

# Procurement Policy Note 06/21 Carbon Reduction Plan 2025

Recordati Pharmaceuticals Limited

Job No: FJ00433837

March 2026

## Introduction

### Context and Purpose

Adler & Allan Group Limited ('A&A') was instructed by Recordati Pharmaceuticals Limited ('the Client') to undertake a baseline carbon assessment of greenhouse gas (GHG) emissions as a result of business operations, and a carbon reduction plan for the 2025 calendar year. This report has been conducted in line with the UK Government's Procurement Policy Note 06/21 ('PPN') Framework.

### Procurement Policy Note 06/21 (PPN)

PPN 06/21 is a Procurement Policy Notice (PPN) which was published in June 2021 by the UK Government which has established criteria which organisations must comply with when bidding for public sector contracts of at least £5m per year.

In 2019 the UK Government became the first major economy to make a legal commitment to Net Zero carbon emissions. The commitment includes an ambitious target of reaching Net Zero by 2050. In order to support this goal, there have been a number of measures, policies, and interim established to reduce emissions, such as PPN 06/21.

As part of PPN, organisations should provide a Carbon Reduction Plan confirming the supplier's commitment to achieving Net Zero by 2050 in the UK, and setting out the environmental management measures that they have in place, and which will be in effect and utilised during the performance of the contract.

### Company Profile

Recordati Pharmaceuticals Limited is a pharmaceutical company that develop and commercialise medicines to serve people living with common diseases, as well as those living with some of the rarest. The Client operates out of one multi-tenanted office building situated in Hemel Hempstead.

### Methodology

This assessment has been self-certified to be carried out in accordance with the Greenhouse Gas Protocol Corporate Reporting Standard (GHG Protocol) and ISO14064-1:2018 Greenhouse Gases – Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals.

Carbon conversion factors have been taken from DESNZ/DEFRA - UK Government Conversion Factors for Company Reporting 2025 and applied to the relevant reporting year.

This assessment measures, where possible, the carbon dioxide equivalent (CO<sub>2</sub>e) emissions associated with business activities. CO<sub>2</sub>e includes the seven main GHGs covered by the Kyoto Protocol:

- Carbon dioxide (CO<sub>2</sub>);
- Methane (CH<sub>4</sub>);
- Hydrofluorocarbons (HFCs);
- Nitrous oxide (N<sub>2</sub>O);
- Perfluorocarbons (PFCs);
- Sulphur hexafluoride (SF<sub>6</sub>); and
- Nitrogen trifluoride (NF<sub>3</sub>).

It is considered important to report these GHGs as the global warming potential (GWP) of certain GHGs may be many times greater than that of CO<sub>2</sub>.

# Carbon Reduction Plan

Supplier Name: Recordati Pharmaceuticals Limited

Publication Date: 1<sup>st</sup> April 2026

## Commitment to Achieving Net Zero

Recordati Pharmaceuticals Limited is committed to achieving Net Zero emissions by no later than 2050 in line with the UK Government targets. The Net Zero target is to be aligned with a 1.5°C Science-Based Target. This Carbon Reduction Plan will be reviewed annually and where Net-Zero can be achieved earlier, Recordati Pharmaceuticals Limited may bring its Net Zero target year forward.

## Total Emissions

The Baseline emissions (2023) 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.

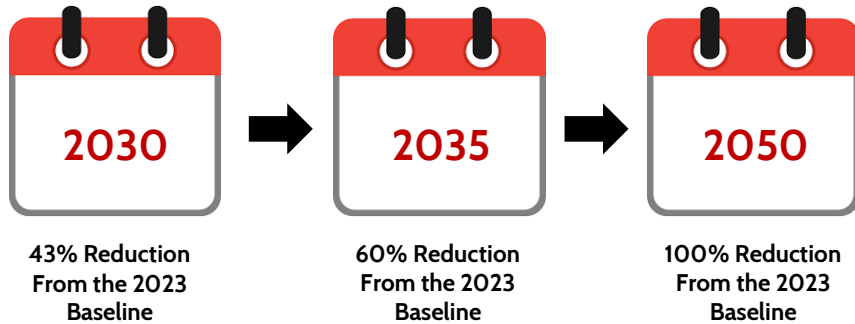
As this is the third carbon assessment undertaken by the Client, the 2025 period has been compared with the baseline assessment year (2023), as per PPN guidance.

