

19 Nov 2020 |

# GSK Says New Consumer Health JV Will Be Climate Action 'World Leader'

by [David Ridley](#)

GSK Consumer Healthcare new joint venture will set “world-leading” sustainability targets, “representing a significant new level of ambition, to drive positive environmental change and help improve everyday health,” says CEO Brian McNamara.

GlaxoSmithKline has set itself the ambitious target of becoming carbon-neutral across all its operations by 2030.

While this goal applies principally to GSK’s Biopharma business and portfolio, the company said that Consumer Healthcare will also contribute towards these goals through delivery of its own targets.

With GSK Consumer Healthcare set to be standalone company by 2022, CEO Brian McNamara insisted that the new business would set “world-leading” sustainability targets, “representing a significant new level of ambition, to drive positive environmental change and help improve everyday health.”

“Environmental sustainability is critical to GSK Consumer Healthcare,” McNamara added. “It’s particularly important to our people, customers and consumers, which is why we will be taking bold steps for our business on climate and nature, like generating our own renewable power and using more recyclable and reusable product packaging.” (Also see "[GSK Unveils Two-Year Plan For Consumer Split](#)" - HBW Insight, 6 Feb, 2020.)

## Winds Changing

GSK Consumer Healthcare is not the only big player to commit to significantly reducing greenhouse gas (GHG) emissions over the next few years.

According to Science Based Targets – an initiative that aims to drive corporate ambition with

regards to tackling climate change, that many big pharmaceutical firms are signing up to – Dr. Reddy's Laboratories Ltd., Bayer AG, Sanofi and Novartis have all set concrete decarbonisation targets for 2030.

However, only Dr Reddy's, Bayer and now GSK have “boosted” their commitments with a voluntary “Business Ambition for 1.5°C” target, which requires halving GHG emissions by 2030 and hitting net-zero emissions by 2050.

GSK said it will deliver its new environmental targets by “taking action on priority impact areas and working with key external partners including suppliers and customers.”

“To achieve our net zero goal on climate we will reduce emissions as far as possible, as well as investing in nature-based carbon removal projects linked to biodiversity improvements, which serve to remove carbon and are also nature positive,” it added

Examples of carbon-offsetting measures include “tree planting to restore previously forested areas and restoration of mangroves in coastal areas, that store carbon and boost healthy ecosystems,” GSK explained.

“Progress on many of our nature targets will also reduce our carbon emissions,” the company continued, “for example reducing the amount of product packaging will also reduce carbon emissions in manufacturing, logistics and transport.”

However, GSK also noted that carbon-offsetting in both its Biopharma and Consumer Healthcare businesses would contribute less than 20% to its overall 2030 net zero targets.

## **Being Specific**

What also distinguishes GSK's approach is that it sets – and plans to accelerate – specific targets for its Consumer Healthcare brands, both now and after the separation plan is complete.

Alongside the aims of reducing GHG emissions to net zero across all operations by 2030 and using 100% renewable electricity by 2025, GSK said “select brands/formats” would also be carbon neutral by 2030.

Asked by HBW Insight for more detail on the specific targets/brands within its consumer health business, GSK responded that it was too early to say, but it will be “mapping the life cycle of our products to check where we can make improvements and to inform delivery of this target.”

Given that the over-arching net zero target for the company is related to operations, it seems likely that the brand net zero targets will also consider the impact of specific product supply chains.

“Our climate strategy covers the full value chain of emissions reductions across our own operations, our supplier base and emissions from patient use of our products,” GSK says, indicating that this might be the case.

While a significant proportion of GSK’s carbon footprint is “beyond our own operations – with our suppliers and in the patient and consumer use of our products,” the company insisted it would “work across our full value chain to reduce carbon emissions, including building on our structured engagement program with suppliers.”

One of the key challenges facing consumer healthcare companies wanting to decarbonize not just their day-to-day operations but also their overall brand footprints is how to reduce plastics in packaging without compromising the safety and integrity of ingredients.

GSK Consumer Healthcare has committed to 100% recyclable or reusable product packaging “where quality and safety” permits by 2025.

“We will start by implementing flagship projects to reduce our plastic packaging footprint, including moving to fully recyclable toothpaste tubes and mouthwash bottles,” it added.

## **Plastic Planet**

Single-use plastics, however, which the European Union, for example, wants to significantly reduce if not eliminate completely from products sold in the region, are a particular challenge for medicines manufacturers.

In the wider business, and in line with new EU targets, GSK said it is committed to “eliminating single use plastics in our operations by 2030 – excluding those plastics which are critical to product discovery and development, health and safety, and meeting regulatory obligations.”

If, post separation, the GSK Consumer Healthcare does want to eliminate single use plastics in OTC medicines packaging, there are significant barriers, as laid out by the UK consumer healthcare industry association, PAGB.

As it stands, plastic packaging serves several specific uses in meeting the necessary safety and quality standards, according to the association. Plastic packaging:

- ensures the product specification is maintained throughout its shelf life;
- can maintain sterility and prevent potential contamination or degradation;
- prevents tampering and can protect children from accidental exposure;

- can support compliance and unit pack dispensing;
- and can offer additional safeguards to prevent or identify counterfeit products.

A recyclable alternative like glass, on the other hand, is:

- not a suitable material for certain types of dosage forms;
- not always inert or compatible with medicinal products;
- more expensive than plastic;
- uses significantly more energy than plastic production during production;
- weighs more, increase energy costs and impact on the environment during transportation.

The most common form of safety-related plastic packaging, blister packs, are in fact not an example of single-use plastics, the PAGB argues. “The majority of OTC products are purchased by an individual and used several times before the pack is empty,” the association maintains.

“It is important people retain the packaging of these products as use and dosage instructions and warning statements are printed on the packaging,” it says. “Therefore, PAGB would argue that consumer healthcare product packaging, such as blister packs, reopenable bottles and dose measuring devices, such as medicine spoons, do not fall into the category of single-use plastics as they are used multiple times by the end user before being disposed of.”