

Sustainability solutions for the Healthcare and Life Sciences Industries

With sustainability higher on the boardroom agenda than ever before, healthcare and life sciences companies are increasingly taking an active role in decarbonizing the industry and including sustainable goals in their long-term strategies.

What is driving the change?

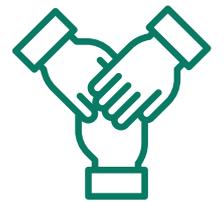
Increased focus on Environmental, Social and Governance (ESG) initiatives in relation to sustainability:

Sustainability has become top of mind among many healthcare and life sciences clients, with the Board, C-Suite, General Counsel teams prioritizing and implementing their sustainability strategy. Internal initiatives are increasingly being put in place to identify and address the ESG impacts of products from early R&D to the product launch and during its commercial lifetime to end-of-use.



Public commitments and corporate accountability:

As a result of growing internal and public pressures, companies have been strengthening their sustainability plans and policies, including increasing the percentage of energy consumed from renewable sources and setting clear renewable energy and greenhouse gas emissions reduction targets. An increasing number of life sciences companies have joined the RE100 – a global corporate renewable energy initiative bringing together more than 260 organizations committed to 100% renewable power, in more than 140 markets worldwide.



Sustainability compliance reporting and transparency:

Healthcare and life sciences companies are one of the leading sectors reporting on and making commitments in respect of greenhouse gas reduction and renewable power procurement targets.



Healthcare, Life Sciences and Corporate PPAs

Sourcing energy directly from renewable producers is increasingly being used to not only save on energy costs but also deliver on decarbonization goals. These mechanisms include long-term Corporate PPAs or using renewable energy contracting structures such as Virtual (Synthetic) PPAs to offset emissions via renewable energy certificates.



Renewable energy targets can be achieved via corporate PPAs, and reducing carbon emissions could protect supply chains and asset portfolios from continued climate change impacts.



As the market for corporate PPAs evolves, so does the complexity of some of the agreements. Our market leading team has the expertise and experience to advise on multiple variations of these agreements and are now at the forefront at partnering with healthcare and life sciences clients to help achieve their sustainability targets.



Baker McKenzie has assisted some of the biggest companies in the sector with Corporate PPA projects to help achieve their sustainability goals. Below are a few highlights of our recent work in the industry:

- Advised **Novartis** on five virtual power purchase agreements (VPPAs) expected to add more than 275 megawatts of clean power to the electrical grid. Under the agreements, wind and solar electricity will be generated from six renewable energy projects being developed in Spain by three different providers – Acciona, EDP Renewables and Enel Green Power. We provided advice to Novartis throughout the process, from the procurement and evaluation of offers for developers through to term sheets and the development of the VPPA documentation.

These projects are expected to be constructed and come online by 2023 and aims to address Novartis' greenhouse gas emissions across Europe over a period of 10 years from the start of operations – equivalent to removing approximately 113,000 passenger vehicles from the road annually.

- Advised a **Fortune 500 healthcare company** on the structuring and procurement of virtual corporate power purchase agreements for their operations in Europe. The company is looking to enter into virtual PPAs with wind and solar developers and we provided advice on the term sheet, negotiations, procurement, drafting and negotiating the PPA, and ancillary regulatory advice.
- Advised **one of the world's largest pharmaceutical companies** in its development and negotiation of virtual power purchase agreements for new renewable energy projects in the United States and Canada. The company is turning to renewable energy sources to help achieve their sustainability goals and we have been tasked to advise on drafting and negotiating the PPA

We have devoted substantial time and energy not only to stay on top of the market but to lead thinking around the issues. Explore our key resources and stay abreast of market developments and trends via our [Corporate PPA Hub](#). Find out more about how we can help you:



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