

Climate change

Lundbeck recognises climate change as an important issue and has conducted energy-conserving activities for many years to benefit our business and the environment.

Our Health, Safety and Environment (HSE) strategy is making a firm commitment to reduce our global CO₂ emissions and confirms our ambition to be among the leaders within the pharmaceutical industry. Our aim is to have Net zero emissions by 2050. Additionally, we have a near term target to reduce carbon emissions from production and fleet (scope 1 and 2) by 65% and to reduce 2/3 of our carbon footprint outside our premises (scope 3) by 40% in 2034 compared to the baseline year 2019. This target is aligned with Science based targets Net-zero standard.

Our strategy obliges Lundbeck to:

- Reduce our CO₂ emissions through energy reductions and by gradually changing fossil fuels to renewables.
- Comply with applicable legislation, support national targets and the official target described in the Paris Agreement, UN Climate Change Conference of the Parties (COP-21) pursuing efforts to limit global warming to 1.5°C.
- Support the intentions in European Federation of Pharmaceutical Industries and Associations (EFPIA) white paper on climate change.

The actual actions include:

- Taking an integrated approach where a dedicated team of engineers and maintenance employees challenge habits and conventional thinking in order to identify new ways of reducing energy use.
- Increasing our use of renewable energy e.g. by entering Power Purchase agreements with renewable electricity providers.
- Engaging with our suppliers to identify possibilities for reducing our value chain emissions request use of renewable electricity and delivery emission data.
- Implementing a climate conscious travel policy and increasing electrical vehicles in our fleet.
- Establishing business cases prior to launch of emission reduction initiatives and prioritise initiatives to achieve largest reductions across Lundbeck.
- Evaluating business risks and opportunities related to climate changes.
- Monitoring our progress and annually report our energy consumption and CO₂ emissions in our Sustainability Report and to Carbon Disclosure Project (CDP).
- Improving our CO₂ emissions inventory according to the Greenhouse Gas Protocol and develop our reporting e.g. by using supplier data instead of general emission factors.

Our future challenges and opportunities about reducing CO₂ emissions include:

- Continually improving our CO₂ emission performance (scope 1, 2 and 3).

- Motivating our biggest suppliers, by emission, to reduce CO₂ emissions and deliver emission data.
- Integrating climate-friendly considerations in building activities and contribute to the development and application of energy efficient technology, specifically within chemical production.
- Implementing our Transition plan towards zero emissions.