

SUSTAINABILITY PROGRAMMES: EVERY STEP COUNTS

In this interview, Henryk Badack, Senior Vice-President Technical Services and Internal Project Management at Vetter Pharma International, shares insights into the current state of sustainability in the pharma and biotech industry, how sustainability commitments vary between organisations and what companies can do to develop sustainability strategies that will last.



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Henryk Badack is Senior Vice-President Technical Services and Internal Project Management. In this role, he is responsible for the company's internal, technical and infrastructure projects as well as the following departments: Plant and Site Development, Environmental Health Safety and Vetter Optimization Systems. Mr Badack has 20 years of experience in the pharmaceutical industry, having joined Vetter in 2003 as a Project Manager for validation and qualification projects. He later held various positions at Sandoz in 2007–2008, before returning to Vetter in 2009.

The pharma and biotech sector is experiencing a major shift towards long-term sustainability solutions by adopting more comprehensive strategies. Rightly so, as the global industry currently produces 55% more greenhouse gas emissions than the automotive industry, according to an article in the *Journal of Cleaner Production*.¹ While many industry processes must remain unchanged to fulfil regulatory requirements and to maintain the high quality of medicines that patients around the world rely on, other areas can be adapted to reduce the industry's overall

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carbon footprint. No step is too small and, for a programme to last, it needs to fit the requirements of the company and its customers. Only then can an organisation maintain its sustainability commitments and produce measurable results.

Q What is the current state of sustainability within the pharma and biotech industry?

A Despite being a heavily regulated industry on track to sustainable production processes, pharma and biotech still emit high carbon emissions. But sustainability has become a priority for life sciences companies and for governments, which are implicating new requirements that businesses must adhere to. Companies that establish practical green strategies now will be better positioned to act in a responsible manner to avoid future risks, such as carbon taxes, and to remain competitive in attracting customers.

Life sciences companies based in Europe face the challenge of meeting EU climate goals, which include climate neutrality by 2050. This commitment to contribute to an economy with net zero greenhouse gas emissions may feel like a tall order but is achievable if proper consideration and dedication are present to shape sustainability strategies that align with business goals.

It is important to note that the biopharma industry requires a process that uses a significant amount of energy to produce life-saving medications. High-energy-consumption cleanrooms, for example, need to be operated constantly to keep the quality level high and serve customer demands. But there are other areas where climate-safe practices can fit without risking adherence to regulatory requirements or reducing the quality level.

Q How do sustainability commitments vary between drug owners and CDMOs?

A For pharma and biotech companies looking at Scope 1 or 2 emissions, which stem from owned or purchased sources, or for suppliers and outsourcing partners considering Scope 3 emissions, or those that fit within a customer's larger value chain, it is paramount to find strategic methods for reducing climate impact that balance the three pillars of holistic sustainability: economic, ecological and social impacts.²

Many drug owners are actively searching for outsourcing partners that share their goals and commitments to sustainability. Beyond a need to meet EU climate goals, pharmaceutical service providers need to establish programmes that appeal to their target customers. In today's climate, many customers not only desire but expect a fill-finish partner to prioritise ecofriendly initiatives. CDMOs need to further meet expectations that vary from customer to customer. When a service provider can effectively explain its comprehensive sustainability programme to customers, there is the potential added benefit of setting the standard for what the customer will also expect from other partners.

Outsourcing partners also need to consider the requirements of the Supply Chain Due Diligence Act.³ The Act itself requires that companies undertake a risk analysis to understand any potential environmental and human rights risks in their supply chain. Therefore, all customers



Figure 1: Photovoltaic systems on the roof can help the move to renewable energy.

will expect adherence to this Act from any outsourcing partners they engage with. Pharmaceutical service providers should consider developing a risk management system to support employee, supplier and customer relations that complies with those requirements.

Q What can CDMOs do to develop sustainability strategies that last?

A The development of a sustainability strategy must be just that: strategic. That said, step is too small. Especially in a business as calculated as pharma and biotech, service providers should begin by taking careful steps to act more sustainably and work up to a comprehensive and fully integrated programme. By developing methods for managing all initiatives, achievements and goals, it is much easier to remain consistent on the path to sustainability.

