Hemofarm
STADA GROUP

Sustainability
REPORT 2025

www.hemofarm.com

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Note: *Due to the transition from GRI to ESRS/CSRD sustainability reporting guidelines, this edition of the report presents global data for the STADA Group in some places alongside certain indicators, while data for Hemofarm/Hemofarm Group is presented in others. The goal was to achieve closer alignment in reporting between the global company and its affiliates while maintaining the visibility of the local context, in order to provide a clearer understanding of actual ESG impacts. Throughout the report, the data aspect (global or local) will be further highlighted for the reader's clarity—STADA global data will be marked with (SG), while local data for Hemofarm/Hemofarm Group will be marked with (HF).*

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We Are Our Actions

Dear readers,

More than six decades ago, Hemofarm began its journey with a simple but powerful mission – to improve people's health. Today, as part of the STADA Group, we are fulfilling that mission on a much broader scale. Our task is no longer only to manufacture high-quality and affordable medicines. Our responsibility is to create long-term value for patients, employees, health systems, the community and the environment.

The world around us is changing rapidly. Climate change, demographic challenges, digital transformation and growing societal expectations require companies to think long term and to place sustainability at the very core of business decision-making. This is precisely why sustainability at Hemofarm is not a separate initiative or a set of individual projects. It is the way we make decisions, manage risks, develop products, invest in people and build trust with all our stakeholders. This report marks an important milestone. For the first time, we are reporting locally, guided by the principles of the European Sustainability Reporting Standards (ESRS), following the transformation that STADA has initiated at Group level as preparation for full implementation of the Corporate Sustainability Reporting Directive (CSRD). Hemofarm strives to achieve compliance with ESRS principles wherever possible in this first edition of its ESG report, which follows the CSRD concept. By doing so, we are not only responding to current and future regulatory requirements, but also building stronger processes, greater transparency and better data management.

I am particularly proud that Hemofarm is among the companies that do not see this change as a mere administrative obligation, but as an opportunity to further

improve the way we do business. I believe that responsible business conduct, innovation and commitment to people are the foundation of our long-term competitiveness.

In 2025, Hemofarm produced 303 million packs—or 7.9 billion finished units—with a portfolio of 474 products, which clearly demonstrates the strength and breadth of our business. How we operate is equally important to us: with 68% of electricity from renewable sources and 85% of waste diverted from landfills, we demonstrate that production growth and responsible resource management must go hand in hand.

Our goal remains the same – to be a trusted partner to patients, healthcare professionals, our employees, and society as a whole. This report shows how far we have come, but even more it speaks about where we want to be in the years ahead.

Dr Ronald Seeliger
CEO of Hemofarm

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Purpose-Driven Leadership

With 110 new product development deals signed during 2025, we secured our pipeline of medicines so we can sustain reliable supply and a broad product offering for many years to come. Improving access to healthcare in a pragmatic manner that mitigates risk in unpredictable times is at the heart of our sustainability approach.

By promoting environmental and social standards in the relationships with our value-chain partners, we can positively influence working conditions and environmentally responsible business practices. This contributes to a more robust supply chain, which is essential for our competitiveness and for the stability of the healthcare systems we serve.

Peter Goldschmidt
CEO, STADA Arzneimittel AG

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Sustainability and New Technologies for Better Health

Today, sustainability is not only about the results a company achieves. Equally important is how we communicate those results, how transparent we are, and how we build trust with the people for whom they are intended.

People are at the heart of every business result and in 2025, the Hemofarm Group consisted of approximately 4,500 employees, with women making up 56% of the total workforce and holding more than 52% of management positions. Our repeated status as a Top Employer 2025 confirms that we build this commitment to our employees systematically. Furthermore, we continued to foster care for the community through the activities of our Hemofarm Foundation, remaining committed to promoting organ donation as a safe way to extend and save lives (with 102 transplants performed in Serbia during 2025). We have also remained committed to supporting society in building mental resilience and navigating the challenges of everyday life, while continuing to invest in promising young people through the Foundation's now-traditional scholarship program. For all this effort, we have received numerous awards and public recognition, which, over the last ten years, reached a triple-digit number in 2025.

In recent years, the way we communicate has been changing faster than ever before. Artificial intelligence is becoming an integral part of everyday life, opening up completely new possibilities for knowledge sharing, content personalization and access to information. We believe that the responsible use of these technologies will significantly contribute to improving health literacy and to a better-quality dialogue with patients, healthcare professionals and the wider public.

This is why, at Hemofarm, we do not see artificial intelligence only as a technological innovation, but as a new dimension of responsible communication. In the period

ahead, we plan to develop AI avatars – a digital pharmaceutical advisor that will be able to provide reliable, comprehensible and easily accessible information on health, prevention and the proper use of medicines. We believe that such an approach will bring expert information even closer to people, with full respect for ethical principles, data protection and regulatory requirements.

This report is far more than a review of achieved results. It speaks about people, partnerships, responsibility and the trust we build day by day. At the same time, it shows that sustainability and digital transformation are not two separate processes, just as AI and ESG are not, but rather two sides of the same vision of the future – a future in which technology serves people, and responsible business remains our most important compass. And finally – or at the beginning of all our efforts – prevention as a sure path to better health, driven by sustainability and new technologies.

I am convinced that the combination of science, transparency and innovation will enable Hemofarm to continue to be one of the leaders in sustainable development in the region and a reliable partner to all its stakeholders.

Sanda Savić
Senior Director Corporate Affairs and Communications

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Company Profile, Key Facts and Indicators

Who we are:

Hemofarm[1][2][3] is a leading pharmaceutical company in the region, as well as one of the most important pillars of the development of the entire STADA Group, whose core activity is the production of high-quality pharmaceutical products. Our portfolio consists of a total of 474 products in different forms and strengths, classified into three main segments: Consumer Health Care (CHC) products (available without a prescription), generic medicines (available only on prescription), and special forms (specialties, including biosimilars).[4] Hemofarm's products are present in 31 countries on 4 continents, and Hemofarm is also the largest pharmaceutical exporter from Serbia, with an export share of as much as 82%. In Serbia, this portfolio covers 13 out of 14 ATC groups of pharmaceutical products.

Purpose and approach:

Our purpose – "**Caring for people's health as a reliable partner**" – together with our vision and core values, guides our actions. These principles shape the way we develop, manufacture and deliver medicines, drive consistent performance and quality, and form the basis of our contribution to more sustainable and accessible healthcare.

People and footprint:

Our footprint includes **16 MANUFACTURING SITES** in **11 COUNTRIES** across Europe and Asia. Our One STADA family consists of around **12,400 EMPLOYEES** from more than **80 COUNTRIES**, and we operate in **46 COUNTRIES WORLDWIDE**.

ABOUT **4,500** EMPLOYEES

makes our Hemofarm Group team, which confirms its importance within the STADA ecosystem.

Portfolio and products:

In 2025, we produced **550 million packs** at our own manufacturing sites (of which 303 million packs at Hemofarm, equivalent to 7.9 billion finished units), and we cooperated with around **400 contract manufacturing organizations (CMOs)**, delivering in total more than **1.1 billion packs during the year**.

We manage a diversified portfolio with more than **25,000** stock-keeping units (SKUs) and over **800** active pharmaceutical ingredients (APIs), supplying products to around **100 countries** worldwide.

Our products cover **20%** of the **World Health Organization (WHO)** Model List of Essential Medicines.

Innovation and approach:

During 2025, we placed 1,291 new products on the market and concluded 97 in-licensing agreements for future product launches. More than 2,500 approval procedures for over 200 APIs and combinations in more than 60 countries further strengthen our development portfolio and enable faster international expansion of established brands. Hemofarm has contributed to this global momentum through strong local results in pharmaceutical development and regulatory affairs, with a development pipeline of more than 50 pharmaceutical products and the start of development of an additional 12 new products in 2025. At the same time, through regulatory activities, 177 marketing authorizations for medicines were obtained in 18 countries, alongside a large volume of submitted variations and renewals, as well as the continuous updating of product information in line with the latest knowledge on efficacy and safety of use. In this way, local competences further strengthen the availability, compliance and sustainable growth of the portfolio across different markets.

[01] *Hemofarm was founded on 1 June 1960 in Vršac. It has been a member of German STADA Group since 2006, which was taken over by the private equity funds Bain Capital and Cinven in 2017 for providing further global growth. STADA Arzneimittel AG (hereinafter referred to as 'STADA') is the parent company of the STADA Group and a leading global healthcare company. Founded in March 1895 and headquartered in Bad Vilbel, Germany, we have been a trusted pharmaceutical partner for more than 130 years.*

[02] *Company is headquartered at Beogradski put bb, 26300, Vršac, while the Business Centre is based at Prote Mateje 70, 11000 Belgrade. Subsidiaries abroad: Hemofarm d.o.o. Banja Luka, Novakovići b.b., Banja Luka, BIH, Hemomont d.o.o. Podgorica, 8. marta 55a, Podgorica, Montenegro, STADA Hemofarm S.R.L., Calea Torontalului, km6, 300633 Timisoara, Romania; more information and contacts of all offices and affiliates of Hemofarm Group ara available at https://www.hemofarm.com/srb/predstavnistva.*

[03] *The list of entities included in Hemofarm's sustainability reporting focuses on the company's business operations in Serbia, Bosnia and Herzegovina, Montenegro, and Romania (laboratory in Timisoara), where for each specific data point it is clearly stated whether all listed entities are included in the presented data and/or analytics or if any of them are excluded, along with the rationale for any exclusions. Hemofarm is active in pharmaceutical and healthcare sectors.*

[04] *Hemofarm is active in pharmaceutical and healthcare sectors.*

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Scope of operations and results:

According to the company IQVIA, Hemofarm is the leader in the domestic pharmaceutical market competing against 26 local manufacturers and 34 distributors, with a market share of 19.5% in volume, i.e., 7.7 % in value.[5] In the financial year 2025, Hemofarm generated sales of over EUR 643 million (representing a growth of 12.4% compared to 2024). The EBITDA achieved in 2025 is EUR 94.7, representing a growth of 66% compared to 2024.[6] Direct sales from Hemofarm to third parties recorded a decline, while sales in the intercompany markets of the Hemofarm Group increased. Sales in STADA Group markets in 2025 showed the highest growth, at 21.50%. The directly generated value continued to grow, increasing by 12.61% in 2025 compared with 2024. The distributed economic value in 2025 also increased by 10.35% compared with 2024.

(HF)	2025[7]	2024	2023
REVENUES	**EUR 643.6 million**	EUR 572.7 million	EUR 520.6 million

In 2025, Hemofarm recorded an increase in **ECONOMIC VALUE OF 48.75%**.

Hemofarm AD recorded a **12.55% INCREASE** in **SALES REVENUES** in 2025 compared with 2024.

(HF)	31.12.2025.	31.12.2024.	31.12.2023.
SALES REVENUES	**66.742.544**	59.302.149	55.454.538

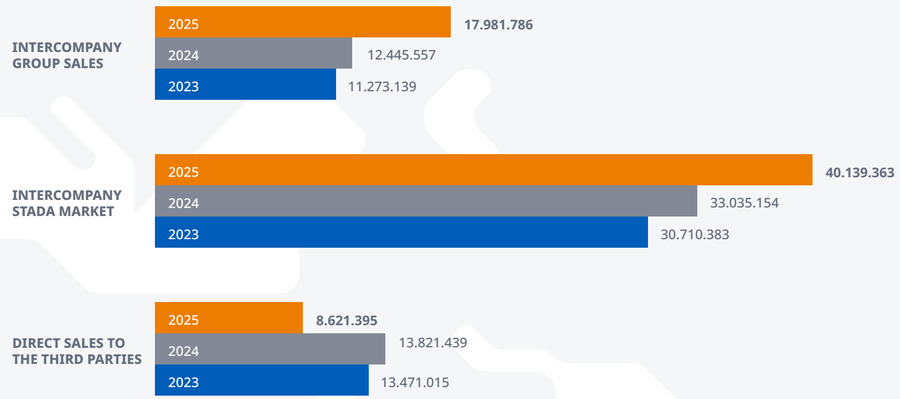
(in RSD '000)

(HF)	2025	2024	2023
EBITDA	**EUR 960.2 million (Hemofarm Group: EUR 94.7 million)**	EUR 885.5 million (Hemofarm Group: EUR 57.1 million)	EUR 796.2 million (Hemofarm Group: EUR 48.1 million)

(in RSD '000)

(HF)	2025	2024
Directly generated value	66.936.692	59.439.329
Distributed economic value	61.724.055	55.935.084
Operating expenditures	47.437.042	43.204.673
Salaries and other employee benefits	12.016.330	11.050.904
Interest on loans	574.813	646.147
Tax	1.636.201	974.214
Community investments	59.669	59.146
Increase in the company's economic value	5.212.638	3.504.245

(HF) *(in RSD '000)*



[05] *In 2025, STADA ranked fourth in Europe in terms of gross sales in the segment of generic medicines and over-the-counter (OTC) medicines/products.*
[06] *In the 2025 financial year, the Hemofarm Group generated sales of EUR 643,583,623 (representing growth of 12.4% compared with 2024, when EUR 572,684,906 was achieved). The EBITDA achieved in 2025 is EUR 94,753,294, representing a growth of 66% compared to 2024.*
[07] *At STADA Group level: 2025: EUR 4,296.2 million, 2024: EUR 4,058.9 million, 2023: EUR 3,734.8 million*

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Ratings and recognitions:

Our continuous progress is reflected in the steady improvement of external ratings and sustainability assessments. These independent assessments confirm the efficacy of our activities and enhance transparency towards our stakeholders. Strong scores also allow us to benchmark ourselves against peer companies, helping us to see where we are achieving the planned progress and where there is room for further focus and action.

Sustainalytics

Independent agency **Morningstar Sustainalytics** has once again rated us in the "**Low Risk**" category, confirming strong management of ESG risks.

Our ESG Risk Score has further improved by **1.7 points**, to **16.4**, placing us among the **top 3%** in the peer group of pharmaceutical companies, which comprises **421 rated companies**.[8]

EcoVadis

In 2025, we again received the "**Gold Medal**" rating from EcoVadis, with an ESG score of **83/100**, an improvement of seven points compared with the previous year. This places us among the **top 1%** in the pharmaceutical industry and the **top 2**% across all industries. In each category – **Environment, Labour & Human Rights, Ethics and Sustainable Procurement** – we achieved a score of at least **75 points**.[9]

Carbon Disclosure Project (CDP)

In 2025, we succeeded in confirming our "**B**" rating, after previously improving it from "**C**" in 2024. CDP assesses our transparency and effectiveness in managing environmental impacts, with a particular focus on carbon emissions and climate strategy.[10]

Top Employer

For the fourth consecutive year, we have been named **Top Employer Europe 2025** by the **Top Employers Institute**. As a result of the efforts made and the conditions provided to employees in Serbia, Bosnia and Herzegovina and Montenegro, Hemofarm also confirmed its position as a Top Employer in 2025 through the recognition awarded by the Top Employers Institute. This certification highlights Hemofarm's commitment to better working conditions and to providing excellent policies and practices in the area of people development and human resources management (C&P). Re-certification for the Top Employer status is planned for 2026.

[08] *This rating applies globally to the STADA Group.*
[09] *This rating applies globally to the STADA Group.*
[10] *This rating applies globally to the STADA Group.*

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Key Sustainability Indicators

Seven strategic programme areas guide sustainability in STADA and its affiliates, including Hemofarm. They are described in more detail within the European Sustainability Reporting Standards (ESRS) 2 and the corresponding topical standards.

These programme areas are embedded in our purpose, vision and values, and reflect our assessment of material impacts, risks and opportunities inherent in our business and business model. They provide the strategic framework for setting targets, steering activities and aligning responsibilities, thereby supporting responsible business practices and value creation as a healthcare company, in line with our purpose: "**Caring for people's health as a reliable partner**."

Environment

- Decarbonization & Climate Change
- Sustainable Production and Packaging

Social

- Access to Medicine & Health Promotion
- Employee Attraction and Safety
- Uniqueness & Equal Pay

Governance

- Responsible Procurement
- Ethical Business Conduct

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Sustainability goals: overview for 2025 and outlook

Within these programme areas, we have set measurable and relevant targets and hold ourselves accountable for delivering on the commitments we have made, as presented below. According to the plan, we have further advanced our transition to reporting in line with the CSRD and are voluntarily publishing this Sustainability Report, which is partially aligned with ESRS requirements (see also ESRS 2). Additional information on our processes and the progress achieved is presented in the following sections of this Sustainability Report.

(SG)	Our Commitments	2025 Achievments		Targets
DECARBONIZATION & CLIMATE CHANGE	Reduce Scope 1 & 2 carbon emissions [versus baseline year 2020; Scope 1 & 2]	Target 2025: -35.5% (Year End 2024: 34%)	✓ **-35.5%**	Target 2030: **-42%**
	Address Scope 3 carbon emissions through supplier engagement	Target 2025: SBTi validation	→ **Postponed to 2026.**	Target 2026: Achieve SBTi validation
SUSTAINABLE PRODUCTION AND PACKAGING	Increase share of renewable electricity [out of total electricity]	Target 2025: 66% (Year End 2024: 65%)	✓ **70%**	Target 2026: **70%**
	Recycle waste [diverted from landfill]	Target 2025: >82% (Year End 2024: 82%)	✓ **85%**	Target 2026: **-3%** [Waste to landfill]*
ACCESS TO MEDICINE & HEALTH PROMOTION	Build on partnership with 'Direct Relief' for further product donation	Target 2025: Systematized donation process and successful pilot	✓	Target 2026: Evaluation of the pilot project, further formalization and roll-out
EMPLOYEE ATTRACTION AND SAFETY	Enhance Work Safety [Lost Time Incident Rate]	Target 2025: < 0.3 (Year End 2024: 0.35)	✓ **0.25**	Target 2026: **≤0.35**
	Foster Employee Engagement [Pulse Survey Participation Rate and Score]	Target 2025: > 80% / ≥ 8.0 Score (Year End 2024: 89.5% and 8.1)	✓ **87%** ✓ **8.0**	Target 2026 : **≥ 80% / ≥ 8.0 Score**
UNIQUENESS & EQUAL PAY	Enforce Gender Equality [women in management position]	Target 2025: 50% (Year End 2024: 51%)	✓ **52.5%**	Target 2026: **≥ 50%**
	Promote Equal Pay	Target 2025: Complete Gender Gap forprioritized countries	✓	Ensure compliance with local and EU legislation on Equal Pay
RESPONSIBLE PROCUREMENT	Expand supplier assessment [EcoVadis Coverage in% of direct spend category]	Target 2025: 90%	✓ **93%**	Target 2026: **≥ 95%**
	Improve Supplier ESG Performance [EcoVadis Supplier Score]	Target 2025: 63 (Year End 2024: 57)	✓ **63**	Target 2026: **≥ 66**
ETHICAL BUSINESS CONDUCT	Maintain high compliance training rate [% completion rate compliance basic e-learning]	Target 2025: 2: ≥ 97% (Year End 2024: 94%)	✓ **98%**	Target 2026: **≥ 97%**
	Sustain high Code of Conduct declaration rate (% of employees]	Target 2025: 2: ≥ 95% (Year End 2024: 96%)	✓ **97%**	Target 2026: **≥ 95%** Global rollout of the fully revised Code of Conduct

** KPI adjusted in line with zero landfill long-term target*

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ESRS 2 - General disclosures

This Sustainability Report provides a comprehensive overview of our ESG activities in Hemofarm and STADA, with the aim of ensuring transparency for our stakeholders and demonstrating accountability in relation to our goals and actions. Reporting follows the structure of the first set of European Sustainability Reporting Standards (ESRS Set 1).

Since 2023, the Corporate Sustainability Reporting Directive (CSRD) has required in-scope companies to report on key environmental, social and governance topics, identified through a double materiality assessment. To meet these requirements, the European Union has adopted a set of ESRS standards. Following regulatory changes under the EU Omnibus Simplification package (EU) 2025/794, STADA, as a non-listed company, together with its affiliates, will be required to report in accordance with the CSRD as from the 2027 financial year.

