



CARBON REDUCTION PLAN

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, Lilly is 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.

The Baseline year for this report is 2022.

*These emissions have been restated to align to the Streamlined Energy and Carbon Reporting disclosures (SECR) in the UK Annual Report and Financial Statements.

UK BASELINE EMISSIONS	TOTAL (mtCO ₂ e ¹)
*Scope 1	618
*Scope 2	195
Scope 3	5,175
<i>Upstream transportation and distribution</i>	4,470
<i>Waste generated in operations</i>	1
<i>Business travel</i>	436
<i>Employee commuting</i>	216
<i>Downstream transportation and distribution</i>	52
Total UK Emissions	5,988

¹Metric tonnes of carbon dioxide equivalent

UK Current Emissions Reporting (2024)

CURRENT EMISSIONS	TOTAL (mtCO ₂ e)
Scope 1	322
Scope 2	208
Scope 3	6,921
<i>Upstream transportation and distribution</i>	5,687
<i>Waste generated in operations</i>	1
<i>Business travel</i>	932
<i>Employee commuting</i>	298
<i>Downstream transportation and distribution</i>	3
Total UK Emissions	7,451

UK Emissions summary

In 2024, total UK emissions were 7,451 metric tonnes of CO₂ equivalent (mtCO₂e), an increase of 24% from the 2022 baseline.

Scope 1 emissions have reduced by 48% between 2022 and 2024, primarily driven as the company continues to make progress in transitioning its fleet toward lower-emission vehicles — by the end of 2024, 85% of company cars were electric, with the remainder being hybrids. The company remains committed to its goal of achieving a 100% electric fleet by 2030.

Scope 2 emissions have increased by 7% since 2022 due to higher energy consumption across our offices and increased occupation of office space. We strive to source 100% of purchased electricity from renewable sources by 2030.

Scope 3 emissions associated with our value chain account for 93% of our total Greenhouse Gas (GHG) emissions, with Category 4 (upstream transportation and distribution) and Category 6 (business travel) being the largest contributors.

In 2024, UK total Scope 3 emissions were 6,921 mtCO₂e. Our increase in Scope 3 emissions versus the prior and base year is primarily attributed to the increased spend on purchased goods and services driven by the company's accelerated growth during this period. Additionally, other contributing factors include external updates to associated emission factors, and other evolutionary methodology changes that further influenced the overall increase in calculated Scope 3 emissions. In an evolving Scope 3 data capture and calculation environment, we expect to consider best practices each year to provide best estimates where possible.



Emissions Reduction Targets

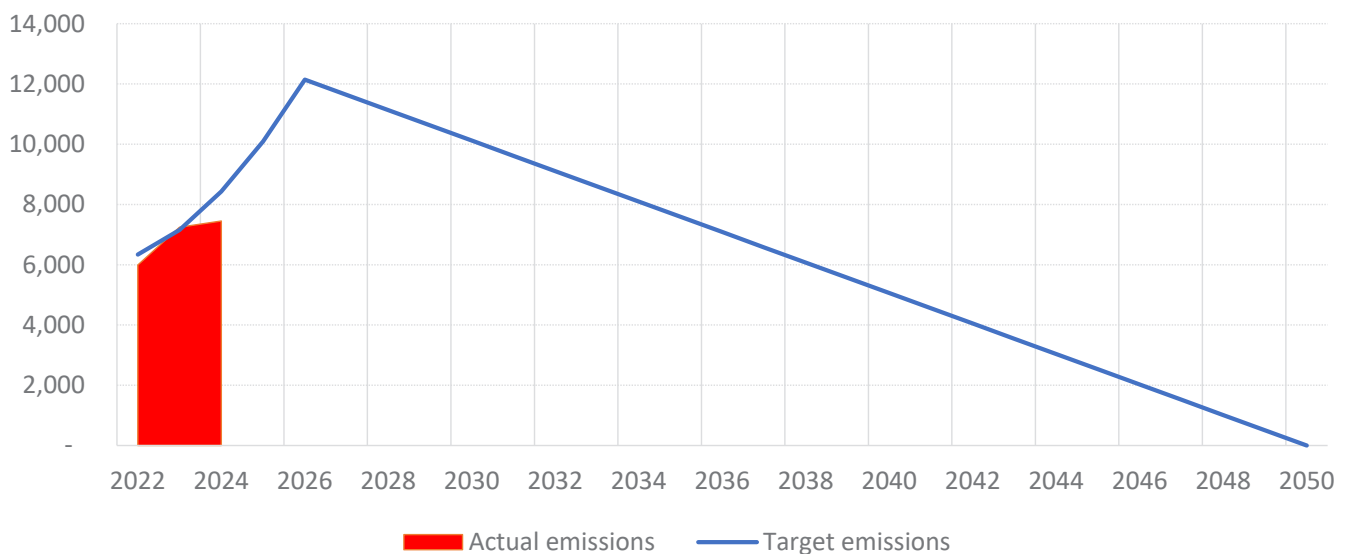
In order to make progress to achieving Net Zero, we have adopted the following carbon reduction targets.

