

Carbon Reduction Plan

Supplier name: Bristol Myers Squibb

Publication date: 27 March 2024

Commitment to achieving Net Zero

Bristol Myers Squibb is committed to achieving Net Zero emissions by 2050.

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.

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| Baseline Year: 2022 | |
| Additional Details relating to the Baseline Emissions calculations: | |
| BMS follows the GHG Protocol to measure our combined enterprise GHG emissions for our Scope 1, Scope 2 and 7 categories of our Scope 3 and has the data externally verified with limited assurance. In 3Q 2023, BMS expanded our Scope 3 calculations to 10 categories as part of the development of our roadmap to achieve Net Zero emissions by 2050. Limited assurance of our 10 Scope 3 categories was completed in 4Q 2023 and this additional data is shown in the Carbon Reduction Plan (assurance statements included in appendix). UK specific emissions for Scopes 1 and 2 are included as noted. The UK country specific results are reported through SECR but have not been externally verified. Our SECR reports are also included in the appendix. | |
| Baseline year emissions: 2022 | |
| EMISSIONS | TOTAL (tCO_{2e}) |
| Scope 1 | BMS Enterprise: 202,290 BMS UK: 1,228 |
| Scope 2 | BMS Enterprise (Market Based): 161,907 BMS UK: 1,108 |

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| Scope 3 (Included Sources) | Indirect GHG from Value Chain (total): 1,768,500 Category 1—Purchased Goods & Services: 1,354,700 Category 2—Capital Goods: 19,900 Category 3—Fuel & Energy-Related Activities: 76,700 Category 4—Upstream Transportation & Distribution: 137,300 Category 5—Waste Generated in Operations: 4,400 Category 6—Business Travel: 44,800 Category 7—Employee Commuting: 58,300 Category 9 Downstream transportation & distribution: 6,700 Category 12 End-of-life treatment of sold products: 3,200 Category 15 Investments: 54,900 Biogenic Carbon: 876 |
| Total Emissions | BMS Enterprise: 2,159,100 BMS UK (Scopes 1 & 2 only): 2,338 |

Current Emissions Reporting

| Reporting Year: 2022 | |
|-----------------------------|--|
| EMISSIONS | TOTAL (tCO_{2e}) |
| Scope 1 | BMS Enterprise: 202,290 BMS UK: 1,228 |
| Scope 2 | BMS Enterprise (Market Based): 161,907 BMS UK: 1,108 |

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| Scope 3 (Included Sources) | Indirect GHG from Value Chain (total): 1,768,500 Category 1—Purchased Goods & Services: 1,354,700 Category 2—Capital Goods: 19,900 Category 3—Fuel & Energy-Related Activities: 76,700 Category 4—Upstream Transportation & Distribution: 137,300 Category 5—Waste Generated in Operations: 4,400 Category 6—Business Travel: 44,800 Category 7—Employee Commuting: 58,300 Category 9 Downstream transportation & distribution: 6,700 Category 12 End-of-life treatment of sold products: 3,200 Category 15 Investments: 54,900 Biogenic Carbon: 876 |
| Total Emissions | BMS Enterprise: 2,159,100 BMS UK (Scopes 1 & 2 only): 2,338 |

Emissions reduction targets

Bristol Myers Squibb (BMS) commits to reduce absolute Scope 1+2 GHG emissions 54.6% by 2033 from a 2022 base year*. BMS commits to reduce absolute Scope 3 GHG emissions from Fuel and energy related activities 54.6% by 2033 from a 2022 base year. BMS commits that 73.6% of its suppliers by emissions covering Purchased goods and services, Capital goods, and Upstream transportation and distribution will have science-based targets by 2028.

*The target boundary includes biogenic land-related emissions and removals from bioenergy feedstocks.

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2022 baseline. The carbon emission reduction achieved by these schemes will be in effect when performing the contract.

We are committed to ambitious efforts to lower our carbon footprint, led by our 2023 Science Based Targets Initiative (SBTi) submission to achieve Net Zero emissions in Scopes 1, 2 and 3 by 2050.

We continue to drive down emissions, have achieved meaningful progress on waste minimization and renewable electricity, and have implemented many green building initiatives.

Renewable Energy

BMS continues to increase our sourcing of renewable electricity as part of our commitment to obtain 100% of purchased electricity from renewable sources by 2030. Once achieved, the procurement of electricity from renewable resources will be maintained. For renewable, we are currently at 7.5% for 2022; BMS has executed 2 virtual power purchase agreements, securing 60 MW at the Cattlemen Solar Project and 145 MW at the Blevins Solar Project. These projects are scheduled to go live in 4Q 2023 and 1Q 2026, respectively. These agreements drive BMS closer to realizing our goal of 100% of purchased electricity from renewable sources by 2030.

Product Sustainability

We integrate our sustainability principles into the development of our cutting-edge medicines and use predictive analytics and metrics throughout our design and development process to drive innovation and track our improvements. In 2022, we achieved an average 43% reduction in waste across the clinical deliveries in our small molecule drug substance portfolio, avoiding the generation of approximately 620 MT of waste across 10 projects.

Clinical trials are among the most important work we do, but across the pharmaceutical industry there hasn't been much evaluation of the carbon footprint of clinical trials. To address these issues, BMS has joined with the Pistoia Alliance, a nonprofit organization that promotes collaboration in life sciences research, as well as several other industry players to launch the Clinical Trial Environmental Impact Project.