During the transition period, we will continue to report on sustainability on a voluntary basis and to gradually adapt our reporting framework and related processes to align with ESRS, taking into account regulatory changes that affect the scope and format of the requirements revised in 2025.

This year's report has been prepared partially in line with CSRD and is structured in accordance with ESRS Set 1, (EU) 2023/2772. In accordance with the transitional provisions in ESRS 1, Annex C, as amended by Commission Delegated Regulation (EU) 2025/1416 ("ESRS Quick Fix"), we have applied the available reliefs. As a result, the disclosure of certain data has been deferred to the next reporting period. An overview of the disclosure requirements covered by this report is provided in Annex A. It indicates which disclosure requirements have been applied in full compliance with ESRS, and which have been applied only partially or are not compliant with ESRS.

The assessment of the compliance of the 2025 Report with the above-mentioned guidelines, as well as the accuracy of the information presented, has been verified by the independent audit company Ernst & Young d.o.o. Beograd, based on the scope of engagement described in detail in Annex A. The independent auditor's opinion is available on pages 140-141.

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Basis and Context

[BP-1: General basis for preparation of sustainability statement]

Our Sustainability Report is prepared at the level of Hemofarm AD, supplemented with data at the consolidated Group level.[11] In this way, a comprehensive picture is provided of our business and ESG context both for local operations and for our participation in the activities of the STADA Group.

The reporting period covers the timeframe from 1 January 2025 to 31 December 2025.

The Sustainability Report covers our own operations as well as the upstream and downstream value chain, with the primary focus on STADA at Group level. Where information relates to STADA's upstream or downstream value chain, and where identified material impacts, risks and opportunities affect our value chain, this is clearly indicated in the relevant sections of the report. We have not used the option in ESRS 1, section 7.7, to omit information related to intellectual property, know-how or innovation results.

We have also not used the exemption from disclosing information on future events or matters under negotiation in accordance with Articles 19a(3) and 29a(3) of Directive 2013/34/EU.

[BP-2: Disclosures in relation to specific circumstances]

All our previous annual Sustainability Reports for Hemofarm, starting from 2011, as well as the last five annual Sustainability Reports for the STADA Group, were prepared in accordance with the Global Reporting Initiative (GRI) standards.

The transition in this year's reporting from GRI to the ESRS framework enables us to already map data to future ESG requirements and to align our data collection accordingly. It also provides readers with a structure consistent with the reporting of listed companies, thereby improving continuity and comparability. At the same time, taking into account the interoperability agreement between ESRS and GRI concluded by the European Financial Reporting Advisory Group (EFRAG) and GRI, reporting in accordance with ESRS can be considered reporting "with reference to" the GRI standards. Section IRO 2 (IRO – impacts, risks and opportunities) presents the disclosures from other European Union regulations that are covered by this ESRS report. Any specific changes made to the indicators presented or to the methodology will be presented and explained directly in the text.[12]

Indicators for mobile combustion,[13] as well as energy consumption at our office locations and warehouses, are to a relatively large extent based on estimates, as described in the relevant ESRS E1 section. Emissions of greenhouse gases in Scope 3 categories have been calculated using a consumption-based approach, with estimates applied where necessary.

Organisational data and ownership[14]

In 2025, it was announced that CapVest would acquire a majority stake in STADA from the previous majority shareholders, Bain Capital Investors and Cinven Partnership. However, the transaction was only completed in 2026 and therefore has no impact on reporting for the 2025 financial year.

For this Sustainability Report, we have adopted the time horizons defined in ESRS 1, section 6.4.

[11] *The consolidation scope for the global ESG report is the same as for the consolidated financial statements of Nidda Group. It includes all material subsidiaries; no additional subsidiaries are included, nor are any entities excluded from the Sustainability Report compared with the financial reporting scope.*
[12] *Hemofarm, although located outside the territory of the EU, has adopted STADA Group's practice of reporting on sustainability in line with ESRS/CSRD, as it is part of STADA's value chain and aligned with global sustainability governance.*
[13] *This includes GHG emissions from vehicles and equipment owned or operated by the company.*
[14] *As at 31 December 2024, at STADA Group level, the manufacturing site in Pfaffenhofen, Germany, was closed, reducing the total number of manufacturing sites from 17 in 2024 to 16 in 2025.*

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[GOV-1: Role of administrative, management and supervisory bodies]

The top management bodies at the level of the Hemofarm Group and Hemofarm as a joint-stock company are the General Manager – Dr Ronald Seeliger – and the SMT (Senior Management Team), which performs the role of the Management Board and consists of senior directors and managers of key corporate functions.[15][16]

Dr Seeliger manages the work of SMT in creation, implementation, and alignment of the business strategy with the business activities of the STADA Headquarters in Germany. Through the dynamic matrix organizational model aligned with STADA Group, SMT is committed, inter alia, to respecting the principles and values of sustainable development and their application in all aspects of business, which is confirmed also by corporate governance principles and sustainable development principles of Hemofarm which include: 1) Human Rights & Security, 2) Dignified Work and Decent Employment, 3) Anti-corruption and Compliance, 4) Responsible Business, Quality and Sustainable Production, 5) Ethical Marketing and Communications, and 6) Efficiency, Integrity & Environment.[17]

Ronald Seeliger
CEO

Nikola Turkan
Senior Director
Finance (CFO)

Saša Urošević
Senior Director
Hemofarm, Banja Luka

Marija Vasić
Senior Director
Culture & People

Veljko Pešić
Senior Director
Marketing and Sales Cluster
Serbia, Montenegro, Macedonia and Albania

Milan Smoljanović
Senior Director
Corporate Security

Sanda Savić
Senior Director
Corporate Affairs and Communications

Sanja Manasijevski
Senior Director
Legal Affairsand Commercial Projects

Joan Duru Popić
Head of Business
Development and Licencing

[15] *Operationalization of management, along with gaining broader insights into all strategic issues applied in practice, is also realized through the work of the EMT – Extended Management Team, which brings together the company's middle and lower management.*

[16] *STADA Arzneimittel AG is a joint-stock company established under German law and operates under a two-tier system of management and supervision, consisting of the Executive Board and the Supervisory Board. A third statutory body of the joint-stock company is the Annual General Meeting, at which shareholders exercise their rights in the company. The Executive Board, as the highest body for management and decision-making, is responsible for running the business. The Executive Board of STADA is composed of four executive leaders with relevant professional expertise: Peter Goldschmidt, Chief Executive Officer (CEO); Boris Dobler, Chief Financial Officer (CFO); Simone Berger, Chief People Officer (CPO); and Miguel Pagan Fernandez, Chief Technical Officer (CTO). Detailed information on the members of the Executive Board, their expertise and responsibilities can be found in the STADA Group Sustainability Report 2025, available at https://www.stada.com/sustainability/sustainability-report. Members of the Executive Board each bring specific areas of expertise related to sustainability topics. The CPO has deep knowledge of, and responsibility for, social issues related to our own workforce. The CTO focuses on resource use and processes in our technical operations and oversees the Health, Safety and Environment (HSE) function. The CFO plays a key role in managing capital market expectations and requirements in relation to ESG information and disclosures. The CEO provides overall leadership and bears ultimate responsibility. The Executive Board is supported by the STADA Executive Committee (SEC), the extended leadership body of STADA. It consists of the Board members, complemented by Executive Vice Presidents from key business lines and functions, representing all geographic regions of the STADA Group. The SEC is chaired by the Chairman of the Executive Board, Peter Goldschmidt. The diverse expertise and competencies within the SEC are intended to ensure that STADA makes the best decisions for the company. Within the SEC, members regularly consider the organisation's ESG impacts, on which the responsible Executive Board members report – the CTO for topics relating to environment, health and safety, as well as aspects of responsible procurement, and the CPO for social ESG topics. Boris Dobler, as CFO, is responsible for accounting and finance, as well as for managing financial reporting, including non-financial reporting. The Supervisory Board of STADA is a non-executive body constituted in accordance with the One-Third Participation Act and has nine members, of whom six are shareholder representatives (elected by the Annual General Meeting) and three are employee representatives (elected by the employees). Detailed information on the members of the Supervisory Board, their expertise and responsibilities can be found in the STADA Group Sustainability Report 2025, available at https://www.stada.com/sustainability/sustainability-report. The Executive Board consists of 25% women (1 member) and 75% men (3 members), while the Supervisory Board consists of 33% women (3 members) and 67% men (6 members). In terms of age structure, there are no members under 30 years of age on the Executive Board; 50% (2 members) are between 30 and 50 years old and 50% (2 members) are over 50. Similarly, there are no members under 30 on the Supervisory Board; 44% (4 members) are between 30 and 50 years old and 56% (5 members) are over 50.*

[17] *Available to all stakeholders at the corporate website.*

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[GOV-1: Role of administrative, management and supervisory bodies]

COMPOSITION OF EXECUTIVE BOARD AND SUPERVISORY BOARD (SG)

Gender	Executive Board	Supervisory Board
Female	25% (1)	33% (3)
Male	75% (3)	67% (6)

Age Group	Executive Board	Supervisory Board
Under the age of 30	0%	0%
Between 30 and 50	50% (2)	44% (4)
Over 50	50% (2)	56% (5)

Members of the Executive Board and the SEC of STADA have adopted STADA's "Sustainability Policy and ESG Commitments", which is available on the STADA website. This policy, which reflects the commitment of the highest governing body, also incorporates the results of the sustainability materiality analysis. The policy is cascaded to other affiliates, including Hemofarm, which has made a significant expert contribution to the development of this overarching ESG document.

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[GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies]

We have established a dedicated governance framework to manage sustainability topics effectively. The CEO bears ultimate responsibility for ESG matters at STADA Group level, while at Hemofarm the highest decision-making authority for ESG aspects is the General Manager. Hemofarm has a Head of Sustainability function, which is part of the global sustainability governance system in a matrix structure and reports functionally to the Senior Director Corporate Affairs and Communications.

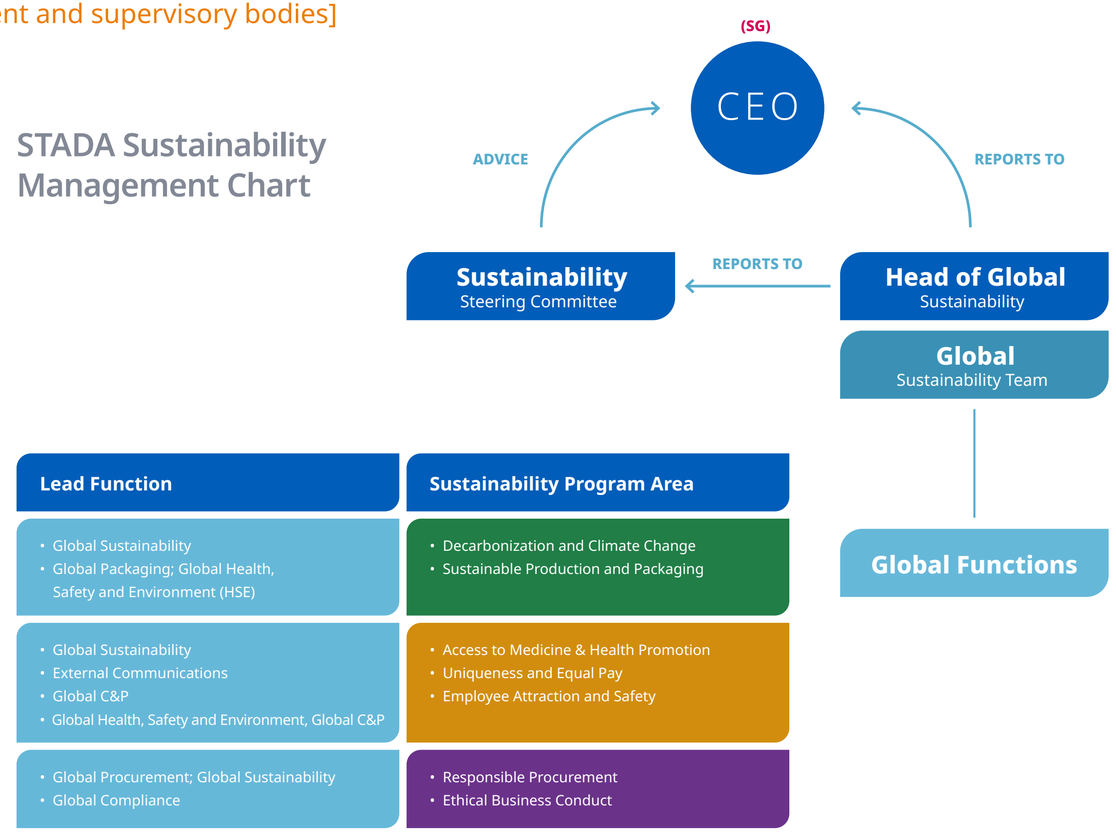
SUSTAINABILITY STEERING COMMITTEE AT STADA GROUP LEVEL

The STADA Sustainability Steering Committee (SSC) is the primary strategic governance body for all ESG matters and their impacts, risks and opportunities. It steers and prepares decision-making on sustainability and ESG topics. The SSC includes the following members:

- **Board members:** CFO, CTO, CPO
- **SEC members:** EVP Global Legal / General Counsel, EVP Global Communication, EVP Global CHC, EVP Eastern Europe

The SSC is responsible for defining the sustainability policy and strategic directions, confirming targets, monitoring progress and making strategic decisions. It also assesses relevant sustainability aspects and their potential integration into business activities. The SSC meets at least once per quarter, and its decisions are approved by the CEO. The Vice President Global Sustainability reports directly to the CEO.

STADA Sustainability Management Chart



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[GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies]

The SEC is regularly informed about material sustainability topics and aspects raised by the Global Sustainability function, aligned with the SSC.

Material IROs and additional key indicators are included in the ESG Dashboard, which consolidates ESG KPIs that are continuously monitored (including their development compared with previous years). These are reported quarterly by the Head of Sustainability, in coordination with the respective program leads of the seven strategic sustainability program areas, to the SSC and the Management Board. The program areas consolidate various actions and IROs, which are managed within them. Responsibility lies with the business functions and program leads, coordinated by Global Sustainability. The ESG Dashboard is compiled based on defined KPI definitions and is subject to plausibility checks by Global Sustainability and the respective KPI owners prior to reporting to the SSC and the Management Board.

Managing sustainability topics and reporting

The Global Sustainability Office oversees the implementation and operationalization of STADA's material ESG topics and commitments through dedicated programs together with respective program leads and SEC sponsors.

With regard to the assessment of relevant topics through the double materiality analysis and the management of IROs, the STADA Global Sustainability function together with the program leads prepares all relevant information and steps – from identifying potential material topics and conducting stakeholder dialogue to finalizing the list of material topics and proposing reporting KPIs – for the SSC to align and approve on behalf of the SEC. Data collection for reporting, as well as the reporting content, is presented to both the SSC and the SEC. The SEC serves as the review and approval level for sustainability reporting.

We have formalized our commitments through the 'Sustainability and ESG Commitments Policy', which is accessible to all employees via the intranet and publicly available on the company's website. To ensure local implementation and alignment of ESG topics with strategic direction, we have established the Sustainability Country Network. This network is led by the Global Sustainability function together with Sustainability Country Coordinators, who act as local representatives for STADA's affiliates. They support the global ESG program, contribute to sustainability reporting, and drive local ESG initiatives, in which Hemofarm is also actively involved.

Human Rights Due Diligence Body

The Human Rights Due Diligence Body, in accordance with the German Act on Corporate Due Diligence Obligations in Supply Chains, Lieferkettensorgfaltspflichtengesetz (hereinafter referred to as 'LkSG'), oversees ESG risk management aligned with the LkSG requirements and provides reports to the SSC, as well as to the Executive Board.

Employee representative bodies

Our employees are free to join trade unions and worker councils, in line with International Labor Organization (ILO) Convention 87, 'The Freedom of Association and Protection of the Right to Organise Convention (1948)', and Convention 98, 'The Right to Organise and Collective Bargaining Convention (1949) .as well as locally applicable laws in the countries where Hemofarm operates.

Approximately two thirds of employees within the group are covered by a collective bargaining agreement (CBA) concluded between STADA and a union representing the employees or internal employee representation bodies.

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[GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies]

SUSTAINABILITY-RELEVANT POLICIES

This list of key ESG-relevant policies provides an overview. Details are described in the respective topical standards chapters, aligned to the identified material topics and IROs. These policies fall into the category of global policies, which are available to all affiliates in their original form and translated into the local language. In certain cases, the global policies are complemented by additional local policies that are compatible with, and aligned to, the original global policies. So-called Standard Operating Procedures (SOPs) further operationalize the policies. They provide clear instructions and processes with specific defined steps to implement the overarching policies effectively.

Policy and Procedures	Covered topical standards	Covered IROs	Responsible function	Senior approval
Sustainability Policy	E1, E2, E5, S1, S2, S4, G1	all	Global Sustainability	CTO, CPO
Environment: Decarbonization and Climate Change; Responsible Operations incl. Use of resources and Waste management, Management of water resources, Biodiversity and Ecosystems, Air pollutants; Sustainable Products **Social:** Human Rights; Anti-discrimination; Diversity, Inclusion and Gender equality; Gender Equality Pay; Career Management; Workplace Environment; Freedom of Association and Collective Bargaining; Customer Safety; Safe, Healthy and Secure Workplace; Forced Labor, Human Trafficking and Child Labor; Access to medicines and Equitable pricing **Governance:** Transparency, Accountability and Corporate governance; Anti-corruption, Anti-bribery and Anti-money laundering; Whistleblowing; Ethical Marketing, Responsible Procurement, Clinical trials, Animal testing				
STADA Code of Conduct	E1, E2, E5, S1, S2, S4, G1	all	Global compliance, all	CEO
Responsibilities; Speak-up behavior; Human Rights; Fairness and respect; Equal employment opportunity; Freedom of opinion; speech and association; Safe and Healthy Workplace; Communications & Social media; Anti-Bribery and Anti-Corruption; Interactions with patients and Patient Organizations; Interactions with governments and public officials; Donations; Avoiding conflicts of interest; Insider Trading; Fraud; Money laundering; Antitrust and Fair Competition; Confidential Information, Financial Integrity; Protection of Company Assets; Personal Data protection; Protection of the Environment and Sustainability; Animal welfare; Export control & sanctions; Promotional Material; Interaction with Third Parties; Quality and Safety of Products; Artificial Intelligence; Intellectual Property; Clinical Trials				
Environmental Policy for Technical Operations	E1, E2, E5	E1-NI-01, 02; E1-R-02; E5-NI-01; E5-R-01	Global HSE, Global Operations	CTO
Pollution; Energy and GHG emissions; Waste and wastewater; environmental standards; incident prevention				

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[GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies]

Policy and Procedures	Covered topical standards	Covered IROs	Responsible function	Senior approval
Occupational Health and Safety Policy for Technical Operations	S1	S1-PI-01	Global HSE, Global Operations	CTO
Health and Safety Laws and Regulation; Workplace Hazards, Risk mitigation, control measures; Health and Safety in planning for new projects; Safety Culture, Information and Education; Preventive Measures; Recording, Investigating and Reporting Incidents				
Human Rights Policy Statement	S1, S2	S1-PI-01, 02; S2-NI-01		CEO, CTO, CFO, CPO
Working conditions; Anti-discrimination, social inclusion, diversity and uniqueness; Fair and equal pay; Freedom of association; Child labor, exploitation and forced labor; Protection of environment and society; Access to health, product safety and quality; International frameworks and standards; Human Rights due diligence (accompanied by Grievance Mechanism rules of procedure)				
Anti-Bribery and Anti-Corruption Policy	E2, G1	E2-R-01; G1-PI-01; G1-NI-01	Global Compliance	CEO
Gifts, hospitality and entertainment; Sponsoring; Charitable and political contributions; Public officials; Third parties, interactions with HCPs				
Anti-Money-Laundering Policy	G1	G1-NI-01	Global Compliance	CEO
Cash Payment Limitation; Red Flag Check; Customer Due Diligence;				
Antitrust Policy	G1	G1-NI-01	Global Compliance	CEO
Antitrust laws; Agreements between competitors and non-competitors; Sensitive information; M&A				

