Gennisium Pharma Carbon Reduction Plan

Supplier name: GENNISIUM PHARMA

Publication date: 18th of March 2024

Overview of the company

Gennisium Pharma (Gennisium) is developing a Carbon Reduction Plan from 2024.

Gennisium is a French pharmaceutical company which develops (outsourcing), registers and commercializes its niche medicines across the World, and runs its secondary packaging and distribution activities (including serialisation for EU market) internally. The company does not have any R&D and manufacturing facilities, but Gennisium operates through a warehouse (500 square meters, rental building) located at its headquarter in France where the company stores, packages (with serialisation), release and ship its health products across the World in passing through external carriers: Chronopost (French company), DHL... or other specialists in the transport of medicines. The facility is located within a "enterprises Park" with several companies and all of them are sharing the heating costs. Gennisium owns its sales force in France/Belgium, Germany/Austria, Italy and Portugal/Spain (4 people), and employs total less than 10 people today.

Gennisium recognises that its direct carbon output originates from several areas: the manufacturing of its health products, packaging materials it uses, its storage and secondary packaging activities, its methods of distribution, its staff (notably business trip, leasing cars) ...

The main challenge of the company will be to reduce its environmental footprint whereas it is at the beginning of its development and should strongly increase its manufacturing to follow the growth of the sales, its staff, business trip... However, the company will do its best to limit as much as it can its impact on the environment in near term.

Commitment to achieving Net Zero

GENNISIUM PHARMA is committed to achieving Net Zero emissions by 2050.

Baseline Emissions Footprint

Gennisium is drawing up its first Carbon Reduction Plan from 2023 (from 1st of January to 31st December 2023), which will be the Baseline Year of the company. The company is implementing the measures to limit and reduce its carbon footprint from 2024.

Baseline Year: 2023

Additional Details relating to the Baseline Emissions calculations.

The company is eligible to Scope 1, 2 and 3

- **Scope 1**: Heating (headquarter) and leasing cars.
- **Scope 2**: Electricity/energy + temperature control/air conditioning for the warehouse (health products/medicines)
- **Scope 3** (Categories, GHG Protocol):
 - <u>Category 1</u>: Purchased goods: manufacturing and purchases of its health products, which are produced or supplied by some subcontractors and partners; materials required for packaging and shipped the products. These manufacturers and suppliers are located in EU.
 - <u>Category 2</u>: Capital goods: depreciations of assets as laptops, servers, serialisation equipment, leasing cars, furniture...
 - <u>Category 4</u>: upstream transport of goods, that is the transport of the health products purchased to manufacturers (medicines developed and held by Gennisium) or suppliers (license/distribution agreement) by Gennisium.
 - o Category 5: Waste generated by the operations.
 - Category 6: Business Travel.
 - o Category 7: Employees commuting between home and workplace.
 - <u>Category 9</u>: Downstream transport and distribution of health products operated by Gennisium to the customers: hospitals and distributors/partners across the World.

Baseline year emissions: 2023

| EMISSIONS | TOTAL (tCO ₂ e) |
|-----------------|----------------------------|
| | |
| Scope 1 | 4,40 |
| Scope 2 | 0,68 |
| Scope 3 | 22,75 |
| Total Emissions | 27,83 |

Current Emissions Reporting

| Reporting Year: 2023 | |
|----------------------|----------------------------|
| EMISSIONS | TOTAL (tCO ₂ e) |
| Scope 1 | 4,40 |
| Scope 2 | 0,68 |
| Scope 3 | 22,75 |
| Total Emissions | 27,83 |

Emissions reduction targets

Gennisium is a young and small pharmaceutical company which aims to strongly develop its activities in the coming years: staff, sales, manufacturing of its products, organisation, and its Worldwide presence. It is thus at the beginning of its business plan and will have to overcome a hard challenge to control and reduce its carbon footprint. However, the company and its team will do their best effort to limit their carbon footprint by near-term and reach Net-Zero carbon in long term.

