



Environmental Performance Report 2020

LEO Pharma manufacturing sites



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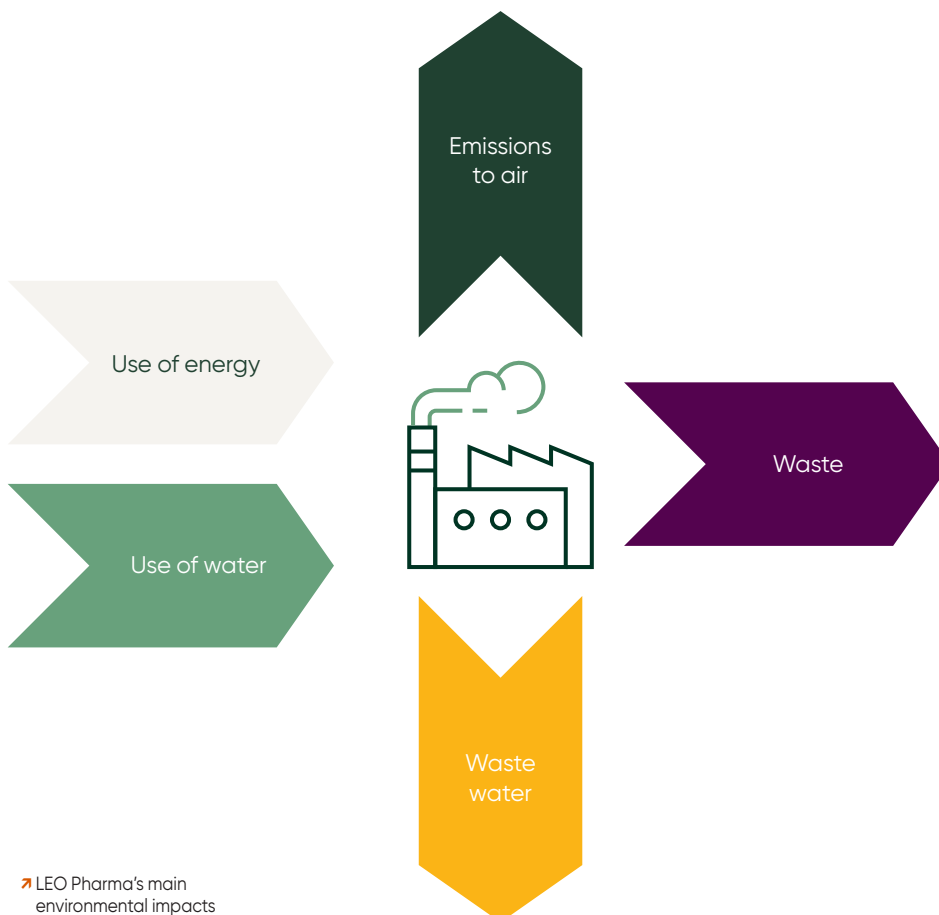
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Manufacturing sites

At LEO Pharma, we are committed to reducing the impact our business activities have on the environment. We foster a workplace where employees can thrive and manage our environmental footprint to promote a healthy planet. This report refers to the environmental performance of our manufacturing sites, for safety performance please refer to our annual report.

Our six manufacturing sites are the main focus area of this report, as this is where LEO Pharma operations have the most significant impact on the environment. All six of the LEO Pharma manufacturing sites are located in Europe, with two in Denmark (Ballerup and Esbjerg), one in France (Vernouillet), two in Ireland (Dublin and Cork) and one in Italy (Segrate). **The site in Italy was acquired in the middle of 2019 and data from this site is included from 2020.** LEO Pharma previously operated a manufacturing site in Southport Australia, this was decommissioned in 2017 and as a result is not included in 2018-2019 data. All LEO Pharma manufacturing sites are certified to ISO 14001 and - all except the manufacturing site in France - are also certified to ISO 50001.

This report covers LEO Pharma's main impacts on the environment, which are the use of energy and water, generation of waste and waste water, indirect and direct emissions of greenhouse gases and other air emissions.



➤ LEO Pharma's main
environmental impacts



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LEO Pharma's environmental and energy impacts at a glance