We project that carbon emissions will increase due to the growth in the UK business in the short-term and have reflected this in our projected emissions below.

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: PROJECTED VS ACTUAL



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed and are reflected in our 2024 emissions data.

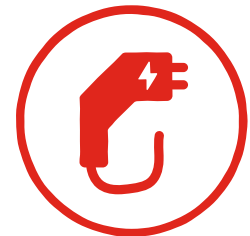
Buildings

- Since August 2021 our UK office space has been consolidated into 2 smaller office spaces in Basingstoke and Bracknell.
- These buildings are certified to high environmental standards either EBC B40 or BREEAM “very good”.
- We submitted a statutory report to the UK Government Energy Savings Opportunity Scheme (ESOS) stage 3. We reviewed the findings in the report (ESOS) and acted throughout 2023 and 2024 on highlighted energy reductions (e.g. plant equipment on the roof).
- We reduced installed lighting sensor timers from 40 minutes to 20 minutes on all office floors to reduce energy consumption.
- We follow strict waste-to-energy and recycling protocols across all our buildings, ensuring that no waste is sent to landfill. Additionally, all staff computers and electronic equipment are either resold or responsibly recycled, with no technology waste directed to landfill.
- In 2023 an Employee Sustainability Group was formed to improve awareness of environmental initiatives for work and home.



Transport

- We are transitioning our company car fleet from a mix of 50% petrol-hybrid and 50% diesel vehicles in 2019 toward a target of 100% electric vehicles by 2030, as part of our efforts to reduce greenhouse gas emissions. Following the renewal of company car fleet contracts in 2024, we have achieved 85% electric vehicles across the fleet. We increased the number of electric charging units at our sites to support the adoption of electric vehicles and bikes as part of our green travel initiatives.
- Employees are incentivised to take part in green travel initiatives such as bike to work and dedicated parking for car sharers.
- We introduced a salary sacrifice scheme for electric vehicles for all employees, allowing them to choose a greener vehicle.
- Under the Lilly@Work programme employees are encouraged to work more flexibly, reducing commuter travel to our offices.



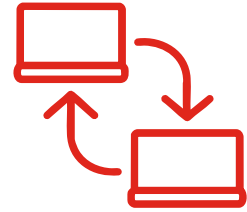
Our medicines

- We consider many factors when selecting product packaging, including sustainability aspects such as materials reuse and recyclability. We have formed a green logistics team that seeks to optimise both shipment volumes and transportation methods to reduce packaging materials and greenhouse gas emissions.
- We have consolidated our supply chain to reduce product shipments and optimise deliveries to NHS hospitals.



IT

- We are mindful that the technology we use every day to support our work can have an impact on the environment.
- All hot-desk equipment across UK sites has been designed with energy efficiency as a key priority. All staff computers are resold or recycled, no technology goes to landfill.
- We have developed a “First Expired, First Out” (FEFO) model for our IT equipment, meaning we re-use old equipment before buying new hardware.
- 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.

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

- We strive to source 100% of purchased electricity from renewable sources by 2030.
- Continuing to work with our waste suppliers to review our current waste streams within the buildings and raise awareness among all employees.

