

Procurement Policy Note 06/21 Carbon Reduction Plan 2024

Recordati UK Limited

Job No: FJ00378471

June 2025

Introduction

Context and Purpose

Adler & Allan Group Limited ('A&A') was instructed by Recordati UK 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 2024 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 UK 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 DBEIS/DEFRA - UK Government Conversion Factors for Company Reporting 2023 and applied to the relevant reporting year.

This assessment measures, where possible, the carbon dioxide equivalent (CO₂e) emissions associated with business activities. CO₂e includes the seven main GHGs covered by the Kyoto Protocol:

- Carbon dioxide (CO₂);
- Methane (CH₄);
- Hydrofluorocarbons (HFCs);
- Nitrous oxide (N₂O);
- Perfluorocarbons (PFCs);
- Sulphur hexafluoride (SF₆); and
- Nitrogen trifluoride (NF₃).

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 CO₂.

Carbon Reduction Plan

Supplier Name: Recordati UK Limited

Publication Date: 24th June 2025

Commitment to Achieving Net Zero

Recordati UK 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 UK 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.

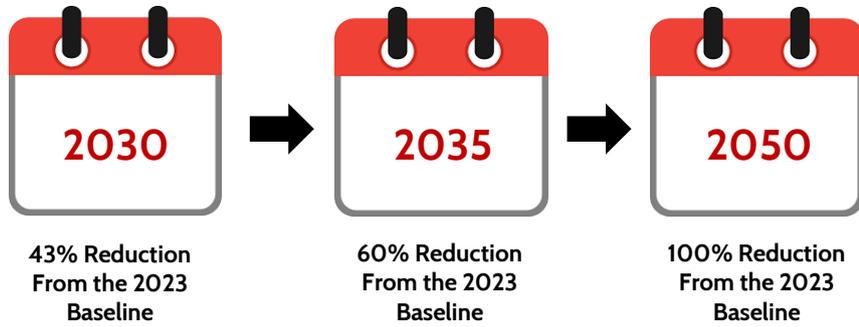
As this is the second carbon assessment undertaken by the Client, the 2024 period has been compared with the baseline assessment year (2023).

Emissions Source	Baseline Emissions	Current Emissions	%
	2023	2024	
	tCO ₂ e	tCO ₂ e	
Scope 1 Emissions	9.10	16.55	+82%
<i>Heating Fuels</i>	8.88	13.61	+53%
<i>Company Vehicles</i>	0.21	2.94	+1,300%
<i>Refrigerants</i>	0.00	0.00	-
Scope 2 Emissions <i>Purchased Electricity</i>	29.33	29.24	-<1%
Scope 3 Emissions	235.68	234.09	-1%
<i>Category 4 – Upstream Transportation and Distribution</i>	1.36	0.02	-99%
<i>Category 5 – Waste</i>	0.03	0.01	-67%
<i>Category 6 – Business Travel</i>	129.71	128.43	-1%
<i>Category 7 – Employee Commuting</i>	104.01	104.45	+<1%
<i>Category 9 – Downstream Transportation and Distribution</i>	0.56	1.19	+113%
Total Emissions	274.11	279.88	+2%
tCO ₂ e / £million turnover (Scopes 1 & 2)	0.26	0.24	-8%
tCO ₂ e / £million turnover (All Scopes)	1.83	1.48	-19%
tCO ₂ e / FTE employee / year (Scopes 1 & 2)	0.51	0.70	+37%
tCO ₂ e / FTE employee / year (All Scopes)	3.61	4.31	+19%