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---------|---------|---------|---------|-----------|---------|
| Total energy consumption (MWh) | 124,119 | 127,537 | 126,540 | 116,473 | 119,327** | 139,688 |
| Energy intensity (MWh/tonne) | 23.56 | 23.61 | 27.11 | 23.47 | 20.68 | 21.24 |
| Share of electricity from renewable sources (%) | 53% | 55% | 58% | 61% | 62% | 54%*** |
| GHG emissions (scope 1+2, tonnes CO _{2e})* | 30,891 | 31,687 | 32,092 | 28,853 | 29,446 | 24,012 |
| Direct GHG emissions (scope 1, tonnes CO _{2e})* | 15,332 | 15,996 | 15,183 | 14,530 | 14,629 | 17,353 |
| Direct GHG emissions (scope 2, tonnes CO _{2e})* | 15,559 | 15,691 | 16,910 | 14,324 | 14,817 | 6,659 |
| Total water input (M ³) | 322,196 | 360,187 | 304,370 | 297,734 | 322,520 | 374,554 |
| Total waste output (tonnes) | 82,947 | 78,969 | 70,219 | 56,241 | 68,209 | 87,939 |
| Complaints | 1 | 3 | 2 | 2 | 9 | 8 |
| Environmental incidents | 67 | 34 | 14 | 35 | 25 | 21 |
| ISO 14001 certified sites | 5 | 5 | 5 | 5 | 5 | 6 |
| ISO 50001 certified sites | 1 | 1 | 1 | 1 | 4 | 5 |

* GHG emissions have been calculated in accordance with the Greenhouse Gas Protocol (GHG Protocol) until 2019. From 2020 a new CO₂ calculation tool has been implemented and as a result, data with previous years may not be differently comparable. This new tool is in accordance with the GHG protocol. Scope 2 and the total CO₂ emissions have been recalculated from 2014 to 2019 using a new emission factor for district heating. For scope 2 we use the market-based approach.

** An error in gas consumption for Site Ballerup Dec 2019 has been found. 28224 MWh has therefore been corrected to 28.613 MWh. This affects the rest of the energy dependant figures 2019 as well.

