

Carbon Reduction Plan

Supplier name: **Eli Lilly & Company Limited**

Publication date: **March 2024**

Commitment to achieving Net Zero

Eli Lilly & Company Limited is committed to achieving Net Zero emissions by 2050 for its operations within the UK.

Globally we have committed to be carbon neutral in our own operations (Scope 1 and 2) by 2030.

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.

Baseline Emissions Reporting

| Baseline Year: 2022 2022 is our first year of reporting the emissions of our UK operations. It is the first full year both our UK sites were in full use following relocation from larger premises. | |
|---|-----------------------------|
| EMISSIONS | TOTAL (mtCO ₂ e) |
| Scope 1 | 581 |
| Scope 2 | 188 |
| Scope 3 (Included Sources) | 5,175 |
| <ul style="list-style-type: none"> upstream transportation and distribution | 4,470 |
| <ul style="list-style-type: none"> waste generated in operations | 1 |
| <ul style="list-style-type: none"> business travel | 436 |
| <ul style="list-style-type: none"> employee commuting | 216 |
| <ul style="list-style-type: none"> downstream transportation and distribution | 52 |
| Total Emissions | 5,944 |

Current Emissions Reporting

| Reporting Year: 2022 | |
|--|-----------------------------|
| EMISSIONS | TOTAL (mtCO ₂ e) |
| Scope 1 | 581 |
| Scope 2 | 188 |
| Scope 3 (Included Sources) | 5,175 |
| <ul style="list-style-type: none"> upstream transportation and distribution | 4,470 |
| <ul style="list-style-type: none"> waste generated in operations | 1 |
| <ul style="list-style-type: none"> business travel | 436 |
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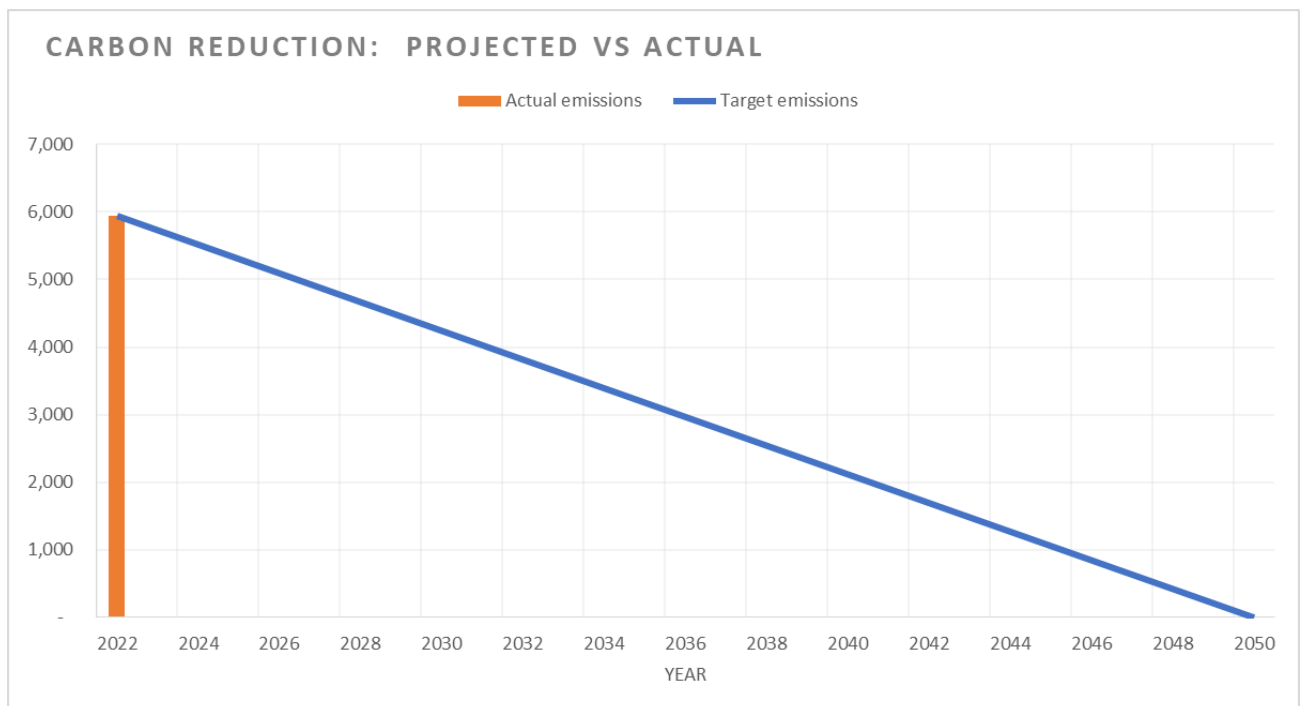
Emissions Reduction Targets

