CIPLA (EU) LTD

Carbon Reduction Plan

Supplier Information

Supplier Name: Cipla (EU) Ltd

Reporting Entity: Cipla (EU) Ltd (the entity engaging with the NHS)

Publication Date: August 2026

Commitment to Achieving Net Zero

Cipla (EU) Ltd is committed to achieving Net Zero greenhouse gas emissions across its operations and entire value chain by 2045, in line with the NHS ambition to reach net zero for its supply chain by 2045. This commitment applies to the relevant global emissions associated with the entity's activities. The commitment is made by the Board of Directors of Cipla (EU) Limited.

Reporting Boundary and Methodology

The Carbon Reduction Plan applies to a global geographical boundary. While Cipla (EU) Ltd is the reporting entity, the greenhouse gas (GHG) inventory captures all relevant global emissions associated with Cipla (EU) Ltd's activities in accordance with the GHG Protocol.

The operational control approach has been adopted for emission calculation. Emission factors are drawn from the UK Government (DEFRA) conversion factors, with IPCC AR6 global warming potentials applied to inhaler propellants.

The following Scope 3 categories are not applicable to Cipla (EU) Ltd:

- Category 8 - Upstream Leased Assets: Cipla (EU) Ltd leases office space, however, the energy consumption (electricity) is already accounted for in Scope 2. No separate Scope 3 emissions arise from lease arrangements.
- Category 10 - Processing of Sold Products: Cipla (EU) Ltd's pharmaceutical products (MDIs, tablets, injectables) are in final form at point of distribution and do not require further processing, manufacturing or conversion after sale.
- Category 13 - Downstream Leased Assets: Cipla (EU) Ltd does not lease assets to other organisations. No downstream leasing arrangements exist in the business model.
- Category 14 - Franchises: Cipla (EU) Ltd operates no franchise arrangements. The business model is direct-to-NHS distribution and sales.
- Category 15 Investments: Cipla (EU) Ltd holds no equity investments, financial stakes or ownership interests in other entities.

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 major emissions reduction initiatives. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: FY 2024–25

The baseline for our Carbon Reduction Plan is FY 2024–25. As a pharmaceutical business, the majority of emissions arise within Scope 3, particularly from purchased goods and services and the use of sold products.

Scope / Category	Emissions (tCO_2e)
Scope 1	0
Scope 2	3.88
Scope 3	28,807
Total	**28,811**

Scope 3 Breakdown — FY 2024–25

Scope / Category	Emissions (tCO_2e)
Cat 1 – Purchased Goods & Services	10,231
Cat 2 – Capital Goods	12
Cat 3 – Fuel & Energy-related activities (not in Scope 1 or 2)	1.2
Cat 4 – Upstream Transportation & Distribution	682
Cat 5 – Waste Generated in Operations	0.07
Cat 6 – Business Travel	81
Cat 7 – Employee Commuting	0.01
Cat 9 – Downstream Transportation & Distribution	58
Cat 11 – Use of Sold Products	17,741
Cat 12 – End-of-Life Treatment of Sold Products	0.13
Total Scope 3	**28,807**