*** Change of methodology for renewable energy % calculations from 2020.

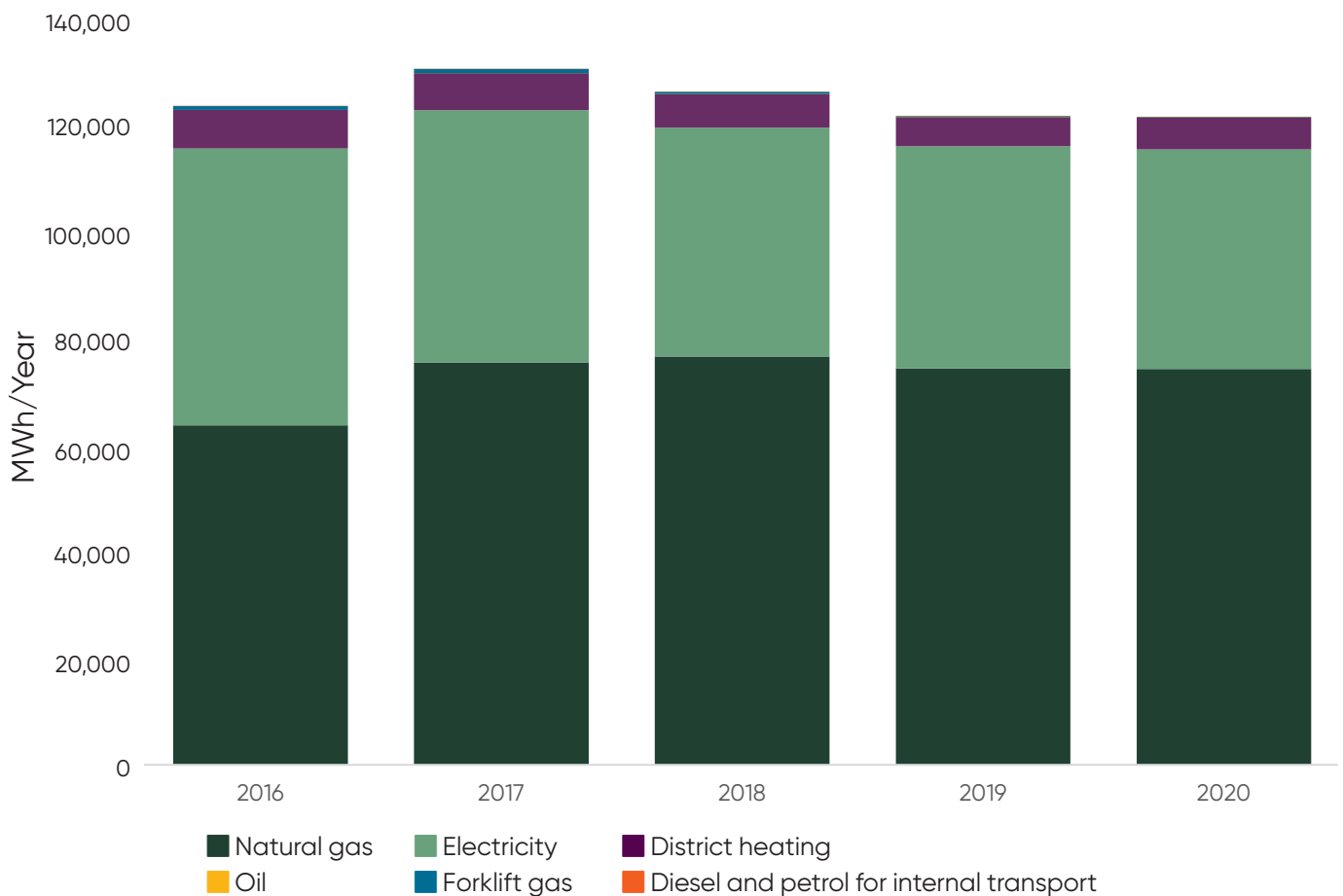


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Inputs → Energy

| Energy consumption (MWh) | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|--------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Denmark | 68,617 | 72,280 | 70,356 | 63,530 | 66,281* | 65,569 |
| France | 17,439 | 16,841 | 16,408 | 16,711 | 16,277 | 17,761 |
| Ireland | 36,278 | 37,230 | 38,149 | 36,232 | 36,769 | 36,290 |
| Italy | - | - | - | - | - | 20,069 |
| Australia | 1,567 | 1,022 | 1,415 | - | - | - |
| Total | 123,901 | 127,373 | 126,328 | 116,473 | 119,327 | 139,688 |

*An error in gas consumption for Site Ballerup Dec 2019 has been found. 28224 MWh has therefore been corrected to 28.613 MWh.





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Inputs → Water

| Water consumption (M ³) | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|-------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Water input by country: | | | | | | |
| Denmark* | 176,646 | 181,892 | 175,814 | 146,004 | 176,016 | 160,005 |
| France | 41,990 | 31,285 | 26,123 | 26,634 | 28,636 | 28,927 |
| Ireland | 102,257 | 145,242 | 101,403 | 125,096 | 117,868 | 108,986 |
| Italy | - | - | - | - | - | 76,636 |
| Australia | 1,303 | 1,768 | 1,030 | - | - | - |
| Total | 322,196 | 360,187 | 304,370 | 297,734 | 322,520 | 374,554 |

* Low input in 2018 due to a period of production shutdown.

Outputs → Waste

| Waste generated by manufacturing sites (tonnes) | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Waste output by country: | | | | | | |
| Denmark* | 80,204 | 76,733 | 68,523 | 54,343 | 65,886 | 85,316 |
| France | 735 | 765 | 632 | 620 | 488 | 579 |
| Ireland | 999 | 1,044 | 1,064 | 1,279 | 1,835 | 1,332 |
| Italy | - | - | - | - | - | 712 |
| Australia | 1,009 | 427 | - | - | - | - |
| Total | 82,947 | 78,969 | 70,219 | 56,241 | 68,209 | 87,939 |

Waste by treatment rate:

| | | | | | | |
|--------------------------------------|--------|--------|--------|--------|--------|-------|
| Recycling** | 98.52% | 98.37% | 98.45% | 98.54% | 98.04% | 98.16 |
| Special treatment | 0.29% | 0.27% | 0.19% | 0.26% | 0.16% | 0.20 |
| Incineration with energy recovery | 0.94% | 1.06% | 0.77% | 1.44% | 1.30% | 0.89 |
| Incineration without energy recovery | 0.38% | 0.41% | 0.46% | 0.30% | 0.40% | 0.23 |
| Landfill | 0.10% | 0.04% | 0.09% | 0.16% | 0.12% | 0.52 |

* Low output in 2018 due to a period of production shutdown.

** High recycling rate driven by process at Esbjerg site where residual waste is processed and used as fertilizer or for production of biogas.



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Outputs → Waste water

| Waste water | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Waste water (M³): | | | | | | |
| Denmark | 141,292 | 154,465 | 145,634 | 112,192 | 133,440 | 116,897 |
| France | 51,989 | 29,917 | 31,698 | 26,087 | 22,875 | 32,369 |
| Ireland | 68,074 | 82,443 | 92,036 | 100,452 | 96,076 | 87,435 |
| Italy | - | - | - | - | - | 56,873 |
| Australia | 380 | 158 | - | - | - | - |
| Total | 261,735 | 266,983 | 269,368 | 238,731 | 252,391 | 293,574 |
| Chemical oxygen demand COD (tonnes): | | | | | | |
| Denmark | 343 | 335 | 453 | 230 | 381 | 571 |
| France | 9 | 9 | 9 | 9 | 7 | 7 |
| Ireland | 30 | 28 | 31 | 27 | 31 | 30 |
| Italy | - | - | - | - | - | 0 |
| Australia * | - | - | - | - | - | - |
| Total | 381 | 371 | 493 | 266 | 419 | 608 |
| Total organic carbon TOC (tonnes): | | | | | | |
| Denmark | 114 | 112 | 151 | 77 | 96 | 88 |
| France | 3 | 3 | 3 | 3 | 2 | 2 |
| Ireland | 10 | 9 | 6 | 7 | 8 | 8 |
| Italy | - | - | - | - | - | - |
| Australia* | - | - | - | - | - | - |
| Total | 127 | 124 | 160 | 86 | 106 | 98 |

* COD and TOC were not routinely measured by Southport, Australia site.



