



Is net-zero an achievable target for pharma?

The pharmaceutical industry has arguably been slow to prioritise the environment and sustainable strategies. Not because of an unwillingness to change, but due to the absence of a clearly defined path for viable change. Prioritisation, rightly so, has been put on the provision of safe, and compliant essential medicines, and protecting global supply chains to ensure that people affected by disease receive medicines when and where they need them.

The COVID-19 pandemic facilitated a noticeable shift in attitudes towards collaboration and achieving a common goal with stakeholder groups who previously operated in isolation of each other, coming together to work collaboratively.

What recent events have taught us is that provision of safe and compliant medicines and sustainability are not mutually exclusive. There is no excuse for the pharmaceutical industry and its affiliates not to come together to upscale our corporate Environmental, Social, and Governance (ESG) strategies.

We can't wait any longer to take action: our climate emergency

Within any ESG strategy there needs to be a strong focus on the 'E'. Global warming is undoubtedly one of the most serious and prevalent challenges of our time. Carbon dioxide levels are currently measured at 420 ppm, which is well over 150% of the value recorded in 1750.¹ Average global temperatures have risen by 1.1°C since the 1800s and, as a result, we are already facing a direct impact on public health, with climate-related factors claiming the lives of 13 million people annually.²



As called for in the Paris Agreement and echoed by the United Nations' (UN) global call to action, carbon emissions need to be reduced by 45% by 2030 and reach net zero by 2050.³ The intent is there, the need irrefutable, the question now is – how do we do it?

The importance of accountability in moving towards net-zero

Net-zero ambitions and targets have come under a lot of scrutiny over the past few years.

While many companies pledge to become carbon neutral (or 'net-zero' to rightly take into account all greenhouse gases), many have been accused of 'greenwashing' (giving a false impression of how environmentally sound they are), as they either have no formalised or approved plan in place to achieve net zero and/or monitor progress or place too much reliance on offsetting, rather than attempting to actually cut their emissions.

The Science-Based Target initiative (SBTi) is the first ever science-based framework for corporate organisations to achieve their net-zero targets.⁴ It details how much and how quickly organisations need to reduce their emissions to limit climate change.

Around 2,489 companies have pledged to take action with science-based targets that are formally validated by the independent SBTi. Pharmanovia is one such company, believing that reporting measurable outcomes on a regular basis is the only way to build trust that the pharmaceutical industry is truly committed to action with tangible, near-term (and long-term) environmental benefit. Its business model revolves around sustainable healthcare innovation, in fact, looking at how to reuse and recycle established medicines and thus reduce the impact of clinical development.

What are the areas in which pharma can set measurable targets to be validated by the SBTi?

Taking Pharmanovia as an example, an emission reduction strategy can comprise six focussed workstreams:

- **Air to sea:** switching air freight to sea freight, where possible
- **Vehicle fleet:** switching fleet vehicles to hybrid/electric or electric only
- **Business travel:** Minimising business travel, electing public transport over car mileage
- **Purchased IT and infrastructure:** Sourcing mains-powered technology and systems hosted on renewable energy platforms
- **Sustainable development:** Sourcing purchased goods from business partners powering their manufacturing facilities with renewable energy
- **Distribution:** Sourcing logistics services from business partners powering their transportation modes with renewable energy sources

Defining the areas for improvement are important, but the targets must be measurable and trackable to create a meaningful, lasting impact. Looking to Pharmanovia's efforts in reducing the impact of goods transportation, for instance, significant progress has already been made with an air-to-sea freight programme launched in August 2022, which avoided 470,000kg of potential CO2 emissions.



A strong ESG strategy is fundamental to net zero ambitions and the sustainability of pharma

Little impact can be achieved through reactive pharma tactics, but instead a robust ESG strategy is needed for every organisation with full buy-in from senior leadership and ESG accountability embedded across the organisation. The industry must acknowledge that this also extends beyond the business, addressed throughout all business operations, with any partners, and across the supply chain.

However, vetting third-party suppliers across the globe to align with your sustainable practices - a barrier that many face - is not easy. The pharma industry must take responsibility to educate and vet suppliers on compliance and be transparent.

Ultimately, pharma companies are committed to improving the health of humanity. Our environment is inextricably linked to health and so it must be a core part of any pharma strategy. With more and more companies showing what's possible to do differently, there are no excuses for climate change policies to slip through the net of responsibility.

References

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About the author



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