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10 Global Pharmaceutical Companies Launch Firstof-its-Kind Supplier Program to Advance Climate Action

- Collaboration aims to accelerate the adoption of renewable energy and reduce greenhouse gas emissions within the pharmaceutical value chain.
- Schneider Electric to design and deliver global program, convened by partner Carnstone.

4 November 2021, Rueil-Malmaison – Schneider Electric, the global leader in the digital transformation of energy management and automation, which was recognized in 2021 as the <u>world's most sustainable</u> <u>corporation</u> by the <u>Corporate Knights Global 100 Index</u>, and Carnstone, an independent management consultancy specializing in corporate responsibility and sustainability, today announced *Energize* – a program to increase access to renewable energy for pharmaceutical suppliers.

The *Energize* program is a collaboration between 10 global pharmaceutical companies to engage hundreds of suppliers in bold climate action and decarbonization of the pharmaceutical value chain. The program is a first-of-its-kind effort to leverage the scale of a single industry's global supply chain in a pre-competitive fashion to drive system level change. Creating life-saving medicines and services requires a lot of energy, much of it being used by the value chain. By proactively engaging with their suppliers to create renewable energy opportunities, the 10 convening companies are taking meaningful action to collectively address their energy usage and inspire other industry sectors to follow suit.

The program will help pharmaceutical and healthcare suppliers to address their own operational Scope 2 greenhouse gas emissions through green power procurement, which in turn will reduce the participating companies' Scope 3 emissions. The program will be designed and delivered by Schneider Electric; the pharmaceutical companies will promote the program collectively, and individually invite their suppliers to participate. Corporate program members include:

- AstraZeneca
- Biogen
- GSK
- Johnson & Johnson
- MSD

- Novartis
- Novo Nordisk
- Pfizer
- Sanofi
- Takeda

The *Energize* program will enable pharmaceutical suppliers to learn more about renewable energy adoption and contracting. In practice, this will mean giving suppliers – who may not otherwise have the internal resources or expertise available – the opportunity to participate in the market for power purchase agreements (PPAs).

"Today marks 'Energy Day' of the 2021 United Nations Conference of Parties (COP26) on climate change, where representatives from around the globe come together to accelerate action towards the mitigation of climate change," said Susan Uthayakumar, President, Sustainable Business at Schneider Electric. "In support of that mission, we're honored to launch the Energize program and collaborate with the pharmaceutical industry to drive emissions reductions, ultimately benefitting both people and our planet."



"We believe Energize will be a really effective collaboration of pharmaceutical companies looking to take bold climate action. Every business should be moving aggressively towards using 100% renewable electricity, and supporting their supply chains to do the same," said Sam Kimmins, Head of RE100, Climate Group.

Renewable energy procurement can be challenging for companies of all sizes for a variety of reasons. The *Energize* program is designed to overcome typical market barriers such as inadequate knowledge about renewable energy transactions, load size, lack of credit, and the need for guidance throughout a complex and protracted contracting process. Participating suppliers will learn about the renewable energy market, receive guidance on PPAs, and have the opportunity to access and contract for renewable energy on their own or as part of a collaborative buyers' cohort.

The program will initially focus on suppliers with energy load in Europe and North America, with the intention to expand globally where interest and renewable energy market opportunity align.

"Limiting global warming to safe levels will depend on moving the entire world to renewable energy. This is not something that companies can achieve on their own. We are strong believers in the power of collaboration, and are honored to be bringing the pharmaceutical industry together to drive the adoption of renewable energy in its supply chains," said Glynn Roberts, Senior Partner, Carnstone.

Convened by Carnstone, the *Energize* program will be designed and delivered by Schneider Electric. Schneider's team of leading renewable energy experts will engage with participating pharmaceutical suppliers and facilitate an education and project selection process to advance supplier progress towards the execution of individual and aggregated renewable energy purchases. Schneider Electric is the leading global consultant on corporate renewable purchasing, having advised companies on over 150 utility-scale PPA purchases across North America, Europe, India, Australia and Latin America for a total of more than 11,000 megawatts of wind and solar power. The Energize program will be powered by Schneider's NEO Network[™], a global collaboration platform and community designed to accelerate renewable energy decision-making and decarbonization.

Pharmaceutical suppliers, other pharmaceutical, bioscience, and healthcare corporations, members of the media, and interested parties are welcome to join one of two introductory sessions to learn more about the program and how to participate:

- Tuesday, 9 November, 12:00 EST | 18:00 CET Register Here
- Thursday, 11 November, 10:00 EST | 16:00 CET Register Here

About Schneider Electric

Schneider's purpose is to empower all to make the most of our energy and resources, bridging progress and sustainability for all. We call this Life Is On.

Our mission is to be your digital partner for Sustainability and Efficiency.

We drive digital transformation by integrating world-leading process and energy technologies, end-point to cloud connecting products, controls, software and services, across the entire lifecycle, enabling integrated company management, for homes, buildings, data centers, infrastructure and industries.

We are the **most local of global companies**. We are advocates of open standards and partnership ecosystems that are passionate about our shared **Meaningful Purpose**, **Inclusive and Empowered** values.

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About Carnstone

Carnstone is a specialised management consultancy working globally at the intersection of sustainability and business strategy. Rooted in sound technical and commercial understanding, we provide advice and







support to large companies, international organisations and NGOs from offices in London and Shanghai.

We believe collaboration is one of the most effective ways to tackle complex sustainability issues, and a significant part of our work consists of bringing companies together, including in the pharmaceutical, chemical, media and publishing sectors.

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