Current Emissions Reporting

Current Year: FY 2025–26

Scope / Category	Emissions (tCO_2e)
Scope 1	0
Scope 2	2.41

Scope / Category	Emissions (tCO_2e)
Scope 3	49,314
Total	**49,316**

Scope 3 Breakdown — FY 2025–26

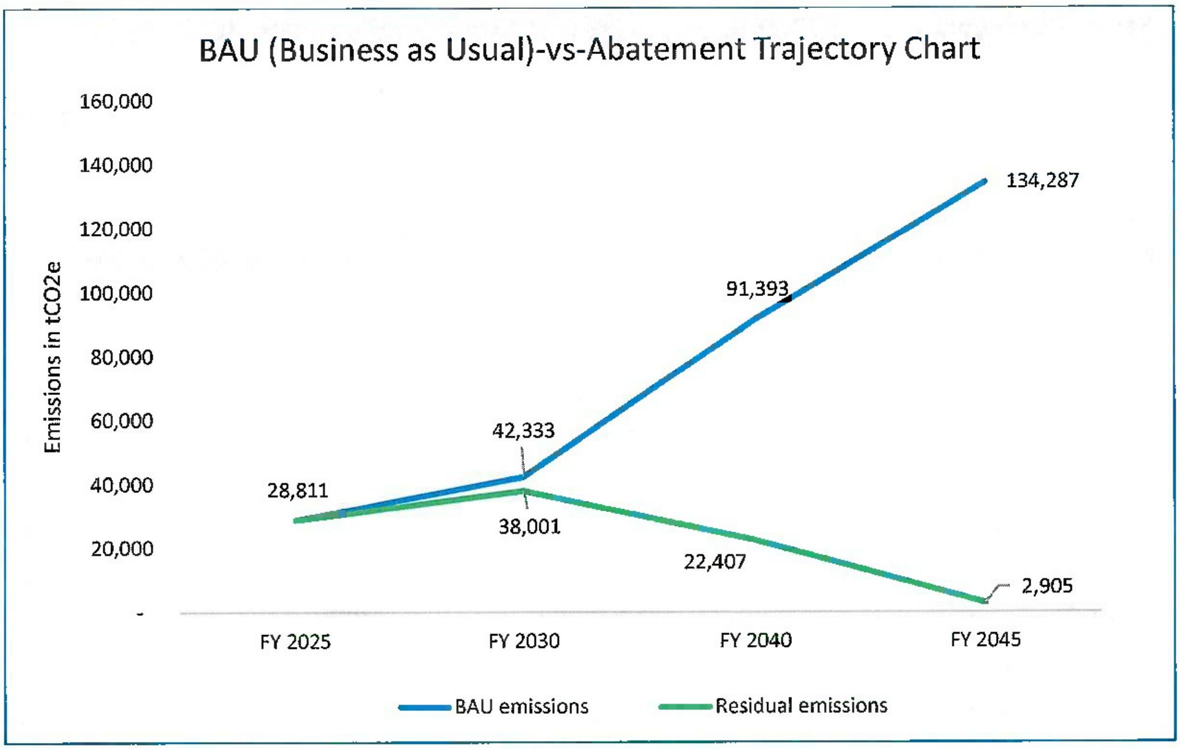
Scope / Category	Emissions (tCO_2e)
Cat 1 – Purchased Goods & Services	15,916
Cat 2 – Capital Goods	112
Cat 3 – Fuel & Energy-related activities (not in Scope 1 or 2)	0.87
Cat 4 – Upstream Transportation & Distribution	633
Cat 5 – Waste Generated in Operations	0.09
Cat 6 – Business Travel	45
Cat 7 – Employee Commuting	0.02
Cat 9 – Downstream Transportation & Distribution	9
Cat 11 – Use of Sold Products	32,598
Cat 12 – End-of-Life Treatment of Sold Products	0.10
Total Scope 3	**49,314**

Emissions Reduction Targets

Cipla (EU) Ltd is committed to achieving Net Zero greenhouse gas emissions across its operations and relevant global value chain by 2045. Our decarbonisation pathway includes the following milestones against the FY 2024–25 baseline:

- Near-term (2030): Establish the regulatory approvals, renewable-energy and supplier-engagement foundations for abatement; interim reductions in Scope 2 and defined Scope 3 categories.
- Medium-term (2040): Approximately 22-25% reduction from the baseline year, driven by low-GWP propellant transition and renewable electricity and alternate fuel across the manufacturing operations.
- Long-term (2045): Approximately 90% reduction from the baseline year, achieving Net Zero. Residual emissions will be offset through verified carbon credits from certified schemes.

Cipla (EU) Ltd will pursue independent third-party validation of its GHG emissions inventory. Interim progress against these targets will be disclosed annually.



Carbon Reduction Projects

Cipla (EU) Ltd's carbon reduction programme focuses on the emissions sources, most material to its footprint. Based on the current inventory, the principal hotspots are Scope 3 Category 11 (Use of Sold Products) and Scope 3 Category 1 (Purchased Goods and Services), which together account for more than 90 % of total emissions.

Completed / In-place initiatives

- Establishment of a baseline carbon footprint and current emissions inventory covering Scope 1, Scope 2 and all relevant Scope 3 categories.
- Identification of the most material emissions categories (purchased goods and services; use of sold products).
- Assessment of the carbon impact of propellants used in relevant inhalation products.
- Development of a phased decarbonisation roadmap to support the transition to Net Zero by 2045.
- Review of opportunities to reduce logistics emissions through improved freight planning and modal shift.
- Reduction in business travel emissions through greater use of hybrid working and virtual collaboration.
- Continued reporting of emissions in accordance with recognised carbon accounting standards and UK Government conversion factors.

