



Bærekraft – en konkurranse parameter for norsk industri

ESG, Environmental, Social and Governance

Vistin Pharma is a pure play metformin company with a bright outlook



Number of diabetes patients will grow by 51% from 2019 to 2045 and reach 700 million

Global metformin demand expected to grow by approx 15.000MT to 60.000MT by 2026

Our strategic intent: Become the leading premium global supplier of metformin

How?

- Build a 7000 metformin business through world class operations and strategic customer partnerships
- Make Fikkjebakke the most technology advanced and environmental sustainable state of the art metformin plant
 - Short term, stretch the current production capacity from 3500MT to 3800MT through operational efficiency and process development initiatives
 - Invest in a 2nd production line to expand the capacity by additional 3500+MT
 - Invest and build a R&D lab to work on continuous process improvements and new technology inventions
 - Become a front runner on sustainability by continuous focus and innovations in reduction of emissions and waste production

OUR “NO HARM VISION”

Vistin Pharma long term vision is to have no negative impact on environment, people and local community by our presence

Vistin is a «green» and environmentally friendly pharmaceutical company with a “no harm” vision and “front runner” ambition

Our goal is to double our manufacturing capacity without increased environmental impact on water, air and soil

ESG achievements and 2021-2024 targets

ESG achievements and initiatives at Vistin

Actively taking part in the circular economy as waste generated at Vistin is sent to approved incineration plant where the energy is reused as heat media for local communities and industry

Vistin has, since 2017, been part of a national program for surveillance of industrial impact on fjords and effluents. Surveillance program and ecotoxicology test confirm that Vistin do not impact the effluent negatively

Shifted from oil-based energy to hydro powered energy to reduce carbon footprint

Recover and reuse > 95% of its solvents used in the manufacture of metformin

Invested in a 2nd barrier, discharge tank of wastewater to avoid any uncontrolled discharge local community waste plant. Result: no discharge to the local community sewer above the strict permits set by the Norwegian Environmental Authorities during the last 4 years

Started a technology project where distillation will be fractionated into components that can be used as raw materials for other companies. Waste becomes raw material

Implemented internal recycling of waste in our manufacturing plant and focus on reusable gear instead of one-time equipment

No registered work-related personnel injuries for more than four years. Sick leave (%) is currently lower than the Norwegian pharmaceutical industry average

Well-balanced gender equality and age distribution and a policy to ensure all employees have equal opportunities based on skills and potential

Reduce emission of VOC to air by 90%

- Installation and start up in 2021
- Total investment cost, approx 1,0 MEU.
- Innovative technology developed with local engineering company in Grenland

Reduce water consumption in the plant by 90% through recycling by 2022

- May be used as source for energy supply to Kragerø Industrial Area
- Total investment cost approx 1,2MEUR
- Grants from Municipal or Government is a prerequisite to execute

Reduce pharmaceutical content in waste

- Estimated investment cost above 1,5 MEUR
- Will be a technology shift in the Global Pharmaceutical Industry when/if implemented
- Governmental grants are needed

No increase in discharge to sea from doubled production capacity

- Innovative process design in expansion project performed
- Requires technology/pharmaceutical expertise and financial grants to be pursued

Program for monitoring effluents in the environment and living species

- Cost for five year program approx 0,9MEUR.
- Synergies could be achieved if Industry Cluster run programs for several companies

Change of packaging material in granulate product

- Change final packaging material from fiber drums to polyetylen plastic bags
- Will reduce environmental footprint in fabrication of material, transport and customer waste generation

Reduction of plant energy consumption

- Optimizing of steam and condensate system by heat integration
- Investment cost not yet estimated. Will require governmental support and grants

Participate in the project « Green Platform Initiative», funded by The Research Council of Norway

- An Initiative to stimulate bigger and more rapid investments from companies in green sustainable solutions and products, by enable Norwegian Industry to implement the green transition and create green growth via the EU's Green Deal initiative (Horizon Europe)
- The project comprised 17 different companies within the pharmaceutical industry in Norway
- The application was turned down by the The Research Council, February 2021

Summary

ESG (Environment, Social & Governance), Sustainable manufacturing and green technology is used more often as base for evaluation and decision making for investors, authorities and customers, world wide

Norway is considered as a “green” alternative with a stable democratic political regime including high level of gender quality, developed HSE/ESG policies with focus on environment and occupational health

Norwegian (Pharmaceutical) Industry has currently a great opportunity to create a competitive advantage and diversify from competitors in low-cost countries in sustainability by focusing on, invest in and including sustainability in strategies and company targets

It is of most importance that authorities and their political instruments lay ground and support investments in this area to strength Norwegian (pharmaceutical) export industry and international reputation