

Carbon Reduction Plan

Version: 1.0

Date: June 2026

Commitment to Achieving Net Zero

Brancaster Pharma Ltd. (Brancaster) is committed to reducing the environmental impact of its operations and supply chain activities and to working toward Net Zero greenhouse gas emissions over time.

As a small, virtual specialty pharmaceutical company with limited direct operational emissions, Brancaster recognises that its principal environmental impacts arise from Scope 3 emissions only, such as:

- office energy consumption;
- international pharmaceutical manufacturing and logistics;
- packaging and distribution activities.

Brancaster is committed to continuous improvement, practical emissions reduction measures, responsible sourcing, and ethical business conduct.

Company Overview

Brancaster is a UK-based pharmaceutical company headquartered in Reigate, Surrey.

Brancaster is a small-medium enterprise (SME) that:

1. employs approximately 3.5 full-time equivalent (FTE) staff;
2. engages approximately 5 consultants averaging 0.3 FTE each;
3. operates from two small, subleased office rooms;
4. markets and distributes four pharmaceutical products comprising approximately eight SKUs;
5. generates annual revenue of approximately £3 million.

Current marketed products include:

1. Bramox (midodrine hydrochloride) – manufactured in North America;
2. Benzathine benzylpenicillin – manufactured in the European Union;
3. Varenicline – manufactured in North America;
4. Thiamine – manufactured in the European Union.

Organisational Values and Governance

Brancaster operates according to the following principles:

- equal opportunity employment;
- non-discrimination regardless of race, sex, religion, disability, age, or background;
- ethical and responsible business practices;
- zero tolerance toward bribery and corruption;
- best efforts to guard against modern slavery and unethical labour practices throughout business activities and supply relationships;
- compliance with applicable UK pharmaceutical and commercial regulations;
- continuous improvement in environmental and social responsibility.

Environmental responsibility forms part of Brancaster's wider commitment to sustainable and ethical healthcare operations.

Current Carbon Footprint Overview

Given the size and structure of the business, Brancaster currently already has relatively low direct operational emissions.

Scope 1 Emissions (Direct)

Brancaster has no Scope 1 emissions (0 tCO₂e).

Brancaster's single company vehicle is an electric vehicle (EV) which produces zero direct tailpipe emissions (EVs produce no combustion emissions at point of use). Furthermore, as a sublessee with no operational control over building combustion systems, no heating or cooling sources fall within the company's Scope 1 boundary under the GHG Protocol.

The company does not operate manufacturing facilities or warehouses.

Scope 2 Emissions (Indirect Energy)

Brancaster also has no Scope 2 emissions (0 tCO₂e).

As a sublessee, the electricity and gas account for the office premises is held by the primary leaseholder, not by Brancaster. Accordingly, no purchased electricity or gas sits within Brancaster's Scope 2 boundary.

The company's EV is charged at the employee's home on a personal electricity account, which is also outside Brancaster's Scope 2. EV charging emissions are therefore classified under Scope 3, Category 7 — Employee Commuting.

The following items were reviewed and assessed as outside Scope 2:

- electricity usage in two small office rooms – electricity account held by primary leaseholder;
- occasional air conditioning usage in these office rooms; electricity account held by primary leaseholder;
- gas boiler usage for winter heating in these office rooms; gas account held by primary leaseholder.

The company also seeks to minimise electricity and gas consumption through sensible office energy practices. Office lights are generally not used during daylight hours unless heavy cloud cover or operational requirements necessitate additional lighting and air conditioning and heating usage is minimised.

The company intends to progressively reduce air conditioning and heating usage through behavioural and efficiency measures.

Note on Building Energy – Reporting Boundary

The electricity and gas consumption associated with Brancaster Pharma's subleased office premises falls outside the company's GHG reporting boundary and is not reportable under Scope 1, Scope 2, or Scope 3.

