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Supporting suppliers on nature:

Our approach to
sourcing materials
that are highly
dependent
on nature



GSK

Stepping up on nature

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

Our supply chain accounts for 33% of our carbon footprint, and a significant proportion of our impact on nature. We are applying what we have learnt through our ongoing work on climate, to minimise the impacts and dependencies our supply chain has on nature.

While working with suppliers is a key part of our goal to reduce our impact on nature, where appropriate we will also look at opportunities to reduce or avoid the use of some natural materials, for example through process efficiencies and synthetic alternatives.

We are aligning our approach with emerging measurement and disclosure frameworks for company action on nature, and we have been selected by the Science Based Targets Network (SBTN) to be part of the first group of companies preparing to set science-based targets for nature.

As we follow SBTN guidance to update our targets, our current target is to ensure 100% of our agricultural, forestry and marine derived materials are sustainably sourced and deforestation free by 2030.

These new standards, specifically designed for suppliers of materials that are highly dependent on nature, are an important step in achieving this target.

Implementing these standards should have positive impacts for nature, climate and people, while also reducing risk and making our supply chains more resilient and reliable over the long-term.

We recognise that supply chain impact is a shared challenge across our sector, so this is an area where collaboration with peers is important.

That's why we are convening and engaging with our supply chain and peers – so we can drive impact more quickly and more broadly through collaboration.

We invite the adoption of these new Standards, and seek input from suppliers and peers, as we continue to work to strengthen them and roll them out with our supply chain.



“We are working to bring our suppliers with us on this journey towards contributing to a nature positive world. Our goal is to stick with suppliers and work with them to improve standards.”

We know these standards will only have the impact we want if they are widely adopted, so we are sharing them with others in our industry, and welcome collaboration as we continue to develop them.”

Lisa Martin
Chief Procurement Officer, GSK

About the Standards

We have developed a set of ambitious standards, in consultation with third-party experts, specifically for suppliers who provide us with materials that are highly dependent on nature.

The standards are broken down into five separate categories: Crop, Marine, Livestock, Poultry and Processor, covering materials like lactose, gelatine, soy, palm oil, paper and sugars.

These standards aim to support this specific group of suppliers to assess, improve, and verify their approach to addressing a range of nature impacts – and associated climate and social impacts – including land-use change, water stewardship, biodiversity, animal welfare, hazardous materials, greenhouse gas emissions, labour rights and local communities.

These standards aim to fill an important gap for our sector as they specifically address the most important pharmaceutical sector ingredients.

The supply chains for materials that are highly dependent on nature are often long and complex, and may be many tiers removed from our direct engagement. However, we want to implement our standards right through the ‘full chain of custody’.

The standards are designed to trace back to the materials origin, from producers – which is the point when natural materials are extracted from nature, e.g. farms, fisheries, plantations - through to the next tier in the supply chain known as processors, e.g. mills, refineries.

Where possible we have adopted existing third-party standards to avoid duplication. For example, for certain materials like Paper and Palm Oil, there are robust, globally recognised standards which align with GSK’s ambition. However, there are gaps where current certifications do not fully cover the breadth of climate, nature and social impacts that we want to consider.

By 2025 we are aiming to have plans in place with the supply chains of the high impact materials we source to meet our standards. And by 2030, we are aiming for these materials to be sustainably sourced, as well as going beyond sustainable sourcing through starting to implement regenerative practices, where appropriate.

Target

100%

of agricultural, forestry and marine derived materials sustainably sourced and deforestation free by 2030.

Standards for suppliers of nature-dependent materials

- Crop • Marine • Livestock
- Poultry • Processor

Timeline

- 2023** > Release of Standards
- 2025** > Plan in place for all key materials
- 2030** > Aiming for 100% of nature-dependent materials to be sustainably sourced
- Going beyond** > Regenerative practices



The Standards in practice: Lactose

We use lactose to make some inhaled medicines and tablets. We’re a relatively small-scale purchaser but we recognise that as part of the supply chain we have a duty to be part of the solution.

Dairy farming can have significant impacts on nature and climate, through land use, water, soil and greenhouse gas emissions.

We’re working with our suppliers of lactose to map our supply chain back to the farm level. We have found that existing standards don’t include a full breadth of impacts on nature and biodiversity, so we are asking suppliers to align with our Livestock standard.