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[GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies]

Policy and Procedures	Covered topical standards	Covered IROs	Responsible function	Senior approval
Conflict of Interest Policy	G1	G1-NI-01	Global Compliance	CEO
Definition and Handling of conflict of interest				
Sanction Control Policy	G1	G1-NI-01	Global Compliance	CEO
Principles and responsibilities; Sanction checks; Communication and training; Local implementation; (accompanied by sanctions assessment and high-risk country sanction controls)				
Global Policy on the interaction with HCP, HCO and patient organizations	S4, G1	S4-PI-03; G1-PI-03	Global Compliance	CEO
Events; Interactions with patients and patient organizations; Gifts and hospitality; samples and demonstration; Discounts; Marketing authorization; Promotional material				
Compliance Reporting Policy	S1, G1	S1-PI-02; S2-NI-01; G1-PI-01, 02	Global Compliance	CEO
Violations of rules to be reported; ;Method and ways of reporting; Management of reports and investigations				
Data Protection Policy	S4, G1	S4-PI-01; S4-R-01; G1-PI-01	Global Compliance	CEO
Objective and scope; Definitions (personal data); Minimum requirements with and outside the EU				

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[GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies]

Policy and Procedures	Covered topical standards	Covered IROs	Responsible function	Senior approval
Information Security Policy	S4	S4-PI-01; S4-R-01	Global IT	Executive Board Member
Objectives; Information Security Management System; Main areas and processes; Roles and responsibilities				
Quality Policy	S4	S4-PI-01; S4-R-01	Global Quality	CTO
Values; Responsibilities; Quality guidelines; Implementation; Reporting suspicions				
Pharmacovigilance Policy	S4	S4-PI-01; S4-R-01	Global Pharmacovigilance	VP Regulatory
Purpose; Scope, Responsibilities; SOPs; Quality Systems				
Responsible Procurement Policy	E1, S2, G1	E1-R-01; S2-NI-01; G1-PI-01; G1-PI-04	Global Procurement	CTO
Responsibilities; Processes for supplier screening and auditing incl. EcoVadis				
Direct Procurement	E1, G1	E1-R-01; G1-NI-01; S4-PI-02	Global Procurement	CTO
Procurement principles; Selection and qualification of suppliers; Process and responsibilities; Confidentiality				

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[GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies]

Policy and Procedures	Covered topical standards	Covered IROs	Responsible function	Senior approval
Indirect Procurement Policy	G1	G1-NI-01	Indirect Procurement	CTO
Competitive bidding and supplier selection; contract management; Requisition to pay; Approval procedures; Conflicts of interests				
Business Partner Code of Conduct	E1, E5, S2, S4, G1	E1-NI-01; E1-R-01; E5-NI-01; S2-NI-01; S4-PI-02; S4-R-01; G1-PI-02; G1-PI-04	Global Procurement; Global Sustainability	CTO
Ethics: Business integrity; Conflict of interest; Fair competition; Foreign trade; Privacy and intellectual property; Data protection and security; Interactions with healthcare stakeholders; Animal welfare; Clinical trials standards. **Labor & Human Rights:** no toleration of child labor; freely chosen employment; freedom of association; working time, wages and benefits; non-discrimination; diversity, equity and inclusion; local communities and vulnerable groups. **Health & Safety:** Occupational health and safety; process safety; chemical safety; emergency preparedness, risk information and training. **Environmental protection:** Environmental management compliance and use of natural resources; energy consumption and climate protection; conflict minerals. **Quality and Security risk management:** Quality requirements; security and anti-counterfeiting measures; security risk management and business continuity. **Governance and management systems:** Legal and other requirements; Compliance and communication in Business partners' supply chain; training and competency; risk management; systems and documentation; evaluation and control; complaints procedure, remedial action				

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[GOV-3: Integration of sustainability-related performance in incentive schemes]

Members of the Executive Board have sustainability-related targets integrated into their variable remuneration through an ESG component. This ESG component is tied to the achievement of predefined sustainability objectives and constitutes 10% of the annual bonus, with environmental and social targets each accounting for 5%.

The same logic and targets also apply to the variable remuneration of the SEC, representing 5% of the annual bonus.

The environmental target supports carbon emissions reduction and aligns with our Scope 1 and 2 reduction targets. For 2025, 100% target achievement corresponds to a 35.5% reduction from the 2020 baseline – equivalent to absolute emissions of 69 ktons in 2025. The target was achieved. The social goal refers to the share of women in the STADA Global Leadership Team (SGLT), which is considered upper management level. A 30% share corresponds to 100% target achievement. This goal has been met.

These targets are aligned with STADA's sustainability strategy and are reviewed and set annually by the supervisory board. This responsibility lies with the Chairman's Committee of the supervisory board with support from Executive Remuneration Experts if required. The remuneration of the supervisory board is determined in the Articles of Association Section 17. There are no ESG-related targets included in the remuneration system for the Supervisory Board. Depending on the area of responsibility, further senior management positions have selected ESG-related targets as part of the short-term variable remuneration e.g. health & safety targets for production site heads.

The goals and short-term incentives (STIs) outlined within the framework of individual development paths are managed by the respective departments and may include ESG components as well.

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[GOV-4: Statement on due diligence]

The table provides a mapping of where information on STADA's sustainability due diligence process is disclosed across this Sustainability Report.

Core elements of due diligence	Paragraphs in the Sustainability Report	Reference
a) Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-2 ESRS 2 GOV-3 ESRS 2 SBM-3	p. 17 - 23 p. 24 p. 37 - 40
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 GOV-2 ESRS 2 SBM-2 ESRS 2 IRO-1	p. 17 - 23 p. 34 - 36 p. 41 - 43
c) Identifying and assessing adverse impacts	ESRS 2 IRO-1 ESRS 2 SBM-3	p. 41 - 43 p. 37 - 40
d) Taking actions to address those adverse impacts	E1-3 E2-2 E5-2 S1-4 S2-4 S4-4 G1-2 G1-3	p. 51 - 53 p. 64 p. 69 - 72 p. 81 - 85 p. 98–99 p. 107–112 p. 120-121 p. 122 - 124
e) Tracking the effectiveness of these efforts and communicating	E1-5 E1-6 E5-3 E5-5 S1-6 S1-16 G1-4 G1-5	p. 55 p. 56 - 61 p. 73 p. 74 - 75 p. 87 p. 92 p. 125 p. 126 - 127

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[GOV-5: Risk management and internal controls over sustainability reporting]

As described in section GOV-2 the SSC is STADA's established body to supervise and steer the company's sustainability actions taking into account the evaluated risk areas. Sustainability risks are assessed as detailed in section IRO-1 and governed within the organization as presented in section GOV-1 and GOV-2.

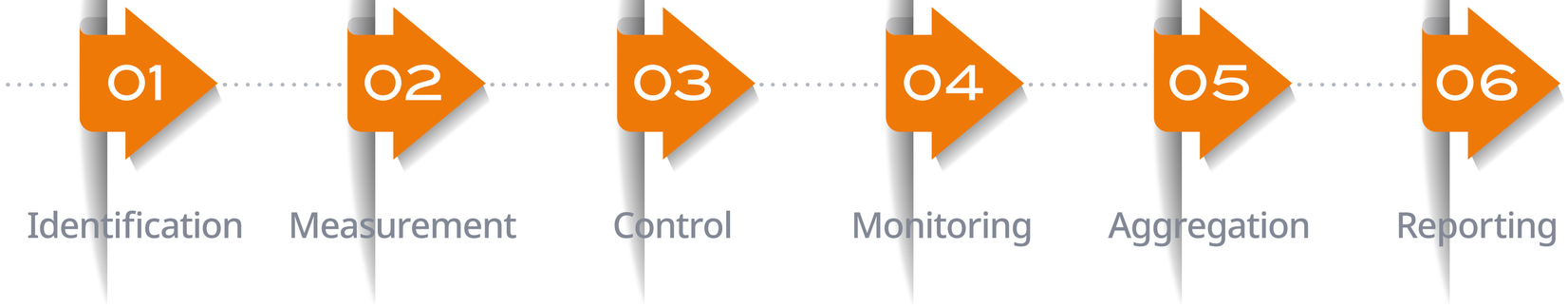
The regulatory framework governing the company includes the provisions of its Internal Control and Risk Management System, the STADA Code of Conduct (STADA CoC), and Group-wide corporate policies on specific topics derived from it. To ensure adherence to applicable laws and internal regulations, STADA has established a comprehensive Compliance Management System, covering key areas such as anti-bribery and corruption, competition law, export and sanctions control, prevention of money laundering, and data protection.

Our Group-wide risk management system is designed to ensure the systematic and forward-looking management of both non-financial and financial risks. The system is based on the international risk management standard COSO II Enterprise Risk Management – Integrated Framework (2004) and has been adapted to meet STADA's specific requirements. It complies with the legal requirements for an early warning system in accordance with Section 91 (2) of the German Stock Corporation Act (AktG) and German audit standard IDW PS 340.

All STADA departments, as well as all operational affiliates of STADA, are integrated into the risk management system. This integration enables not only the identification and assessment of new risks but also comprehensive and continuous risk monitoring.

For each recorded risk, both direct and indirect effects are assessed and presented on a quantitative level. The inclusion of indirect effects ensures that non-financial risks are also captured in a way that allows their indirect, financially measurable impacts to be determined and incorporated into the risk management system. The individual risks are assessed and prioritized on the basis of the probability of occurrence and a potentially negative impact on the forecast financial targets to adjusted EBITDA.

The STADA Group risk management process is composed of the following phases:



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[GOV-5: Risk management and internal controls over sustainability reporting]

Sustainability related risks are reported and incorporated into the Risk Management System through the active involvement of the Group Risk Management function as part of the Double Materiality Assessment (DMA) process (see below) and the active semi-annual request of the Group Risk Management function to related functions (e.g. Health, Safety & Environment (HSE), Culture and People (C&P), Legal) to report risks in accordance with the Group Risk Management framework itself. The Group Risk Management function prepares recipient-oriented risk reports for management and the Supervisory Board as part of risk reporting (phase 6).

Within our risk management framework, various risk categories are considered and evaluated. For the risk categories relevant in the context of sustainability reporting – specifically regulatory, personnel, compliance, and other risks, including climate-related risks – no relevant risks have been assessed.

With regard to ESG risks assessed through the DMA, a new risk was identified in the beginning of 2025: the potential financial obligations under the Urban Waste Water Treatment Directive (UWWTD). The financial implications of this planned regulation align with the DMA update, in which ESRS E2 – Pollution (water) was classified as a material financial risk (see Section ESRS E2 for details). The Packaging and Packaging Waste Regulation (PPWR) was also assessed as a higher risk from a risk management perspective. The impacts of the PPWR had already been captured as material for sustainability reporting last year and are addressed here in Section ESRS E5. Other risks stemming from the DMA, which were already identified and reported in 2024, include energy and climate change adaptation risks covered under ESRS E1. These relate to rising energy costs as part of our own production expenses, as well as climate-related transition risks in our upstream value chain. Additionally, the potential patient safety risk due to possible quality issues or incorrect medication is captured and extensively addressed (described in ESRS S4).

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[SBM-1: Strategy, business model and value chain]

Over the course of 2025, we continued our growth path, achieving total revenue of EUR 4.296 billion (643.6 million EUR at Hemofarm Group level). The number of employees remained stable over the year, with 12,375 people across global operations (of which around 4,500 are in the Hemofarm Group), as of December 31, 2025. The team of Hemofarm Group in 2025 was made of the following: 2,531 women (56.31%) and 1,580 men (43.96%) which is totally 4,495 employees. Our company's operational footprint, locations, and key markets have not changed significantly compared with the prior year (see also ESRS S1 regarding our own workforce).

Our strategic approach aims to embed sustainability into our business model and value chain, in order to achieve sustainable and profitable growth and improve the long-term value of the company. Enabling access to high quality and affordable medicines is at the core of our purpose 'Caring for People's Health as a Trusted Partner'.

This is pursued by concentrating on three key business segments: Consumer Healthcare (CHC), Generics, and Specialty Pharmaceuticals whereby we meet the diverse healthcare needs of our customers while maintaining operational profitability and resilience. Our Generics and Consumer Healthcare portfolios expand access to essential treatments and preventive care, offering cost-effective alternatives, ensuring reliable supply, and helping reduce pressure on healthcare systems. In parallel, our growing Specialty portfolio enables access to novel treatment for rare diseases and niche conditions – areas where many people still lack therapy options.

We are present in more than 40 countries worldwide. Our operational footprint includes 16 manufacturing sites in 11 countries across Europe and Asia. In 2025, we delivered more than 1.1 billion packs, of which 550 million were produced in our own manufacturing facilities. With a global presence in more than 100 countries, we operate in Europe, the Middle East and North Africa (MENA), the Asia-Pacific region (APAC) and Australia. Our customers range from individual consumers, wholesalers, healthcare professionals (HCPs) and healthcare providers.

CHC products[18] (HF)

Financial performance:

-6.3 million EUR (-10,3%)

COMPARED WITH 2024

20%

OF TOTAL COMMERCIAL SALES REVENUES

What we offer:

A broad portfolio of non-prescription products, including over-the-counter (OTC) medicines, medical devices, cosmetics, vitamins, minerals and supplements. With our CHC products, we strive to enable people to manage their health independently, for example by preventing disease and self-treating minor ailments.

Market impact:

A total of 115 CHC brands, forming a well-diversified portfolio, with the top 10 products accounting for 48% of CHC sales in 2025.

Leading CHC brands in 2025:

Probiotic (gastro), Buscopan (gastro), SNUP (cough and cold), Hepathrombin (pain relief), Midol (cardio), Dulcolax (gastro), and Magnetrans (VMS).

[18] *Outlook for the STADA Group: Financial performance: EUR 1,549.2 million (+2%) | 36% of total group revenues; Market presence: STADA maintains 242 CHC brands with leading positions (ranks 1–3) in their categories across various countries. The portfolio is well-diversified, with the top 10 products accounting for 29% of CHC sales in 2025. Leading CHC brands in 2025: Nizoral (derma), Zoflora (disinfectants), Grippostad and SNUP (cough and cold), Paracetamol STADA, Xylometazoline (cough and cold), Eunova (VMS), Essentiale (VMS), Ibuprofen STADA and Hirudoid (pain relief).*

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[SBM-1: Strategy, business model and value chain]

Generics (Gx)[19]

(HF)

Financial performance:

12.8 million EUR (+7,7%)

63%
OF TOTAL REVENUES FROM COMMERCIAL SALES

What we offer:

We provide high-quality, cost-effective therapeutically equivalent alternatives to originator medicines, helping relieve pressure on healthcare budgets and improving access. Most products are prescription-only and available through pharmacies, clinics, and hospitals.

Market impact:

A total of 140 generic (Gx) brands, in markets where prices are often regulated; competition is based on reliability of supply and cost efficiency. Patent expirations and loss of exclusivity continually feed our pipeline, which we scale through strong distribution and local expertise. The top 10 products represented about 43% of Gx sales in 2025.

Leading Generics in 2025:

Sodium chloride (infusion solutions), amoxicillin–clavulanic acid, azithromycin (antibiotic), bromazepam, lorazepam (nervous system), methylprednisolone (hormones), diclofenac (pain relief), and lercanidipine, rosuvastatin (cardio).

Specialty[20]

(HF)

Financial performance:

5,6 million EUR (+13%)

17%
OF TOTAL REVENUES FROM COMMERCIAL SALES

What we offer:

Specialty pharmaceuticals are often used to treat chronic, complex, or rare conditions. They have specific requirements for prescribing, administration, distribution, storage, and pharmacovigilance. Specialty medicines are becoming an increasingly important component of sustainable healthcare systems. We provide a focused portfolio in three distinct categories:

- **Innovative Specialty Pharmaceuticals** addressing unmet clinical needs, typically with market exclusivity
- **Specialty generics** for chronic, complex, rare or genetic conditions, including branded generics
- **Biosimilars**, which are highly similar to reference biologics with no clinically meaningful differences in bioavailability or outcomes

Market impact:

A total of 58 brands; the 10 leading Specialty brands accounted for around 79% of segment sales in 2025 (the largest effect comes from CORPOS, with a share of 47%).

Leading Specialty brands in 2025:

CORPOS (neurology), Oyavas (biosimilar bevacizumab, oncology), Tensec (cardio), Donepezil, Olanzapine (nervous system), linezolid (antibiotic), tamsulosin (MWH), and Movymia (biosimilar teriparatide).

[19] *Outlook for the STADA Group: Financial performance: EUR 1,739.6 million (+5%) | 40% of total group revenues; Market presence: top 10 products represented about 20% of Gx sales in 2025. Leading Generics in 2025: Rivaroxaban (blood/blood formation), Tilidine (pain relief), Atorvastatin, Ezetimibe, Amoxicillin-Clavulanate (antibiotics), Pantoprazole, Olmesartan, Rosuvastatin (cardiology), Amlodipin and Dabigatran.*

[20] *Outlook for the entire STADA Group: Financial performance: EUR 1,007.4 million (+17%) | 24% of total group revenues; Market presence: The 10 leading Specialty brands accounted for around 63% of segment sales in 2025. Leading Specialty brands in 2025: Silapo (biosimilar epoetin; nephrology, oncology), Uzpruvo (biosimilar ustekinumab), Hukyndra (biosimilar adalimumab; immunosuppressant), Lecigon (levodopa/carbidopa/entacapone; neurology), Oyavas (biosimilar bevacizumab; oncology), Movymia (biosimilar teriparatide; bone health), APO-go (generic apomorphine; neurology), Kinpeygo (budesonide; nephrology), Versatis (lidocaine; pain relief) and Ocrevus (ocrelizumab; neurology).*

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[SBM-1: Strategy, business model and value chain]

OWN OPERATIONS
We prioritize in-house development of products for oral solid generic medicines and selected CHC dosage forms, while for complex APIs, advanced formulations and specialised pharmaceutical products we collaborate with external experts.

Our product development network is spread across seven hubs located in Serbia, Germany, the Czech Republic, the United Kingdom (UK), Austria, and Vietnam. Our in-house expertise in small-molecule development is led by our Research & Development (R&D) Center of Excellence in Vršac, Serbia. Our site in Huddersfield, UK, serves as the global Center of Excellence for CHC innovation, with a particular focus on household and dermo-cosmetic products. Additional development centers specialize in various areas, including food supplements in Preston, UK; Parkinson's disease treatments in Reading, UK; CHC products in Tulln, Austria, and Bad Vilbel, Germany; food supplements and probiotics in Trinec, Czech Republic; and generics for local and regional markets, as well as small molecules, in Tuy Hoa, Vietnam.

Pharmaceutical products undergo rigorous clinical trials in compliance with international standards such as Good Clinical Practice (GCP). Our manufacturing processes adhere to Good Manufacturing Practice (GMP) guidelines to ensure consistent and high product quality and safety.

OUR VALUE CHAIN*
Our value chain encompasses all stages, from sourcing high-quality inputs to delivering effective pharmaceutical products to global markets aiming for cost effective, resource efficient, and reliable product supply (more information on production and supply infrastructure and quality standards can be found in section ESRS S4 and G1 among others).

Upstream*
Our approach relies on close collaboration with our suppliers. In addition to in house production, we work with more than 400 contract manufacturers (CMOs) for large parts of our portfolio and source raw materials, active pharmaceutical ingredients (APIs), excipients, bulk, as well as semi-finished dosages and packaging materials from external suppliers. Our business model incorporates responsible procurement strategies to source from multiple suppliers to ensure reliable internal and external production and supply. Our External Supply Organization (ESO) is dedicated to managing long-term business relationships with these CMOs, fostering trust, and promoting the company's values. This approach aims to integrate our 'external as internal' philosophy across the organization.