Emissions Reduction

In 2022, 44 GHG reduction projects were initiated across our enterprise, resulting in an estimated savings of 8,500 metric tons CO₂ e/year. Most notably, a new, high-efficiency cogeneration system was installed at one of our sites that will reduce GHG emissions at the site by an estimated 3,500 metric tons CO₂ e/year—an estimated 6.7% reduction at the site level and 1.1% at the enterprise level.

Globally, our teams are working to reduce GHG emissions, increase energy efficiency and reduce waste and water use. A synergy of these elements is exemplified in our Moreton, U.K., facility. Situated on our 12-acre R&D site located between Chester and Liverpool, just three years ago Building 5 had the dubious distinction of being our most expensive site in terms of energy costs. The Facilities team in Moreton set out to change that. The goal was to significantly increase the building's energy efficiency and reduce its net CO₂ e emissions to zero.

The team retrofitted the building with a fabric insulating wrap that made it as thermally efficient as possible, and they installed high-efficiency, low-to-zero carbon heating, cooling, and lighting. Next, solar photovoltaic panels were installed on all available roof space. As a result, Building 5 was recently named one of the top four buildings in England and Wales for energy performance. Moreover, it is the only one of these top four that is occupied and air conditioned.

Our Moreton team, informed by the successful renovation of Building 5, is now planning a new, multi-million dollar building at the site, and outstanding energy performance is just one aspect of sustainability to be built into every facet. The new building is planned to be 60% bigger than the one it will replace, and yet use 68% less energy. While the building is planned to have zero greenhouse gas emissions and reduce energy costs by as much as 82%, the surrounding site is planned to save water, resist flooding, and provide an environment that promotes wellness.

We are continuing to evaluate new technologies to reduce our environmental impact, such as:

- Heat pump applications are being pursued and installed at multiple facilities to reduce Scope 1 emissions.
- At our Princeton Pike, New Jersey, facility, we are currently evaluating the feasibility of ground-source heat pump technology to eliminate natural gas consumption.
- At our Aichi, Japan, site, we have installed an electric boiler and heat pump, removing older kerosene-fired equipment.
- Automated Fault Detection & Diagnostics pilot was completed in 2022 and is being rolled out across eight sites in 2023. We have established a task force to evaluate our cogeneration facilities and the feasibility of decarbonization initiatives.

Supplier Engagement

Our global supply chains present us with the opportunity to derive great value through improvement and optimization while mitigating environmental risks associated with supply chain activities. As part of our near-term Scope 3 supplier engagement target, we will expand our supplier engagement program—encouraging suppliers to set their own Science-Aligned or formal Science Based Targets.

We have many efforts underway to engage our suppliers through education and awareness, help ensure the integrity and accuracy of our data and support in the decarbonization of our supply chain.

- We are a founding member of the Manufacture 2030 (M2030) Activate program, a collaboration launched in May 2023 between global pharmaceutical companies and active pharmaceutical ingredient supply chains (API), to decarbonize this environmentally intensive part of the value chain. Activate has rolled out in 20+ countries and includes expert advice and trainings, support in the development of new green chemistry solutions, and assistance in the creation of science-based targets.
- We joined other pharmaceutical companies in August 2022 to leverage the expertise of Schneider Electric and offer renewable energy education and access to our suppliers, providing a pathway for them to purchase renewable energy through a cohort and avoid the immense work and expense of having to do it alone. Programs like Energize are looking to find solutions to problems at scale and are a great additional lever that we leverage as part of our Scope 3 program.

Shipping & Logistics

Different modes of transportation vary in their environmental impact and levels of sustainability. When we can, we choose sea over air freight to cut carbon emissions. For

road transportation, we choose vendors that can provide fuel-efficient vehicles.

In 2022, we continued to deploy sustainable shipping containers in key international shipping lanes by converting RKN lanes to RAP lanes. We also improved truck optimization in the U.S. and Europe by right-sizing trucks with the volume shipped—resulting in an approximate reduction of ~500 tons annually. Looking ahead, we are working on several sustainability projects focused on delivering increased efficiency and reduced carbon emissions.

Transition to electric vehicles in our commercial fleet

We are expanding our use of electric vehicles (EVs) as part of our roadmap toward our 2040 target to have 100% electric vehicles in our commercial fleet. At the same time, we are also transitioning to Hybrids and PHEVs, which now account for more than 63% of our vehicles in the Asia-Pacific region and 28% of our global commercial fleet. Within the UK, BMS manages 226 Commercial Fleet vehicles, with 26% being EV or hybrid.

Waste

One of our environmental responsibility commitments is to achieve zero waste-to-landfill by 2040 and we are on track to achieve this goal well in advance of the 2040 target. Through 2022, BMS has diverted ~83.5% of our waste-to landfill. While our waste volumes increased year over year due to a return to pre-pandemic levels and network expansion, additional recycling and reuse implementation helped to increase our overall recycling/reuse rate. In 2022, BMS recycled/reused ~46% of the total waste generated.

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 standard⁴ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁵.

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) Standard⁶.

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:



Annie ONG
Finance Director

Date: 27 March 2024

⁴<https://ghgprotocol.org/corporate-rate-standard>

⁵<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

⁶<https://ghgprotocol.org/standards/scope-3-standard>