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Seven pharma CEOs announce new joint action to accelerate net zero healthcare

All seven global companies' near-term targets aligned to the 1.5°C pathway

Endorsement of commitments and action by health systems partners

CEOs from AstraZeneca, GSK, Merck KGaA, Novo Nordisk, Roche, Samsung Biologics and Sanofi today announced joint action to achieve near-term emissions reduction targets and accelerate the delivery of net zero health systems. For the first time, the global health sector has come together to reduce greenhouse gas emissions through the Sustainable Markets Initiative (SMI) Health Systems Task Force, a public-private partnership launched at COP26.

The Task Force is taking scalable action to collectively address emissions across supply chains, patient care pathways, and clinical trials. This includes aligning on a set of common supplier standards to incentivise decarbonisation efforts across the supply chain, and jointly pursuing renewable power purchase agreements and green transportation corridors. Task Force members will build an end-to-end care pathway emissions calculation standard and tool that allows stakeholders to measure and track emissions across the care pathway, and will publish product-level life cycle assessments (LCA) data to increase transparency on treatment emissions. In addition, a common framework to measure the emissions from clinical trials will be created.

The connection between climate change and the health of humanity is proven and profound. Non-communicable and infectious diseases, malnutrition, threats to mental health and premature deaths are all increasing as a result of the climate crisis, with vulnerable populations most at risk. Air pollution causes seven million premature deaths globally each year¹ and extreme heat kills another 5 million annually.^{2,3} Health systems are responding to the impacts of the climate crisis but are also responsible for 4-5% of total global net emissions, equating to 2.4 gigatonnes of carbon dioxide equivalent.⁴

Pascal Soriot, Chief Executive Officer, AstraZeneca, and Champion of the SMI Health Systems Task Force said: "Climate change is the greatest global health threat of our time. During the pandemic, the healthcare sector stepped up and showed what can be achieved when we work together. Today, we act with the same urgency to tackle the climate crisis, with the collective commitments announced by the Sustainable Markets Initiative Health Systems Task Force setting a benchmark for others to drive action."

"The case for decarbonising our health systems is clear, and failing to keep the 1.5°C goal alive will have irreversible impacts on global health," said Dr Tedros Adhanom Ghebreyesus, Director-General of the World Health Organization. "Transitioning to low-carbon, climate-resilient health systems is essential for every country's journey towards universal health coverage. The commitments announced today demonstrate the power of public-private partnership to achieve positive and sustainable change for the health of people and the planet."

Today, member companies of the Task Force unveiled their shared commitments to decarbonise at pace in three priority areas, which have been identified as drivers of the greatest positive impact in the sector: supply chains, patient care pathways, and clinical trials. Specific actions announced today areas include:

- 1. Recognising that supply chain emissions drive over 50% of overall health care emissions, the Task Force members today announced they are committed to net zero emissions and will:
 - align on a set of common supplier standards
 - switch to renewable power
 - jointly evaluate renewable power purchase agreements in China and India in 2023
 - explore green heat solutions by 2025 to accelerate the adoption of scalable technologies
 - transition car fleets to zero-emission vehicles by 2030 and jointly explore green transportation corridors by 2025



- 2. There is a significant opportunity to reduce the emissions of patient care, which contribute to approximately 45% of overall health care emissions, while simultaneously improving health outcomes. The Task Force will:
 - collaborate with stakeholders including health policy makers, regulators, payers, providers, healthcare professionals and patient groups to raise awareness on the need and opportunity to decarbonise care pathways
 - build an end-to-end care pathway emissions calculation standard and tool for specific diseases that allows stakeholders to measure and track emissions across the care pathway and assess decarbonisation strategies
 - align on a common framework to perform LCAs, with private sector members also committed to publishing product-level LCA data across their product portfolio to increase transparency on treatment emissions
- 3. The Task Force is committing to leverage digital health solutions to decarbonise clinical trials and will:
 - commit to a common framework by 2023 and subsequently start to measure greenhouse gas emissions in phase 2 and 3 clinical trials. Companies aim to report phase 2 and 3 trial emissions for trials starting in 2025
 - align new trials to companies' decarbonisation pathway and set trial emissions reduction targets for 2030 at the latest
 - incentivise clinical research organisations and clinical trial-related suppliers to commit to a framework to measure and reduce emissions, including through the use of digital solutions
 - target 90%+ of trials starting in 2025 to include a review of how digital solutions can reduce emissions

