

## OPEN LETTER ON SUPPLIER TARGETS FROM MEMBERS OF THE SUSTAINABLE MARKETS INITIATIVE HEALTH SYSTEMS TASK FORCE

Dear Supplier,

The climate crisis is one of the most urgent risks to global health. The science is clear: there is a rise in non-communicable and infectious diseases due to climate change, with seven million people dying prematurely each year from air pollution alone. At the same time, the healthcare sector contributes approximately 5% of global greenhouse gas emissions, with around half of this footprint coming from healthcare supply chains.

Joint action at scale is needed to move the needle. Driven by this urgency, we, as the global leaders of seven global biopharmaceutical companies, have united with the World Health Organization (WHO) and key public sector partners through the Sustainable Markets Initiative, to accelerate the transition to net zero, patient-centric health systems. As a partner to the WHO-led [Alliance for Transformative Action on Climate and Health](#) (ATACH), we also aim to share our knowledge, experience and positive contribution with ATACH partners and over 70 countries worldwide.

Healthcare supply chains must become greener, more efficient and circular. We must work across the value chain to decarbonise operations and do all we can to move away from fossil-fuelled heat and power. Having launched a set of [core commitments](#) at COP27, we are scaling our impact above and beyond the actions we are taking within our own organisations. As part of this, we have set [joint, minimum climate and sustainability targets](#) for suppliers which aim to address emissions across the value chain and reduce the complexity of multiple asks.

These joint, minimum supplier targets are as follows<sup>1</sup>:

- Assess and disclose Scope 1, 2, and 3 emissions<sup>2</sup> by 2025
- By 2025, commit to set near-term targets aligned with the 1.5 degree pathway (SBTi)
- By 2025, set targets to reduce waste (including solvents) and energy and reuse materials in manufacturing
- Commit to switch to at least 80% renewable power<sup>3</sup> by 2030 and make commitment public
- By 2030, explore options to source green heat
- Transport suppliers to make SBTi-aligned commitments by 2025 and include green transportation solutions in their core offering by 2030
- Commit to set standards for own suppliers
- Set targets to increase water efficiency and commit to adopt water stewardship standards

As a valued partner, we urge you to sign up to these targets as a minimum and share them onwards across your network. Shifting to net zero, climate resilient health systems cannot be achieved in siloes. We must collaborate, across the sector and across borders, to secure a healthier tomorrow.

Sincerely,



Lars Fruergaard Jørgensen  
CEO, Novo Nordisk



Belén Garijo  
CEO, Merck



Paul Hudson  
CEO, Sanofi



John Rim  
CEO, Samsung Biologics



Severin Schwan  
Chairman, Roche



Pascal Soriot  
CEO, AstraZeneca



Emma Walmsley  
CEO, GSK

1. These supplier targets apply only to suppliers of the healthcare business of each private sector member; In cases where our organisations have more stringent requirements than those laid out here, the more stringent requirement takes precedence; 2. All of scope 1 & 2, and 3.1, 3.2, 3.3 & 3.4; 3. Excluding nuclear, and for biofuels, ensuring that feedstock meets sustainability criteria (including having low LULUCF emissions). Target may vary by market based on local market constraints  
Note: This letter is issued in compliance with relevant anti-trust and competition law considerations