Centralized requirements and demand planning, supported by a diversified supplier base, help ensure flexibility and security in upstream supply chains while maintaining compliance with environmental and social standards. In addition, there are hardware, software, office materials and machines, as well as inbound logistics for goods transport and warehousing, which are counted as upstream inputs. Upstream inputs also include human, intellectual, and financial capital and relate to the workforce, intellectual property and regulators, as well as equity, debt, and investments.

Downstream*
Meanwhile, our local market presence with affiliates in 46 countries worldwide combined with a broad distribution network enables us to efficiently navigate downstream regulatory requirements. Aiming to ensure consistent, reliable delivery of medicines across all regions where we operate – including remote and rural areas – is a critical priority. To achieve this, we continuously invest in logistics and supply chains to enable timely, efficient delivery to patients, whether directly or via affiliates or third parties. By operating manufacturing facilities in or near underserved areas, we are able to reduce costs and delivery times. Local production also helps expand access to medicines by reducing exposure to import restrictions and tariffs.

Our downstream output includes pharmaceutical products, consumer healthcare products, and household products, as well as improved patient health and prevention, and public health outcomes.

** Perspective of the entire STADA Group.*

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[SBM-1: Strategy, business model and value chain]

It also includes waste generated at customers and end users, such as packaging and unused medicinal products. From our own operations, downstream impacts also encompass emissions, water consumption, waste, air and soil emissions. Intellectual property and patents are also part of our downstream outputs.

SUSTAINABILITY STRATEGY

Sustainability at STADA is based on seven strategic programme areas. Together with various stakeholders, we have analysed STADA's material topics relevant for all affiliates – that is, the risks and opportunities that external environmental and social factors pose for STADA's financial performance, as well as the impacts of STADA's business activities on the environment and society (double materiality analysis, DMA). Based on this assessment, and in line with our purpose, vision and values, we have defined the following strategic areas of action:

- Decarbonization & Climate Change
- Sustainable manufacturing and packaging
- Access to medicine & health promotion
- Employee attraction and safety
- Inclusiveness and equal pay
- Responsible Procurement
- Ethical business conduct

Decarbonization & Climate Change

We are committed to reducing our carbon footprint. We prioritize optimizing our technical operations to reduce our own emissions and those from purchased energy, and we are strengthening environmental responsibility across our supply chain. We defined near-term and long-term reduction targets for our Scope 1 & 2 emissions, and we committed to Supplier Engagement targets for our Scope 3 emissions – both to be submitted for validation by the Science Based Targets initiative (SBTi) in 2026 and part of our climate transition plan.

Sustainable Production & Packaging

The program area consolidates our activities to manufacture medicines compliantly while minimizing environmental impacts – under established environmental standards and management systems.

Pharmaceutical packaging plays a critical role in protecting products and medicines – keeping them safe and stable over time, enabling transportation, and supporting ease of use for consumers. While packaging is essential and governed by strict regulatory standards, we also actively work to reduce packaging complexity of our portfolio to minimize packaging waste and advance circularity of materials.

Access to Medicine & Health Promotion

As a manufacturer of consumer healthcare products, generics, and specialty medicines, we positively impact the health and well-being of patients and customers across the around 100 countries we serve. Through a broad range of affordable medicines for diverse health conditions and initiatives to expand access to essential treatments, we aim to fulfill our company purpose of 'Caring for people's health as a trusted partner'.

Employee Attraction & Safety

Workplace safety is embedded as a 'safety first' principle and a fundamental basis for our business. It is centrally governed and aligned with global labor standards to support safe, fair, and ethical working conditions across operations.

Attracting and retaining top talent is central to our growth. Our ambition is to build and develop the best team in the industry. Learning is considered a cornerstone of our culture. It is our stated ambition, and in support of our objectives, to emphasize personal development and individual growth by encouraging people to step outside their comfort zones. This approach preserves institutional knowledge and experience, while fostering an engaged performance culture, strengthening our position as an employer of choice.

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[SBM-1: Strategy, business model and value chain]

Uniqueness and Equal Pay

A core part of STADA's culture is the belief that diversity of backgrounds, perspectives, and experiences is a resource. It can reduce blind spots and support creativity, thereby improving decision-making and helping us align our products and services more closely with customer and market needs. Our goal is to create the conditions for an inclusive workplace that enables and promotes this, while upholding high labor standards across all our operations.

Responsible Procurement

Upholding our values and effectively managing our supply chain is a central task. We view Responsible Procurement as a strategic business driver. Given our heterogeneous supply network, we work closely with suppliers to support quality, reliability and compliance with our ESG expectations as set out in our Business Partner Code of Conduct (Business Partner CoC). We manage disruption and compliance risks and create value by prioritizing and engaging with suppliers aiming to ensure compliance with human rights and environmental standards – including through EcoVadis ESG assessments.

Ethical Business Conduct

We uphold a robust Code of Conduct and Ethics that covers, among other areas, anti-corruption and anti-bribery, compliance, and conflicts of interest supported by a speak-up culture of respect, integrity, and responsibility. Adhering to these policies is essential to maintaining trust both within our organization and with external stakeholders.

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[SBM-1: Strategy, business model and value chain]

As an internationally active group, we operate under a diverse array of legal frameworks. Compliance with these regulations is fundamental to responsible, sustainable, and successful corporate governance.

The program areas are operationalized into concrete measures and actions. Each program area is led by a program lead from the respective business function and coordinated and overseen by Global Sustainability.

Our sustainability program and its distinct focus areas are also guided and reinforced by international frameworks. As a member of the United Nations Global Compact (UNGC) and a signatory to its ten principles, we commit to responsible corporate conduct by adhering to relevant international standards and guidelines. These include the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises on Responsible Business Conduct (OECD Guidelines), the UN Universal Declaration of Human Rights (UDHR), the UN Guiding Principles on Business and Human Rights, and the International Labor Organization's (ILO) Fundamental Principles and Rights at Work.

Additionally, we integrate the requirements of the German Act on Corporate Due Diligence in Supply Chains (LkSG), which aims to safeguard both human rights and the environment, into our sustainability governance and management systems.

Our sustainability goals are also linked to UN SDGs such as Good Health & Well-being (SDG 3), Decent Work & Economic Growth (SDG 8), Industry, Innovation and Infrastructure (SDG 9), Responsible Consumption & Production (SDG 12) and Partnerships for the Goals (SDG 17).

In our revised STADA CoC, we also reference standards to which we commit and that employees are expected to uphold, such as:

- UN (United Nations) Universal Declaration of Human Rights and UN Guiding Principles on Business and Human Rights,
- ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy and ILO Declaration on Fundamental Principles and Rights at work (especially the following issues: elimination of child labor, abolition of forced labor, prohibition of discrimination, freedom of association and right to collective bargaining),
- International Covenant on Civil and Political Rights,
- Covenant on Economic, Social and Cultural Rights,
- OECD Guidelines for Multinational Enterprises,
- UN Convention Against Corruption,
- Rio Declaration on Environment and Development,
- UN Framework Convention on Climate Change (UNFCCC),
- Paris Agreement (Paris Climate Accords),
- Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal,
- Stockholm Convention on persistent organic pollutants (POPs),
- OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas,
- Minamata Convention on Mercury,
- Declaration of Helsinki (WMA)

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[SBM-2: Interests and views of stakeholders]

At STADA, and at the level of affiliations, including Hemofarm and Hemofarm Group we engage with a broad range of stakeholders to promote a well-rounded representation of our business operations and activities.

Internal stakeholders include management and employees at all levels, while external stakeholders span shareholders, investors, analysts, rating agencies and the broader financial market, media representatives, governmental and non-governmental institutions, academic and research institutions, regulatory and public authorities, customers – both end users and business clients – healthcare institutions and professionals, patient organizations, patients, suppliers and business partners. With view to our sustainability strategy and sustainability reporting, stakeholder involvement aims to also provide a comprehensive and balanced view of sustainability footprint of the entire Group and its business operations, both globally and at local levels. Our stakeholder dialogue approach includes stakeholders who may have an interest in STADA and could either influence or be impacted by our business activities, enabling us to assess double materiality impacts from both an outside-in and inside-out perspective. For this report, DMA has been done in line with ESRS guidance (see section IRO-1).

The STADA SSC plays a coordinating and guiding role in analyzing insights from stakeholder interactions and ensuring that strategic decisions align with stakeholder expectations and feedback.

INTERNAL STAKEHOLDER AND ENGAGEMENT

Employees are integral to the stakeholder engagement process. Particularly because, at STADA and Hemofarm, a proactive speak up culture grounded in integrity and accountability is regarded as essential to performance and therefore considered a dedicated cultural pillar. Sustaining and developing a culture of thoughtful challenge and continuous improvement, with feedback actively encouraged, is an ongoing undertaking.

Grievance and Compliance

We provide multiple formal channels for individuals to seek guidance on policy implementation or to raise concerns about business conduct. These include the Compliance Reporting Portal, Compliance and HR departments, relevant managers, and an ombudsman, ensuring accessibility and confidentiality (more information is provided in Section S1, S2 and G1).

Internal Communications

STADA conducts global townhall meetings, streamed live on the intranet with real-time translations in eight languages, fostering transparency and inclusiveness. Local affiliates, including Hemofarm, also organise their own townhall meetings in line with the business priorities of top management. In addition, we run a global intranet with country-specific news feeds both browser-based and integrated in the One STADA App, and we publish the One STADA news quarterly in global and local editions.

Pulse Survey

Hemofarm and STADA regularly conduct internal Pulse Surveys that allow employees to provide feedback and see the status in their teams and the company. These surveys are conducted twice a year, and the results of the 14th STADA Global Pulse Survey – the most recent survey in 2025, carried out in November – showed a continued strong commitment of employees to the company. A total of 88% of all employees in the STADA Group took part in the survey, and the number of qualitative comments increased by 38%. Once again, Hemofarm employees used the opportunity to openly express their views on the most important topics in the company and thus provide valuable feedback to the STADA Executive Committee (SEC) and the Hemofarm Senior Management Team (SMT). In the fourteenth survey, a total of 5,640 qualitative comments were received, compared with 4,717 comments in the thirteenth survey conducted in May 2025.

STADA Value Awards

Additionally, the semiannual Value Award system recognizes employees who achieve outstanding results, further promoting engagement and motivation. This serves as role modeling for our target culture and as a catalyst for organizational dialogue. Hemofarm's success as a company is fundamentally based on its expert team, a growth-mindset culture and a strong readiness to adapt quickly to contemporary business trends. This culture is built and nurtured at all stages of employment – from recruitment and onboarding,

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[SBM-2: Interests and views of stakeholders]

through leadership and skills development, to rewards and recognition for the most outstanding employees who act as the best ambassadors of our values (such as the Group-level STADA Values Awards). That values are embedded in all activities is confirmed even by the annual STI (Short-Term Incentive) scheme, through which employee performance in line with the values is regularly monitored – it accounts for 25% of the total STI scheme, i.e. 6.25% for each individual STADA value.

EXTERNAL STAKEHOLDER AND ENGAGEMENT

We engage with our stakeholders through a variety of channels. Global functions primarily focus on stakeholders relevant to the Group as a whole, while business segments actively engage with healthcare institutions and professionals, patients and patient organizations, customers, regulatory authorities, and others. During the reporting year, we were in close dialogue with investors and analysts due to preparations for the change of ownership.

Our business model, with its broad supplier and distribution network, inherently presents challenges in tracking and protecting the interests of value chain workers. However, it also provides an opportunity to positively influence human rights and labor standards by promoting uniform practices, even in countries with lower requirements or weaker governance regarding labor practices. We are committed to continuously systematizing and rolling out our supply chain ESG risk assessment and deepening our engagement with partners, as outlined in ESRS S2 and ESRS G1.

Formats, processes, and channels that further integrate the interests and views of external stakeholders include, for example:

- Stakeholder roundtables and advisory panels
- Public consultations and policy hearings
- Customer and patient surveys
- Supplier assessments and review meetings
- Investor briefings and analyst calls
- Collaboration with industry associations and NGOs
- Community outreach forums and local consultations
- Dedicated feedback mailboxes and grievance mechanisms
- Regular communication with authorities
- Due diligence processes and quality risk assessments
- ESG rating criteria highly relevant to the capital markets
- Scientific reports, e.g., on environmental standards
- Dialogues with employee representatives and works councils

Health Report

Since 2014, we have been exploring the state of health among Europeans through the STADA Health Report. In 2025, the STADA Health Report engaged with stakeholders across 22 countries, collecting insights from 27,000 respondents. As in previous years, residents of the countries in which Hemofarm operates were also included in this survey.

This initiative reflects our commitment to building resilient health systems for future generations. We believe that collective efforts with stakeholders can lead to more effective solutions for the challenges faced by public healthcare systems today.

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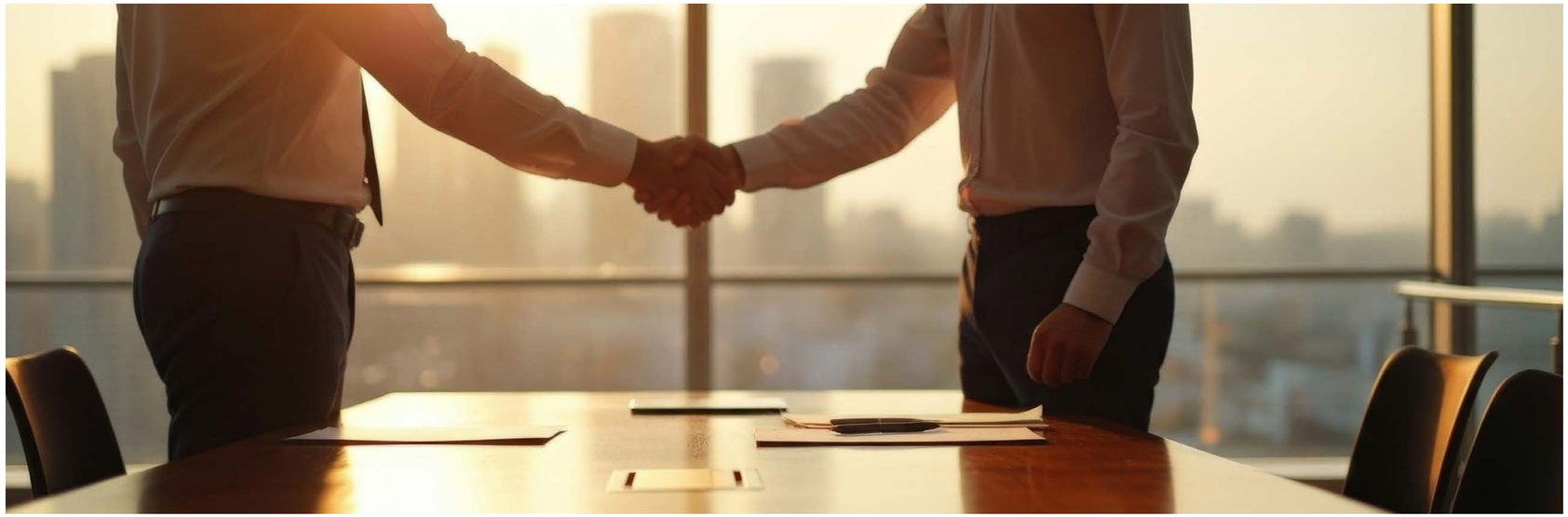
Strategy

[SBM-2: Interests and views of stakeholders]



Industry Associations and Partnerships

We are also actively involved in industry associations and advocacy organizations at international, pan-European, and national levels. Additionally, we engage in initiatives with upstream partners in the value chain, such as industry supply chain initiatives like the Responsible Health Initiative (RHI) and the Pharmaceutical Supply Chain Initiative (PSCI).

Below is an excerpt of initiatives and associations of strategic importance for the business segments, in which STADA is a member or has participated in discussion forums and committees.

- UN Global Compact (UNGC) – membership in Germany and Serbia
- World Intellectual Property Organization (WIPO) - global membership
- International Generic and Biosimilar Medicines Association (IGBA) – global membership
- Medicines for Europe – global membership
- German Investor Relations Association (Deutsche Investor Relations Verband - DIRK) – global membership
- Business Association of the Medical Technology Industry (Bundesverband Medizintechnologie - BVMed) – global membership
- Kao i lokalno FIC (Foreign Investors Council), SAM (Serbian Managers' Association), AmCham (American Chamber Of Commerce In Serbia), AHK (German-Serbian Chamber of Commerce) PKS (Serbian Chamber of Commerce) etc.

Also at a national level, we are active in several industry associations, such as Medaxes in Belgium, the German associations ProGenerika and Pharma Deutschland e.V., Italian off-patent industry group Egualia and the Spanish generics association Aeseg.

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Strategy

[SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model]

The material IROs[21] identified in our 2025 updated double materiality analysis are briefly outlined below and further detailed, including their relevance to our strategy and business model, in the respective chapters (topical standards).

Identifier	IRO	Type of IRO	Sustainability Matter / Material Topic	Reference Chapter
E1-NI-01	Scope 1 & 2 and Scope 3 GHG emissions	Actual negative impact	Climate Change Mitigation	E1 – Climate Change
E1-NI-02	Resource consumption for energy supply of own operations	Actual negative impact	Energy	E1 – Climate Change
E1-R-01	Climate related transition risks in upstream value chain	Risk	Climate Change Adaption	E1 – Climate Change
E1-R-02	Energy costs increase as part of own production costs	Risk	Energy	E1 – Climate Change
E2-R-01	Increasing water treatment costs	Risk	Pollution of Water	E2 – Pollution
E5-NI-01	Waste through production and own operations	Actual negative impact	Waste	E5 – Circular Economy
E5-R-01	Upcoming packaging requirements and market expectation	Risk	Resource inflows	E5 – Circular Economy
S1-PI-01	Secure employment and reliable working conditions	Actual positive impact	Working Conditions	S1 – Own workforce
S1-PI-02	Equal (gender, diversity, inclusion) treatment and development opportunities	Actual positive impact	Equal treatment and opportunities for all	S1 – Own workforce
S1-PI-03	People development through training and competency building	Potential positive impact	Equal treatment and opportunities for all	S1 – Own workforce

[21] *Impacts, Risks, Opportunities*

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Strategy

[SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model]

Identifier	IRO	Type of IRO	Sustainability Matter / Material Topic	Reference Chapter
S2-NI-01	Supplier misconduct related to human rights	Potential negative impact	Working conditions	S2 – Workers in the value chain
S4-PI-01	Access to quality product and healthcare information for patients and society	Potential positive impact	Information-related impacts	S4 – Consumers and end-users
S4-PI-02	Reliable supply of affordable and high-quality medicine	Actual positive impact	Social Inclusion	S4 – Consumers and end-users
S4-PI-03	STADA specific: CSR & Public Healthcare Support	Actual positive impact	STADA specific: CSR & Public Healthcare Support	S4 – Consumers and end-users
S4-R-01	Patient safety risks due to quality issues or incorrect medication	Risk	Personal Safety	S4 – Consumers and end-users
G1-PI-01	Strong and compliant corporate culture	Actual positive impact	Corporate Culture	G1 – Business Conduct
G1-PI-02	Transparency and business integrity with protection of whistle-blowers	Actual positive impact	Protection of whistle-blowers	G1 – Business Conduct
G1-PI-03	Expert engagement through ethical lobbying	Actual positive impact	Political engagement and lobbying activities	G1 – Business Conduct
G1-PI-04	Responsible Procurement	Actual positive impact	Management of relationships with suppliers	G1 – Business Conduct
G1-NI-01	Misconduct of STADA individuals in relation to anti-bribery/anti-corruption	Potential negative impact	Corruption and bribery	G1 – Business Conduct

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Strategy

[SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model]

The methodology and process for conducting the materiality assessment and its documentation are described in IRO-1 'Description of the processes to identify and assess material impacts, risks, and opportunities.'