In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets.

We project that carbon emissions will decrease over the next five years to 4,882 mtCO₂e by 2027. This is a reduction of 18%

Progress against these targets can be seen in the graph below:

Progress against our 2050 Net Zero commitment will be tracked annually and the graph below will be updated.



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed and are reflected in our 2022 baseline data.

- By August 2021 our UK office space has been consolidated into 2 smaller office spaces in Basingstoke and Bracknell.
- 47% renewable energy purchased for these offices.
- These buildings are certified to high environmental standards either EBC B40 or BREEAM “very good”. All hot-desk equipment across UK sites has been designed with energy efficiency as a key priority.
- We have significantly reduced energy demand by moving 90% of our server capacity to a more energy efficient cloud-based platform, eliminating direct energy requirements for server equipment, lighting, and air conditioning.

- EV charging points are installed in our UK offices.
- Employees are incentivised to use green travel initiatives such as bike to work and dedicated parking for car sharers.
- We have consolidated our supply chain to reduce product shipments and optimise deliveries to NHS hospitals.
- Under the Lilly@Work programme employees are encouraged to work more flexibly, reducing commuter travel to our offices.
- We follow strict waste to energy and recycling protocols across our buildings – nothing goes to landfill. All staff computers are resold or recycled – no technology goes to landfill.
- Reduction in business travel (domestic and international).

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

- 100% renewable energy purchased for our UK offices.
- Transitioning our employee fleet vehicles to reduce our car fleet GHG emission from a 50/50 petrol hybrid vs diesel in 2019 to 100% electric vehicles by 2030.
- Increase the number of electric charging units at our sites to support the adoption of electric vehicles and bikes to support our Green Travel initiatives.
- We will continue to partner with logistics suppliers who prioritise their own environmental impact and commit to Net zero by 2050 and reduce fossil fuel vehicle reliance by using more biofuels and electric vehicles.
- Lilly is committed to exploring options to reduce end product waste in the UK. Lilly is a steering group member of the Circularity in Primary Pharmaceutical Packaging Accelerator (CiPPPA), that aims to deliver targeted programmes that contribute to sustainable solutions for the reduction, collection, reprocessing, and circularity of pharmaceutical packaging.
- Reduce overall packaging of products and incorporate recycled material to reduce footprint and indirect emissions.
- Comply with the UK Government Energy Saving Opportunity Scheme (ESOS) Stage 3 for submission in June 2024. Work on any findings generated from this report.
- Continue to work with our waste suppliers to review our current waste streams within the buildings and raise awareness to all our employees both office and field based.

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:



Date: 8 January 2024

¹Greenhouse Gas Protocol. Corporate Standard. 2023. Available at: <https://ghgprotocol.org/corporate-standard22> [Accessed 20 February 2024]

²Gov.UK. Available at: <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting-2023> [Accessed 20 February 2024]

³Greenhouse Gas Protocol. Corporate Value Chain (Scope 3) Standard. 2023. Available at: <https://ghgprotocol.org/corporate-value-chain-scope-3-standard> [Accessed 20 February 2024]