Emissions Source	Baseline Emissions	Current Emissions	% Change
	2023	2025	
	tCO <sub>2</sub> e	tCO <sub>2</sub> e	
<b>Scope 1 Emissions</b>	<b>0.58</b>	<b>6.18</b>	<b>+966%</b>
<i>Heating Fuels</i>	0.58	4.57	+688%
<i>Company Vehicles</i>	0.00	1.61	-
<i>Refrigerants</i>	0.00	0.00	-
<b>Scope 2 Emissions</b> <i>Purchased Electricity</i>	<b>1.93</b>	<b>8.57</b>	<b>+244%</b>
<b>Scope 3 Emissions</b>	<b>57.09</b>	<b>104.86</b>	<b>+84%</b>
<i>Category 4 – Upstream Transportation and Distribution</i>	36.07	34.59	-4%
<i>Category 5 – Waste</i>	0.03	0.01	-67%
<i>Category 6 – Business Travel</i>	3.52	10.90	+210%
<i>Category 7 – Employee Commuting</i>	6.84	49.77	+628%
<i>Category 9 – Downstream Transportation and Distribution</i>	10.62	9.59	-10%
<b>Total Emissions</b>	<b>59.60</b>	<b>119.61</b>	<b>+101%</b>
tCO <sub>2</sub> e / £million turnover (Scopes 1 & 2)	0.27	1.16	+338%
tCO <sub>2</sub> e / £million turnover (All Scopes)	6.28	9.42	+50%
tCO <sub>2</sub> e / FTE employee / year (Scopes 1 & 2)	0.50	0.48	-5%
tCO <sub>2</sub> e / FTE employee / year (All Scopes)	11.92	3.86	-68%

## Emissions Reduction Targets

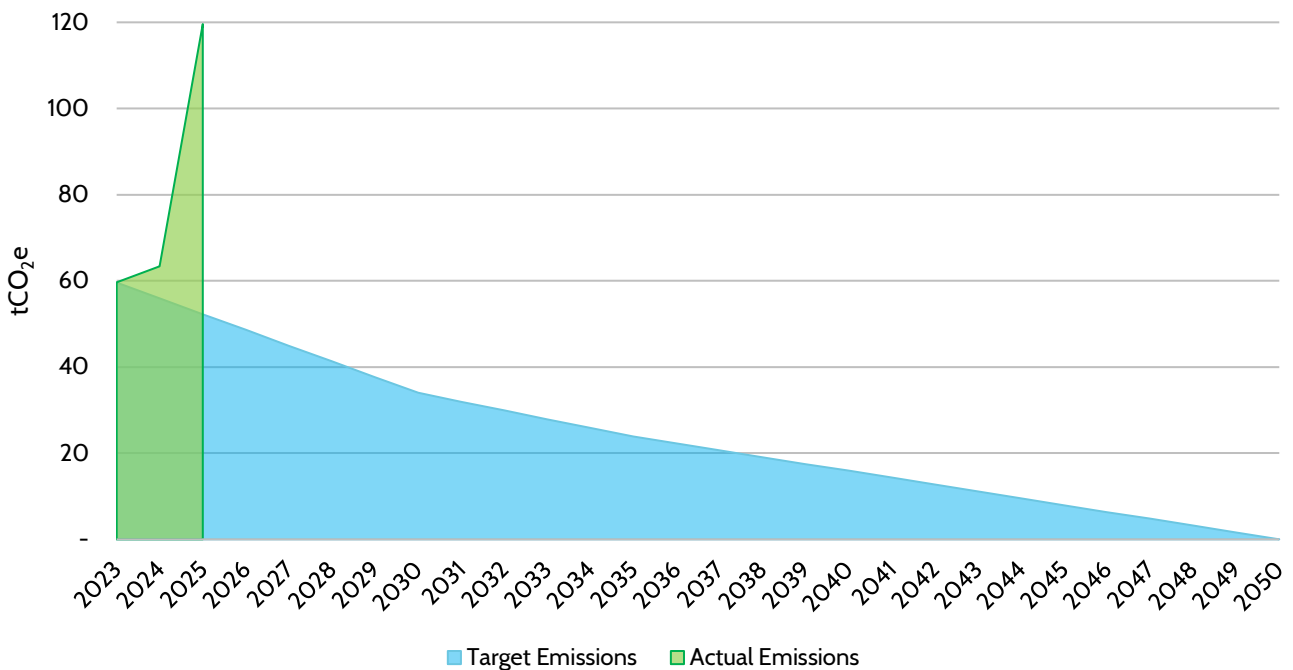
In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets.

In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets in line with a 1.5°C Science Based Target pathway. We project that carbon emissions will decrease to 33.97 tCO<sub>2</sub>e by 2030. This is a reduction of 43%.



Progress against these targets can be seen in the graph below. Over the 2025 period, emissions rose by 89% to 119.61 tCO<sub>2</sub>e when compared to 2024. This is 129% over the emissions target set in the 2023 baseline.

The key reason why Recordati Pharmaceuticals' emissions have significantly risen during the 2025 period is the large increase in staff members (+520% - 5 to 31 employees) employed during the period. This rise has led to a large increase in commuting emissions, as well as this entity taking account for a larger proportion of office electricity and gas emissions, as this has been pro-rated based on employees per entity within the Recordati Group.

