Sustainability Performance Metrics & Calculation Methodology

EFFECTIVE JULY 1, 2026

A summary of the calculation methodologies for our key reported sustainability metrics — the standards, boundaries and estimation approaches that underpin how each figure is measured and disclosed.

Approach

We set measurable goals to track the progress of our sustainability strategy and report on them annually. These goals are embedded in our business operations and aligned with our core priorities: reliable supply of medicines, long-term value for shareholders, and the purpose that drives both. We measure and report progress against our goals and more broadly, our sustainability efforts overall, through a series of metrics.

In order to accurately and consistently measure this progress, we have defined a methodology for calculating each metric. We believe that transparency is an important driver of accountability with our stakeholders, and in that spirit we publish a summary of calculation methodologies for our key reported metrics. These summaries are intended to give a high-level overview of the more detailed series of internal governance documentation that is maintained by our corporate sustainability team and functional subject matter experts and referenced by external assurance providers, where applicable.

Unless otherwise noted, our sustainability data reflects progress made during the calendar year, consistent with our financial reporting.

We follow structured processes to collect, evaluate, calculate and validate the data included in our reporting. We consider external standards in deciding what data to collect and report. The data presented in our reporting are collected using various methodologies, which in some instances are based on assumptions and estimates in which there are inherent uncertainties and limitations. For example, information may come from third-party sources and operations outside of our control. While we believe such information is reasonably accurate and is based on reasonable principles and methodology, the third-party collection and validation of this data is beyond our direct control. In addition, the achievement of certain sustainability goals and targets may be dependent on the actions of our partners, suppliers and other third parties, all of which are outside of our control.

Furthermore, environmental data in this report is subject to measurement uncertainties resulting from limitations inherent to the nature and the methods used for determining such data, including that data may rely on extrapolation, modeling, or industry-average emission factors where primary data is unavailable. The precision of different measurement techniques may vary.

As we improve our methodologies and as new information becomes available, we may continue to revise our estimates and assumptions. Methodology changes may include, without limitation, changes in a calculation, improvements in the quality of data, greater data granularity or updates to available third party-reported data. Such updates may result in material changes to our calculations and may also result in adjustments made to the current and previous periods. Changes may also be driven by evolving external standards, frameworks, or regulatory requirements, as applicable.

IMPACT AREA

Advancing Access to Healthcare

ACCESS

Total Patient Reach

BOUNDARY	All approved Lilly and alliance partner human pharmaceutical products marketed globally, including brands manufactured and promoted by Lilly, brands promoted but not manufactured by Lilly, and brands manufactured but not commercially marketed by Lilly.
EXCLUSIONS	Product accessible to patients via clinical trials, patient support programs, or samples, as well as divested products.
BASELINE	None
RESTATEMENT	None
ASSURANCE	N/A
DATA SOURCES	Lilly and third-party data sets.

METHODOLOGY

The metric measures the total number of people who received a Lilly medicine in a given year, across all geographies and therapeutic areas. The calculation includes several components:

- **Shipped from Lilly:** medicine volume shipped from Lilly divided by estimated average volume consumed per patient.
- **Not shipping from Lilly:** estimated volume based on market data divided by average estimated volume consumed per patient.

A person receiving more than one Lilly medicine is counted once for each medicine; no cross-product deduplication is applied. Estimated average volume consumed per patient is derived per medicine from days of therapy and average daily dose assumptions set by product and adjusted for regional differences and indication mix.

REACH

People in Resource-Limited Settings Impacted

2030 GOAL

We strive to improve access to quality healthcare for 30 million people living in resource-limited settings annually by 2030.

BOUNDARY	The boundaries vary across our pipeline, programs and philanthropy and other initiatives pillars, but all areas are focused on patients in low-middle income countries (LMICs), as defined by the World Bank, and other resource-limited communities, including the U.S. For each pillar boundaries include: • **Pipeline:** external investments in healthcare solution-focused venture capital and antimicrobial resistance funds. • **Programs:** commercial product distribution in LMICs and U.S. resource-limited communities, patient support programs, and manufacturing and public-private partnerships. • **Philanthropy:** collaborations and engagements with organizations that align with the World Health Organization's health system strengthening priorities.
EXCLUSIONS	For commercially available product sold in LMICs supporting the Programs pillar, the following exclusions apply: products accessible to patients via clinical trial, product sales in certain emerging geographies, or samples, as well as divested products are excluded.
BASELINE	None
RESTATEMENT	None
ASSURANCE	N/A
DATA SOURCES	Lilly and third-party product sales and donation data, third-party organization submissions estimating patient reach, and the World Bank LMIC country classification.