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Outputs → Emissions to air

| Emissions to air (tonnes) | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Organic solvents: | | | | | | |
| Denmark* | 8 | 5 | 60 | 34 | 3 | 4 |
| France** | 8 | 4 | 4 | 5 | 5 | 5 |
| Ireland | - | - | - | - | 1 | 1 |
| Italy | - | - | - | - | - | - |
| Australia | - | - | - | - | - | - |
| Total | 16 | 9 | 64 | 38 | 9 | 10 |
| CO₂ scope 1 emissions***: | | | | | | |
| Denmark | 6,840 | 7,297 | 6,900 | 6,538 | 6,528 | 6,796 |
| France | 1,954 | 1,912 | 1,799 | 1,855 | 1,769 | 1,849 |
| Ireland | 6,522 | 6,784 | 6,484 | 6,137 | 6,332 | 6,424 |
| Italy | - | - | - | - | - | 2,284 |
| Australia | 15 | 3.5 | 0.40 | - | - | - |
| Total | 15,332 | 15,996 | 15,183 | 14,530 | 14,629 | 17,353 |
| NO_x: | | | | | | |
| Denmark | 5 | 6 | 5 | 5 | 5 | 5 |
| France | 1 | 1 | 1 | 1 | 1 | 1 |
| Ireland | 12 | 12 | 12 | 11 | 11 | 11 |
| Italy | - | - | - | - | - | 2 |
| Australia | 0 | - | - | - | - | - |
| Total | 18 | 18 | 18 | 17 | 17 | 19 |
| SO₂: | | | | | | |
| Denmark | 0.0370 | 0.0700 | 0.0340 | 0.0320 | 0.0310 | 0.0370 |
| France | 0.0200 | 0.0300 | 0.0260 | 0.0300 | - | - |
| Ireland | - | - | - | - | - | - |
| Italy | - | - | - | - | - | 0.0123 |
| Australia | 0.0900 | - | - | - | - | - |
| Total | 0.1470 | 0.1000 | 0.0600 | 0.0620 | 0.0310 | 0.0493 |
| Ozone depleting substances ODS: | | | | | | |
| Denmark | 0.0450 | 0.0470 | 0.0220 | - | - | - |
| France**** | 0.0042 | - | - | - | - | 0.0020 |
| Ireland | 0.0605 | 0.0723 | - | - | - | - |
| Italy | - | - | - | - | - | - |
| Australia | - | - | - | - | - | - |
| Total | 0.1097 | 0.1193 | 0.0220 | - | - | 0.0020 |

* Increase in organic solvent emissions in 2017 due to insufficient regenerations of carbon filter at Ballerup site.

** 2019 data included for France.

*** CO₂ scope 1 (direct emissions) calculated using methodology from Greenhouse Gas Protocol (World Resources Institute 2015 GHG Protocol tool for stationary combustion V4.1) until 2019. From 2020 an new CO₂ calculation tool has been implemented and as a result, data with previous years may not be differently comparable. This new tool is in accordance with the GHG protocol. Scope 1 CO₂ emissions for Ireland 2018 has been updated. CO₂ calculations do not include car fleet.

**** Due to leak of chiller (EG017/EG018)



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Complaints and environmental incidents

| Complaints and environmental incidents | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| No. of complaints: | | | | | | |
| Denmark* | 1 | 3 | 1 | 1 | 4 | 5 |
| France | - | - | - | - | - | - |
| Ireland* | - | - | 1 | 1 | 5 | 3 |
| Italy | - | - | - | - | - | - |
| Australia | - | - | - | - | - | - |
| Total | 1 | 3 | 2 | 2 | 9 | 8 |
| No. of environmental incidents reported to the authorities: | | | | | | |
| Denmark | 45 | 28 | 9 | 3 | 6 | 9 |
| France | 12 | - | - | - | 1 | - |
| Ireland | 10 | 6 | 5 | 32 | 18 | 12 |
| Italy | - | - | - | - | - | - |
| Australia | - | - | - | - | - | - |
| Total | 67 | 34 | 14 | 35 | 25 | 21 |

* Four of the complaints in Ballerup in 2020 are related to smell, one is related to light from the construction site. The complaints in Dublin are related to noise – one from a fire alarm and two related to general noise level on the site. This is different from 2019 where 8 of 9 were related to noise from construction sites.

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