

Supply chain sustainability

Making a difference outside company walls



Amgen evaluates its Scope 3 emissions, increasing both sustainability and transparency.

Overview

As one of the world's leading biotechnology companies, Amgen knows the power of data. It's a science-based, data-driven business, right down to the very core of its strategy. And its approach mirrors this: unleash the power of big data so innovative technologies and strategies can be created. It's also what drives the company's environmental management.

Amgen's global reach is growing, and the company wants to ensure that it does so responsibly and sustainably. In 2012, it set 2020 environmental and sustainability targets to reduce both its environmental impacts and its costs of business. Now, it's a matter of hitting them.

Partnerships and progress

The company has a comprehensive carbon reduction strategy, focusing on: eliminating energy use, increasing energy efficiency and growing the proportion of renewable and alternative energy used. With these initiatives underway, Amgen looked to where it could make a difference outside of its own operations. So the company turned its attention to reducing its scope 3 emissions.

Why Scope 3? Many companies are familiar with the value proposition of saving energy and reducing emissions from within their facility walls. But more companies—those that have mastered

the art of energy efficiency--are beginning to push the boundaries, encouraging their suppliers to reduce their carbon footprint--Amgen being one of them.

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The company wanted a data-driven approach for evaluating and estimating Scope 3 greenhouse gas emissions, so it turned to EDF Climate Corps for expertise. In 2017, Michael Lipowicz was hired to identify anticipated Scope 3 growth areas, determine the top scope 3 contributors and implement accounting and measurement methodology--a lot of work to be done in just 10 weeks.

Breaking it down

Before performing an initial evaluation of the company's Scope 3 emissions, Lipowicz needed to first create a feasible calculation strategy. forming an initial evaluation of the company's Scope 3 emissions, Lipowicz needed to first create



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He connected with stakeholders across Amgen's departments to determine how quantitative data was managed related to different divisions, like supply chain, logistics, global travel, etc. By increasing collaboration between business units, a consistent process for collecting data could be established, exposing opportunities to unlock additional emissions reductions projects.

Shifting gears, Lipowicz met with life cycle assessment consultants to weigh the benefits of various emissions factor databases.



Michael Lipowicz onsite at Amgen's Thousand Oaks, CA location in the summer of 2017.

Doing so would enable him to determine whether it was even possible for Amgen to calculate its Scope 3 emissions based on its current level of quantitative operational data.

Lipowicz left Amgen with two realizations.

- To evaluate Scope 3 emissions there needs to be a robust Scope 3 data collection process
- To have a collection process, there needs to be cross-departmental engagement and strategic planning

By creating these systems, Amgen is better equipped to tackle the challenges—and opportunities—of reducing emissions throughout its supply chain. And, by connecting the sustainability team to new facets of the business, the company will experience increased transparency and the onset of new sustainability projects across the organization.

About Amgen

Amgen is one of the world's leading biotechnology companies. Amgen is a values-based company, deeply rooted in science and innovation to transform new ideas and discoveries into medicines for patients with serious illnesses.

Reducing at scale

Avoiding Scope 3 emissions has the largest impact on a carbon footprint. But like anything worthwhile, it doesn't come easily. By their nature—being present throughout all stages of production—makes scope 3 emissions the trickiest to influence. So it might beg the question, why go through all the trouble? The answer is simple: it's smart business.

Large companies, like Amgen, can leverage their scale to encourage suppliers to take on energy management initiatives of their own, reducing emissions and costs unachievable by one company. Amgen is driving change and helping others do the same—and so can you.

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EDF Climate Corps

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EDF Climate Corps is a premier summer fellowship program that embeds trained, custom-matched graduate students inside leading organizations to accelerate clean energy projects and climate goals.

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