METHODOLOGY

This metric measures the number of people living in resource-limited settings who received access to Lilly medicines or benefitted from Lilly-funded health system strengthening programs (whether directly or through Lilly-funded third-party organizations) in a given calendar year.

We define resource-limited settings as:

- low-middle income countries as classified by the World Bank;
- U.S. dual eligible patients;
- U.S. and international communities needing health system strengthening.

To estimate the number of patients reached, we use a mix of internal and external data. Internal inputs include estimates for our commercially distributed products in resource-limited settings, as well as medicines we donate to organizations that distribute it for free to patients who qualify.

External inputs include estimates of people impacted as submitted by health organizations we support financially and companies receiving venture impact investments from Lilly. The estimates are based on their own methodologies and validation processes. While we rely on third parties for the accuracy of their reporting, we conduct risk-based internal reviews to ensure data reasonableness.

IMPACT AREA

Minimizing our Environmental Footprint

CROSS-CUTTING METHODOLOGY

We utilize the Greenhouse Gas Protocol Corporate Standard as a guiding framework for emissions accounting. Organizational boundaries are defined using an operational control approach, whereby Lilly accounts for emissions and environmental impacts from facilities where it has full authority to introduce and implement operating policies.

Where primary data is unavailable, estimates are applied using established proxies (e.g., square footage, average consumption factors), consistent with industry practices.

Baseline and prior year data are reviewed annually, including for acquisitions or divestitures, and adjusted where material changes occur. Restatements are triggered by acquisitions or divestitures exceeding a 5% threshold of total emissions or by the identification of material errors exceeding a 10% threshold.

Eli Lilly engages with third-party assurance providers to provide limited assurance in relation to specific environmental data. Assurance statements are available on our Sustainability website.

CLIMATE

Scope 1 & 2 Greenhouse Gas (GHG) Emissions

2030 GOAL

We strive to be carbon neutral in our own operations by 2030.

BOUNDARY	All Lilly-owned and leased facilities under operational control, defined as facilities where Lilly has the authority to introduce and implement operating policies. For leased facilities, a practical consideration for operational control includes whether Lilly is responsible for utility procurement and payment.
EXCLUSIONS	Facilities not under Lilly operational control are excluded from Scope 1 and 2 but included in Scope 3.
BASELINE	2019
RESTATEMENT	None
ASSURANCE	Third-party limited assurance provided for 2025.

METHODOLOGY

This metric measures the Scope 1 and Scope 2 GHG emissions associated with in-scope operations.

Our annual GHG inventory follows the GHG Protocol Corporate Standard. Scope 1 includes direct emissions from owned/controlled sources: stationary combustion, mobile combustion, refrigerant fugitive emissions, and process emissions. Scope 2 includes indirect emissions from purchased electricity, heat, steam, and chilled water — reported under both location-based and market-based methodologies; performance is tracked market-based.

Where site-level utility data is unavailable, estimates are applied based on proxy methodologies (e.g., square footage and site type). Energy and activity data is uploaded to a designated platform for large sites. Smaller sites and additional sources (i.e. fleet, corporate aircraft) are manually entered. Activity data is converted to CO_2e using established emission factors within Lilly's inventory process, with external support where applicable.

CLIMATE

Scope 3 Greenhouse Gas (GHG) Emissions

GOAL
Enhance tracking and reporting of value-chain emissions.

BOUNDARY	Indirect emissions from our value chain, excluding intercompany transactions and activities captured by Scope 1 and 2 emissions calculations.
EXCLUSIONS	Scope 3 emissions categories 8, 10, 11, 13, and 14 have been assessed and determined to be not material or not relevant based on the nature of Lilly's operations.
BASELINE	None
RESTATEMENT	None.
ASSURANCE	Third-party limited assurance provided for 2025.

METHODOLOGY

Scope 3 emissions are calculated annually in accordance with the GHG Protocol Corporate Value Chain (Scope 3) Standard. Methodologies are applied consistently year-over-year, with updates incorporated as data quality and availability improve. Lilly calculates emissions across relevant categories using supplier-specific and spend-based methodologies as data availability permits. In an evolving Scope 3 data capture and calculation environment, we expect to consider best practices each year to provide best estimates possible.