This is because, as a sublessee, Brancaster Pharma holds no direct energy contracts for the premises and has no operational control over the building's heating, cooling, or electrical systems. Under the GHG Protocol Corporate Standard, operational control is the determining criterion for inclusion within a company's emissions boundary.

Specifically: electricity consumed at the offices sits within the primary leaseholder's Scope 2; gas or other heating fuel used for the premises sits within the primary leaseholder's Scope 1. Neither category transfers to Brancaster's Scope 3, as Scope 3 Category 8 (Upstream Leased Assets) applies only where the lessee has operational control of the asset, which is not the case here.

Should the sublease arrangement change such that Brancaster Pharma takes on direct energy contracts or operational control of building systems, these emissions would need to be reclassified into Scope 1 or Scope 2 accordingly and this plan updated.

Scope 3 Emissions (Value Chain)

As Scope 1 and Scope 2 are both zero, Brancaster's carbon footprint sits within Scope 3.

Based on the GHG emissions assessment, the dominant sources, in priority order, are:

1. purchased pharmaceuticals from global manufacturers (Category 1, likely >90% of total footprint);
2. inbound international freight, particularly from North America where air freight may be used (Category 4);
3. outbound logistics to UK wholesalers via third-party providers (Category 9);
4. business travel including international supplier visits (Category 6); and
5. employee commuting including EV home-charging (Category 7).

Additional material categories include end-of-life pharmaceutical disposal (Category 12) and company pension investments (Category 15).

The full list of sources assessed includes:

- international pharmaceutical manufacturing;
- inbound and outbound freight;
- consultant travel;
- employee commuting;
- packaging and distribution;
- outsourced service providers.

Downstream Freight Consolidation

Brancaster already works actively with its downstream customers to encourage efficient freight consolidation as a practical means of reducing Scope 3 Category 9 (downstream transportation and distribution) emissions. This involves encouraging customers to place larger, less frequent orders, no more than fortnightly and ideally monthly, made to centralised distribution locations. By consolidating order volumes and reducing delivery frequency, the number of individual shipments is minimised, improving vehicle load efficiency and materially reducing per-unit transport emissions. This downstream engagement represents a tangible and already-implemented emissions reduction measure within Brancaster's Scope 3 value chain, and aligns with best practice under the GHG Protocol Corporate Standard.

Manufacturing Locations

Product	Manufacturing Country
Bramox	North America
Benzathine benzylpenicillin	European Union
Varenicline	North America
Thiamine	European Union

Brancaster Pharma does not directly control these manufacturing facilities but seeks to work with reputable partners operating to recognised pharmaceutical quality and compliance standards.

Estimated Scope 3 Emissions

A spend-based estimate of Brancaster's total Scope 3 emissions has been prepared using BEIS/DEFRA emission factors (SIC 21 – Manufacture of Basic Pharmaceutical Products and Pharmaceutical Preparations) applied to estimated annual pharmaceutical procurement spends and annual revenue, supplemented by activity-based estimates for freight and ancillary categories.

The estimated total Scope 3 footprint is approximately 400 tCO₂e per year.

The breakdown by category is as follows:

- Category 1 (purchased pharmaceuticals): the dominant source at ~96% of total footprint, estimated via BEIS/DEFRA spend-based factor;
- Category 4 (inbound freight): belly-cargo flights from North America plus European road freight;
- Category 6 (business travel): international supplier visits;
- Category 7 (employee commuting, including EV home-charging);
- Category 9 (outbound logistics to customers);
- Category 12 (end-of-life pharmaceutical disposal).

These figures are based on spend-based and activity-based estimation methods and are presented as an interim baseline. Brancaster is committed to improving data quality over time by engaging directly with pharmaceutical manufacturers for product-level carbon data and obtaining tonne-kilometre data from logistics partners, in accordance with the GHG Protocol Corporate Standard. The year of this first measurement is proposed as the base year for Brancaster's Scope 3 net zero target.

