Sustainability Program Reduces Scope 1 and Scope 2 Emissions by 20%

Over the past two decades, the pharmaceutical industry has experienced a notable shift in sustainability practices, with most organizations now integrating Environmental, Social, and Governance (ESG) programs into their core operations. While many initiatives began in the early 2000s as reactions to rising stakeholder expectations and regulatory pressures, ESG programs have evolved into transformational corporate strategies that can yield tangible business benefits.

Today's pharmaceutical companies have aligned ESG initiatives to their corporate growth goals, focusing on initiatives such as improving supply-chain resilience, increasing innovation, and enhancing operational efficiency. Through those initiatives, companies have realized tangible business benefits, including lower overhead cost, reduced supply-chain risk, and improved brand value and reputation with stakeholders.

But while many pharmaceutical companies were early adopters of sustainability initiatives, vendors along the pharmaceutical value chain have lagged in developing actionable, time-based sustainability programs.

As a contract development and manufacturing organization (CDMO), Cambrex's ESG programs are aligned to our corporate goals, including top-line growth, cost reduction, and increased employee productivity. Simultaneously, our ESG programs are designed to support those of our customers – including the measurement and reduction of Scope 3 emissions within the supply-chain.

As defined by the US Environmental Protection Agency, Scope 3 emissions are the result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly affects in its value chain. Scope 3 emissions, also referred to as value chain emissions, often represent the majority of an organization's total greenhouse gas (GHG) emissions.[1]

For CDMOs, manufacturing facilities traditionally require a vast array of environmental resources – from chemicals and solvents to electricity – to produce both drug-substance and drug-product materials for clinical trial, commercialized and OTC products. With the industry relying heavily on outsourced manufacturing, pharmaceutical organizations must ensure that their manufacturing partners can support their overall ESG goals to address Scope 3 emissions.

Located on a 45-acre campus in Charles City, Iowa, Cambrex's largest drug substance manufacturing site sources 88.5% of its power supply from wind. Cambrex projects that this facility will run on 100% wind energy by 2025.

The Evolution of Cambrex's ESG Initiatives

Cambrex's sustainability roadmap was created with several objectives in mind, including ethics and transparency, protecting both workers and the environment, enhancing supply-chain practices and responsible corporate citizenship. Our ESG policy is approved and overseen by the Cambrex Board of Directors.

2023 Cambrex EcoVadis Ranking by Manufacturing Site

Charles City, Iowa USA | Karlskoga, Sweden | Paullo, Milan, Italy

Cambrex's three largest API manufacturing facilities – located in Charles City, Iowa; Milan, Italy; and Karlskoga, Sweden – each received an EcoVadis silver rating in 2023, indicating that they are in the top 15% of organizations evaluated.

Over the past five years, Cambrex has been on a continuous journey to improve its social and environmental impact through measurable, time-bound ESG initiatives, which included the goal of a 20% of Scope 1 and Scope 2 greenhouse gas emissions reduction by the end of 2022. In addition to internal metrics, Cambrex has joined the Carbon Disclosure Project and has implemented a Supplier Code of Conduct, which incorporates the concepts identified in the Pharmaceutical Supply Chain Initiative's (PSCI) Principles for Responsible Supply Chain Management. We recognize that we, and our customers, rely on other vendors within the pharmaceutical value chain and deployed this formal program to ensure that our suppliers are aligned with our values and principles across the spectrum of ESG elements.

Measurable Results

While many initial ESG programs often focus on small pilots, Cambrex selected our highest resource-consuming facilities for this first phase of improvements: three large-scale active pharmaceutical ingredient manufacturing sites across three different countries. This wasn't simply a pilot at one small facility—we wanted to make considerable progress that yielded substantial, measurable results.

At the end of the five-year transformation period, 2018–2022, Cambrex achieved its target of 20% company-wide reduction in Scope 1 and 2 greenhouse gas emissions. In early 2023, we completed the first accounting of Scope 3 emissions, which will be critical element of our ongoing sustainability strategy.

Third-Party Result Validation

To ensure accurate ESG initiative benchmarking by individual manufacturing sites, Cambrex utilizes EcoVadis for standardized evaluation. EcoVadis's platform assesses suppliers based on a range of criteria, including environmental impact, labor and human rights practices, fair business ethics and sustainable procurement. This standardized approach facilitates benchmarking and enables companies to track improvements over time.

At the close of 2023, Cambrex's three largest API manufacturing facilities – located in Charles City, Iowa; Milan, Italy; and Karlskoga, Sweden – each received an EcoVadis silver rating in 2023, indicating that they are in the top 15% of organizations evaluated.

With our first milestone complete, Cambrex looks forward to continuing its cross-discipline improvement plan, driving solutions that ensure long-term business viability, protect the environment and contribute to the local communities in which we operate.

Reference

1. EPA Center for Corporate Climate Leadership. "Scope 3 Inventory Guidance." EPA.gov, 17 July 2023, https://www.epa.gov/climateleadership/scope-3-inventory-guidance.

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About Cambrex

Cambrex is a leading global contract development and manufacturing organization (CDMO) that provides drug substance development and manufacturing across the entire drug lifecycle, as well as comprehensive analytical and IND enabling services.

With over 40 years of experience and a team of 2,000 experts servicing global clients from North America and Europe, Cambrex offers a range of specialized drug substance technologies and capabilities, including continuous flow, controlled substances, solid-state science, material characterization, and highly potent APIs.