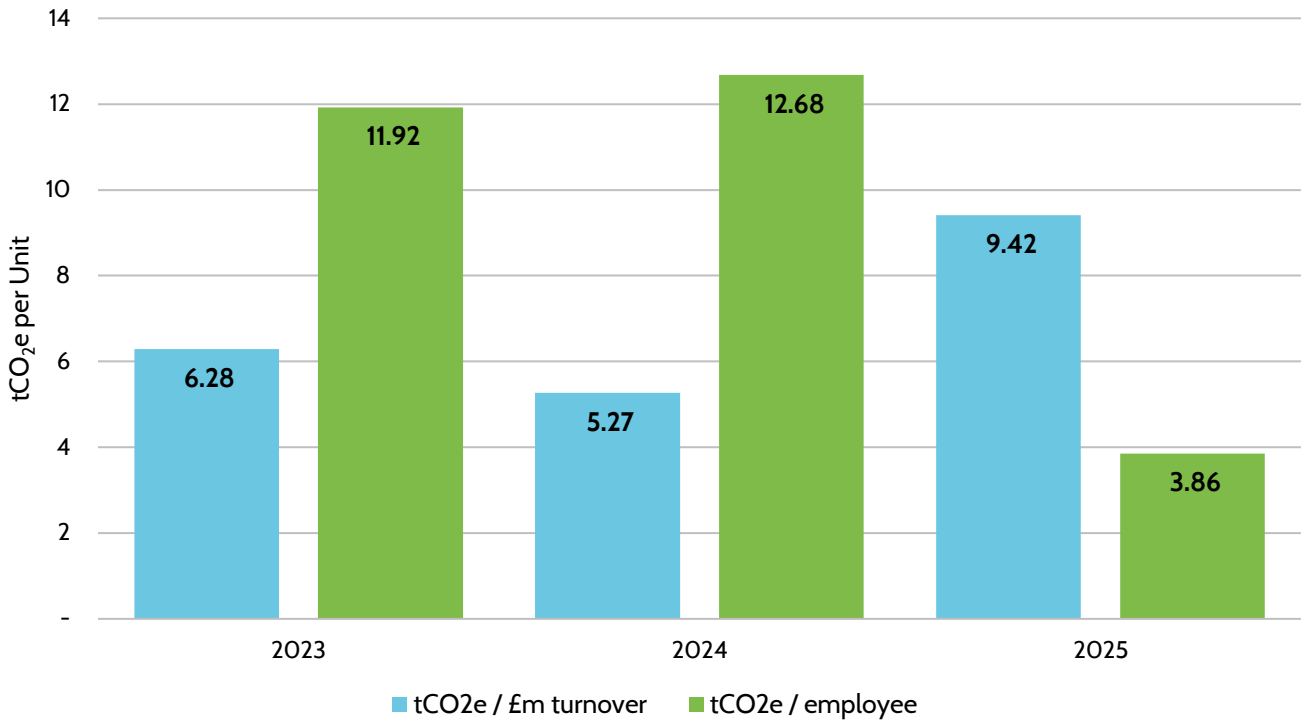


## Carbon Intensity Ratios

Carbon intensity ratios measure the amount of greenhouse gas emissions produced relative to a specific unit of economic or physical output. Instead of looking at total emissions in isolation, these ratios provide a way to gauge the "carbon intensity" of an activity by comparing carbon output to metrics like turnover or employees.

By normalizing the data this way, organisations can track carbon efficiency over time, allowing for a clearer comparison and helping to determine if economic growth is becoming successfully decoupled from carbon emissions.

Since the 2023 baseline, Recordati Pharmaceuticals have experienced a 50% increase in emissions per £m turnover, however a 68% reduction in emissions per employee has been achieved.



# Carbon Reduction Projects

## Completed Carbon Reduction Projects

Within the last 12-months, Recordati Pharmaceuticals have completed the following carbon reduction initiatives:

- Reduced the HVAC temperature set-points in meeting rooms, as well as providing signage to encourage employees to switch off electrical equipment when not in use and close doors and windows in the cooler months;
- Installed automatic motion sensor lighting controls in the majority of meeting rooms; and
- Rolled out a Tusker Car Scheme, which provides employees with the opportunity to lease electric vehicles and bicycles via salary sacrifice.

## Proposed Carbon Reduction Projects

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

- Following a change in office space from February 2026, we are investigating potential ways to improve the energy efficiency of the space;
- Conducting further due diligence on our logistic service providers to understand their carbon reduction plans; and
- Electric and low carbon vehicle transition plan in line with UK laws.

## 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 and uses the appropriate Government emission conversion factors for greenhouse gas 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 (or equivalent management body).

Signed on Behalf of the Supplier:

.....

Name:

Position:

Date:

