



# Environmental Stewardship



Working to ensure stable access to high-quality medicines depends upon continuously working to further advance responsible and sustainable operations. We do this across our global network by implementing technologies, processes and systems to minimize our impact on climate change, energy use, water withdrawal and air emissions.

Our work as environmental stewards is governed by our global Environmental, Health and Safety (EHS) management system, which serves to help ensure compliance with both local regulations and global company standards and requirements, while also fostering a culture of ongoing improvement.

## Building Climate Resilience

Viatriis is committed to reducing absolute scope 1 and 2 greenhouse gas (GHG) emissions by 42% and absolute scope 3 GHG emissions by 25%, in each case by 2030 from a 2020 baseline year. We obtained validation and approval of these targets from the Science Based Targets initiative (SBTi) in 2022, which also classified the target for scope 1 and 2 as aligned with the Paris Agreement’s goal of limiting global warming to 1.5°C of preindustrial levels.

Our work to reduce the effects of climate change aims to support the health of those we serve and builds resilience in our operations. Key actions and strategies for making progress toward our SBTi climate targets include:

- Increasing renewable energy usage
- Implementing energy-efficiency projects
- Preventing refrigerant leaks and transitioning to greener refrigerants
- Using alternative fuels and technologies
- Leveraging infrastructure upgrades and utility replacement projects

**Our GHG Emissions Reduction Targets\***

Reduce absolute scope 1 and 2 GHG emissions by 42% by 2030 from a 2020 base year.\*\*

Reduce absolute scope 3 GHG emissions covering purchased goods and services, capital goods, fuel- and energy-related activities and upstream transportation and distribution by 25% by 2030 from a 2020 base year.

**Our Progress:** We are making progress and believe our current strategy is on track to deliver on our reduction targets by 2030.

\*Our ability to make progress on our goals depends on several factors, some of which are outside of our control.

\*\*The target boundary includes land-related emissions and removals from bioenergy feedstock.

## Working to Reduce Emissions in Our Supply Chain

We are working to reduce carbon emissions across our supply chain. We work across all three of our freight transportation modes - road, ocean and air – to that end. Supply reliability and transport efficiency are primary objectives. We focus on full truck loads and double stacking of pallets where possible and partner with our freight partners to move from dedicated containers to sharing capacity with other companies to better utilize space across the industry. Full truck loads are considered the most efficient mode of transit.

Working with our partners to reduce GHG emissions is important as a significant amount of our GHG footprint comes from our partners’ operations. We are expanding our collaboration with partners in our sector to make progress on our scope 3 reduction target and collectively strive to reduce GHG emissions.

In 2023, road and ocean represented 81% of all our transport.

Viatriis was named to USA Today’s inaugural list of America’s Climate Leaders for companies that have demonstrated the greatest reduction in emissions intensity.



In 2023, CDP rated our work in climate change with a score of B, which is a part of the management tier, recognizing that we are taking coordinated action on climate issues. We similarly scored in the management tier for our water efforts with a rating of B-.



Viatriis scored above our industry sector in both the climate change and water security programs.

## Water Stewardship

Access to clean, readily available water is critical to our operations and overall mission. Water security is one of the areas threatened by the impacts of climate change, and we recognize that water is a scarce resource in some of the communities where we live and work.

To advance responsible water stewardship in our operations and support communities' access to clean water and sanitation, we work to understand and manage water impacts and wastewater through risk assessments, monitoring and periodic audits of all Viatris' operations sites to ensure they comply with local regulatory and internal water standards.

## Material Stewardship and Waste Reduction

The companywide EHS waste management standards, along with industry regulations, govern specific handling, treatment, storage and disposal of all waste. We strive to use recycling, reuse and energy recovery options, including waste to-energy facilities (i.e., cement kilns) and fuel-blending facilities where possible to treat waste. In Carole Park, Australia, for example, we implemented in 2023 sustainable alternative disposal methods for several waste streams that were previously sent for incineration or landfill, including solvent waste, oils, lubricants, glycerol, food and garden waste.

**Our Waste Goal:** By 2030, increase the number of zero-waste landfill locations by 50% from a 2020 baseline.\*

**Our Progress:** Thirteen sites achieved zero-waste landfill status in 2023, with six additional sites at less than 5% of waste going to landfill. We are on track to hit our goal by 2030.

\*Our ability to make progress on our goals depends on several factors, some of which are outside of our control.

## Reducing Packaging Material

We are continuously looking for ways to reduce the volume and types of materials being used in packaging while safeguarding access to high-quality medicines and maintaining compliance with various regulatory and quality requirements around the world.

**Our Water Goal:** Perform water risk assessments for all locations in high or extremely high water stress areas as identified by the World Resource Institute and identify appropriate water conservation initiatives by 2025.\*

**Our Progress:** Performed six water risk assessments in 2023, bringing our total since 2022 to 11 water risk assessments completed. One remaining location is on target to be completed in 2024, keeping us on track to meet our overall goal by 2025.

\*Our ability to make progress on our goals depends on several factors, some of which are outside of our control.

## Responsible Antibiotic Manufacturing

As Viatris, we are compliant with AMRIA's Antibiotic Manufacturing Standard for our own operations and committed to implementing it across our external supply chain.



All applicable Viatris manufacturing locations with antibiotic production have been internally assessed and adhere to the AMRIA Antibiotic Manufacturing Standard, including meeting the PNEC (RQ<1) as calculated by mass balance.

## Milestone Certification for Reducing the Risk of AMR in Manufacturing

Our manufacturing for all dosages of the antibiotic Ciprofloxacin at our facility in Aurangabad, India, became the first at Viatris to receive British Standards Institute (BSI) Certification under the Antibiotic Manufacturing Standard. It is also the only site in India to hold this certification.<sup>1</sup>

The BSI Kitemark™ for minimized risk of antimicrobial resistance provides independent, third-party assurance and demonstrates that antibiotic residue emissions from solid and liquid waste streams are effectively controlled during manufacturing.

For more information, read the [Viatris 2023 Sustainability Report](#).



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