JSC "Grindeks" Group
GHG Emission Reduction Plan

11.08.2026 Nr. 2026/P05-19-1265

Supplier name: JSC "Grindeks"

Publication date: 10.08.2026.

Commitment to achieving Net Zero

JSC "Grindeks" 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.

Baseline Year: 2023	
Additional Details relating to the Baseline Emissions calculations.	
Baseline year emissions: 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" 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. Continuous improvements in calculations and emission reduction are planned.	
EMISSIONS	**TOTAL (tCO_2e)**
Scope 1	3627.32 (included: fuels (type: AdBlue, petrol, diesel), refrigerant)
Scope 2	1481.55 (included: electricity, heat and steam)
Scope 3 **(Included Sources)**	207.60 (included: water and waste (type: municipal waste, recycled waste, glass and hazardous waste)
Total Emissions	5316.46

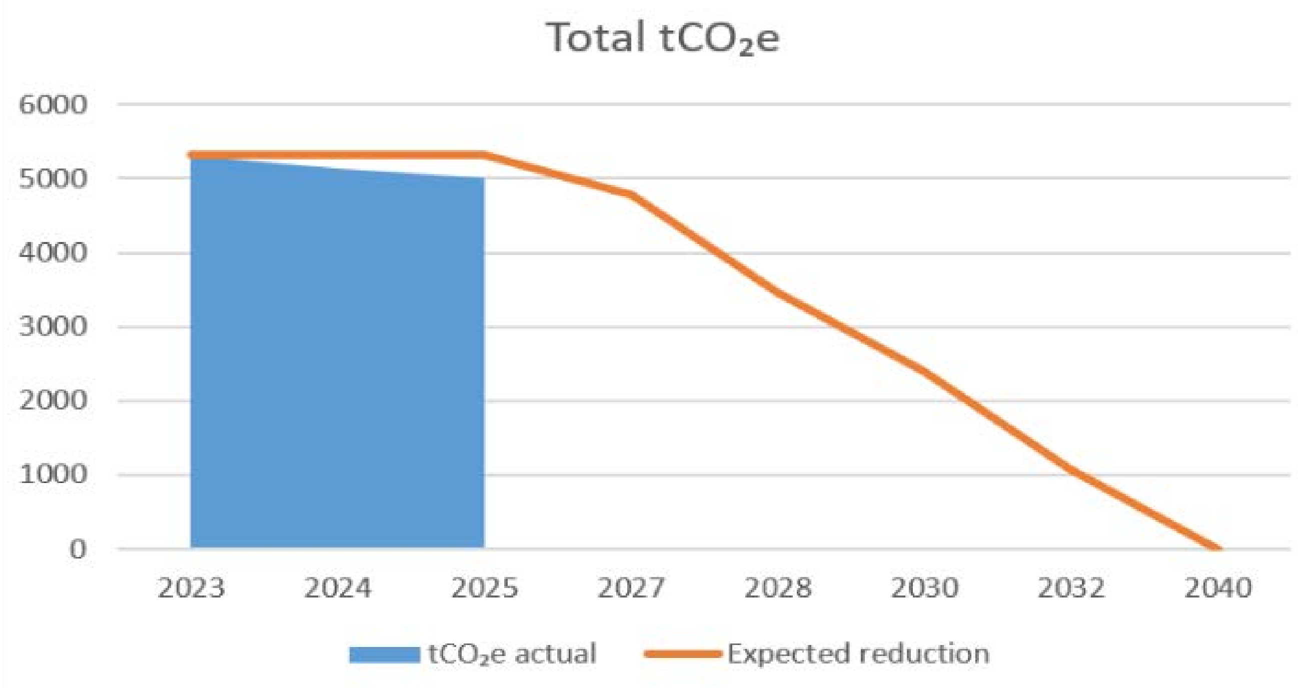
Current Emissions Reporting

Reporting Year: 2025	
EMISSIONS	**TOTAL (tCO_2e)**
Scope 1	3288.08 (included: fuels (type: AdBlue, petrol, diesel), refrigerant, natural gas)
Scope 2	1519.78 (included: electricity, heat and steam)
Scope 3 **(Included Sources)**	203.50 (included: water, waste (type: municipal waste, recycled waste, glass and hazardous waste, business travel)
Total Emissions	5011.36

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

	2024.year	2027. year target	2028. year target	2030. year target	2032. year target	2040. year target
GHG emissions (kt CO_2 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	-	-	-	-	-	-



During 2025, the emissions calculation methodology was improved, resulting in more reliable and comparable data. Scope 3 emission sources were reviewed, as they are expected to represent the largest share of total emissions. However, the full Scope 3 emissions inventory has not yet been completed, and additional emission sources continue to be identified and assessed. Business travel emissions were analysed and included in the 2025 calculations. In 2026, company plans to continue expanding Scope 3 data collection and assessment by gradually incorporating additional emission sources. This will help strengthen emissions reduction strategy and support the implementation of related actions.

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

JSC Grindeks has implemented and certified an Integrated Management System, covering quality, environmental, and energy management in accordance with ISO 9001, ISO 14001, and ISO 50001 standards. As a large energy user in Latvia, company also maintains and reports its Energy Efficiency Improvement Plan through the national Energy Efficiency Information System (ERIS). These management systems are supported by regular internal and external audits to ensure compliance and drive continuous improvement. Carbon reduction initiatives are aligned with the objectives and targets established within the management systems framework.

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**: Company aims to significantly reduce paper-based document circulation by 2028, while ensuring compliance with legal and regulatory requirements. In 2025, the number of printers increased from 42 to 50 due to the relocation of certain units between company sites. Despite this increase, paper consumption remained below 2023 baseline level and did not change significantly compared to the previous year.
- **Waste management improvements**: Waste sorting system is regularly reviewed and improved to increase recycling rates. Annual employee training is conducted to promote proper waste segregation and handling practices. Compared to 2024, hazardous waste sent to landfill decreased by more than 96% due to improved waste sorting and recycling practices. Introduction of compactor containers for recyclable materials, including cardboard and plastic film, increased the volume of materials sent for recycling and reduced the amount of unsorted waste.
- **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.

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

- **Establishment of sustainability processes**: Development of emissions accounting and sustainability reporting system to improve data quality, consistency, and transparency.
- **Waste management improvements:** Strengthen waste data collection and analysis to identify opportunities for waste reduction. Engage external experts to assess current practices and provide recommendations for further improvements.

- **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:** Encourage suppliers to disclose their carbon footprint data to improve the accuracy of Scope 3 emissions calculations and support company's net-zero ambition. Key suppliers will be encouraged to establish their own emissions reduction targets and action plans by 2030.
- **Renewable energy sourcing:** Company plans to gradually increase the share of purchased electricity covered by renewable energy certificates, with the long-term goal of sourcing 100% certified renewable electricity.
- **Wastewater treatment improvements:** Reduce electricity consumption in the industrial wastewater treatment process by at least 5% in 2026 through process optimization and energy efficiency measures.
- **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**: Assess potential partnerships and solutions to address residual emissions that are difficult to eliminate, supporting the achievement of the Company's net-zero target 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[1] and uses the appropriate Government emission conversion factors for greenhouse gas company reporting[2].

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[3].

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

Signature: Jānis Romanovskis

Date: 10.08.2026

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

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

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