The DMA was conducted in ESRS-compliant format for the first time in the 2024 financial year and reviewed and updated for 2025. The resulting list of material IROs changed compared to 2024 as follows:

REMOVED
Water consumption (Actual negative impact):

- We have recorded stable water consumption over the last three years.
- The new World Resources Institute (WRI) Water Risk Atlas does not indicate an increase in our water stress risk for the tested 2030 and 2050 climate scenarios.
- Furthermore, the updated water stress assessment shows that only two (previously three) STADA sites are located in high water stress areas. These production sites, however, have low water consumption and do not have a significant impact on local water availability.

ADDED
Water Pollution (Risk):

- The upcoming UWWTD could have significant financial implications for the cosmetics and pharmaceutical industries due to the allocation of fees for wastewater treatment under the Extended Producer Responsibility (EPR) framework.
- In addition, there are increasing external expectations (e.g., tenders) regarding pharmaceuticals in the environment.
- Water pollution is therefore updated as a material risk.

ADDED
Waste (Actual negative impact):

- A separate material IRO was assessed to cover waste from STADA's own production and operations, as the previous sole IRO on E5 – Circular Economy was limited to upcoming packaging requirements and market expectations from a risk perspective.
- The new IRO complements this with the impact side and is classified as material due to the growing public interest in information on waste generation as well as legal requirements.

ADDED
Management of supplier relationship (Actual positive impact):

- While in last year's DMA we focused on Human Rights in the supply chain, this added material IRO reflects the extension of scope to now include Environmental and Governance aspects as well.
- It focuses on the positive impact of the systematic and responsible management of our supplier relationship, considering STADA's large and diverse supplier network.

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Materiality: Impacts, Risks and Opportunities

[IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities]

REVISED DMA RESULT MATRIX FOLLOWING THE COMPLETION OF THE 2025 REVIEW PROCESS (SG)

E1 Climate change
- 1 **Climate change adaptation**
- 2 **Climate change mitigation**
- 3 **Energy**

E2 Pollution
- 4 Air
- 5 **Water**
- 6 Soil
- 7 Living organism
- 8 Substances of (high) concerns
- 9 Microplastic

E3 Water & marine resources
- 10 Water (consumption, withdrawals discharges)
- 11 Marine (discharges, extraction)

E4 Biodiversity and ecosystems
- 12 Direct impact drivers of biodiversity loss
- 13 Impacts on the state of species
- 14 Impacts on the extent and condition of ecosystems
- 15 Impacts and dependencies on ecosystem services

E5 Circular economy
- 16 **Resource inflows**
- 17 Resource ouflows
- 18 **Waste**

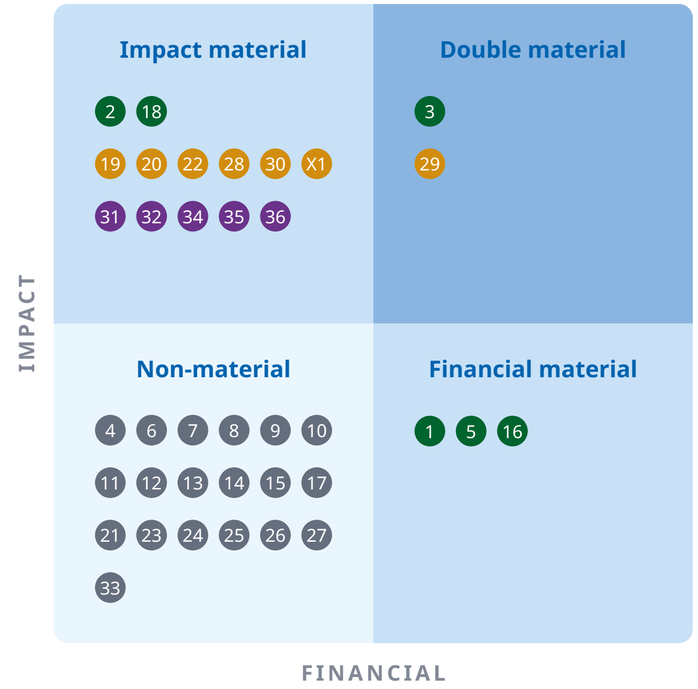
S1 Own Workforce
- 19 **Working conditions**
- 20 **Equal treatment and opportunities for all**
- 21 Other work-related rights

S2 Workers in the value chain
- 22 **Working conditions**
- 23 Equal treatment and opportunities for all
- 24 Other work-related rights

S3 Affected communities
- 25 Economic, social and cultural rights
- 26 Civil and political rights
- 27 Rights of indigeonus people

S4 Consumers and end-users
- 28 **Information-related impacts**
- 29 **Personal safety**
- 30 **Social inclusion**
- X1 **STADA specific: CSR & Public Healthcare Support**

G1 Business conduct
- 31 **Corporate culture**
- 32 **Protection of whistle-blowers**
- 33 Animal welfare
- 34 **Political engagement and lobbying activities**
- 35 **Management of relationships with suppliers**
- 36 **Corruption and bribery**



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Materiality: Impacts, Risks and Opportunities

[IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities]

Our materiality analysis follows the principle of double materiality and adheres to the requirements of the ESRS.

After completing previous annual cycles of materiality assessments in line with GRI standards (at Hemofarm since 2011 and at the STADA Group level since 2021), we launched a new cycle in 2024 in alignment with the double materiality assessment defined by the ESRS.

Through the double materiality assessment (DMA), we aimed to:

- **Identify and evaluate** the most critical issues impacting our business and stakeholders, enabling us to focus on key areas for decision-making and reporting.
- **Engage with stakeholders** to gather insights into what is considered important or material in the context of our organization.
- **Align our organizational strategies** with stakeholder expectations, enhancing transparency and accountability.

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Materiality: Impacts, Risks and Opportunities

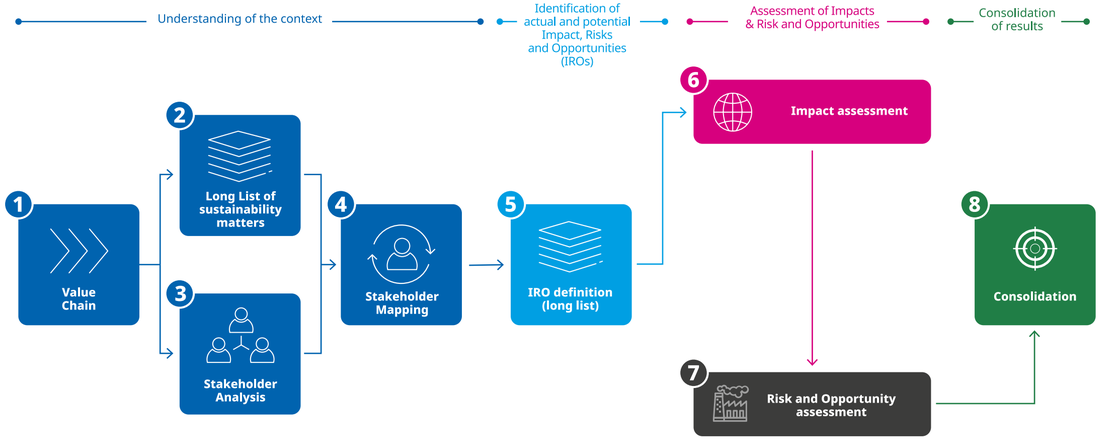
[IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities]

The DMA was conducted in accordance with the ESRS and the corresponding guidelines outlined in Annex I & II of Commission Delegated Regulation (EU) 2023/2772, supplementing Directive 2013/34/EU. The process was first carried out in line with ESRS in 2024 and included the following steps:

1. **Understanding the Value Chain and Core Business Activities:** This includes analyzing STADA's core business activities, encompassing upstream and downstream operations. The value chain is divided into three main components: own operations, upstream activities, and downstream activities. The process takes into account both topics arising from our own operations and those linked to our business relationships.

2. **Creating a List of Sustainability Matters:** Based on the ESRS and additional entity-specific topics, a list of sustainability matters potentially material to STADA, Hemofarm and other affiliates is developed.

3./4. **Clarification of Relevant Stakeholder Groups:** Identification of relevant stakeholder groups including affected stakeholders and users of CSRD reporting, as well as individuals to be included in the materiality assessment.



5. **Creating a Longlist of Impacts, Risks, and Opportunities (IROs):** Following ESRS requirements, we defined Impacts, Risks, and Opportunities and developed a longlist of potential IROs based on the identified sustainability matters.

6. **Evaluating the Severity of Impacts:** Workshops with internal stakeholders were conducted to identify and assess positive impacts using scale and scope dimensions, and negative impacts using scale, scope, and irremediability dimensions.

7. **Examination and Assessment of Risks and Opportunities:** This involves analyzing the results of impact materiality, considering dependencies on natural, human, and social resources, and determining the materiality threshold in alignment with group risk management practices.

8. **Summary of Sustainability Aspects:** A final list is created, summarizing sustainability aspects that are material from both the inside-out and outside-in perspectives.

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Materiality: Impacts, Risks and Opportunities

[IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities]

In 2025, we reviewed and updated the double materiality assessment. The starting point for the update was an unchanged business model and scope of our operations compared to the previous year.

The review process is conducted in alignment with internal guidelines (STADA's CSRD Reporting Handbook) and involves collaboration across various departments:

1. **Assess risk and opportunity threshold levels with the Risk Management function:** The threshold levels for risks and opportunities were reassessed and confirmed in consultation with the Risk Management function. This step is intended to ensure alignment between the double materiality approach and the broader risk management framework.

2. **Conduct a peer review of the DMA to identify potential gaps in the IRO longlist:** A peer review of the current DMA is conducted to benchmark it against industry and sector best practices.

3. **Host review workshops to refine the IRO longlist:** To ensure a comprehensive evaluation, workshops are hosted with participation from internal subject matter experts (SMEs) across the different focus areas (Environment/C&P/Compliance & Governance/Other). Each workshop reviews the IRO longlist from specific perspectives and discusses changes as well as internal and external influences that could lead to different assumptions regarding the assessment of the materiality of previous material IROs, previously non-material IROs, or entirely new IROs.

4. **Assess necessary changes and evaluate IROs according to STADA's DMA guidelines:** Based on the outputs of the workshops, IROs are further evaluated against the DMA guidelines. This step aims to confirm that all changes are grounded in STADA's operational context and DMA framework.

5. **Document workshop results and distribute to participants for approval:** The outcomes of each workshop are documented and distributed among all workshop participants and relevant stakeholders for review and formal approval to provide transparency and shared ownership of the process.

6. **Amend DMA documentation and illustrations:** Following confirmation, the DMA documentation is updated.

7. **Present changes to the Sustainability Steering Committee (SSC) for final approval:** The updated DMA, along with supporting documentation, is presented to the SSC for final review and approval.

METHODOLOGY, DEFINITIONS AND THRESHOLDS

STADA developed its methodology for the DMA based on the ESRS requirements, supported by resources such as the EFRAG's guidance Materiality Assessment Implementation Guidance (MAIG) and industry best practices. The DMA will be reviewed and updated as required as part of our annual Sustainability Report.

For our own operations, we identified and assessed impacts on people and the environment, as well as potential risks to our business. Additionally, we evaluated impacts and risks across our value chain, focusing primarily on the consumers of STADA products and our suppliers in both the upstream and downstream value chain.

In our impact assessment, we considered both positive and negative impacts, as well as actual and potential impacts related to sustainability matters. For the financial assessment, we analyzed potential sustainability-related risks that could result in negative financial impacts on our business. In this context, we use impact materiality as a synonym for the inside-out perspective and financial materiality for the outside-in perspective.

A sustainability matter is considered material if it meets the criteria for impact materiality, financial materiality, or both, with the materiality threshold defined as 'significant'.

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Materiality: Impacts, Risks and Opportunities

[IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities]

IRO DEFINITION
IROs are interrelated, and we consider the interdependencies between these dimensions in our approach. The starting point for STADA is the definition and assessment of impacts. Based on the identified actual and potential impacts, we determine related risks and opportunities by analyzing relationships and relevant dependencies on natural, human, and social resources across our own operations, as well as our upstream and downstream value chain.

For actual impacts, materiality is determined based on the severity of the impact, while for potential impacts, it is assessed based on both the severity and likelihood of the impact. Severity is evaluated using the following factors:

- Scale
- Scope
- Irremediability (for negative impacts only)

In cases of potential negative human rights impacts, the severity of the impact takes precedence over its likelihood.

The materiality threshold for actual impacts is defined as an effect significant enough to be of interest to affected stakeholders and users of information. It must significantly impact them, lead to consecutive actions, and potentially attract media coverage.

For potential impacts, we additionally consider the likelihood of occurrence, which methodologically results in a heatmap table (matrix) that combines severity and likelihood categories. A numerical approach is applied, assigning an ordinal number to each category and plotting the results.

The materiality of risks and opportunities is assessed by combining the probability of occurrence with the potential magnitude of the financial effects. A risk is considered 'material' if its expected value (calculated as probability of occurrence x magnitude) exceeds 2.5 million Euros within a one-year timeframe. The risk threshold is aligned with the Risk Management department. An opportunity is considered 'material' if its expected value (calculated as probability of occurrence x magnitude) exceeds 1.25 million Euros within a one-year timeframe.

Based on the impacts, risks, and opportunities identified as material, we mapped the disclosures and data points to the IROs to be reported. Some data points that are voluntary or subject to phase-in relief were eliminated. An overview of the reported disclosure requirements is provided in Annex A.

[IRO-2: Disclosure requirements in ESRS covered by the undertaking's sustainability statement]

We also present a table of datapoints deriving from other EU legislation, including their location in this Sustainability Statement, in Annex B.

Environmental information

- ESRS E1 - Climate Change
- ESRS E2 - Pollution
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ESRS E1 - Climate Change

Material Impacts, Risks and Opportunities

[E1.SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business mode]
[E1.IRO-1: Description of the processes to identify and assess material climate-related impacts, risks and opportunities]

The topics identified in the materiality analysis related to ESRS E1 – Climate Change include both impacts and risks. The process for identifying material topics – including those related to climate change – is described in the general disclosures of ESRS 2 standard. With decarbonization as a key priority, we manage these IROs through our strategic sustainability program area 'Decarbonization & Climate Change' and 'Responsible Procurement' with regard to our value chain (see Management and Policies below and section ESRS G1).

CLIMATE CHANGE MITIGATION	
Identifier	E1-NI-01
IRO	Scope 1 & 2 and Scope 3 GHG emissions
Type	Actual negative impact
Description	STADA emits greenhouse gases (GHGs) in its own operations and value chain. The emission of GHGs contributes to climate change.

ENERGY	
Identifier	E1-NI-02
IRO	Resource consumption for energy supply of own operations and value chain
Type	Actual negative impact
Description	STADA consumes energy for the manufacturing of pharmaceutical products within its own operations, through Contract Manufacturing Organizations (CMOs) and throughout the value chain.

CLIMATE CHANGE ADAPTION	
Identifier	E1-R-01
IRO	Climate-related transition risks in upstream value chain
Type	Risk
Description	Due to climate change, there are increased transition risks in the value chain with possible supply chain disruptions or increased costs for suppliers.

ENERGY	
Identifier	E1-R-02
IRO	Energy costs increase as part of our own production costs
Type	Risk
Description	Increased energy costs (e.g. due to transition to renewable energy supply markets) might lead to higher costs for STADA's own production and/or for STADA's suppliers.

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Material Impacts, Risks and Opportunities

[E1.SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business mode]
[E1.IRO-1: Description of the processes to identify and assess material climate-related impacts, risks and opportunities]

CLIMATE RESILIENCE

As part of the materiality analysis, we assessed physical climate risks and transition risks in 2024. This physical risk assessment focused on our production sites to identify necessary adaptations to enhance resilience and support sustainable operations. The quantification of greenhouse gas emission sources at the site level is managed through our Greenhouse Gas (GHG) management (see below).

Transition risks and opportunities were assessed using forward-looking scenario indicators primarily derived from 'The Network of Central Banks and Supervisors for Greening the Financial System' (NGFS) climate scenarios (Current Policies and Net Zero 2050), supplemented by World Energy Outlook Data from the International Energy Agency (IEA). The analysis considers multiple time horizons (2030, 2040, and 2050) and evaluates sector-relevant drivers across market, technology, policy, and resource efficiency dimensions. Exposure ratings were applied to reflect the relevance of each risk or opportunity to our operations, supply chain, and market context.

For physical risks, an external advisory firm applied a proprietary methodology that combines location-specific climate hazard data with asset-level information to assess exposure and vulnerability for each site. The geospatial, production site-specific analysis utilizes climate projections from the Intergovernmental Panel on Climate Change (IPCC) CMIP6 models and recognized external data sources (including WRI, NASA, ESA, and Fathom) and evaluates acute and chronic hazards.

The time horizons reflect both short-term operational planning and long-term strategic and investment considerations. Due to the forward-looking and semi-quantitative nature of the assessment, results are subject to uncertainties related to scenario assumptions, data granularity, and long-term climate projections. As such, the results are intended to provide directional insights and an overview of current and future risk areas. These limitations were considered when interpreting the outcomes and when assessing the overall climate resilience of STADA's operations. This scenario analysis also serves as the basis for the climate-related risk evaluation reported in the financial statements[06].

Transition risk

The transition risks – the risks that refer to the financial and operational challenges that arise from the global economy's shift towards a low-carbon future – were assessed using climate scenario indicators across short-term (2023-2030), medium-term (2030-2040), and long-term (2050) projections.

Based on the assumptions made in the scenario analyses and the applied data, STADA is overall exposed to limited risk (lowest risk score) in the short term and a low risk level in the medium and long term (Net Risk). This assessment is driven by sector exposure, existing decarbonization initiatives, and the counterbalancing effect of identified transition opportunities, such as energy efficiency measures and on-site renewable energy generation.

Risk / Opportunity Score	2030	2040	2050
Net Risk			
Max Risk			
Max Opportunity			

High Opportunity | Moderate Opportunity | Low Opportunity | Limited Risk / Opportunity | Low Risk | Moderate Risk | High Risk

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Material Impacts, Risks and Opportunities

[E1.SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business mode]
[E1.IRO-1: Description of the processes to identify and assess material climate-related impacts, risks and opportunities]

The highest comparative risks – still considered moderate in the short term but rising over time – are associated with energy price volatility during a disorderly shift from fossil fuels, potentially causing supply constraints and increased demand for low carbon products and decarbonized assets (Max Risk).

On the other hand, the highest opportunity scores, which also increase over time, are linked to enhanced resilience to energy and fuel price volatility. This includes the potential to reduce operational expenses (OPEX) by implementing energy efficiency measures. Additionally, the opportunity to sell low-carbon products represents the flip side of the expected increasing market demand for sustainable solutions (Max Opportunity).

Physical risks

The Physical Risk Assessment was based on two SSP (Shared Socioeconomic Pathway) climate scenarios for 2030 and 2050 - SSP1-2.6 (low-emissions pathway) and SSP5-8.5 (high-emissions pathway). This aims to ensure that a broad and plausible range of potential physical climate risks and related uncertainties is addressed, as results can vary depending on the scenario assumptions and time horizons applied. The assessment provides a robust foundation to identify relative risk levels, site-specific risk hotspots, and overall trends. The low GHG emission scenario operates on the assumption that global warming stays below 2°C by 2100, in line with current commitments under the Paris Agreement. Meanwhile, the high GHG emission scenario assumes it is likely that average warming greater than 4.4°C would occur by 2100. Physical risks are linked to the changing intensity and frequency of climate events, such as wildfires, water stress and droughts, extreme wind and storms, heavy rainfall, flooding, and river flooding.