Transport

- Transitioning our company car fleet vehicles from 50% petrol hybrid and 50% diesel in 2019 to a target of 100% electric vehicles by 2030, in order to reduce our greenhouse gas emissions.

**Our medicines**

- Reducing overall packaging of products and incorporating recycled material to reduce footprint and indirect emissions.
- Continuing to partner with logistics suppliers who prioritise their own environmental impact, commit to Net Zero by 2050 and reduce fossil fuel vehicle reliance by using more biofuels and electric vehicles.
- Although it is not possible today to recycle Lilly injection devices or autoinjectors in the UK, Lilly remains committed to investigating ways to mitigate plastic waste and will continue to evaluate collaborative solutions in different geographies, including the UK. We are currently engaged in injection pen recycling pilots in Denmark, Germany, Spain, France and the US to understand the scalability of these initiatives.

Supply chain

- Globally, we are working to advance transparency across our value chain, including in our Scope 3 emissions. We have begun to engage with key suppliers and identify areas of our value chain where we could potentially drive emissions reductions. We intend to use the data gathered through our supplier engagement efforts to inform our evolving supply chain strategy related to climate change. Our aim is to find ways to collaborate across our industry peers and supply chain sectors to advance our understanding of our entire value chain, their activities and impact on our Scope 3 emissions. We are also investigating opportunities to engage with suppliers to better track and analyse our supply chain emissions.

Declaration and Sign Off

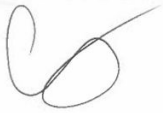
This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard² and uses the appropriate Government emission conversion factors for greenhouse gas company reporting³.

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) Standard⁴.

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:



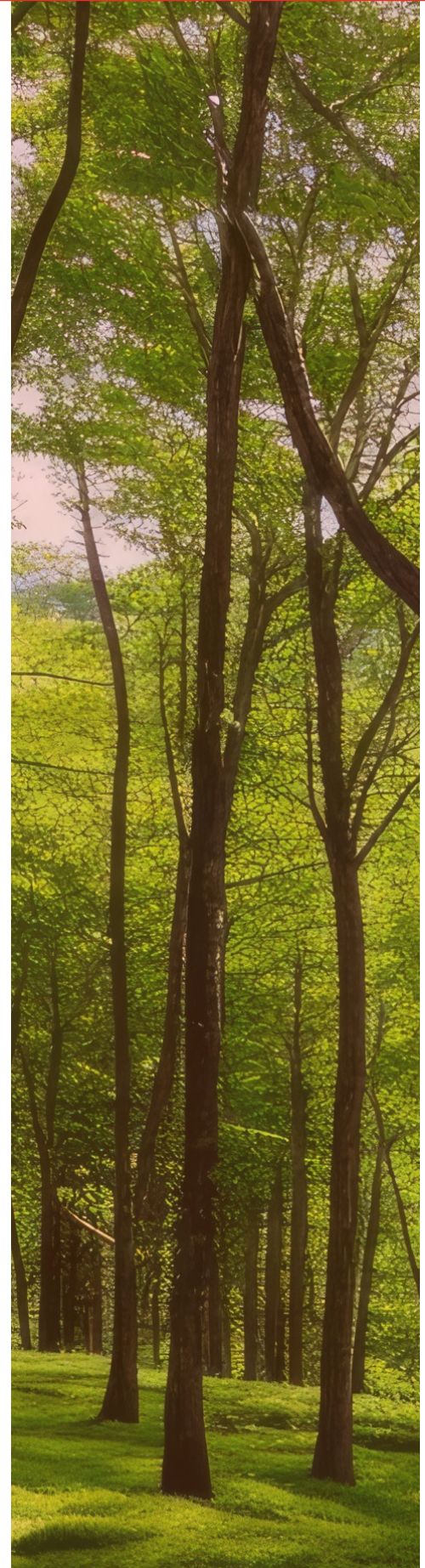
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Christopher Stokes, President and General Manager,
Lilly UK and Northern Europe

Date:

²<https://ghgprotocol.org/corporate-standard>

³<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

⁴<https://ghgprotocol.org/standards/scope-3-standard>





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