In addition to private sector members, the SMI Health Systems Task Force includes leaders from the World Health Organization (WHO), UNICEF, and healthcare, academic and non-governmental organisations. The Task Force is partnering with the WHO-convened <u>Alliance for Transformative Action on Health and Climate (ATACH)</u> to provide recommendations to over 60 governments that have committed at Minister of Health level to deliver climate resilient and low carbon health systems.

To support health systems stakeholders accelerate towards net zero, the Task Force has today published three whitepapers outlining practical recommendations and scalable actions:

- Decarbonising Healthcare Supply Chains
- Decarbonising Patient Care Pathways
- The Digital Solution for Sustainability in Clinical Research

All published whitepapers can be viewed by visiting <u>https://www.sustainable-markets.org/Taskforces/health-systems-Taskforce/</u>.

Ends

Sustainable Markets Initiative

In his former role as His Royal Highness The Prince of Wales, His Majesty King Charles III launched the Sustainable Markets Initiative (SMI) at Davos in January 2020. The SMI is a network of global CEOs across industries working together to build prosperous and sustainable economies that generate long-term value through the balanced integration of natural, social, human, and financial capital. These global CEOs see themselves as the 'Coalition of the Willing' helping to lead their industries onto a more ambitious, accelerated, and sustainable trajectory. Read more: www.sustainable-markets.org

Terra Carta

In his former role as His Royal Highness The Prince of Wales, His Majesty King Charles III launched the Terra Carta at the One Planet Summit in January 2021. The Terra Carta serves as the mandate for the SMI and provides a practical roadmap for acceleration towards an ambitious and sustainable future; one that will harness the power of Nature combined with the transformative power, innovation, and resources of the private sector. Currently there are over 500 CEO-level supporters, including the first C40 city of Athens, Greece. The Terra Carta has served as the inspiration for the Terra Carta Design Lab. The Terra Carta is a roadmap for public, private, and philanthropic collaboration and open to all countries, cities, companies, organizations, and schools who wish to support it. Read more: www.sustainable-markets.org/terra-carta



Sustainable Markets Initiative Health Systems Task Force

The SMI Health Systems Task Force launched at the 26th United Nations Climate Change Conference (COP26) with the central aim of accelerating the delivery of net zero, patient-centric healthcare systems that improve individual, societal, and planetary health. The public-private partnership brings together CEOs and leaders from AstraZeneca, GSK, Merck, Novo Nordisk, Roche, Samsung Biologics, Sanofi, the Karolinska Institutet, National Health Service England, the Sustainable Healthcare Coalition, UNICEF, the University of Pavia, and the World Health Organization (WHO).

COP27

COP27 will take place in Sharm El Sheikh, Egypt from 6-18 November 2022. The Government of Egypt have laid out ten key themes for COP27 including topics such as Biodiversity, Adaptation and Agriculture, Decarbonisation, and Youth and Future Generations. Following the pledges and ambitions set out at COP26, COP27 will see global political, supported by science, generate the implementation of ambitious goals from mitigation and adaption to finance and global collaboration.

References

¹Burden of disease attributable to joint effects of household and ambient air pollution, WHO 2022

²Global study published in The Lancet Planetary Health Journal, June 2021

³ Professor Adrian Barnett Public Health and Social Work, at Queensland University of Technology

⁴ Health Care's Climate Footprint, 2019, Health Care Without Harm, Arup