

# JSC "Grindeks" Group

## GHG Emission Reduction Plan

Supplier name: JSC "Grindeks" Group

Publication date: 31.07.2025

### Commitment to achieving Net Zero

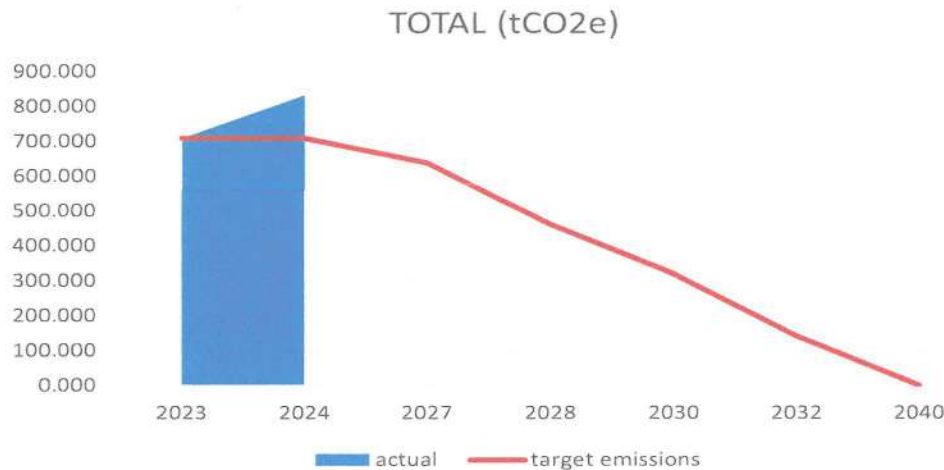
JSC "Grindeks" Group is committed to achieving net-zero emissions by 2040 for emissions scopes 1, 2 and 3.

### 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: 2023</b>	
<b>Additional Details relating to the Baseline Emissions calculations.</b>	
<b>Baseline year emissions:</b>  Emissions data for previous years were not published across all scopes, so 2023 has been selected as the starting point for collecting complete information for company.  JSC "Grindeks" Group plans to improve its climate reporting by introducing a sustainability system and looking into ways to share more detailed data about its Scope 3 emissions.	
<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b>	349,489 (included: fuels (type: AdBlue, petrol, diesel), refrigerant)
<b>Scope 2</b>	5,1467 (included: electricity, heat and steam)
<b>Scope 3</b> (Included Sources)	354,507 (included: water and waste (type: municipal waste, recycled waste, glass and hazardous waste)
<b>Total Emissions</b>	709,143

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



Emissions in 2024 were expected to match the base year but increased due to higher Scope 3 emissions from waste. In 2025, improved calculations will likely include more Scope 3 sources, resulting in total emissions exceeding the base year. A comprehensive assessment of all Scope 3 emissions enables the development of a more targeted and effective reduction strategy, and this will help achieve the planned emissions target.

## Carbon Reduction Projects

### Completed Carbon Reduction Initiatives

JSC Grindeks has implemented and certified integrated quality management system in accordance with ISO 9001, Environmental management system in accordance with ISO 14001 and Energy Management System- ISO 50001. These systems are supported by regular internal and external audits to ensure compliance and drive continuous improvement. Carbon reduction initiatives are aligned with the targets set within the ISO framework. The following environmental management measures and projects have been completed or implemented since the 2023 baseline.

- **Gradual transition to energy-efficient lighting:** Implementation of LED luminaires and motion detectors to reduce energy consumption.
- **Enhancement of building energy efficiency:** Ongoing reconstruction and repair works, including the replacement of windows and doors, to minimize heat loss in line with the energy efficiency improvement plan.
- **Digitalization initiative:** The company aims to significantly reduce paper-based document circulation by 2028, in compliance with legal requirements. Since the base year, paper usage has decreased by 16%, and the number of printers has been reduced from 400 to 42.
- **Waste management improvements:** The waste sorting system is regularly reviewed and optimized. Annual employee training sessions are conducted to support proper waste handling practices.
- **Emission limit planning:** A dedicated emissions limit plan has been developed, enabling the calculation of air emissions based on the specific series of manufactured products.

## Current Emissions Reporting

Reporting Year: 2024	
EMISSIONS	TOTAL (tCO <sub>2</sub> e)
Scope 1	361,540 (included: fuels (type: AdBlue, petrol, diesel), refrigerant)
Scope 2	5,971 (included: electricity, heat and steam)
Scope 3 (Included Sources)	466.322 (included: water and waste (type: municipal waste, recycled waste, glass and hazardous waste)
Total Emissions	833.833

## Emissions reduction targets

To support our goal of reaching Net Zero by 2040, we have set the following carbon reduction targets. Based on these targets, we expect our carbon emissions to decrease steadily over the coming years, as shown in the table below.

	2024. year	2027. year target	2028. year target	2030. year target	2032. year target	2040. year target
GHG emissions (kt CO <sub>2</sub> eq.)	100	90	65	45	20	20
Energy efficiency and reduction in consumption	-	-7	-5	-5	-	-
Material efficiency and reduction in consumption	-	-	-1	-1	-1	-1
Change of fuel	-	-	-5	-5	-5	-5
Transport	-	-	-5	-5	-5	-5
Electrification	-	-	-1	-1	-1	-3
Use of renewable energy	-	-3	-3	-3	-3	-3
Phasing-out, replacement or alteration of products	-	-	-	-	-1	-
Progressive termination, replacement, or modification of proceedings	-	-	-	-	-2	-
Decarbonising the supply chain	-	-	-4	-	-5	-2
Efficiency at the stage of using products	-	-	-1	-	-2	-1
Other	-	-	-	-	-	-



In the future JSC Grindeks hope to implement further measures such as:

- **Establishment of sustainability processes:** Development of a group-wide emissions accounting and sustainability reporting system.
- **Waste management improvements:** Ensure data collection and analysis to reduce waste generation.
- **Building energy efficiency upgrades:** Continued improvements in environmental performance and energy efficiency, focusing on air conditioning, insulation, building structure, heating, ventilation, and hot water systems.
- **Digitalization and paper reduction:** Targeting paperless document circulation by 2028 (where legally permissible) through increased awareness, IT system implementation, and changes in processes.
- **Supply chain engagement:** Requiring suppliers to report their carbon footprint to improve emissions accuracy and support the company's net-zero goal. Suppliers are also expected to establish their own net-zero targets and plans by 2030.
- **Renewable energy sourcing:** Collaborating with landlords and building providers to ensure 100% of purchased electricity comes from renewable sources.
- **Low-carbon commuting initiatives:** Promoting sustainable commuting options such as walking, cycling, public transport, and low- or zero-emission vehicles. This includes installing EV charging stations and offering remote work options where applicable.
- **Carbon offset strategy development:** Exploring partnerships to define a compensation approach for hard-to-reduce emissions, aiming to fully offset residual emissions and achieve net-zero by 2040.

## 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 GHG emission reduction plan has been revised and signed by Grindeks Group management.**

Signature:



Ph.D. Juris Hmelnickis

Date: 31.07.2025

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<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>