Carbon Reduction Plan Template

Supplier name: Otsuka Pharmaceutical (U.K.) Ltd. (OPUK)

Publication date: April 2025

Commitment to achieving Net Zero

Otsuka Holdings (Japan) has established a 2050 Environmental vision "Net Zero" with the aim of reducing the total environmental impact across all its business activities to zero. For more information about it, please refer to the Environment section of the Otsuka Holdings Sustainability page and the Environmental report 2024.

Otsuka Pharmaceutical entities in Europe (Otsuka Pharmaceutical Europe Ltd. and affiliates, including OPUK) have conducted their first carbon footprint analysis between Q3 2023 and Q2 2024. Results have been shared internally between Q2 – Q3 2024 and in February 2025, the European Senior Leadership team approved the European Carbon Reduction targets to be met by end of 2030. The near-term carbon reduction targets defined have been shared with employees in March 2025, covering Scopes 1 & 2 and Scope 3. Otsuka Pharmaceutical Europe Ltd. (OPEL) released in January 2025 its European Sustainability page, providing more information about our approach.

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 any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Additional Details relating to the Baseline Emissions calculations.

The first carbon footprint analysis has been conducted across Otsuka entities in Europe (Otsuka Pharmaceutical Europe Ltd. and affiliates) in 2023/2024 with the support of an external provider to ensure alignment with the Greenhouse gas Protocol (GHG). No previous reporting was published before. Emissions are reported on a calendar year basis (1st January – 31st December).

Associated carbon reduction near-term targets for 2030 have been validated in February 2025 for Scopes 1 & 2 and Scope 3.

The information provided below for the emissions are only related to OPUK.

Baseline year emissions: 2022	
EMISSIONS	TOTAL (tCO₂e)

Scope 1	17.39 t Co2
Scope 2	53.44 t Co2 Calculated using the market-based method. Emissions calculated using the location- based method are 34.73 t CO ₂ .
Scope 3 (Included Sources)	224.05 t Co2 <u>Sources included</u> : purchased goods & services (excluding raw materials and CMO energies emissions), Fuel and energy related activities, upstream transportation and distribution (excluding inbound logistics of packaging), waste generated in operations, business travel, employee commuting, end-of-life treatment of sold products.
Total Emissions	294.88 t Co2

Current Emissions Reporting

Reporting Year: 2024		
Note: in February 2025, the European Senior Leadership team approved the European Carbon Reduction targets to be met by end of 2030 for Scopes 1, 2 and 3.		
EMISSIONS	TOTAL (tCO₂e)	
Scope 1	17.39 t Co2	
Scope 2	53.44 t Co2 Calculated using the market-based method. Emissions calculated using the location-based method are 34.73 t CO ₂ .	
Scope 3 (Included Sources)	224.05 t Co2 <u>Sources included</u> : purchased goods & services (excluding raw materials and CMO energies emissions), Fuel and energy related activities, upstream transportation and distribution (excluding inbound logistics of packaging), waste generated in operations, business travel, employee commuting, end-of-life treatment of sold products.	
Total Emissions	294.88 t Co2	

Emissions reduction targets

OPUK has worked with Otsuka Pharmaceutical Europe Ltd. and other affiliates located in Europe to define the European carbon reduction near term targets for 2030 applicable across its activities for Scopes 1&2 and Scope 3. They have been shared internally in March 2025. An update of our carbon footprint analysis with 2024 data is currently planned.

The carbon reduction targets identified at European level will cover the following:

- 1. 42% reduction of emissions for Scope 1 associated with vehicle fleet compared to 2022 data (not applicable to OPUK)
- 2. Investigation to start the evaluation if 35% of our inbound logistics could be moved from air freight to sea freight (managed directly by Otsuka Pharmaceutical Europe Ltd.)
- 3. 20% reduction of emissions associated with business travels compared to 2022 data.

Carbon Reduction Projects

OPUK has worked with Otsuka Pharmaceutical Europe Ltd. and other affiliates located in Europe to define the European carbon reduction near term targets for 2030 applicable across its activities for Scopes 1&2 and Scope 3, based on hotspots identified (e.g., business travels, inbound logistics, packaging, etc.).

Some activities have already been implemented such as (but not limited too):

- Offices moved to Windsor for OPUK and Otsuka Pharmaceutical Europe Ltd., accessible via public transport,
- Flexible working offered to OPUK employees,
- Encouraging car sharing for company events and use of public transport,
- Initiatives under environmental aspects (e.g., sustainable coffee options, remove one-of use items in offices, recycled paper, recycled food, removal of bottled water etc.)

At global level, initiatives undertaken are highlighted within the Otsuka Holdings Sustainability page and the Environmental report 2024 and on the OPEL Sustainability page.

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).

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

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

Signed on behalf of the Supplier:

Ryan Gynne, OPUK Managing Director Annabel O'Connor, General Counsel Europe Date: 28 March 2025