Access to medicine
Closing gaps with new strategy
Goldman Sachs Sustainable Healthcare Forum, 24 February 2021
This is Sustainability at Lundbeck

- We conduct our business activities in a way that support seven Sustainable Development Goals (SDGs) and mitigate significant risks and adverse impacts.

- Our most fundamental contribution to a sustainable development is our medical treatments and the good health and well-being they bring to people.

- We take a leading role in climate action and we promote an ethical, safe and inclusive culture in our operation and our value chain.
2020 Lundbeck Sustainability highlights

- Ranked #4 globally on the Net Promoter Score measuring patient groups’ willingness to work with and recommend the company
- Launched partnership with IHP * on product donations
- New science-based climate target for entire value chain approved
- 68% recycling of solvents in production
- Global Diversity & Inclusion Forum recommendations from employees adopted
- Achieved “ESG Industry Top Rated” by Sustainalytics

* International Health Partners
Lundbeck has significantly improved its ESG ratings in 2020

* Sustainalytics, a leading independent provider of ESG and corporate governance ratings, research and analysis, has provided this Top Rated Badge which is based on Sustainalytics’ proprietary ESG Risk Rating information.

24 February 2021.
Global health and well-being
Access to brain health for all

• Our treatments reach more than 7 million people everyday living with brain diseases worldwide

• One of the few companies in the world that focus exclusively on this unmet need

• We have a responsibility not just to develop treatments and cures but also to help patients access them

• For many years, Lundbeck has worked to enhance cultural acceptance of brain diseases

• We advocate for improving mental health parity and reduce stigma – and support disease awareness and offer education

“I would never dare to share my history for fear of appearing weak.”

Ruth Joseph
USA
Global health and well-being
Access to brain health for all

Access to Brain Health Strategy
Lundbeck’s Access to Brain Health Strategy aspirations reflect four Right to Health principles*

**Availability**
We leverage our specialist knowledge to address the burden of brain diseases and continue to make medicines available.

**Accessibility**
We promote the accessibility of our medicines by addressing discriminatory, physical, economical and informational barriers.

**Acceptability**
We improve mental health parity, reduce stigma, support national suicide prevention efforts and enhance cultural acceptability of brain diseases.

**Good Quality**
We provide high-quality medicinal products, safeguard patient safety and combat counterfeit medicine.

*Inspired by the WHO and OHCHR "Factsheet No. 31 - The Right to Health".*
Global health and well-being

New partnership on medicine donation

• In 2020, we entered into a new global mental healthcare partnership with International Health Partners (IHP)

• International Health Partners (IHP) is a UK-based charity that coordinates the safe and responsible donation of medical products from the healthcare industry

“We are delighted to be able to offer our first targeted mental health program through the partnership with Lundbeck. Our collaboration will lighten the burden for those living with poor mental health and help to change perceptions of these complex and often stigmatized conditions.”

Adele Paterson
CEO, International Health Partners

Staff member at Anera clinic, Lebanon.
Committed to innovation and availability
Supporting the global community

• We remain committed to brain health – which goes against the trend of shrinking research programs in psychiatric and neurological disorders in larger drug firms

• The Lundbeck Foundation* awarded scientific grants of EUR 60 million for biomedical research focused on the brain in 2020

• In 2020, Lundbeck contributed to the AMR Action Funds’ ambition to raise USD 1 billion to combat antimicrobial resistance

“Antimicrobial resistance is a universal problem that we are pleased to help solve through this Fund. However, the pharmaceutical industry cannot avert crises like this one alone, so we need other institutions and policymakers to act as well. We all have an important role to play.”

Deborah Dunsire, President and CEO of Lundbeck

*The Lundbeck Foundation is a separate entity and is Lundbeck’s largest shareholder, holding 69% of the share capital and voting rights.
Business ethics
Sustaining an ethical culture

• We are committed to creating a strong ethical culture and our Code of Conduct is the foundation

• It helps us navigate decisions with a broader perspective and steer us towards making a positive impact

• A key element in transparency is disclosure of interactions’ transfer of value

• In 2020, we disclosed the value of 26,729 interactions with healthcare professionals across 36 countries

LUNDBECK’S COMPLIANCE PROGRAM

Documents, training, monitoring and governance are the elements that ensure we are doing the right thing, continually improve processes and sustain a compliance culture.
## Access to Medicine Index 2021 – priority topics
### Lundbeck Reference Index

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*Source: Access to Medicine (ATM) Index Methodology 2021*
Facts and figures to support our progress

Our Factbook offers sustainability analysts detailed facts, figures and references on how we govern, manage and monitor sustainability at Lundbeck.

The Factbook covers Environmental, Social and Governance (ESG) issues.

