



Carbon Reduction Plan 2025  
Napp Pharmaceutical Holdings Ltd  
July 2025



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## Introduction

Napp Pharmaceutical Holdings Limited (Napp Pharmaceuticals) and its subsidiaries\* aims to achieve net-zero Scope 1, 2 and 3 emissions by 2050 from a 2022 base year.

### Document Purpose

Our Carbon Reduction Plan is presented in response to the Procurement Policy Note (PPN) 06 Carbon Reduction Plan guidance and provides transparency and demonstrates our progress towards building a robust carbon reduction program.

### Overview

To achieve net-zero, we are aiming for an at least 90% reduction in absolute emissions compared to our base year – any residual emissions will be offset with carbon sequestration offsets, as per the Science-Based Targets Initiative's Net-Zero Standard guidance.

Our Scope 2 emission target will be reported using a location-based methodology.

Napp Pharmaceuticals intends to initiate the process of setting Science-aligned near-term and net-zero targets and committing to the Science-Based Target Initiative in FY25.

On the journey to net-zero, Napp Pharmaceuticals will strive to reduce emissions from Scopes 1, 2 and 3 in line with the targets set and will report progress against targets annually.

Scope 3 emissions have only been reported from the five required categories as stated in PPN 06/21.

*\*Napp Pharmaceutical Holdings Limited subsidiaries for this Plan comprise Napp Pharmaceuticals Ltd, Napp Pharmaceutical Group Ltd, Napp Laboratories Ltd, Bard Pharmaceuticals Ltd, and Qdem Pharmaceuticals Ltd. For this Plan, these companies are collectively referred to as Napp Pharmaceuticals.*



## Baseline Emissions

Scope 1, 2 and 3 – Financial Year FY22 (1<sup>st</sup> January 2022 – 31<sup>st</sup> December 2022)

The Greenhouse Gas (GHG) emissions scope boundary, used to establish Napp Pharmaceuticals' FY22 baseline, was determined via an operational control model following the GHG protocol. The baseline includes all Scope 1 and 2 emissions in accordance with SECR requirements. Scope 3 emissions have been calculated as per the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Standard Guidance. Our baseline includes Napp Pharmaceutical Holdings Ltd and the following subsidiary companies: Napp Pharmaceuticals Ltd, Napp Pharmaceutical Group Ltd, Napp Laboratories Ltd, Bard Pharmaceuticals Ltd, Qdem Pharmaceuticals Ltd. This baseline may be restated if acquisitions are found to increase emissions by more than 5%.

Emissions Scope & Category	Source	tCO <sub>2</sub> e
<b>Scope 1</b>	Direct	<b>2,311</b>
<b>Scope 2 (location-based)</b>	Indirect	<b>2,602</b>
<b>Scope 3</b>	Indirect	<b>1,294</b>
4. Upstream Transportation and Distribution		548
5. Waste Generated in Operations		4
6. Business Travel		202
7. Employee Commuting		410
9. Downstream Transportation and Distribution		130
<b>Total emissions (location-based)</b>		<b>6,207</b>



## Recent-year Emissions

Scope 1, 2 and 3 – Financial Year FY24 (1st January 2024 – 31st December 2024)

The Greenhouse Gas (GHG) emissions scope boundary, used to calculate our FY24 emissions, was determined via an operational control model following the GHG protocol. This includes all Scope 1 and 2 emissions in accordance with SECR requirements. Scope 3 emissions have been calculated as per the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Standard Guidance. The FY24 result retains Napp Pharmaceutical Holdings Ltd and the following subsidiary companies as per the baseline calculation: Napp Pharmaceuticals Ltd, Napp Pharmaceutical Group Ltd, Napp Laboratories Ltd, Bard Pharmaceuticals Ltd, Qdem Pharmaceuticals Ltd.