As mentioned previously, changes made within aseptic production areas may be limited, as regulatory requirements must be considered above all else. However, there are many other options for acting more sustainably. This may include enhancements such as:

- Moving to renewable energy at all sites, where applicable (Figure 1)
- Offering bicycle rentals to employees to reduce commuter emissions
- Adding electric vehicle (EV) charging stations to encourage employees to drive EVs (Figure 2)

- Covering the cost of public transportation for employees
- Supporting flexible work environments that limit the need for commuting
- Sourcing local products and services for on-site projects, from construction activities through to staff catering and dining
- Sustainability packaging options, e.g. all-paper packaging.

These are just a few examples of how to develop sustainable business practices that work for a company in the long term. From there, larger commitments, such as achieving carbon neutrality, can be considered.

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Another valuable step is to create internal platforms in which open communication about successes and challenges in the sustainability journey can be discussed



Figure 2: Allow employees to charge their EVs at onsite charging stations.

and leveraged to improve processes for the future. Even better, get employees involved to make this a shared priority across the company, rather than a top-down initiative that may or may not gain widespread support. With this approach, all employees can bring in or share their ideas to optimise processes towards sustainability.

Q How does accountability play a role in sustainable practices?

A Sustainability initiatives are only as valuable as the results they achieve. The United Nations' (UN's) Sustainable Development Goals (SDGs), for example, consider accountability as an integral component to effectively protect the planet.⁴ The UN considers self-accountability the responsibility of individuals, organisations and governments to report and hold themselves responsible for any consequences or results of their actions in pursuit of the SDGs.

An annual report is an excellent way to take accountability, measure and report on the results of climate-friendly programmes once they are underway. This may include measuring the number of efficiency projects completed, savings of kilowatt hours in electricity, use of renewable energy to power sites, savings of carbon dioxide or self-generated renewable energy. Other ways to take accountability may involve committing to external programmes that have set goals and hold participants to high standards.

For example, the UN Global Compact commits signatories to align and document corporate actions to its 10 defined principles, which focus on the enforcement and implementation of human and employee rights, environmental protection and the prevention of corruption. To date, only 308 pharma and biotech companies are involved, so there is room for significant growth in the future among those who are willing to submit annual updates on progress.

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Another example is the Science Based Targets Initiative (SBTi) in which companies commit to achieve climate neutrality by 2050 based on a 1.5°C of global warming target goal. Involvement in the SBTi not only requires concrete steps to reach climate goals but also holds participants accountable for their commitments.

Q How should an organisation set about establishing sustainability initiatives?

A A team-wide approach is important when it comes to establishing a company's sustainability programme. In today's workplace climate, and especially as Gen Z joins the workforce, it is increasingly important to establish values authentic to a company that resonate with the talent pool. But it is important not to look at only one generation – the issue of sustainability must be shared by all generations. Sustainability is one key way to reach this audience and improve a company as a whole. In fact, 65% of today's college students would not even apply for a job if the employer's values did not align with theirs, according to a recent trends survey.⁵ Incorporating the team into the decision making behind a sustainability strategy positions a company well to support talent recruitment and retention, and gain widespread support.

It is crucial to invest time in developing a sustainability programme that fully aligns with an organisation's corporate strategy, including optimising infrastructure, adopting environmentally friendly technologies and measuring meaningful impacts as a result. No sustainability strategy will ever be perfect or complete. There will always be more to accomplish. Treating sustainability as an attitude and not as a label, combined with motivation and a commitment to bettering the environment, are critical characteristics that are needed to start forming a sustainability mindset. From there, a viable programme will inevitably follow.

ABOUT THE COMPANY

Vetter is a leading CDMO with headquarters in Ravensburg, Germany, and production facilities in Germany, Austria and the US. As a global player, the pharma service provider also has its own sales locations in the Asia-Pacific markets of Japan, China, South Korea and Singapore. Around the world, small and large renowned pharma and biotech companies rely on the decades of experience, high quality, modern

technologies, reliability and commitment of more than 6,300 Vetter employees. In close partnership with its customers, the Vetter team supplies patients all over the world with medicines, many of which are vital. The CDMO provides support from drug product development through clinical and commercial filling to a wide range of assembly and packaging services for vials, syringes and cartridges. With innovative solutions, Vetter develops prefilled drug delivery systems, together with its customers, to continuously improve patient safety, comfort and compliance. The company is a pioneer in the industry when it comes to sustainability, and acts as a socially and ethically responsible corporate citizen.

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