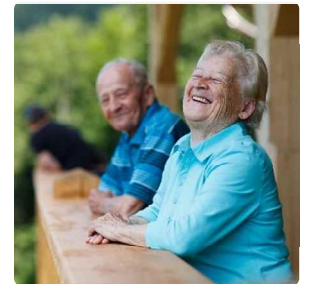




Healthy planet, healthy people

Environmental sustainability





**We're committed to a net zero,
nature positive, healthier
planet, with ambitious goals
set for 2030 and 2045**

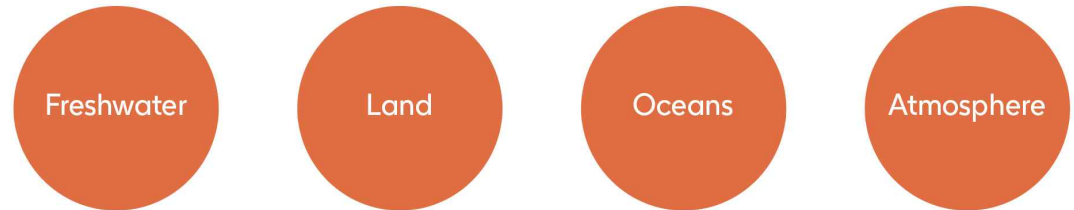
Image: Community Reforestation Project, Ghana

Our approach to nature

- Setting Science Based Targets for Nature is an important step in prioritising action that aims to reduce our impact on nature. Our ambition is to go beyond the SBTN standard and contribute to a nature positive world.

We aim to contribute to a nature positive world in line with the goal of the Global Biodiversity Framework to halt and reverse biodiversity loss by 2030

We approach nature through four focus areas:



We deliver our contribution in three ways:

1. Avoiding and reducing our impacts on nature across our full value chain
2. Protecting and restoring nature
3. Accelerating collective action on nature

Strategy overview

Our environmental sustainability targets

Net zero impact on climate*

- 100% renewable electricity by 2025 (scope 2)
- 80% reduction in carbon emissions and investment in nature-based solutions for the remaining 20% of our footprint by 2030 (all scopes)
- Net zero emissions across our full value chain by 2045 (all scopes)

Targets use 2020 as baseline

* Linked with the remuneration of our senior leaders

¹ Below the predicted no-effect level

² GSK sites

³ Target updated in December 2021 to reflect priority materials

⁴ Including a 20% reduction in routine hazardous and non-hazardous waste

⁵ Where regulatory obligations allow, and excluding plastics which are critical to product discovery and development and health & safety

Contributing to a nature positive world*

Freshwater

- 100% of our sites to achieve good water stewardship by 2025 and reduce overall water use by 20% by 2030
- Water neutral in operations and with key suppliers in water-stressed regions by 2030
- Zero impact active pharmaceutical ingredient levels¹ for all our sites and key suppliers by 2030*

Land

- Positive impact on biodiversity at all sites² by 2030
- 100% of agricultural and forestry derived materials sustainably sourced and deforestation free by 2030³ *

Oceans

- 100% of marine-derived materials sustainably sourced by 2030

Atmosphere

- 100% renewable electricity by 2025 (Scope 2)*
- 80% reduction in carbon emissions across our full value chain by 2030*
- Net zero carbon emissions across our full value chain by 2045*

Waste and materials

- Zero operational waste⁴, including eliminating single use plastics⁵ by 2030*
- 10% waste reduction from supply chain by 2030
- 25% environmental impact reduction for our products and packaging by 2030



← Across our entire value chain – from lab to patient use and disposal →



Protecting and restoring nature

Image: Community Reforestation Project, Ghana

Driving collective action: Learnings from deepening our understanding of our nature impacts and dependencies

1.

Accurate data is key to full analysis, but don't delay action

We all want data that's scientifically accurate and is also practical for the business to act on. So build in detailed business data at the very first steps of analysis: product line, the supplier, the spend and the source geography. It would be much harder to add it in later. But do not delay action while waiting for perfection or for the science to mature; take no regret actions by addressing your material nature impacts.

2.

Solutions demand traceability so working with suppliers is key

We have found that our most significant impact is through complex products that we buy from suppliers, especially active pharmaceutical ingredients. These materials are critical for healthcare, which is why we need to secure the sustainable supply of these ingredients – for our business, our sector and for people's health.

To achieve this, engagement with suppliers and partners is non-negotiable. To ensure accountability and drive change, we have to increase levels of transparency on where and how materials are sourced, often well beyond the suppliers we procure directly from. That's why getting information from and partnering with suppliers is a critical part of setting and hitting targets.

3.

Find and harness the nature and climate co-benefits

Climate and nature can be two sides of the same coin – with interdependencies and multiplying impacts. So while it's necessary to have both climate and nature ambitions, mapping materiality across both agendas can help spot opportunities and potential trade-offs. We have found that often the most impactful levers drive positive change on both fronts. For example, we know that the Active Pharmaceutical Ingredient supply chains are the largest contributor to our upstream carbon emissions as well as a significant part of our impact on water, so engaging with these suppliers will deliver against both our climate and nature goals.

4.

We win or lose at a local level – where the pressures on nature and health are felt

While carbon emissions are a global phenomenon, nature degradation is local and interacts with threats to health and resilience locally. Work to create healthy and sustainable ecosystems requires partnership with local communities, who are best placed to know and deliver workable solutions, often a broad range of interventions across a specific landscape – from operational change to nature-based solutions.

5.

Nature is a business resilience issue

As a pharmaceutical company this work shows very real risks to supply chain and operational resilience from the degradation of the natural world. Performing this analysis is helping us understand our own nature exposures, which may prove to be just as significant as climate risks. A reduction in our reliance on natural resources reduces cost, improves supply management, and ensures continued delivery of medicines and vaccines to the people who need them. For example, from our initial analysis we know that many of our Active Pharmaceutical Ingredient (API) suppliers are located in high water stressed areas and that water is an important part of their manufacturing process. Our medicines rely on these APIs, so delivering our water targets will help to ensure supply chain resilience for these key ingredients.

How can businesses work with the G7 to develop nature positive economies?

- Provide policy ambition and legislative framework to enable business action
- Create opportunities for companies to share best practice and learn from one another
- Adopt ambitious National Biodiversity Strategy and Action Plans (NBSAPs), including clarity on the role of businesses
- Implement Target 15 of Global Biodiversity Framework to stimulate business action
- Consider co-benefits for health from implementing nature policies