Carbon Reduction Plan 2024

Supplier name: Thornton & Ross Ltd.

Publication date: March 2024

Commitment to achieving Net Zero

Thornton & Ross Ltd (T&R) 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. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2022		
Additional Details relating to the Baseline Emissions calculations.		
Re-baselined to 2022 to include Scope 3 emissions		
Baseline year emissions: 2022		
EMISSIONS	TOTAL (tCO ₂ e)	
Scope 1	1531	
Scope 2	1327	
Scope 3	6232	
(Category 4)	(1658) Upstream Transportation & Distribution	
(Category 5)	(25) Waste Generated in Operations	
(Category 6)	(125) Business Travel	
(Category 7)	(1109) Employee Commuting	
(Category 9)	(3315) Downstream Transportation & Distribution	
Total Emissions	9090	

Current Emissions Reporting

Reporting Year: 2023		
EMISSIONS	TOTAL (tCO ₂ e)	
Scope 1	1523	
Scope 2	0 (100% renewable electricity supply since Q4 2022)	
Scope 3	6822	
(Category 4)	(1415) Upstream Transportation & Distribution	
(Category 5)	(27) Waste Generated in Operations	
(Category 6)	(124) Business Travel	
(Category 7)	(1522) Employee Commuting	
(Category 9)	(3733) Downstream Transportation & Distribution	
Total Emissions	8345	

Emissions reduction targets

STADA Arzneimittel AG – as the parent company of T&R – is committed to reducing its scope 1 & 2 carbon emissions in support of the 1.5°C temperature increase target (Paris Agreement) and by this, to reduce its scope 1 & 2 emissions by – 42% (2020 – 2030). Please also refer to STADA's Sustainability Report 2022 (www.stada.com). From 2020 to 2023, T&R has reduced its Scope 1 & 2 emissions by 57.3 percent and is therefore on good track to exceed our target whilst continuing to grow our business.

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented both before and since the 2022 baseline.

T&R has an Environmental Management System that has been certified to ISO 14001 by BSI since September 2008, including re-certification in 2023, and has continuously identified and implemented energy reduction measures as part of its environmental improvement program. The following environmental management measures and projects have recently been implemented, many since the 2022 baseline:

- Installation of LED lightning at the Huddersfield Operation, 100% coverage across site
- New HVAC installed has heat/cooling recovery to reduce energy losses
- Installation of more energy-efficient equipment such as shrink-wrappers
- Increasing our use of video conferencing and reducing the amount of our overseas travel
- Providing electric charging points for our employee's vehicles
- Introducing an electric vehicle purchasing employee benefit scheme
- Enhancing our Cycle to Work scheme

- In 2022, T&R adapted its electricity supply contract and decided to switch to electricity from renewable sources. Since October 2022 and throughout 2023, the entire electricity consumption from T&R and STADA's UK Technical Operations came from renewable sources. This contract has been extended beyond 2025.

- Construction of a new energy efficient wastewater treatment plant that will go live in Q2 2024

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

- Replacing heated shrink-wrappers with banding where possible
- Replacing old boilers with a more efficient heating system
- Considering on-site renewable energy generation

- 'Power Down 220' project to reduce site voltage to 220v (equipment was installed in 2023, but not yet live)

These measures are all undergoing feasibility studies and will form part of the Thornton & Ross sustainability plan to help meet the STADA global carbon reduction requirements.

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 standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

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) Standard³.

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:

.....

General Manager UK

Date: 27/03/2024

¹<u>https://ghgprotocol.org/corporate-standard</u>

²https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting ³https://ghgprotocol.org/standards/scope-3-standard