Emission factor sources: US Environmentally-Extended Input-Output (USEEIO) codes and the associated emission factors and supplier-specific where applicable. Lilly applies a hierarchy of methodologies, prioritizing supplier-specific data where available and applying spend-based emission factors as a secondary approach.

Categories reported: Categories 1 through 7, 9, 12 and 14. Following are further methodology details for the two most significant Scope 3 categories:

Category 1: Purchased Goods and Services

Purchased goods and services includes inputs for the manufacturing of our medicines as well as goods and services to support our broader organization. Certain non-carbon-generating transactions (e.g., financial transfers, taxes, insurance) are excluded as allowed by the GHG Protocol. Where supplier-specific data is available and when a supplier does not directly provide us our portion of their emissions, we estimate our portion of their carbon emissions based on proportions of our share of their revenue. The CO_2e for all other goods and services are calculated based on spend-based EEIO factors.

Category 2: Capital Goods

Emissions for capital goods are based on indirect spend for capital projects, mainly the construction of new buildings for our own use or renovation of existing facilities. Emissions are based on spend-based EEIO factors.

CLIMATE

Renewable Electricity

2030 GOAL

We strive to source 100% of purchased electricity from renewable sources by 2030.

BOUNDARY	All Lilly-owned and leased facilities under operational control, defined as facilities where Lilly has the authority to introduce and implement operating policies. For leased facilities, a practical consideration for operational control includes whether Lilly is responsible for utility procurement and payment.
EXCLUSIONS	None
BASELINE	2019
RESTATEMENT	None
ASSURANCE	Third-party limited assurance provided for 2025.

METHODOLOGY

This metric measures our renewable energy consumption as a percentage of total purchased electricity consumption across in-scope facilities.

Renewable electricity includes that sourced from renewables, including electricity purchased from external renewable suppliers and electricity generated on-site (e.g., solar).

Data is collected monthly, quarterly, or annually by site teams into the environmental management system, calculated, internally reviewed, and validated by the third-party assurance provider annually.

CLIMATE

Energy Consumption

2030 GOAL

We strive to be carbon neutral in our own operations by 2030.

BOUNDARY	All Lilly-owned and leased facilities under operational control, defined as facilities where Lilly has the authority to introduce and implement operating policies. For leased facilities, a practical consideration for operational control includes whether Lilly is responsible for utility procurement and payment.
EXCLUSIONS	Facilities not under Lilly operational control.
BASELINE	2019
RESTATEMENT	No restatement in 2025.
ASSURANCE	Third-party limited assurance provided for 2025.

METHODOLOGY

This metric measures energy consumption, which is a component of our GHG emissions calculation.

Total energy consumed is comprised of direct energy consumption (i.e. combustion of coal, fuel oil, natural gas, liquid propane, jet fuel, sales fleet fuel, and on-site generated renewable electricity) and indirect energy consumption (i.e. purchased electricity, steam, and chilled water).

For small sites where invoices are unavailable, we estimate natural gas and purchased electricity using average consumption factors (publicly sourced or internally derived) by site type (office, lab, warehouse), multiplied by square footage. Other stationary fuels, district steam, and chilled water are assumed captured within those estimates.

Data is collected monthly, quarterly, or annually into the environmental management system, calculated, internally reviewed, and validated by the third-party assurance provider annually.

WASTE

Waste Generation & Disposition

Total waste generation: Hazardous waste · Non-hazardous waste

Total waste disposition: Beneficial use (recycled, reused and waste-to-energy) · Treated (combustion without energy recovery) · Landfilled total

GOAL

We strive to have zero waste sent to landfills from routine operations and have 100% of plastic waste repurposed for beneficial use, with at least 90% recycled or reused.

BOUNDARY	Wholly owned facilities or manufacturing sites or facilities/sites under lease where Lilly is the sole tenant, controls waste disposition, and quantities can be measured or estimated.
EXCLUSIONS	Non-routine construction and demolition debris; uncontaminated soil and clean fill; problematic waste (e.g., highly potent or regulated waste); remediation waste; vegetation/landscaping; wastewater conveyed offsite via piping; biosolids from wastewater treatment.
BASELINE	2019
RESTATEMENT	No restatement in 2025.
ASSURANCE	Third-party limited assurance provided for 2025.