The results indicate that for the SSP1-2.6 2030 horizon, the majority of STADA's sites currently face minimal or low physical risks, with solely our site in Miyun, Beijing, China, identified with a consolidated high-risk due to exposure to wildfires, water and drought stress, and river flooding. The production site in Miyun accounted for less than 1% of STADA's in-house production volume in 2025.

The assessment projects that by 2050, our sites may experience a minimal increase in risk levels in their exposure to extreme heat and potentially wildfires – particularly under high emissions long-term scenarios (SSP5-8.5). The projection identifies solely 2 sites (Miyun, Bejing, China and Podgorica, Montenegro) with an overall high-risk exposure, three sites with medium risk exposure and 12 sites with minimum to low exposure level. While potential impacts include enhanced operational expenditure on cooling, these are not considered significant risks.

Based on the assessment results, no immediate structural adaptation measures are necessary. Identified physical risk areas are being monitored as part of ongoing site-level risk management. Given the overall limited risk exposure, physical or transition risks are not expected to materially impair operational continuity in the short to medium term, while remaining relevant for long term investment and future risk management and adaptation considerations.

In November of the reporting year, our two production sites in Tuy Hoa, Vietnam, were affected by the floods in the Đắk Lắk province caused by heavy and prolonged rainfall and water dam mismanagement by local authorities. Production was halted, with the health and safety of all employees on-site being the top priority. It restarted already partially in December following strict health, safety and quality protocols.

The Disclosure Requirements ESRS E1-7 (GHG removals and carbon credits) and ESRS E1-8 (Internal carbon pricing) are evaluated as not material. ESRS E1-9 (Anticipated financial effects of climate-related risks and opportunities) is subject to phased-in application in accordance with Appendix C of ESRS 1 and therefore not disclosed in the reporting year.

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Management and Policies

[E1.GOV-3: Integration of sustainability related performance in incentive schemes]

The annual decarbonization targets of STADA and its affiliates are tied to the Executive Board's variable compensation. For 2025, the goal was to achieve a 35.5% reduction in Scope 1 and 2 emissions compared to the 2020 baseline, in line with our 2030 target of −42%. The STADA decarbonization target 2025 has been achieved. The remuneration-linked management target for 2025 (combined Sope 1 and 2 reduction of 35.5% compared to 2020 baseline) represents the reduction of 69 kilotons of total Scope 1 and 2 emissions. Further details regarding the incentive scheme can be found in section ESRS 2, GOV-3.

[E1-1: Transition plan for climate change mitigation]

As of the reporting date and considering the low transitional and physical climate risks identified, we have not yet adopted a formal climate transition plan aligned with the Paris Agreement 1.5°C pathway. Development is scheduled for 2026, synchronized with the preparation for SBTi validation in 2026, detailing past, current, and future initiatives to reduce emissions, improve energy efficiency, and transition to renewable energy sources, building on the existing decarbonization plan (see E1-3). During the reporting year, we refined the data foundation and calculation assumptions. Alongside our already established existing Paris Agreement aligned 2030 Scope 1 & 2 reduction goals, our Scope 3 targets, the assessed transitional and physical climate risk, and our SBTi commitment, these elements will be formally consolidated in 2026 into a transition plan for climate change mitigation.

[E1-2: Policies related to climate change mitigation and adaptation]

'Decarbonization and Climate Change' is one of our seven strategic sustainability program areas, focused on reducing GHG emissions and transitioning our energy consumption into renewables. The Global Sustainability Policy, the Environmental Policy for Technical Operations and the Business Partner CoC, Responsible Procurement Policy and Direct Procurement Policy address the material climate related impacts and risks identified under ESRS E1. Their implementation is monitored through regular management reviews and functional oversight within existing governance structures. The policies apply globally to our own operations and, where relevant, to business partners in the upstream value chain. The global Sustainability Policy and Business Partner CoC are publicly available on the STADA website. Key stakeholder perspectives are considered through regular exchange within the business functions, such as via Global Procurement, Global HSE or Global Sustainability.

At present, no dedicated standalone policies exist that specifically address transition risks in the upstream value chain or energy cost risks. These risks are currently managed indirectly through existing climate mitigation, energy efficiency and expansion of renewable energy within our own operational scope (see below), and supplier engagement measures (as detailed in ESRS G1). With regard to the risk of possible supply chain disruptions, the Responsible Procurement Policy and the Direct Procurement Policy play a key role, as they aim to contribute to minimizing risks within the supplier network and diversifying procurement channels. The need for more targeted policy instruments is being evaluated as part of the planned transition planning activities.

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Management and Policies

[E1-2: Policies related to climate change mitigation and adaptation]

Climate change mitigation and adaptation is addressed in our guiding Environmental and sustainability policies. The global STADA Sustainability Policy confirms STADA's decarbonization target to reduce Scope 1 and 2 emissions by 42% until 2030 (baseline 2020) and outlines the aspiration to net zero carbon emissions from our own operations by 2050. The Global Sustainability Policy is underpinned by the Environmental Policy for Technical Operations which aims to consider the effects that STADA's own operations may have on the local community and to integrate environmental considerations into the planning of new projects, products, and processes. With regard to carbon emissions and energy consumption, the policy defines increasing energy efficiency, responsible use and consumption and reducing GHG emissions as key objectives.

Regarding the value chain and collaboration with partners, climate-related topics are part of our Business Partner CoC. It calls on business partners to make reasonable efforts to continuously increase their use of purchased electricity from renewable sources and to implement management systems aimed at improving energy efficiency in their operations.

We also encourage them to set SBTi targets aligned with the Paris Agreement (see also ESRS E1-4), collect and report data on greenhouse gas emissions caused directly by their operations (Scope 1) or indirectly (Scope 2). Additionally, we outline our expectations for business partners to consider the climate impacts within their supply chain, evaluate their Scope 3 greenhouse gas emissions, and take appropriate action.

The Business Partner CoC is sent to partners at the start of a collaboration as a key document governing business relationship. Expanding supplier confirmations of our Business Partner CoC is a central KPI for managing topics across our supply chain (as described in ESRS G1).

These policies aim to identify, assess, manage, and remediate material impacts, risks, and opportunities related to climate change. We regularly evaluate and adjust our strategies to effectively mitigate adverse climate impacts and enhance our adaptive capacity. Our approach prioritizes reducing our carbon footprint and building resilience to climate-related risks, to ensure long-term environmental sustainability and the resilience of our operations (as described below).

Our commitment to environmentally responsible practices is also affirmed as a member of the UNGC and as a signatory to its ten principles, as well as through adherence to international standards and guidelines. We align and comply with relevant environmental frameworks such as the Rio Declaration on Environment and Development, the UN Framework Convention on Climate Change (UNFCCC), the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, the Stockholm Convention on persistent organic pollutants, and the Minamata Convention on Mercury.

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Actions and Resources

[E1-3: Actions and resources in relation to climate change policies]

We consistently implement initiatives to lower greenhouse gas emissions, improve energy efficiency, and expand the use of renewable energy sources in our energy consumption.

DECARBONIZATION PLAN
Our internal Decarbonization Plan 2030 outlines the path for reducing GHG emissions and increasing renewable energy use until 2030 in line with our Sustainability Policy. The transition plan to be developed is intended to build on this foundation and further detail the measures and allocation of resources. The decarbonization plan takes into account the anticipated continuous business growth in production volume, which needs to be counterbalanced. A strategic CAPEX budget has been allocated to (co-) fund decarbonization projects in cases where the return on investment (ROI) is economically unattractive or new technologies are piloted. The strategic levels of the decarbonization plan for Scope 1 emissions address fossil fuels and refrigerants in production, as well as emissions from company cars and offices. Scope 2 emissions are intended to be reduced by increasing the share of electricity supplied from renewable sources either through own on-site photovoltaic installations or the purchase of electricity from renewable sources. This targets the conventional electricity currently used in our production and office sites.

To support Scope 3 targets, the Responsible Procurement function is enhancing supplier engagement. This includes EcoVadis ratings for prioritized suppliers, including CMOs and API suppliers, who represent the main Scope 3 emitters. Additionally, our STADA Business Partner CoC is utilized to further drive sustainability efforts within the supply chain.

ENVIRONMENTAL MANAGEMENT
Our Global Environmental Management System constitutes an overarching framework for energy and carbon management at our own production sites. It is part of the Global HSE management system and overseen by the global and local HSE functions. Associated SOPs provide further detailed requirements and expectations on how to operationalize tasks, processes, roles and responsibilities to support the principles.

All our production sites operate local HSE management systems and processes designed to meet environmental and legal requirements, while also striving to improve environmental performance beyond compliance through annual environmental programs and site-specific targets.

To maintain regular external monitoring, ten STADA production sites are certified under ISO 14001 standards: Vrsac/Dubovac, Sabac (Serbia); Podgorica (Montenegro); Banja Luka (Bosnia and Herzegovina); Huddersfield (UK); Tuy Hoa 1 and 2 (Vietnam); Bila Tserkva (Ukraine); Bad Vilbel (Germany); Miyun (China). Other sites have begun developing ISO-compliant HSE management systems and will continue to do so. This approach helps us enhance environmental performance across our sites.

ENERGY MANAGEMENT
Rising energy costs and growing energy price volatility have been identified in the Climate Risk Assessment as a current moderate risk, with the potential to escalate to a high risk in the future. This could lead to supply constraints and further cost increases over time. This risk was also identified within the DMA. Addressing these risks and creating opportunities requires close engagement of site production and engineering functions within our global Technical Operations.

We work through various formats and measures:

- We implemented a formal program as part of our Energy Efficiency and Transformation Network. It is jointly run by Global HSE and Global Engineering with nominated site-level Energy Coordinators and covers all our operations. The network holds monthly meetings to track energy efficiency initiatives at the site level, facilitate information exchange about lessons learned, experiences with new technologies, and encourage new projects. Among the implemented and shared energy efficiency technologies, building insulation, Heating, Ventilation and Air Conditioning (HVAC) systems, lighting, and water heating have been identified and developed as best practices.

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[E1-3: Actions and resources in relation to climate change policies]

- We also conducted an Energy Management Maturity Assessment at our production sites in 2024 to evaluate the robustness of our energy management processes and as a basis for Energy Transformation Roadmaps for each site that are currently under development.
- We also successfully certified to ISO 50001 at our production site in Bad Vilbel, Germany, as well as ISO 14001.

Depending on local needs and feasibility, ESG investments in building technology and equipment can be subsidized from a dedicated ESG funding pool. For example, in 2025, the installation of a heat pump with a significant heating capacity of approximately 850 kW and a cooling capacity of around 650 kW was approved and implemented at the Bad Vilbel site. The heat pump replaced two separate units – a gas boiler and a chiller – supporting our ambition to phase out fossil fuels and contribute to the decarbonization of our operations. This investment, calculated with a fast ROI despite slightly higher initial costs, is estimated to reduce emissions by approximately 330 tons per year.

Renewable Energy

The efficient use of energy is a key pillar of our decarbonization roadmap; hence renewable energy is a core component of our GHG reduction efforts. Over the past four years, we have steadily increased the share of renewable energy in our total energy consumption by replacing grid electricity sourced from markets with comparatively higher emission intensity. This includes ongoing investments in on-site photovoltaic installations at several of our sites in Europe and Asia in recent years, resulting in an increase of self-produced electricity to 2,909 MWh in 2025 (2024: 2,428 MWh). In 2025, we further expanded self-production of electricity through new photovoltaic installations at our production sites in Serbia, Vietnam, Germany.

At Pymepharco in Vietnam, the expansion of solar installations is steadily progressing in multiple phases across our two production sites. Since 2019, a photovoltaic system covering 7,200 square meters has been supplying self-generated electricity. In 2021, an additional 9,297 square meters of solar panels were installed. By 2025, another 3,000 square meters of photovoltaics were constructed and connected in early 2026. Since their commissioning, these photovoltaic systems have collectively produced more than 16,000 MWh of green energy, which is used directly on-site. In 2025, the systems generated more than 2,700 MWh of self-produced electricity, which corresponds to approximately 1,800 tCO2e avoided emissions based on country specific emission intensity.

At our Vršac campus in Serbia, a large-scale solar project was completed in 2025, with 8,000 solar panels installed across an area of 21,000 square meters. These panels will supply approximately 12% of the site's total annual energy consumption going forward. We anticipate a reduction of approximately 3,500 t in emissions as a result (see Good Practice Box).

Where feasible, we also evaluate and develop photovoltaic systems for our office buildings and warehouses. For example, in 2025, at Clonmel Healthcare in Ireland, a photovoltaic system was installed and commissioned, which is expected to generate nearly 100 MWh per year, approximately half of the distribution center's annual electricity demand.

In addition to generating renewable energy on-site and increasing energy efficiency in our operations, we are also transitioning from fossil fuels to renewable electricity supply contracts wherever possible.

The described actions contribute to achieving our climate mitigation objectives by reducing emissions, improving energy efficiency and increasing renewable energy use. Where available, expected outcomes are quantified. For other measures, impacts are assessed qualitatively. Actions are implemented across own operations and prioritized parts of the upstream value chain and are gradually expanded in line with data availability and maturity.

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Actions and Resources

[E1-3: Actions and resources in relation to climate change policies]

HEMOFARM Good ESG Practice

Solar Power Production at Vršac, Serbia

Since energy is a critical resource, increasing energy consumption from renewable sources – such as self-production via photovoltaics – is a key pillar of our carbon roadmap and, at the same time, a risk-mitigation measure.

As part of a major project, 8,000 solar panels covering an area of 21,000 square meters across 15 buildings were installed at our Vršac campus in Serbia in 2025. With a capacity of four megawatts, the system can supply up to half of the campus's electricity needs on summer days and approximately 12% of its annual consumption. By reducing grid consumption by around 5,000 MWh annually, this initiative will contribute to long-term energy efficiency and significantly lower operating costs.

SUPPLIER MANAGEMENT

To address climate related transition risks in the upstream value chain, we focus on strengthening transparency, engagement and resilience within our supplier base. Key measures include prioritizing suppliers with the highest relevance for Scope 3 emissions and cost exposure, integrating climate related expectations into supplier standards, and engaging suppliers through dialogue and assessments. Transition risks are currently managed through existing procurement, supply chain, sustainability and risk management functions and processes as we consider these the most effective levers to enhance resilience in the upstream value chain at this stage (see also ESRS G1 for more details).

We also actively engage with our suppliers on carbon emissions through our memberships in industry supply chain initiatives such as the Responsible Health Initiative (RHI) and the Pharmaceutical Supply Chain Initiative (PSCI).

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Goals and Commitments

[E1-4: Targets related to climate change mitigation and adaptation]

While quantitative targets exist for climate change mitigation, no standalone measurable targets have yet been defined for transition risks in the upstream value chain or for energy cost risks. Existing mitigation targets are based on a 2020 baseline and cover Scope 1 and Scope 2 emissions across consolidated own operations. Progress against the targets is monitored annually and used for adjustments to the implementation roadmap.

GHG MANAGEMENT

Decarbonization and Climate Change is one of the seven key program areas for STADA. Groupwide GHG accounting is overseen by the Global Sustainability function which is consolidating related input data and is using a GHG accounting software to calculate the Scope 1-2 and Scope 3 emissions.

In 2021, we set our carbon reduction targets to support the objective of limiting global temperature increase to 1.5 °C in line with the Paris Agreement and publicly announced this commitment.

This Scope 1 & 2 target entails a 42% reduction in total GHG emissions between 2020 (baseline emissions amounted to 106,672 tons CO2e) and 2030, covering emissions from our own operations and indirect emissions from purchased energy. To ensure progress, we establish annual HSE and ESG interim targets to stay on track to meet our 2030 commitments. From 2020 to 2025, we achieved a 35.5% reduction in total CO2 emissions (market-based), demonstrating steady progress toward our target as planned.

Covered GHGs and scopes are presented in the table under metrics. The target-setting process involved relevant internal global functions and technical operations, aligned with executive management (see also ESRS 2 for more information on governance). The target is supported by energy efficiency measures as well as the transition to renewable energy, as described above.

SCIENCE-BASED TARGETS

To further enhance our GHG reporting and reduction efforts, we conducted a review of the assumptions used to calculate our Scope 3 emissions in 2025, focusing on our decarbonization strategy, commitments within our supply chain, and the upcoming submission and validation of our targets by Science Based Targets Initiative (SBTi).

In 2024, we formally committed to the SBTi for setting near-term targets for Scope 1 and 2 emissions, as well as supplier engagement targets for Scope 3 emissions. Our alignment with the SBTi reflects our commitment to establish robust, comprehensible and science-based decarbonization targets. We are focused on achieving near-term targets for absolute reductions in Scope 1 and 2 emissions and engaging suppliers to address Scope 3 emissions. These targets and submission data are scheduled for SBTi validation in 2026.

In 2025, we refined possible approaches and feasible assumptions for calculating Scope 3 categories, particularly for estimated inbound transport emissions from suppliers and downstream transport emissions (categories 3.4 and 3.9).

Approximately 40% of our total Scope 3 Category 1 emissions in the reporting year resulted from business with our 50 largest suppliers by spend. By December 2025, suppliers representing 20% of the Scope 3 Category 1 emissions had either committed to setting SBTi targets or already had validated science-based targets in place.

Our energy target set for 2025 was to increase the share of renewable electricity to >65% of total electricity consumed with a 2030 target of >80%. We aim to continually expand solar power at our production sites. Further solar panel installations in Preston (UK), Banja Luka (Bosnia and Herzegovina), and Turda (Romania) are planned for implementation in 2026 - 2028. Currently, there is no energy target set for 2050.

These targets are specifically designed to address our material climate-related impacts, risks, and opportunities. Our objectives include reducing carbon emissions, improving energy efficiency, and strengthening resilience to climate change, especially with view to transition risks in our upstream value chain.

We regularly track progress against these targets to ensure alignment with our broader sustainability strategy and make necessary adjustments to achieve our long-term climate goals.

[22] *In the area of greenhouse gases, Hemofarm procured a total of 833.40 kg of "ozone-friendly" freon in 2025 (compared to 1,078.60 kg in 2024), thereby continuing the trend of reducing the quantities of refrigerants in use. Freon consumption per pack of finished product was reduced from approximately 0.0000037 kg to about 0.0000033 kg, while emissions expressed per pack decreased from approximately 0.0000092 to about 0.0000050 tCO_2eq, which confirms progress in decarbonization and rational management of refrigerants.*

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Metrics and Data

[E1-5: Energy consumption and mix]

In 2025, our energy consumption amounted to 335,346 MWh (2024: 317,225 MWh), with electricity being the largest item at 140,356 MWh. We were able to increase the share of electricity consumption from renewable sources in 2025 to 70.2% corresponding a total of 98,469 MWh (2024: 85,402 MWh) – achieved through self-production via photovoltaics, transitioning to additional energy supply contracts, and purchasing Energy Attribute Certificates (EACs).

Electricity consumption in the Vršac and Šabac plants amounted to 53.34 million kWh in 2025 (192,031 GJ), which is approximately 1.4% higher than in 2024 (52.60 million kWh), primarily due to more challenging temperature conditions, despite efficiency measures.

Energy data are collected at all owned production sites, owned or leased warehouses, owned or leased offices, and for owned or leased company cars. For production sites, monthly energy data are reported by local technical or engineering teams based on utility bills, meter readings and energy management systems. Data of offices, warehouses and company cars are reported annually via Country Sustainability Managers.

We collect, consolidate and analyze operational energy data to calculate our global Scope 1 and Scope 2 emissions. Continuous data collection supports us in monitoring the effectiveness of our decarbonization measures and identifying further energy and emissions reduction potential.

The turnover figures (unadjusted total net revenue) used to calculate the energy intensity indicators are based on the consolidated financial statements of Nidda German TopCo GmbH, the holding company of the STADA Group (see also BP-1 'General basis for preparation of the sustainability statement').