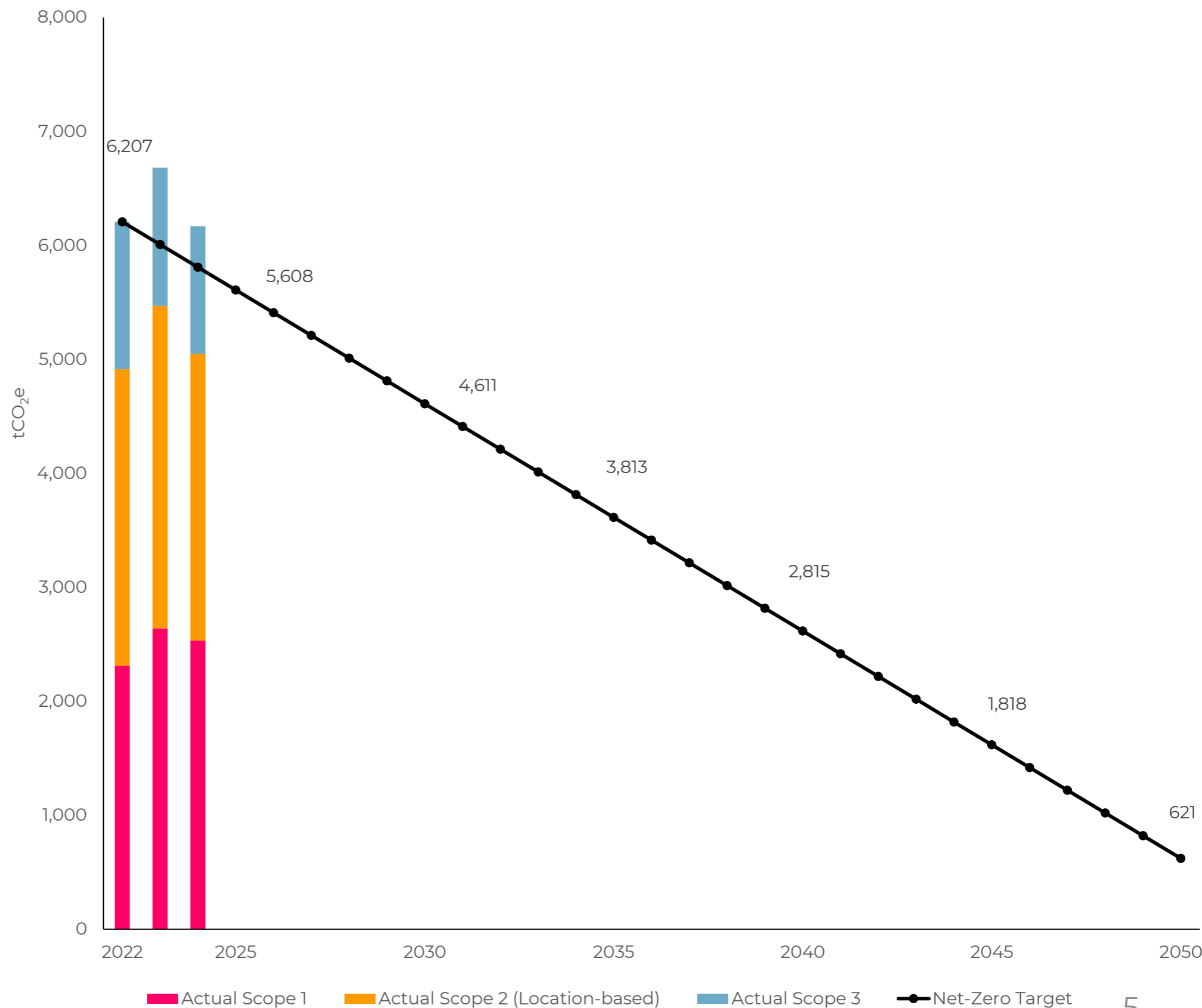
Emissions Scope & Category	Source	tCO <sub>2</sub> e
<b>Scope 1</b>	Direct	<b>2,535</b>
<b>Scope 2 (location-based)</b>	Indirect	<b>2,515</b>
<b>Scope 3</b>	Indirect	<b>1,119</b>
4. Upstream Transportation and Distribution		474
5. Waste Generated in Operations		8
6. Business Travel		97
7. Employee Commuting		370
9. Downstream Transportation and Distribution		171
<b>Total emissions (location-based)</b>		<b>6,169</b>



