

# Carbon Reduction Plan

Supplier name: ...GSK.....

Publication date: .....5<sup>th</sup> March 2024.....

## Commitment to achieving Net Zero

**GSK** is committed to achieving Net Zero emissions by **2045**.

## 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.

<b>Baseline Year: 2020</b>	
<b>Additional Details relating to the Baseline Emissions calculations.</b>	
Historic baseline year emissions from 2020 onwards have been restated in 2023 following the demerger of GSK's Consumer Healthcare business to form Haleon in July 2022. The restatement excludes historic emissions that were allocated to the consumer healthcare business unit.	
<b>Baseline year emissions:</b>	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b>	710,529
<b>Scope 2</b>	168,854
<b>Scope 3</b> (Included Sources)	9,949,039
<b>Total Emissions</b>	10,828,422

## Current Emissions Reporting

Reporting Year: 2023	
EMISSIONS	TOTAL (tCO <sub>2</sub> e)
Scope 1	580,875 (based on 2023 data)
Scope 2	63,764 (based on 2023 data)
Scope 3 (Included Sources)	8,995,262 (the latest data available for scope 3 is based on 2022 activity)
Total Emissions	9,639,901

## Emissions reduction targets

In 2023, The Science Based Targets initiative (SBTi) approved GSK's net zero target for 2045 in line with its Corporate Net-Zero Standard, the world's only framework for corporate net zero target setting in line with climate science. This commitment applies for both GSK and ViiV operations.

### *Near term target*

GSK and ViiV commits to disclose and reduce absolute scope 1 & 2 (market approach) by 80% and scope 3 GHG emissions from Purchased goods and services, Fuel & Energy Related Activities, Upstream transportation and distribution, Waste Generated in Operations, Business travel, Employee commuting, Use of sold products and End-of-life treatment of sold products by 80% by 2030 from a 2020 base year. GSK discloses against Downstream Transportation and distribution but those categories are currently excluded from the target due to data improvement needs. GSK does, however, continue to maximise the transition from air to sea freight across its portfolio, and to collaborate with its peers to improve container load and procurement of sustainable fuels for the sector.

In line with GSK's reporting cycle, operational data (Scope 1 and 2) is readily available for 2023. For Scope 3, further reconciliation of emissions associated with cost of goods is required, therefore reported using figures from the previous fiscal year (which are externally audited annually). We are working with strategic data partners to improve agility in Scope 3 reporting in the future.

### *Long term target*

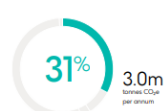
GSK and ViiV commit to reduce absolute scope 1 & 2 (market approach) by 90% and scope 3 GHG emissions from Purchased goods and services, Capital goods, Fuel & Energy Related Activities, Upstream transportation and distribution, Waste Generated in Operations, Business travel, Employee commuting, Use of sold products and End-of-life treatment of sold products and investments by 90% by 2045 from a 2020 base year.

## Our value chain carbon footprint

We have mapped our carbon footprint across our value chain to ensure we have a clear understanding of where to focus our efforts, which informs our pathway to net zero.

### Supply chain

Scope 3 emissions from the goods and services that GSK buys from other companies and other upstream emissions.



Purchased goods	1.6m tonnes CO <sub>2</sub> e per annum
Purchased services	0.9m tonnes CO <sub>2</sub> e per annum
Capital investments	0.2m tonnes CO <sub>2</sub> e per annum
Commuting	0.06m tonnes CO <sub>2</sub> e per annum
Business travel	0.09m tonnes CO <sub>2</sub> e per annum
Upstream energy	0.1m tonnes CO <sub>2</sub> e per annum

### GSK's operations

Scope 1 and 2 emissions from running our labs, factories and commercial offices.\*



Energy	0.4m tonnes CO <sub>2</sub> e per annum
HFA and manufacturing emissions	0.25m tonnes CO <sub>2</sub> e per annum
Sales force	0.05m tonnes CO <sub>2</sub> e per annum

\* Scope 1 and 2 market-based emissions

### Logistics

Scope 3 emissions from delivering medicines and vaccines across the globe.



Upstream logistics	0.3m tonnes CO <sub>2</sub> e per annum
Downstream logistics	0.1m tonnes CO <sub>2</sub> e per annum

### Patient use

Scope 3 emissions from patients using our products.



Use of metered dose inhalers	5.4m tonnes CO <sub>2</sub> e per annum
Use of other products	<0.1m tonnes CO <sub>2</sub> e per annum

### Disposal

Scope 3 emissions from the disposal of our products by GSK patients.



