

PUBLIC POLICY STATEMENT

WATER STEWARDSHIP

Water is at the core of sustainable development and is critical for socio-economic development, healthy ecosystems and for human survival itself. It is vital for reducing the global burden of disease and improving the health, welfare, and productivity of populations. The United Nations (UN) has declared access to safe drinking water and sanitation as a basic human right that is essential for population health.

At our company, water is critical for the discovery and production of our medicines and vaccines. In recognition of the critical importance of water to our business and the global community, we have endorsed the UN CEO Water Mandate, a public commitment to adopt and implement a comprehensive approach to water management and have aligned our water program with its principles. In addition, we have recognized "Clean Water and Sanitation" as one of the eight UN Sustainable Development Goals that we have prioritized as being closely aligned to our mission. We have developed water-use targets and a water-risk-management methodology to guide the use of water in our operations.

Water Use

As we work to invent health solutions that advance the prevention and treatment of diseases around the world, we recognize that we need to do so by using water more efficiently. Our water-use goal focuses on decoupling water use from growth by maintaining water use at or below 2015 levels through 2025. We are pursuing this goal even though our company and our supply chain are expected to be even more dependent on high-quality freshwater in the future as we shift to producing more biologics, which generally require more water than other types of pharmaceutical manufacturing processes.

Through our efforts in Green & Sustainable Science within our research laboratories, we are designing new product manufacturing processes that use less water and raw materials. Single-use equipment has begun to be implemented in some of our operations, which can greatly reduce the amount of water required for cleaning.

We have estimated that the majority of our water use resides in our supply chain, so we have increased our level of engagement accordingly. Our Business Partner Code of Conduct requires that all of our suppliers conserve natural resources and have systems in place to quantify the amount of water they use.

Water Risk

Because access to water is critical to our operations, our standard practice is to map the risk for sites that operate in areas under water stress and develop management plans for those sites. We also understand that water risk can be magnified by climate change, making the understanding of our future risk exposure even more critical.

Water Quality

Wastewater discharges from our manufacturing facilities are required to meet all applicable requirements and sites must exercise an appropriate level of care globally, even if not required by local regulation. This includes implementation of an internal Environmental Quality Criteria (EQC) program that evaluates potential human health and environmental impacts to waterbodies where we discharge wastewater. These standards are based on criteria established in accordance with stringent regulatory review

processes. Each facility assesses the potential risk from operations using industry accepted risk assessment methods, minimizes impacts from process wastewater discharges, and establishes procedures for managing and controlling the discharge of active pharmaceutical ingredients (APIs).

For more information, see our [public policy statement](#) on pharmaceuticals in the environment (PIE).

Public Disclosure

Our water use and risk evaluation is reported publicly via our [annual Environmental, Social & Governance \(ESG\) Progress report](#) and through our submission to [CDP](#). We also strive to educate our employees and other stakeholders on our water stewardship activities through our internal and external communication channels.

Collaboration

As a signatory to the UN CEO Water Mandate, we continue to look for ways in which we can collaborate to find the best solutions to water issues, especially for areas in which we operate. We have also supported local communities by funding water conservation projects through our charitable giving.