Waste and Recycling

Brancaster Pharma currently:

- recycles paper waste;
- recycles plastics where local facilities permit;
- minimises unnecessary printing;
- generates negligible food waste;
- operates primarily paper-light administrative systems.

The company will continue to encourage responsible waste segregation and reduction.

Employee Commuting and Travel

Current commuting profile:

- two staff members walk to work;
- one staff member uses an electric company vehicle — charged at home on a personal electricity account; charging emissions are classified as Scope 3 Category 7 (Employee Commuting);
- one staff member uses a small private petrol vehicle classified as Scope 3 Category 7 (Employee Commuting).

Brancaster encourages:

- walking and public transport where practical;
- remote meetings where appropriate;
- reduced unnecessary business travel;
- efficient route planning.

Carbon Reduction Measures Already Implemented

Brancaster has already implemented several practical sustainability measures including:

- use of an electric company vehicle;
- low-energy office footprint;
- hybrid and remote working practices;
- strong preference for digital meetings (for example via Microsoft Teams) in place of face-to-face meetings requiring travel by car, rail or air where practical;
- limited air conditioning usage;
- recycling programmes for paper and plastics;
- minimisation of unnecessary travel;
- reduced paper usage through digital documentation.

Planned Carbon Reduction Initiatives

Over the next 3–5 years Brancaster intends to:

Office Energy Efficiency

- progressively reduce annual air conditioning usage;
- encourage energy-efficient working practices with the primary leaseholder;
- switch off non-essential electrical equipment when not in use;
- suggest the use of renewable electricity tariffs where commercially viable.

Travel Reduction

- continue prioritising virtual meetings;
- minimise non-essential international travel;
- maintain use of electric vehicle transport where practical.

Sustainable Procurement

- engage with suppliers regarding sustainability practices where appropriate;
- consider environmental factors in future supplier and logistics evaluations;
- continue to encourage efficient freight consolidation where feasible.

Waste Reduction

- continue paper-light operations;
- maintain recycling activities;
- reduce unnecessary packaging where within company influence.

Carbon Reduction Targets

As Scope 1 and Scope 2 are both zero, targets are focused on Scope 3, where the material footprint sits. The highest-impact areas are purchased pharmaceuticals (Cat. 1), inbound freight mode (Cat. 4), and outbound logistics (Cat. 9).

Brancaster aims to:

- maintain a low operational carbon footprint relative to company size;
- reduce avoidable energy consumption year-on-year;
- progressively reduce office cooling demand;
- maintain low-emission transport practices;
- improve understanding and measurement of Scope 3 emissions over time.
- request product-level carbon footprint data from pharmaceutical manufacturers (Scope 3 Category 1) – the dominant emissions source representing an estimated 60–80% of total footprint;
- quantify and reduce reliance where feasible on air freight for inbound shipments from North America (Scope 3 Category 4) – air freight emits approximately 50 times more CO₂ per tonne-kilometre than sea freight;
- obtain tonne-kilometre and freight mode data from third-party logistics providers for outbound deliveries to UK wholesalers (Scope 3 Category 9) to enable accurate reporting and reduction planning.

Given the company's small scale and outsourced manufacturing model, current focus is on practical, proportionate, and measurable improvements rather than formal science-based targets.

Monitoring and Review

This Carbon Reduction Plan will be reviewed periodically and updated as the business evolves.

Future reviews may include:

- more detailed emissions estimation;
- supplier sustainability engagement;
- logistics emissions analysis;
- updated reduction targets;
- further travel and energy reduction initiatives.

Declaration

Brancaster Pharma Ltd confirms that the information contained within this Carbon Reduction Plan is accurate to the best of its knowledge and reflects the company's current operational profile and sustainability objectives.

Signed on behalf of Brancaster Pharma Ltd.

Alex Duckworth

Jun 3, 2026

**Alex Duckworth
Managing Director
Brancaster Pharma Ltd**