ENERGY CONSUMPTION AND MIX (SG)	2024	2025
(1) Fuel consumption from coal and coal products (MWh)	0,00	0,00
(2) Fuel consumption from crude oil and petroleum products (MWh)	72.709,60	80.763,60
(3) Fuel consumption from natural gas (MWh)	91.850,10	97.632,28
(4) Fuel consumption from other non-renewable sources (MWh)	0,00	0,00
(5) Consumption from nuclear products (MWh)	0,00	0,00
(6) Consumption of purchased or acquired electricity, heat, steam, and cooling from non-renewable sources (MWh)	67.383,16	58.480,26
(7) Total non-renewable energy consumption (MWh) (calculated as the sum of lines 1 to 6)	**231.942,86**	**236.876,14**
Share of non-renewable sources in total energy consumption (%)	72,53%	70,64%
(8) Fuel consumption for renewable sources (including biomass, biogas, non-fossil fuel waste, renewable hydrogen, etc.) (MWh)	0,00	0,00
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	85.422,37	95.560,75
(10) The consumption of self-generated non-fuel renewable energy (MWh)	2.428,28	2.908,64
(11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	**87.850,65**	**98.469,39**
Share of renewable sources in total energy consumption (%)	27,47%	29,36%
Total energy consumption (MWh) (calculated as the sum of lines 7 and 11)	**319.793,51**	**335.345,53**

ENERGY INTENSITY PER NET REVENUE (SG)	2024	2025	% 2025 / 2024
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/Monetary unit)	78,79	78,06	-0,93%

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Metrics and Data

[E1-6: Gross Scopes 1, 2, 3 and Total GHG emissions]

GREENHOUSE GAS ACCOUNTING FRAMEWORK AND BOUNDARY

We calculate our GHG emissions in line with the GHG Protocol Corporate Accounting and Reporting Standard and the GHG Protocol Scope 2 Guidance, with the ESRS serving as the leading reporting framework. Our GHG consolidation boundary is aligned with the consolidation perimeter of STADA's consolidated financial statements and sustainability reporting. We apply the operational control approach and include all entities and sites under STADA's operational control, including production sites, warehouses, offices and the global company car fleet.

We report all relevant greenhouse gases in CO_2 equivalents (tCO_2e) using IPCC Assessment Report 6 (AR6) Global Warming Potentials for non CO_2 gases. The reporting period is the calendar year 1 January–31 December 2025. A data cut-off date of 15 March 2026 applies. Minor post cut off adjustments are reflected in the current year; material corrections, if required, are made in the subsequent sustainability report.

Scope 1 and 2 emissions are reported on the basis of a stable methodology since 2020 and we disclose both base year and prior-year figures. In 2025, we further improved our Scope 3 methodology for selected categories and we therefore disclose Scope 3 emissions in this initial ESRS-aligned Sustainability Report with 2025 as the base year and do not present Scope 3 figures reported in prior years.

SCOPE 1
Direct GHG emissions

Scope 1 GHG emissions include direct emissions from stationary and mobile combustion, process emissions and fugitive emissions:[23]

- **Stationary combustion:** Fuel consumption from natural gas, fuel oil, diesel, propane, LPG and marine fuel oil at production sites is recorded monthly. For owned offices, annual fuel data are used where available; where missing, consumption is estimated using CIBSE TM46 benchmarks and floor area.

- **Mobile combustion (company cars):** Most countries report annual fuel quantities by fuel type (diesel, petrol, LPG), which are treated as actual data. Where only distance travelled and fuel type are available, fuel use is estimated with global average consumption factors for medium cars by fuel type. If 2025 data are not available by the cut off date, 2024 fuel consumption is used as a proxy for the respective country fleet segment. Electricity used by battery electric vehicles is accounted for under Scope 2.

- **Fugitive and process emissions:** Fugitive emissions from refrigerants at production sites are calculated using refill or purchase data where available. For sites without such data, emissions are estimated based on equipment capacity and standard leak rates per equipment and refrigerant type, applying a conservative approach. Process emissions from methylene chloride at the Banja Luka, Šabac and Vršac sites are calculated from measured consumption in the production process.

For all combustion related Scope 1 emissions, we use UK DEFRA 2025 emission factors. For non CO_2 gases, including refrigerants and methylene chloride, we apply IPCC AR6 GWP values.

SCOPE 2
Indirect GHG emissions from purchased energy

Scope 2 covers emissions from purchased electricity, steam, district heating and heating energy from leased offices and is reported on both location-based and market-based basis.

Electricity, steam and district heating consumption at production sites are reported monthly using the same processes and sources as for Scope 1 energy. Electricity use in offices (owned or leased) is reported annually based on utility bills, meter data and landlord statements. Where office electricity data are missing, consumption is estimated using CIBSE TM46 benchmarks and gross floor area in m2 (with distinct benchmarks for offices and warehouses).

[23] *Unintentional and uncontrolled emissions that do not pass through chimneys, ventilation openings, or controlled exhaust systems.*

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- **Location-based emissions:** Location-based Scope 2 emissions are calculated using country-specific electricity emission factors from the International Energy Agency (IEA 2025 data set, grid year 2023). Purchased steam and district heating are converted using appropriate factors consistent with this approach.

- **Market-based emissions and renewable electricity:** We follow the GHG Protocol Scope 2 Guidance and disclose market-based emissions alongside location-based values. Renewable electricity instruments include EACs (I RECs) for part of our consumption in Vietnam and green tariffs in Germany, Serbia, Romania, the UK and Czechia. For electricity backed by these instruments, we apply a 0 g CO_2e/kWh emission factor. For remaining market-based electricity, we use country-specific AIB residual mix (reference year 2024) for European countries and, in the absence of AIB residual mix emission factors, we apply for Non-European countries the same IEA country factors as used for location-based emissions, assuming location-based emissions equal marked-based emissions.

There are no known systematic exclusions in Scope 2. Where data are incomplete, the estimation methods described above (CIBSE TM46 benchmarks, residual mix factors, and prior year proxies) are applied.

DATA SYSTEMS, GOVERNANCE AND CONTROLS
We use Persefoni® as our central IT-platform for managing activity data and calculating GHG emissions. Standardized reporting templates are used across production sites and offices. At production sites, local site and engineering teams collect and validate primary data while Global HSE function consolidates this data and performs plausibility checks and spot checks. The Global Sustainability function defines the GHG methodology, coordinates annual data collection for offices and the company car fleet via Country Sustainability Coordinators, conducts year-on-year plausibility checks and uploads consolidated activity data into Persefoni®.

SCOPE 3

Greenhouse gas emissions – methodology

We calculate our Scope 3 greenhouse gas (GHG) emissions in line with the GHG Protocol Corporate Value Chain (Scope 3) Standard, using the same organizational boundary (operational control) as for Scopes 1 and 2. Following a screening of all 15 Scope 3 categories, categories 1–7 were identified as relevant and significant, and are therefore calculated and reported. Categories 9 and 12 are considered relevant to STADAs business model, but deemed insignificant in terms of magnitude. Categories 8, 10, 11, 13, 14 and 15 were assessed as not relevant to STADA's current business model.

For Scope 3, STADA applies a hybrid GHG accounting approach that combines primary and secondary data.

For secondary data we apply spend values or, in case of missing data, expert judgement. For categories 1, 2, 4 and 6 we use spend data from procurement. Category 3 is calculated from actual energy consumption data consistent with Scopes 1 and 2, Category 5 from actual waste quantities, Category 7 from a global commuting survey, and Categories 9 and 12 are assessed qualitatively based on expert judgement. For detailed information on the exact category-specific calculation methodology please refer to the subsequent sections.

Category 1: Purchased goods and services

Category 1 includes upstream GHG emissions associated with all purchased goods and services that are not capitalized as fixed assets, including active pharmaceutical ingredients (APIs), excipients, packaging materials, contract manufacturing services and other direct and indirect procurement.

We use a spend based approach based on STADA's global procurement data. Spend data is extracted from the global SAP system and additional local procurement IT-systems for entities not yet on SAP. Suppliers are mapped to industry sectors using DUNS numbers; where DUNS numbers are missing, industry sector classifications are determined through AI supported research. For all relevant spend items, we apply industry specific emission factors from EXIOBASE – Monetary 3.11.1 (AR6) to derive cradle to gate emissions per monetary unit of spend.

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[E1-6: Gross Scopes 1, 2, 3 and Total GHG emissions]

Category 2: Capital goods

Category 2 covers upstream emissions from the production of capital goods such as production and laboratory equipment, building and infrastructure investments, IT hardware and other long lived assets. We apply the same spend based methodology as for Category 1. Using STADA's three level spend categorization, we identify capex related spend through a mapping developed with Finance and Procurement. All relevant spend in these capital goods categories is then mapped to the appropriate industry sectors and converted into GHG emissions using EXIOBASE – Monetary 3.11.1 (AR6) emission factors.

Category 3: Fuel and energy related activities *(not included in Scope 1 or Scope 2)*

Category 3 includes upstream emissions arising from the extraction, production and transport of fuels and electricity consumed by STADA, as well as transmission and distribution (T&D) losses. We calculate category 3 based on the actual Scope 1 and Scope 2 associated energy consumption reported for the Group. Emissions are calculated directly in Persefoni, applying IEA 2025 emission factors (grid year 2023) and UK DEFRA 2025 factors for well to tank and transmission & distribution (T&D) stages for the relevant fuels and electricity. This ensures consistency between Scope 1, Scope 2 and the associated fuel and energy related Scope 3 emissions.

Category 4: Upstream transportation and distribution

Category 4 covers transportation and distribution services purchased by STADA before the point at which legal ownership of products passes to customers, including inbound transport of materials and outbound transport from STADA and CMO sites to customers or distribution hubs where STADA bears the logistics cost. We use a spend based approach drawing on logistics spend from our SAP system and additional local procurement IT-systems for entities not yet on SAP. Each logistics spend item is classified using the three level procurement categorization and mapped to relevant transportation and warehousing industry sectors. We apply the corresponding EXIOBASE – Monetary 3.11.1 (AR6) emission factors to derive emissions per unit of spend. All transportation services paid by STADA are treated as upstream transportation and distribution in line with the GHG Protocol definition for Category 4.

Category 5: Waste generated in operations

Category 5 comprises upstream emissions from the treatment and disposal of waste generated in STADA's operations, including hazardous and non-hazardous waste and wastewater.

At production sites, we use established waste management and reporting processes. Waste is grouped into main categories and sub categories such as commercial and industrial waste (for main category refuse), mixed paper and board (for main category paper) and wastewater (for main category water). For each waste category, we distinguish between treatment methods, including incineration, landfill and closed loop recycling.

For office sites, where direct waste data are typically not available, we estimate waste volumes using proxy assumptions per employee: we assume 50 liters of wastewater per office employee per working day and 2 kg of solid waste per working day per office employee. The solid waste is broken down into approximately 65% cardboard and paper, 25% general waste and 10% other waste.

For all Category 5 emissions, we apply UK DEFRA 2025 emission factors for the relevant waste types and treatment routes.

Category 6: Business travel

Category 6 includes emissions from business travel by STADA employees, including air travel, rail travel, hotels, taxis and rental cars.

We use a spend based approach based on SAP/procurement data. Travel related spend items are assigned to the relevant travel modes and mapped to the corresponding sectors in EXIOBASE – Monetary 3.11.1 (AR6), from which appropriate emission factors are applied.

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Travel agency costs and service fees that cannot be clearly attributed to a specific travel mode are included in Category 1 (Purchased goods and services) rather than Category 6.

Category 7: Employee commuting

Category 7 covers emissions from daily commuting between home and the workplace by STADA employees. We calculate Category 7 based on a global commuting survey that captures commuting behavior, modal split, commuting distances and home office shares across the Group. Survey results are extrapolated to the relevant employee population. Emissions are then calculated using UK DEFRA 2025 emission factors for the respective modes of transport and fuel types, as well as energy consumption for office equipment and heating for days when our employees are working from home.

EXCLUDED SCOPE 3 CATEGORIES

Category 9: Downstream transportation and distribution

Downstream transportation and distribution (Category 9) refers to transport and distribution activities that occur after the point at which STADA transfers legal ownership of products to third parties. Despite the activities' relevance to STADA's business model, the category was assessed as insignificant in terms of its overall magnitude.

STADA distributes its products primarily via independent in-country wholesalers, logistics providers and pharmacies, which typically take legal ownership of the products at or close to the point of sale. Transport and distribution activities occurring before this point are accounted for under Category 4 (Upstream transportation and distribution). Consequently, no significant transport activities remain that clearly qualify as downstream transportation and distribution under the GHG Protocol definition for Category 9.

In addition, downstream distribution occurs within a highly fragmented network and across complex healthcare systems, with considerable variation in how medicines reach patients in different markets and countries. Robust, consistently collected data on downstream transport distances, modes and fuel consumption for these third party activities are currently not available. Based on our current screening, we conclude that any residual Category 9 emissions would not be material compared with STADA's total Scope 3 emissions. We will revisit this assessment in future reporting cycles as data availability and collaboration with downstream partners evolve.

Category 12: End-of-life treatment of sold products

Category 12 covers emissions from the disposal and treatment of products at the end of their life. Despite the activities' relevance to STADA's business model, the category was assessed as insignificant in terms of its overall magnitude.

STADA's pharmaceutical products themselves do not generate end-of-life emissions, as they are fully metabolized by the human body. We recognize that the disposal of packaging materials, such as paper leaflets, cardboard folding boxes, plastic blisters and aluminum foils, gives rise to GHG emissions. However, based on our current assessment and screening, these disposal related emissions are expected to represent only a minor proportion of STADA's total Scope 3 emissions and are therefore not considered material at present. We will review this assessment periodically as data availability improves and methodological standards for accounting for packaging end-of-life emissions further mature.

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[E1-6: Gross Scopes 1, 2, 3 and Total GHG emissions]

NON-RELEVANT SCOPE 3 CATEGORIES

Moreover, the following Scope 3 categories are assessed as not relevant to STADA's current business model:

- **Category 8: Upstream leased assets**
  STADA has no leased assets in its upstream activities.
- **Category 10: Processing of sold products**
  STADA's products do not require further processing before use.
- **Category 11: Use of sold products**
  STADA's products do not give rise to direct emissions during the use phase; indirect use phase effects (e.g. water used for administration) are considered negligible.
- **Category 13 – Downstream leased assets**
  STADA has no material downstream leased assets.
- **Category 14: Franchises**
  STADA does not operate franchise business models.
- **Category 15: Investments**
  STADA operates as a pharmaceutical company and not as a financial institution; it does not hold material financial investments (such as portfolio equity holdings, investment funds or project finance structures) that would give rise to significant Category 15 emissions.

The turnover figures (unadjusted total net revenue) used to calculate the GHG intensity indicators are based on the consolidated financial statements of Nidda German TopCo GmbH, the holding company of the STADA Group (see also BP-1 "General basis for preparation of the sustainability statement").

In accordance with ESRS E1-6 paragraph 44(b), separate disclosure of biogenic CO_2 emissions is required. STADA has assessed the relevance of biogenic emissions and concluded that such disclosure is not applicable for the following reasons:

- For Scope 1 emissions from diesel and petrol consumption, STADA applies the UK DEFRA 2025 emission factor "100% Mineral Blend", which exclusively covers fossil fuel components; no biogenic CO_2 emissions arise as the emission factor does not assume a biogenic component in the fuel.
- For Scope 2 emissions from electricity consumption, STADA uses IEA emission factors, which according to the database do not assume any biogenic emission components.
- STADA does not procure biofuels and has not identified any other biogenic emission sources (e.g. biomass, biogas).

Biogenic CO_2 emissions are therefore considered not material for STADA in the reporting period, in line with ESRS 1, Chapter 3. Accordingly, their calculation and separate disclosure are omitted. Should future changes in energy procurement give rise to relevant biogenic emissions, STADA will adjust its assessment and reporting.

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[E1-6: Gross Scopes 1, 2, 3 and Total GHG emissions]

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	RETROSPECTIVE				MILESTONES AND TARGET YEARS			
	Base year	2024	2025	% 2025 / 2024	Target 2025	Target 2030	Target 2050	% 2025 / Base year
Scope 1 GHG emissions								
Gross Scope 1 GHG emissions (tCO2eq)	31.639,71	40.923,10	42.804,33	4,60%	-	-42%	-	35,29%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	-	-	-	-	-	-	-	-
Scope 2 GHG emission								
Gross location-based Scope 2 GHG emissions (tCO2eq)	75.032,80	79.412,59	74.957,48	-5,61%	-	-	-	-0,10%
Gross market-based Scope 2 GHG emissions (tCO2eq)	68.381,00	29.853,56	26.130,46	-12,47%	-	-42%	-	-61,79%
Significant Scope 3 GHG emissions								
Total Gross indirect (Scope 3) GHG emissions (tCO2eq)	**670.861,42**	**-**	**670.861,42**	**-**	-	-	-	-
1 Purchased goods and services	566.527,65	-	566.527,65	-	-	-	-	-
2 Capital goods	22.167,51	-	22.167,51	-	-	-	-	-
3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)	33.259,95	-	33.259,95	-	-	-	-	-
4 Upstream transportation and distribution	38.498,00	-	38.498,00	-	-	-	-	-
5 Waste generated in operations	595,12	-	595,12	-	-	-	-	-
6 Business traveling	4.073,31	-	4.073,31	-	-	-	-	-
7 Employee commuting	5.739,88	-	5.739,88	-	-	-	-	-
8 Upstream leased assets	-	-	-	-	-	-	-	-
9 Downstream transportation	-	-	-	-	-	-	-	-
10 Processing of sold products	-	-	-	-	-	-	-	-
11 Use of sold products	-	-	-	-	-	-	-	-
12 End-of-life treatment of sold products	-	-	-	-	-	-	-	-
13 Downstream leased assets	-	-	-	-	-	-	-	-
14 Franchises	-	-	-	-	-	-	-	-
15 Investments	-	-	-	-	-	-	-	-
Total GHG emissions								
Total GHG emissions (location-based) (tCO2eq)	-	-	788.623,23	-	-	-	-	-
Total GHG emissions (market-based) (tCO2eq)	-	-	739.796,21	-	-	-	-	-

GHG INTENSITY PER NET REVENUE	2025
Total GHG emissions (location-based) per net revenue (tCO2eq/Monetary unit)	183,56
Total GHG emissions (market-based) per net revenue (tCO2eq/Monetary unit)	172,20

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ESRS E2 - Pollution

Material Impacts, Risks and Opportunities

[E2.IRO-1: Description of the processes to identify and assess material pollution-related impacts, risks and opportunities]

Based on our updated double materiality assessment, ESRS E2 Pollution was identified as material solely from a financial perspective. This is due to the potentially significant financial implications resulting from the EU Urban Wastewater Treatment Directive (UWWTD). The proposed allocation of costs for the EU-wide upgrade of public (urban) wastewater treatment plants to remove micropollutants, which would be charged to the pharmaceutical and cosmetics industry, could have financial impacts above the materiality threshold (see ESRS 2).

Apart from the financial risk identified in relation to cost allocation via the Extended Producer Responsibility (EPR) scheme with the upcoming UWWTD, no actual material environmental impact has been assessed for the topic of pollution. As part of the double materiality analysis, potential pollution impacts on air, soil, and water were assessed as non-material. Although the UWWTD addresses environmental pollution caused by pharmaceutical and cosmetic residues in wastewater, these environmental impacts by STADA were evaluated as non-material in scale and severity. Pollution-related impacts in scope of UWWTD occur during the consumer-use phase.

Wastewater from our production is routed as indirect discharge to public (urban) wastewater treatment plants, in compliance with local discharge thresholds and permit requirements. The assessment of environmental impacts along our upstream or downstream value chain is included in our supplier ESG assessments via EcoVadis (see Section G1 for more information). As a member of the Pharmaceutical Supply Chain Initiative (PSCI), we apply internationally recognized environmental standards to our wastewater management.

Accordingly, disclosures focus on exposure, risk management, and compliance measures, while impact-related disclosures and pollution-reduction targets are omitted due to non-materiality.