**9.71m**  
Total estimated GSK emissions  
tonnes CO<sub>2</sub>e per annum\*

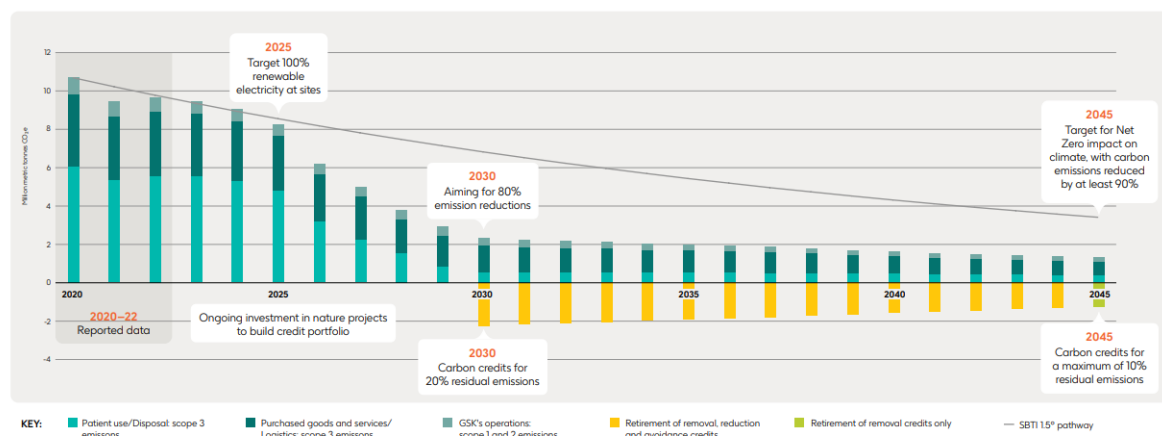
\* based on data from 2022

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(Infographic numbers show GSK and ViiV footprint across scopes 1,2 and 3 using 2022 numbers).

## Our pathway to net zero

The graph below shows our projected carbon reduction pathway to 2030 and 2045 across the different parts of our carbon footprint, along with our planned carbon credits.



March 2024

## Carbon Reduction Projects (applicable for both GSK and ViiV)

### Completed Carbon Reduction Initiatives

In 2023, we reduced our Scope 1 and 2 carbon emissions by 10% compared with 2022, and by 27% compared with our 2020 baseline. This was primarily due to energy efficiency measures and increasing the amount of renewable electricity we use. For example, our Nashik site in India has reduced its emissions by 93% since 2020, by moving to renewable

biomass for heat and to renewable electricity. Additionally, we signed a power purchase agreement to source renewable electricity to cover 50% of our electricity demand for our sites in Europe from mid-2026. Two additional wind turbines and the new solar farm at our manufacturing facility in Irvine, Scotland began generating renewable energy.

GSK's carbon reduction initiatives addressing emissions across scopes 1, 2 and 3 are shown in the graphic below:

## Priority actions to reduce emissions

We are taking action to reduce emissions across our full value chain, prioritising the highest impact areas.

Beyond 2030 we expect we will be left with the harder to tackle emissions from across our supply chain, our own operations, logistics, and disposal. Addressing these residual emissions will in many cases be dependent on technologies, infrastructure and regulatory frameworks that will require broad public/private collaboration, and so our decarbonisation is interdependent and following a similar timeframe to the broader economic transition.

Full carbon footprint includes 7% scope 3 emissions from the disposal of our products by GSK patients.

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### Purchased goods and services Scope 3 emissions



- Sustainable Procurement Programme, driving targeted supplier engagement and setting sustainability standards
- Deep engagement with 30 most impactful suppliers
- Peer collaboration through Energize programme to expand access to renewable electricity across our shared supply chains
- Manufacture 2030 helping with engagement, measurement and the development of emission reduction glidepaths for suppliers
- Activate programme with peers to reduce the environmental impact in Active Pharmaceutical Ingredient value chains
- Converge, a collaborative supply chain initiative by My Green Lab, to encourage suppliers to reduce the environmental impact of labs in the value chain.

### GSK's operations Scopes 1 and 2 emissions



- Renewable electricity and heat**
- Members of RE100
  - Onsite production through wind turbines and solar panels, together with buying renewable electricity and through power purchase agreements
  - Developing renewable heat strategy
- Electric vehicles**
- Members of EV100
  - Committed to transition our sales fleet to low-carbon vehicles by 2030
  - Target to install charging infrastructure at 100 sites
- Energy reductions**
- Ongoing focus on energy efficiency programmes

### Logistics Scope 3 emissions



- Maximising transition from air freight to sea freight
- Ensuring full container optimization
- Sector peer collaboration to identify common logistic routes and to pilot 'green corridors'

### Patient use Scope 3 emissions



- Predominantly from the propellant used in metered dose inhalers (MDIs) for asthma and chronic obstructive pulmonary disease
- Investing in a low-carbon programme and if successful, it has the potential to reduce greenhouse gas emissions from the inhaler by 90% by transitioning to a next generation, lower-carbon propellant. Phase III trials will begin in 2024 and, if successful, regulatory submissions will start in 2025.
- Beyond MDIs, product stewardship programme to embed eco-design principles for all new products

## 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<sup>1</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>2</sup>.

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<sup>3</sup>.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

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

<sup>2</sup><https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

<sup>3</sup><https://ghgprotocol.org/standards/scope-3-standard>

**Signed on behalf of the Supplier:**

A handwritten signature in black ink, appearing to read 'clund.', is centered within a light gray rectangular box.

Claire Lund, VP Sustainability, GSK

Date: 5<sup>th</sup> March 2024