**Committed to net-zero Scope 1, 2 and 3 emissions by 2050 at the latest.**

**Napp Pharmaceuticals is in the process of developing and setting more detailed near term and long-term emission reduction targets.**

### Net-zero Target



## Carbon Reduction Projects

### Completed actions

#### IE4 Motor Installation

- Upgrading the electric motors to IE4 50kW motors elevates their energy efficiency in line with the EU's Regulatory Standards. IE4 motors have the highest efficiency standard.

#### Air Handling Unit (AHU) Schedules

- AHU Scheduling will improve energy usage by automating the on and off controls, reducing energy wastage when the AHU is not needed.

#### Chiller Plant Optimisation

- Control loops of the 3, 1200kW chiller plants have been adjusted to provide a more efficient output, so less energy is used.

### Identified opportunities for implementation

#### Phase 4 of LED Lighting Replacements

- FY2025 will see Phase 4 of the lighting replacement to LED's. This will include 200 fittings to further improve energy efficiency of lighting throughout the site.

#### Low-Temperature Hot Water (LTHW) Heating System Controls

- Controls for the LTHW heating system will be implemented to improve the temperature differential.

#### Building Management System (BMS) Phase 3 Upgrade

- Controls for the electronic BMS will enter Phase 3 of the upgrades to deliver improvements in control capabilities. This will improve electricity usage and prevent wastage.



## I: Declaration & Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 006 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<sup>5</sup> and uses the appropriate [Government emission conversion factors for greenhouse gas company reporting](#)<sup>6</sup>.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and 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<sup>7</sup>.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

### Signed on behalf of the Napp Pharmaceutical Holdings Limited:

Name: Bryan Lea

Role: Director,

Signature:

DocuSigned by:  
*Bryan Lea*  
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Date: 31 July 2025

## II: Reporting Methodology

Scope 1 and 2 greenhouse gas emissions have been calculated according to the 2019 UK Government environmental reporting guidance. Consistent with the guidance, relevant emissions factors published in the UK Government's Department for Energy Security and Net Zero (DESNZ) "Greenhouse gas reporting: conversion factors" database-specific reporting year have been used. The CO<sub>2</sub> equivalent conversion factor has been used throughout and, where applicable, the kWh gross calorific value (CV) was used.

Scope 1 and 2 emissions have been calculated using both a location-based and market-based approach:

**Location-Based:** This method calculates emissions associated with fuel and electricity consumption by using UK average emissions intensities. DESNZ provides UK emissions factors for fuel and grid electricity annually, which are used in location-based reporting.

**Market-Based:** This method calculates emissions associated with fuel and electricity consumption by using contract-specific emissions intensities. Market-based reporting enables companies that purchase lower carbon fuel and electricity to demonstrate the benefit of their investment.

Transport-related emissions from fuel combustion were calculated using the DESNZ "Greenhouse gas reporting: conversion factors" database.

Scope 3 emissions have been calculated based on the guidance in the Greenhouse Gas Protocol "Corporate Value Chain (Scope 3) Standard".

For all operations, applicable Scope 3 categories were identified based on an operational control boundary. Scope 3 emissions for applicable categories were calculated following methodologies outlined in the GHG Protocol "Technical Guidance for Calculating Scope 3 Emissions", with further guidance taken from the GHG Protocol's detailed methodology chapters for each applicable Scope 3 category.

Most conversion factors were sourced from the DESNZ Greenhouse gas reporting: conversion factors, v1.1 2024 database. Where a spend-based approach was used, as per the GHG Protocol guidance, conversion factors were taken from the University of Leeds and the Department for Environment, Food and Rural Affairs' UK Footprint Results (1990 – 2018)' study or the Department for Environment, Food and Rural Affairs' Indirect emissions for the supply chain' database. Scope 3 emissions include Well to Tank and T&D losses.



**INSPIRED**

