



HEALTH & NATURE

A Critical Intersection

GSK SEES PROTECTING NATURE AS BOTH A health and business imperative. CEO Emma Walmsley spelled it out publicly in a report published at New York Climate Week in 2022: “We know that taking action now will make our business more resilient, protect our supply chains, and support growth in the long term. It makes good business sense as well as being essential for the health of the planet and people.”

But as yet, despite rising agreement that something must be done, there’s no established roadmap for corporate action. Momentum is building behind new frameworks for target-setting, action and disclosure, but the expectations of business are far from standardized.

Not waiting for nature-positive standards, UK multinational **GSK** is taking action and a leadership role in the pharma and biotech sector.

By **ALASTAIR MORTON** and **ELLIE FALLON**.

“The problem remains complex, with multiple pressures playing out in local ecosystems, all around the world,” says Claire Lund, Vice President of Sustainability at GSK.

As a leading British biopharma company, GSK sees that as an opportunity, as well as a risk to be managed in the same way as climate. Rather than waiting, the business is working now on the nature transition, taking steps in a way that can highlight a potential path forward for others.

In November 2020, GSK became one of the first companies to commit to having a net-positive

impact on nature by 2030, alongside its net-zero climate pledge. And by sharing their learnings as they go, GSK is setting out to be a leader in their sector and across their value chain, and to help others to take action.

The company has highlighted the many, critical intersections between climate and nature. Habitat degradation and deforestation are increasing the risk of new human pathogens—and possibly new pandemics. The natural world is also a potential source of new drugs and other discoveries that could treat a variety of human diseases. Through observing processes in the natural world, scientists can find new solutions, while at the same time helping to ensure a more sustainable supply of raw materials for medicines and vaccines.

Her company's approach is to act immediately in areas where they feel confident they can create positive impact, Lund says.

"The work we are doing is showing the levers we can pull now. So we're taking no-regrets actions, even while we continue to develop the measurement frameworks for nature," she explains. "We'll accredit our approach when we can, but the imperative is to act now."

GSK admits it has faced challenges navigating the diverse and sometimes contradictory technical

"Many companies can operate within one water basin, so collaboration is key to large-scale benefits here."

approaches to water regulation—another area where a single, clear framework is needed. It's one of the first corporates to participate in pilots of the Science Based Targets Network for nature (SBTN) and Taskforce for Nature-related Financial Disclosures (TNFD) frameworks and has recently published some key findings.

Many companies will be familiar with Science Based Targets initiative (SBTi) criteria, which have helped to scale up corporate ambition on setting net-zero targets. The frameworks around carbon measurement, reduction and offsetting are now at least on the path to being well understood and widely agreed. The SBTN builds on this approach with an emphasis on helping companies understand their impact and dependencies on nature and the steps they can take to reduce it.

As part of its contribution to the development of the SBTN framework, GSK undertook a full value-chain materiality assessment to understand its own nature impacts and dependencies. This assessment, the company says, is serving to help ground their nature targets more firmly within their specific business realities.

Interestingly, and perhaps counterintuitively, GSK found that its focus needs to be much broader than just on the naturally-derived materials it uses. The pharma industry relies on products like palm oil, soy and cattle-derived products, but those are not where GSK's greatest impact on the natural world is found.

By going through the SBTN process they learned that their bigger impact was through the products they buy from suppliers, particularly active pharmaceutical ingredients—the part of their medicines that is responsible for the biological effect. For them, this highlighted the need to secure more sustainable supply of these ingredients, both for the resilience of their business and ultimately for people's health.

It's a complicated issue to tackle. So GSK is starting to work with its suppliers, running training programs and briefings, to enable them to make stronger climate and nature commitments. Already, a group of 10 global pharmaceutical companies, including GSK, is collaborating on a program called Energize. The group hopes to leverage their collective scale to facilitate their suppliers' transition to green electricity sources. In the future, it's possible to imagine a similar collaborative program for natural ingredients.

GSK says they have also found that identifying and harnessing the co-benefits of nature and



Above, seedlings planted in a Trapeang Sankae Mangrove Sanctuary in Kampot, Cambodia, a mangrove forest rehabilitation area. Left, in Kenya, a mother puts her child to bed under protective netting.

climate offers an opportunity. In November 2022 for example, GSK committed to restoring over 2,500 hectares of mangroves in Indonesia through community-led projects.

“This has a direct impact on nature locally,” says Lund. “But mangroves also play a crucial role in climate regulation because they help sequester carbon. And, by providing coastal protection, they help communities build resilience to rising sea levels.”

One set of GSK’s actions is focused on water usage and water basin resilience. Access to clean water is a basic requirement for human health.

Along with climate change, nature loss is fueling pollution and increasing the frequency of both floods and droughts. The Nashik region in the Indian state of Maharashtra, for example, has been a local wine capital since the 1990s and is also an important source of potato and onion crops. Farmers there rely on being able to reliably source clean water.

At its 47-acre manufacturing plant in the region, GSK has developed the infrastructure to harvest rainwater. Before 2016, its plants used water pumped from deep boreholes. Now, it no longer needs or uses them.

“Of course, many companies can operate within one water basin, so working in collaboration is key to delivering large-scale benefits here,” says Lund.



Claire Lund
Vice President,
Sustainability

That leads to another point the company makes: Where carbon emissions have global impacts, nature degradation is inherently local. So partnerships with local groups, governments and communities is key to figuring out what’s needed and what’s going to work best.

Businesses that choose to take action will find they are not alone. At COP15, a range of businesses from a variety of sectors were represented. And there are now coalitions of forward-thinking companies such as Business for Nature and World Business Council for Sustainable Development supporting and encouraging corporate action on nature and biodiversity.

Many companies have by now recognized how to engage in a “whole economy” transformation to get to net-zero carbon on the climate front.

Similarly, a standard set of expectations will soon emerge for the transition to a nature-positive world. The leaders are finding ways to set targets and transform their businesses now and are bringing others with them.

Their efforts will help shape emerging policy frameworks—and give confidence to policymakers that a private sector transformation is possible. ♦

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INITIAL TARGETS GSK HAS IDENTIFIED



CRITICAL AREAS
where nature, climate and health challenges intersect, and where immediate actions can help to drive change.

AIR POLLUTION:

The impacts of air pollution are felt through asthma, lung cancer and coronary heart disease, among other health issues. GSK is part of the World Economic Forum Alliance for Clean Air, which is committed to reducing air pollutant emissions.

WATER SECURITY:

Four billion people experience severe water scarcity for at least one month per year, according to UNICEF. Lack of clean, safe water has a direct impact on human health and disease spread, and climate change and nature loss are exacerbating the water crisis.

FOREST PROTECTION:

Forests are fundamental to fighting climate change and biodiversity loss, and their destruction increases the risk of disease pandemics. GSK is part of the LEAF coalition, a public-private partnership to reverse tropical deforestation.

HEALTHCARE RESILIENCE:

Global healthcare systems are set to face unprecedented climate- and nature-related pressures. GSK believes it’s vital to build greener, more resilient healthcare systems to provide crisis capacity.

DISEASE BURDEN:

Climate change and nature loss will change the diseases we experience. This is already evident through the distribution of vectors such as mosquitos. New medicines and treatments will be needed to protect the global population.

WELL-BEING:

Time in nature benefits mental and physical well-being, so GSK is putting nature protection and restoration efforts at the forefront of employee and community well-being efforts.