard
[2] https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting
[3] 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:

Electronically signed by: Leanne Walsh
Reason: Accepted & Agreed
Date: Sep 2, 2025 18:20:17 GMT+1

Leanne Walsh
General Manager & VP – UK and Ireland