



Investor Statement

Biopharma Investor ESG Communications Guidance

The investors and their representatives named below, recognizing the value of improving communications with companies in the biopharma sector about their Environmental, Social and Governance (ESG) strategy, governance, risks, opportunities, and performance, are pleased to endorse the work of the Biopharma Investor ESG Communications Initiative (the Initiative) on developing a streamlined and decision-useful communications guidance.

Superior ESG performance in the most relevant areas is positively linked to long-term corporate financial performance. As investors, we are therefore seeking better ESG information about the companies we invest in, and assurance of effective corporate governance that fully considers the risks and opportunities associated with the most relevant ESG topics affecting them.

Alongside efforts from numerous organizations to improve the process and value of corporate ESG disclosures and reporting, we believe that opportunities remain to significantly improve the effectiveness of corporate communications with investors on ESG performance at the sector-specific level.

In addressing this challenge, we support the development and welcome the adoption of the Biopharma Investor ESG Communications Guidance developed by the Initiative team. The Guidance is the outcome of a dialog between biopharma companies and investors that began at the April 2018 Biopharma Sustainability Roundtable. Through facilitated dialogs between the two communities, the Initiative team has identified a core set of ESG topics that are the most important for ESG reporting within this sector. The Guidance provides a structure and examples of best practices to improve the quality and efficiency of information communicated on each topic.

By our joint endorsement of this statement, we:

- Welcome the Initiative's work on developing a sector-specific Guidance to help companies communicate how their corporate strategy integrates ESG considerations, including governance, risks, opportunities, and performance, in a well-structured and comparable manner.
- Recognize that the Guidance is by design a voluntary initiative, which members of the biopharma sector can choose to apply, or not. We encourage companies within the sector to apply the Guidance, as we believe it will enhance ESG-related communications, and encourage members of the investment community to provide feedback on its application and use.
- Agree that the ESG topics identified in the Guidance are relevant and of high-priority, often termed material, to both the biopharma sector and the investor community in assessing overall business strategy.



- Support the Initiative’s continuing efforts to improve and publicly share the Guidance, in the hope that it will be applied and evaluated as widely as possible.
- Commit to provide feedback on use of the Guidance, ensuring that it reflects an investor’s perspective, and remains dynamic and relevant as the sector evolves.

We encourage other biopharma sector investors and their representatives to join us in endorsing this statement.

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The Initiative is facilitated by the Biopharma Sustainability Roundtable, a sector-specific collaboration network that supports senior biotech and pharma executives in driving their sustainability agendas forward.

Learn more about the Biopharma Investor ESG Communications Initiative and download the Guidance:

<https://biopharmasustainability.com/biopharma-investor-esg-communications-initiative/>

* On behalf of its stewardship clients

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