Planned Carbon Reduction Initiatives

Cipla (EU) Ltd intends to implement the following measures to reduce greenhouse gas emissions across its operations and value chain.

Category 11: Use of Sold Products (Propellant Emissions)

Emissions from this category are the largest contributor to Cipla (EU) Ltd's carbon footprint, accounting for 61.6% of baseline emissions, arising primarily from the global warming impact of propellants used in metered dose inhalers (MDIs), particularly HFA-134a.

In collaboration with Cipla Limited, Cipla (EU) Ltd is supporting the transition to lower global warming potential (GWP) propellants, including HFA-152a and HFO-1234ze(E), which have a significantly lower climate impact than HFA-134a. Cipla Limited is developing capacity to support this transition:

Plant Location	Brief Details	Total Capacity (annual)	Company Name
Indore, India	Greenfield Metered Dose Inhaler ("MDI") (Green Propellant) unit under construction	30 million units	Cipla Limited
Fall River, US	Brownfield MDI (Green Propellant) pilot plant under construction	+1 million units	Invagen Pharmaceuticals Inc.

Through 2030, the company will focus on piloting and developing of low GWP propellant MDIs and securing required regulatory approvals. From 2030 onwards, subject to regulatory approval, green propellant MDIs are expected to be progressively introduced across the portfolio, moving substantially to lower-GWP propellants by 2045. This transition is expected to be the single most significant contributor to long-term emissions reduction.

Category 1: Purchased Goods & Services

Emissions from Purchased Goods and Services account for 35.5% of baseline emissions. For Cipla (EU) Ltd, this category includes emissions associated with Cipla India manufacturing operations serving the UK business (relevant Scope 1 and Scope 2 emissions) as well as selected upstream value chain emissions. The objective is to reduce cradle-to-gate emissions through energy decarbonisation, supplier engagement, sustainable logistics and refrigerant management.

Cipla Limited has committed to a 30% absolute reduction in Scope 1 energy-based and Scope 2 emissions from a FY2023–24 baseline by 2030 across global operations, together with 80% renewable electricity share across India manufacturing operations by 2030. Cipla India is progressing renewable energy deployment, transitioning to alternate fuels, reducing fugitive refrigerant emissions, strengthening supplier decarbonisation engagement, and advancing low-carbon inbound logistics.

Category 4: Upstream Transportation and Distribution

Cipla (EU) Ltd intends to improve demand forecasting and inventory planning to increase the proportion of shipments moved by sea and reduce reliance on air freight. Air freight will be restricted to business-critical situations, with Sustainable Aviation Fuel (SAF) programmes engaged for unavoidable air shipments. For sea freight, the business will prioritise ocean carriers investing in lower-carbon operations, and will incorporate carbon intensity into logistics procurement decisions.

Category 6: Business Travel

Business travel emissions will be reduced through travel avoidance, lower-carbon travel choices and changes in ways of working, including greater use of virtual meetings and hybrid collaboration. Rail will be prioritised over air for domestic and short-haul journeys where feasible, with a transition to lower-emission vehicles for road travel and engagement with SAF-supporting providers for necessary air travel.

Category 7: Employee Commuting

Flexible working arrangements allow office-based employees to work remotely for part of the week, reducing commuting activity and supporting lower travel-related emissions, while also reducing business travel through greater use of virtual collaboration.

Category 9: Downstream Transportation and Distribution

Cipla (EU) Ltd has engaged downstream logistics partners to transition from conventional fuels to lower-carbon alternatives. From July 2025 this includes a shift of relevant downstream transportation operations towards biofuel-based solutions, reducing emissions associated with delivery to NHS facilities and other end customers.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 006 and the 2027 NHS Carbon Reduction Plan requirements, and the 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, the GHG Protocol Corporate Standard, and the appropriate UK Government emission conversion factors for greenhouse gas reporting.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements (where required), and all relevant Scope 3 categories 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 Cipla (EU) Ltd.

Name: Jortin George

Title: Regional Head – Europe

Date: 03.09.2026

Name: Ankit Gudhka

Title: Regional Head - Finance

Date: 03.09.2026