METHODOLOGY

These metrics measure our total waste generation and total waste disposition methods. For our zero-landfill target, we track the performance for each in-scope facility, as well as the total waste generated by all in-scope sites.

Waste is categorized by type (hazardous/non-hazardous), disposition method (beneficial use, treated, landfill), and disposition location (onsite/offsite). Each site is responsible for its own waste management plan. Hazardous waste classification follows local regulatory rules. Beneficial use includes reuse, recycling, and waste-to-energy. Waste is counted as landfilled even in instances where the landfill recovers methane.

Data is submitted quarterly or annually through the environmental data collection system, aggregated, internally reviewed, and assured by the third-party assurance provider annually.

WATER

Water Intake & Recycling / Reuse Rate

BOUNDARY	Wholly owned sites or sites under lease where Lilly is the sole tenant and water usage can be estimated or measured.
EXCLUSIONS	Groundwater pumped solely for remediation or to lower groundwater tables for structural integrity purposes.
BASELINE	2019
RESTATEMENT	None
ASSURANCE	Third-party limited assurance provided for 2025.
DATA SOURCES	Third-party utility data.

METHODOLOGY

These metrics measure our water intake and rate of water recycling and reuse.

Water intake is measured as the total volume of water entering a site from surface water, groundwater, and utility sources, including process, utility, and ancillary uses, such as irrigation.

The water recycle and reuse rate is defined as the total annual water volume recycled or reused divided by the total annual water intake plus the total annual water volume recycled or reused.

WATER

Sites in Water-Stressed Areas with Water Management Plans

GOAL

We strive to establish and execute water management plans for Lilly sites in water-stressed areas.

BOUNDARY	Lilly manufacturing sites in water-stressed areas.
EXCLUSIONS	Lilly sites not in water-stressed areas and any contract manufacturing organizations, regardless of location.
BASELINE	None
RESTATEMENT	None
ASSURANCE	Third-party limited assurance provided for 2025.
DATA SOURCES	Internally documented water management plans.

METHODOLOGY

This metric measures the percent of Lilly manufacturing sites in water-stressed areas that have established water management plans.

Water management plans are required for Lilly manufacturing sites located in geographies considered 'water-stressed' according to external water risk assessment tools. Water stress management plans include localized targets and initiatives with specific delivery dates related to reducing water stress where these sites operate.

WATER

Conformance to PNECs for Pharmaceuticals in the Environment (PiE)

GOAL

We strive to maintain that 100% of Lilly sites meet PNECs for PiE, and to ensure appropriate controls are in place with Lilly contract manufacturers to prevent discharge of pharmaceuticals in wastewater above PNEC limits.

BOUNDARY	Wholly owned active pharmaceutical ingredient or drug product manufacturing sites, and third-party contract manufacturing sites producing active pharmaceutical ingredients or drug products for Lilly.
EXCLUSIONS	Internal and external research and development sites and clinical trial supply manufacturing sites.
BASELINE	2019
RESTATEMENT	None
ASSURANCE	Third-party limited assurance provided for 2025.

METHODOLOGY

These metrics measure conformance to predicted no-effect concentration (PNEC) thresholds for pharmaceuticals in the environment (PiE) for Lilly manufacturing and third-party contract manufacturing sites. PNEC thresholds are determined using Environmental Protection Agency (EPA) and Water Framework Directive methodologies and Lilly's internal environmental risk assessment processes.

Data is entered quarterly into the environmental management system, then reviewed and validated by the third-party assurance provider annually.

IMPACT AREA

Fostering a Thriving Workplace

SAFETY

Severe Workplace Injuries

GOAL

We strive to achieve zero severe injuries, with a focus on continuous improvement.

BOUNDARY	Lilly employees.
EXCLUSIONS	Lilly-supervised contractors and other workers on site.
BASELINE	None
RESTATEMENT	None
ASSURANCE	N/A

METHODOLOGY

This metric measures severe workplace injuries incurred by Lilly employees. We track and report injuries as required by local regulations (e.g., U.S. Occupational Safety & Health Administration). However, for internally tracked global injury metrics, we utilize the severe injury rate metric, which is based on the ASTM Standard E2920 for Reporting Injuries and Illnesses. Data is entered by employee health and safety or medical professionals in our injury reporting system and maintained as injuries occur and the event progresses and/or resolves.