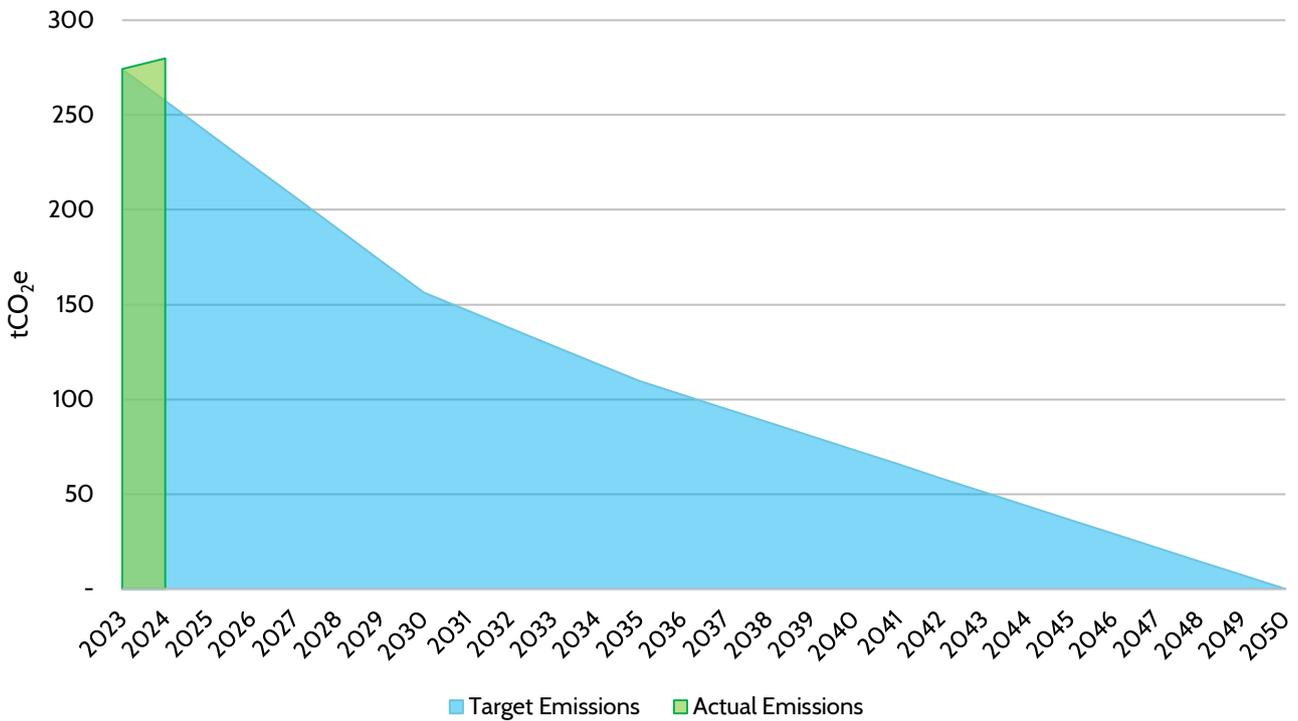
Emissions Reduction Targets

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 over the next seven years to 156.25 tCO₂e by 2030. This is a reduction of 43%.



Progress against these targets can be seen in the graph below. Over the 2024 period, emissions rose by 2% to 279.88 tCO₂e. This is 9% over the emissions target set in the 2023 baseline.



Carbon Reduction Projects

Completed Carbon Reduction Projects

Recordati UK have completed the following carbon reduction initiatives since the baseline year:

- In February 2025, we increased the temperature set-point of our server room cooling system to 20°C to lower the demand for space cooling;
- As of March 2025, we have ensured that we have adhered to Breakspear Park's Waste Management Policy. We have developed posters to help signpost where waste should go, and we have designated bins for recyclables, general waste, food waste and glass. This has helped to increase the proportion of waste that is recycled; and
- Through our company benefits platform launched in May 2025, we have partnered with Tusker to run a salary sacrifice car scheme, promoting electric and hybrid cars only. This encourages employees to opt for a more sustainable option, as opposed to internal combustion. We have since had three employees enrol on to the scheme.

Proposed Carbon Reduction Projects

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

- 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, including the encouragement of electric and hybrid vehicles use through our salary sacrifice scheme.

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:

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Patrick Standen
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Name: Patrick Standen

Position: General Manager, UK & Ireland

Date: 05-Dec-2025