In order to achieve Net Zero, we have adopted the following carbon reduction targets.

We project that carbon emissions will decrease over the next ten years to 21 tCO2e by 2034. This is a reduction of ca. 25%, shared between ca. 20% for Scope 1, ca. 40% for Scope 2 and ca. 20% for Scope 3. Then, the company aims to reduce 75% of its absolute carbon emissions for Scope 1 and 2 by 2050 and plans to neutralise or offset the remaining 25%. For Scope 3, absolute emissions reduction of Gennisium amounts to 60% by 2050, and the company plans to neutralise or offset the remaining 40%.

Carbon Reduction Projects

The following environmental management measures and projects have been completed since the 2023 baseline and will implement from 2024.

It is a constant challenge to pair together the triple concepts of cost effectiveness, quality, and lower carbon output, however Gennisium hope to implement further measures such as:

Scope 1: Heating of the offices & warehouse and Leasing cars

- The staff will be sensitized and familiarized to optimize the use of the heating.
- Collaborate and raise awareness with the landlord (owner of the building) to use green electricity and renewable energy.

- The whole sales team is sensitive to using the train and not the plane or the car for business travels in their respective country, as much as they can. The company will also rent some electric, hybrid or with renewable fuel cars in the future as applicable.

Scope 2: Electricity

The Scope 2 concerns the electricity consumption of the storage, secondary packaging and administrative activities. The energy Gennisium uses is for temperature control, its computer/IT activities, lights, air conditioning, communication etc. Gennisium Pharma is looking for using more and more the green electricity and renewable energy for its offices & warehouse in France and optimize the use of air conditioning, which would reduce its gas usage and therefore its carbon footprint.

Scope 3:

- Manufacturing in routine and Upstream distribution. Gennisium is in constant touch with the manufacturers of its medicine in routine, to optimize the process of production and the transport of the goods to its warehouse, and then reduce the environmental footprint. This could consist in:
 - Reducing the number of manufacturing slots each year and increasing the size of orders, in order to optimize the energy consumption, analytical controls, tests and releases of the products.
 - Collaborating and raising awareness with these manufacturers to use green electricity, renewable energy and recycled or recyclable packaging material as much as possible.
- Packaging/parcel materials. When possible, Gennisium uses materials that are either originally sourced from recycled materials or are recyclable after use. This includes things like carboard boxes, brown paper for box stuffing or "flo-pack" natural and recyclable, less plastic use in general etc.
- Downstream Distribution: Gennisium Pharma does not use its own fleet of vehicles to distribute its products to hospitals and exclusive license partners, standard wholesalers or ONG in EU or outside EU. The company is strongly active at Export, then it passes mainly though air transport and it relies on third parties such as Chronopost, DHL... New "Green program" with Sustainable Aviation Fuel (SAF) are developing more and more. When it is possible for medicines and commercially viable, Gennisium will select more and more options that offer a lower carbon output. Moreover, Gennisium directly provides some European hospitals with its products which limits the logistic flows and then reduce the carbon impacts linked to the transport. In a general manner, the company will collaborate and raise awareness with these hospitals and its license partners to gather and optimize the orders and shipments and reduce carbon footprint.
- Staff. The whole team is already sensitive to using the train and not the plane or the car for business travels. The company could reduce journeys in supporting video meetings (Teams, Zoom) and the travels between home and workplace in developing teleworking when it is feasible. The landlord is installing electric charging terminals in the parking of the "enterprises Park" which could support this process for employees with electric cars.

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 management body of Gennisium Pharma.

Signed on behalf of the Supplier:

Date: 18/03/2024

Franck Pigache
Chief Executive Officer

Emilie Garcin Qualified Person and General Manager

E. GARCIN

¹https://ghgprotocol.org/corporate-standard

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

³https://ghgprotocol.org/standards/scope-3-standard