14%
Reductions in carbon emissions in 2020
Lundbeck’s disease areas

- NCD’s included in the 2021 Access to Medicine Index include several diseases in Lundbeck’s diseases area:
  - Anxiety disorders, Bipolar disorder, Migraine, Schizophrenia, Unipolar depressive disorder, Alzheimer’s disorder (new in 2021)
- This reflects that mental health and neurological diseases are very widespread in all countries
- Most disease are included due to being top-ten high DALY burdens for non-communicable diseases in countries in scope
- As an example, more than 790 million people - roughly 10% of the world's population - are living with a mental health disorder*


Source: Access to Medicine Index Methodology 2021

Included in ATM 2021
82 diseases, conditions and pathogens, including high-burden communicable diseases, non-communicable diseases, neglected tropical diseases, maternal & neonatal health conditions and priority pathogens.
Inclusive and safe working conditions
A shared responsibility

• We are adamant that everyone at Lundbeck should feel safe and included when they come to work

• It is a shared responsibility to make sure our work environment is inclusive, safe and a great place to work for all

• Ideas and innovative approaches from diverse employees are needed to develop our company and accelerate our impact

• This year we took a bottom-up approach and established a global D&I Forum with 32 employees as members, representing 15 different locations from all functional areas
Climate action and circularity
Stepping up on climate action

- Lundbeck sets new 15-year climate target, towards achieving net-zero carbon emissions across the entire value chain

- The new science based 15-year climate target, includes a detailed action plan to reduce emissions, approved by the Science Based Targets initiative (SBTi)

- We will collaborate with our suppliers and mobilize employees across the organization to identify reduction measures

- Applying circular economy principles is also a fundamental part of achieving our climate targets

3 ELEMENTS IN LUNDBECK’S NEW CLIMATE TARGET

- Commit to carbon neutrality no later than 2050

- Further reduce carbon emissions from production and fleet drastically by almost two-thirds over the next 15 years

- Work with our suppliers and customers to reduce our carbon footprint outside our premises by nearly a fifth over the next 15 years

WE HAVE CUT DEEP ALREADY

Since 2006, we have reduced our CO₂ emissions from our production by more than 70%
Where do our climate emissions come from?

Total CO$_2$e emissions in 2019 in entire value chain

- **31%** GOODS & SERVICES
- **12%** FLEET
- **11%** BUSINESS TRAVEL
- **11%** DISTRIBUTION
- **11%** SITE POWER & HEAT
- **11%** PRODUCT INPUTS & PACKAGING
- **15%** EXTERNAL RESEARCH & CLINICAL TRIALS
- **4%** CUSTOMER EMISSIONS

**Source:** 2019 baseline carbon footprint calculation by Lundbeck with assistance from Carbon Trust. Site power & heat and Fleet roughly corresponds to our Scope 1 & 2, illustrated with the gray orbs.
## Sustainability targets

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<th>SDG impact</th>
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<td><strong>Access to brain health</strong></td>
<td>Ensure all disease awareness sponsorships within psychiatry measurably support suicide prevention or mental health awareness. Donate treatment for at least 900 patients through new product donation partnerships in low- and middle-income countries.</td>
<td>Engage all Lundbeck offices in local World Mental Health Day activities. Establish a product donation partnership.</td>
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<td><strong>Business ethics</strong></td>
<td>Annual Code of Conduct training completed by all employees at work globally. Increase proportion of healthcare professionals supporting disclosure of collaborations compared to the previous reporting year.</td>
<td>Annual Code of Conduct training completed by all employees at work globally. Work to increase proportion of healthcare professionals supporting disclosure of collaborations compared to the previous reporting year.</td>
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<td><strong>Climate action</strong></td>
<td>Reduce total carbon footprint across own operations, supply and distribution in line with our Science-Based Target.</td>
<td>Reduce CO₂ emission by 4% in 2020 compared to 2019. Obtain ‘Science Based Targets initiative (SBTI)’ approval of new climate target.</td>
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<td><strong>Environmental management</strong></td>
<td>Recycle 60% of the solvents used in chemical production. Recycle 62% of all general waste.</td>
<td>Recycle 55% of the solvents used in chemical production. Zero environmental incidents with an impact on the environment.</td>
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<td><strong>Diversity and inclusion</strong></td>
<td>Build an inclusive organization with a first initiative focusing on unconscious bias across the organization. Maintain an overall equal gender split for people managers globally.</td>
<td>Strive to maintain an overall equal gender split for people managers globally.</td>
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<td><strong>Health and safety</strong></td>
<td>Reduce lost time accident frequency ≤ 5.</td>
<td>Reduce lost time accident frequency ≤ 5.</td>
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- **Achieved**
- **Not achieved**
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### SASB Materiality Map®
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- Biotechnology & Pharmaceuticals
- Version 2018-10