The process for identifying material topics – including those related to Pollution – is described under IRO-1 in the general disclosures of ESRS 2. As no material pollution-related impacts on affected communities were identified within our own operations or value chain, no specific stakeholder consultations have been carried out in this regard. Internal stakeholders were involved in evaluating our pollution-related IROs in the context of our business activities and operations. Regarding the identified regulatory risk, exchanges with other pharmaceutical companies, industry associations, and political actors are part of the evaluation process.

POLLUTION OF WATER	
Identifier	E2-R-01
IRO	Increasing water treatment costs
Type	Risk
Description	New regulations on water quality are leading to increased costs for STADA and its suppliers for water treatment. Additionally, the EU Urban Wastewater Treatment Directive (EU UWWTD) may result in fees according to the (to be defined) EPR schemes on EU country level.

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Management and Policies

[E2-1: Policies related to pollution]

The risk identified in the materiality analysis relates to potential financial impacts from the UWWTD, which would impose costs on pharmaceutical companies for downstream value chain impacts that cannot be mitigated through responsible management of emissions and pollutants within our own operations. Thus, the identified material risk is managed through political engagement, policy-embedded risk management, and adherence to potentially forthcoming national and international legislation. With respect to political engagements, interactions with public officials, and any contributions, our **Anti-Bribery and Anti-Corruption Policy** sets the rules.

With regard to pollution prevention at our own sites and across our supply chain, we have comprehensive policies and management systems in place aiming to ensure compliance with applicable laws and environmental permit requirements (see also ESRS E1 and ESRS E5).

In our **global Sustainability Policy** and our **STADA CoC**, we commit to careful water stewardship, minimizing environmental impacts from our processes, and alignment with standards such as the Stockholm Convention on Persistent Organic Pollutants – across our own production sites and our suppliers.

This is underlined for our own production sites by our **Environmental Policy for Technical Operations**, our global and local HSE management system and site level operational procedures for water and wastewater management defining processes regarding wastewater management and discharge, inspection and maintenance of on-site sewer networks and ensuring compliance with discharge permits.

Our **Business Partner CoC** states that our partners must undertake reasonable efforts to continuously reduce water consumption, improve wastewater treatment, and minimize water pollutant discharge.

The policies apply globally across our own operations and are explicitly extended to our value chain partners through our Business Partner CoC. The Sustainability Policy, STADA CoC and Business Partner CoC are publicly available on the STADA website and actively communicated internally and, in part, externally.

Stakeholder perspectives, including those of regulators, industry peers, municipalities, and local wastewater operators, are considered through engagement via industry associations, for example.

Compliance with pollution-related policies is monitored through site-level HSE management systems, internal audits, and supplier assessments. Regulatory compliance risks are subject to ongoing regulatory monitoring and are assessed and reported through the Group Risk Management framework, with responsibility assigned to the respective business functions. Compliance in the context of political engagement and interactions with public officials is ensured through mandatory controls outlined in our Anti-Bribery and Anti-Corruption Policy and Code of Conduct, with programmatic oversight provided by Governmental Affairs.

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Management and Policies

[E2-2: Actions and resources related to pollution]

The UWWTD's central measure, upgrading public (urban) wastewater treatment plants with a fourth treatment stage and defining its governance and financing, is to be mandated by EU law and implemented nationally under local operator responsibility. The fourth treatment stage refers to an advanced purification step designed to remove micropollutants that are not captured by conventional mechanical, biological, or chemical treatment. Municipal wastewater utilities plan, build, and operate this fourth stage.

We engage at European and national levels through industry associations such as Medicines for Europe (MfE) and Pharma Deutschland to advocate a more coherent, data driven approach to evaluating pollutants – aimed at ensuring fair, appropriate cost sharing by actual contributors, unlike the current disproportionate planning assumptions. Within MfE, and under the association's coordination, three interlinked workstreams are being pursued: legal action, advocacy for revision, and preparedness for implementation. From a legal perspective, the participating companies are pursuing the annulment of the EPR related provisions of the implementing regulation, on the grounds of non-proportional application of the "polluter pays" principle. In parallel, and together with MfE, we continue to advocate for a pause and reevaluation of the UWWTD until a new independent impact assessment is carried out. The third workstream focuses on shaping the framework conditions for a more proportionate and workable implementation. As the European Commission is progressing work in 2026/2027 on rapid biodegradability exemption and hazardousness criteria, this workstream engages in the development of these technical definitions.

The UWWTD related financial risk is also integrated into our Group Risk Management framework, monitored as part of the regular risk reporting cycle, and updated whenever underlying regulatory, cost allocation or market assumptions change (see also GOV-5 in section ESRS 2 for more information on Risk Management). There is no dedicated budget allocated for managing this risk, costs are covered within the regular budgets of the leading business functions.

Our operational wastewater management is integrated into our site HSE Management System standards and processes to ensure compliance with applicable regulatory requirements. Wastewater from all sites is discharged indirectly into public sewer networks under local discharge permits, which include physical and chemical threshold parameters as well as monitoring requirements. At some sites, we also operate wastewater treatment plants prior to discharge into the municipal sewer, followed by further treatment at the urban wastewater treatment plant. Along our supply chain, we assess and monitor environmental topics as part of our 'Responsible Procurement' processes (see also Section ESRS G1). Additionally, business partners involved in the manufacturing of antibiotics are expected to make reasonable efforts to evaluate and manage their discharges in line with the Antibiotic Manufacturing Standard (AMR).

These actions implement the commitments outlined in our policies on responsible water stewardship, regulatory compliance, and ethical business conduct.

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Goals and Commitments

[E2-3: Targets related to pollution]

While no pollution related impact targets are defined due to non materiality in the impact dimension, we maintain risk related objectives addressing the identified financial risk from the UWWTD.

With regard to the material risk related to UWWTD, our goal is to manage the regulatory-driven financial exposure through:

- Regulatory monitoring and participation in industry associations
- Advocating for an EPR approach that reflects actual emissions and impacts rather than the current 80% cost allocation to the pharmaceutical and cosmetic industry – or, alternatively, for a more appropriate cost sharing model
- Financial and scenario analysis to assess expected cost impact
- Integration of potential EPR related costs into medium and long term planning
- Internal governance oversight at the Risk Management and Sustainability Steering Committee levels

Further regulatory and political developments are being closely monitored, and our efforts are continuously measured against these targets. This is led primarily by the Governmental Affairs and Global Sustainability functions, with the Executive Management and country General Managers involved as needed. There is no dedicated policy for managing the regulatory–financial risk identified as material, against which our actions and targets could be tracked. Within the regulatory risk context, the Anti Bribery and Anti Corruption Policy sets clear ethical rules and standards, which also cover interactions with public officials and political actors. The effectiveness of this policy is continuously evaluated by the Global Compliance function, and the policy is adjusted when deemed necessary.

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Metrics and Data

[E2-4: Pollution of water]

Pollution impact metrics are omitted as the topic is not assessed material from the impact dimension.

Water discharge is based on water intake (withdrawal) used for production, sanitary, and auxiliary processes. The amount of stormwater runoff discharged into municipal sewers, uncollected rainwater runoff (e.g., from roof areas) that infiltrates the ground, or water incorporated into products is not monitored or included in the reported data.

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ESRS E5 - Circular Economy

Material Impacts, Risks and Opportunities

[E5.IRO-1: Description of the processes to identify and assess material resource use and circular economy related impacts, risks and opportunities]

Within ESRS E5 – Circular Economy our efforts focus on the sub-topics 'Resource inflows' including resource use and 'Waste'. These identified material sub-topics are linked to the impact from waste through our operations as well as the risk of upcoming packaging requirements and market expectation with view to the introduction of the EPR schemes.

The process for identifying material topics – including those related to Circular Economy – is described under IRO-1 in the general disclosures of ESRS 2.

Packaging and packaging waste is specifically addressed by one of our seven global strategic sustainability program areas 'Sustainable Production and Packaging' (see also 'Management and Policies' below) with a focus on the implementation of the EU Packaging and Packaging Waste Regulation (EU PPWR) and associated EPR schemes which could lead to future costs for required changes in the product packaging itself and for fees of these EPR schemes. Given the growing relevance of this topic – also from the market side – it is expected to have both immediate and near term impacts on STADA.

Regarding the waste generated in our own operations, the actual environmental impact is considered relatively small. At the same time, there is also a noticeable rise in stakeholder interest regarding resource use and waste. Key stakeholder perspectives are considered through regular exchange within business functions, such as via Global Packaging, Global Procurement, Global HSE or Global Sustainability functions. Potential consumer and market expectations are also captured by the Commercial functions as part of product development, market research, or advertising studies while no explicit consultation with external stakeholder (incl. potentially affected communities) has been conducted.

RESOURCE INFLOWS	
Identifier	E5-R-01
IRO	Upcoming packaging requirements and market expectation
Type	Risk
Description	Changes in the regulatory requirements for packaging (e.g. Introduction upcoming requirements of collection schemes in various countries or packaging (EPR-Extended Producer Responsibility). Taxes on country level might lead to significant costs for STADA.

WASTE	
Identifier	E5-NI-01
IRO	Waste through production and own operations
Type	Actual negative impact
Description	As a pharmaceutical company with own production and operations spanning the globe STADA produces waste through manufacturing and packaging processes.

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Management and Policies

[E5-1: Policies related to resource use and circular economy]

Waste management, waste reduction, and circular measures are integral components of our Sustainability Policy, Environmental Policies, Procurement Policies, and relevant SOPs for our global and production site environmental management systems and address the material waste impact and resource risk identified under ESRS E5.

The **global Sustainability Policy** establishes principles for responsible operations, resource and waste management, and sustainable products, emphasizing the application of the 5R Strategy: Remove, Reduce, Reuse, Recycle, and Refill. Our ambition to minimize waste and to improve and expand sustainable product packaging within our portfolio is also reflected in our **STADA CoC**.

The **Global Environmental Policy for Technical Operations** and the underlying Global Environmental Management SOP include circular economy principles that focus on reducing waste, increasing recycling rates, and ensuring proper disposal. The Global Environmental Management SOP applicable for all productions sites provides detailed guidance on integrating the waste prevention hierarchy (Avoid → Reduce → Recycle → Reuse → Disposal) into site processes. It also outlines the implementation of waste segregation schemes, disposal documentation, waste inventories, and waste minimization concepts

The **Policy for Responsible Procurement** defines our approach to engaging with suppliers and sets out our expectations for suppliers to contribute to environmental protection in line with STADA's ESG commitments. This includes the efficient use of natural resources and measures to prevent waste, such as the application of circular economy principles.

The **Business Partner CoC** requests business partners to ensure that their waste management practices comply with government regulations and the requirements of the Basel Convention, particularly when waste is transported or traded across borders. The Business Partner CoC is shared with partners at the start of a collaboration as a key document governing the business relationship. Expanding supplier confirmations of our Business Partner CoC is a target and KPI for managing supply chain topics (as outlined in ESRS G1).

The Global Sustainability Policy and the STADA CoC commit to a range of social and environmental standards and international frameworks described in ESRS 2, including, for example, the United Nations Sustainable Development Goals and the UN Global Compact principles. The Code of Conduct also covers, for instance, the Rio Declaration on Environment and Development and the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal. The Environmental Policy for Technical Operations is in line with ISO 14001 standard.

The policies apply globally to our own operations and, where relevant, to business partners within the value chain. The global Sustainability Policy, STADA CoC, and Business Partner CoC are publicly available on the STADA website. Their implementation is monitored through regular management reviews and functional oversight within established governance structures. The STADA CoC, for example, is integrated into the onboarding process for new employees and regular training sessions.

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Actions and Resources

[E5-2: Actions and resources related to resource use and circular economy]

The Environmental Policy for Technical Operations explicitly emphasizes the reduction of waste generated from pharmaceutical processes and packaging materials. Effective waste management is a core component of each production site's environmental management framework, including programs, procedures, and site-specific performance targets.

All our production sites operate environmental management systems based on the Plan–Do–Check–Act (PDCA) cycle. In addition, ten production sites are certified in accordance with the ISO 14001 environmental management standard: Vrsac, Dubovac, Sabac (Serbia); Podgorica (Montenegro); Banja Luka (Bosnia and Herzegovina); Huddersfield (UK); Tuy Hoa 1 and 2 (Vietnam); Bila Tserkva (Ukraine); Bad Vilbel (Germany) and Miyun (China). The ISO 14001 certification of sites support ensuring a systematic approach to waste management and resource use, including the identification of reduction potentials, the implementation of operational controls, and continuous improvement of material efficiency and waste prevention.

The **Global HSE function** has developed a comprehensive guidance document to support production sites in effectively managing and minimizing waste. The key objectives of this guidance are to:

- Prioritize waste reduction at every stage of the production process.
- Ensure proper waste segregation to enhance recycling opportunities and give priority to recovering recyclable waste streams.
- Monitor and manage waste responsibly, including tracking waste types and quantities, and collaborating with waste management partners to maximize recycling, reuse, and safe disposal practices.

Through oversight and continuous improvement of waste management processes, we aim to minimize environmental impact and contribute to a more sustainable and resource efficient production cycle within our own operations.

WASTE MANAGEMENT

Waste management is guided by the principles of continuously reducing and avoiding waste, increasing the recycling to minimize disposal, and aiming to ensure environmentally safe and compliant disposal through certified waste management companies.[24] There are also ongoing initiatives, such as the project at the Vršac Packaging Center, which aims to optimize the sorting machine and is expected to reduce the amount of waste generated.

PRODUCT PACKAGING

Pharmaceutical packaging is essential for protecting products and medicines, maintaining their safety and stability over time, enabling secure transportation, and ensuring ease of use for consumers. While packaging is a necessity and subject to strict regulatory standards, we acknowledge the importance of designing environmentally responsible packaging to minimize its environmental impact.

To systematically optimize product and packaging design, our 5R strategy plays a central role. With the Global Packaging function in the lead, we strive to reduce the environmental footprint of our products by applying the 5R Strategy (Remove, Reduce, Reuse, Recycle, Refill) in product and packaging design to support the development of a circular economy. In 2025, the 5R Strategy was applied to additional products and categories, alongside further efforts to incorporate design-for-recycling principles into all non-medicinal new product designs.

A key approach within the 5R strategy is reducing packaging complexity. Across multiple workstreams, we focus on removing unnecessary components (e.g., leaflets, folding boxes), bundling multilingual packs for country clusters, standardizing packaging by market

[24] *At Tuy Hoa 1 and 2 (our production sites in Vietnam) as an example, analyses of wastewater treatment sludge enabled its classification to be improved from hazardous to non-hazardous waste. A similar optimization was achieved for HVAC inlet air filters, reducing the overall volume of hazardous waste requiring disposal.*

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[E5-2: Actions and resources related to resource use and circular economy]

and technical standards using a packaging catalogue, and optimizing the packaging process.

Over the past years, we piloted several initiatives at our production sites to harmonize packaging components such as bottles, caps, and carton types.

Given regulatory requirements and our heterogeneous portfolio of more than 25,000 SKUs, we started to systematically review our packaging components to identify elements that may become subject to new regulatory requirements, and in particular the PPWR (e.g. Per- and Polyfluoroalkyl Substances (PFAS) containing materials, align packaging design to meet recyclability and reuse targets by 2030). In 2025, we also started to implement a brand-by-brand adjustment plan using the RAG approach ("Red-Amber-Green"). We are also consolidating technical packaging information to document and provide it to relevant STADA functions.

In the first phase, the packaging portfolio transformation targets non medicinal products within CHC, prioritizing the Home Hygiene, Derma, and Vitamins, Minerals and Supplements categories.

STADA Good ESG Practice

Expansion of the SNUP2 department at Hemomont: Investment in sustainable production and accessibility of healthcare solutions

The 'Morača' project, which expands the capacity of the SNUP2 department for the production of sterile nasal sprays at Hemomont in Podgorica, represents one of STADA Group's more significant investments in the region, worth €10 million. By expanding the production capacities, greater availability of this product on the global market will be ensured, while maintaining high standards of quality, safety, and efficiency of the production processes. The implementation of the project is an outcome of the successful cooperation between Hemomont's local team and the global CapEx team, with the involvement of various expert functions – from production and engineering to quality, validation, and IT. The project was implemented while preserving the continuity of ongoing production and in accordance with STADA Group's standards, confirming the company's commitment to responsible manufacturing, employee development, and fostering local capacities through investments that create long-term value for patients, employees, and the community.

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[E5-2: Actions and resources related to resource use and circular economy]

OPERATIONAL EXCELLENCE
Avoiding waste is integral part of our Operational Excellence approach. It is designed to foster a culture of performance targeting to ensure a consistent, cost-effective, and resource-efficient supply of products. The approach emphasizes maximizing value-adding activities while minimizing non-value-adding ones. It aims to establish a 'right-first-time' culture, which seeks to eliminate wasteful activities.

The STADA Production System (SPS) is a key component of the Operational Excellence approach. It is a framework established to optimize end-to-end processes. SPS emphasizes resource efficiency at all levels to minimize waste, built on three main pillars:

- **Manufacturing Resource Planning (MRP2):** Ensuring optimal allocation and use of resources as part of the overall approach to Supply Chain Excellence at STADA that connects supply from sites with customer demands effectively.
- **Total Productive Maintenance (TPM):** Aiming at maintaining equipment and systems reliable to prevent downtime and inefficiencies.
- **LEAN Manufacturing:** Streamlining processes to eliminate waste and enhance value creation along the entire supply chain including procurement and shipping.

HEMOFARM Good ESG Practice

Mural: Art Inspiring Change

Hemofarm has once again endorsed its commitment to sustainability and responsible business by enriching a Belgrade neighborhood with a mural, symbolically titled 'Return to Mother Nature,' which uses art to convey a message about the importance of preserving nature and fostering a responsible attitude toward the environment. Through the motifs of the tree of life, recycling, renewable energy sources, and togetherness, the mural visually conveys the key values of sustainability. With this initiative, Hemofarm contributes to the creation of more sustainable communities and encourages citizens to reflect on their own impact on the environment. The project brings together art, activism, and the values of responsible business, sending the message that caring for nature and adopting sustainable habits are a shared responsibility of us all.

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[E5-2: Actions and resources related to resource use and circular economy]

Our SPS program is the basis to define site specific targets enhancing process efficiency and reducing production and product yield – resulting to a reduction of material inputs and waste generation.

As part of this, we established the Yield Uplift program – a strategic continuous initiative within Global Operations. It focuses on four pillars that work together to improve outcomes and embed lasting change.

- With operational improvements we aim to reduce scrap and rework, lower process variation and enhance equipment reliability.
- Second, the program is designed to have financial impact, targeting a 1–5% yield improvement through lower cost per unit, less material waste, an expansion of effective capacity without new investments, and higher gross margins. The yield target is an annual ambition to which the manufacturing and packaging sites contribute, dependent on specific factors such as the product and the respective production line. The sites provide their potential for improvements. In 2025, the Yield Uplift program generated savings of approximately €1.2 million. The program is being continuously expanded, with more sites being integrated.
- We also want to ensure that improvements are repeatable and controllable by implementing SOPs, introducing statistical process control (SPC), assigning clear responsibilities, and establishing mechanisms for ongoing review.
- And fourth, we are striving for a cultural shift from reactive problem solving to proactive prevention, promoting data driven decision making, cross functional collaboration, a mindset of continuous improvement, and disciplined problem solving.

Measures are continuously supplemented, expanded and tracked, and the impact of individual actions is measured as part of SPS and Yield Uplift. Together, these pillars aim to drive a lasting increase in both cost and resource efficiency.

In 2025, investments for the expansion and renewal of production sites and equipment, including measures for optimization and efficiency improvements in manufacturing, as well as testing laboratories, amounted to €53.0 million (previous year: €66.8 million).

No standalone budget is assigned to managing the identified IROs; costs are absorbed by the responsible functions' routine budgets.

HEMOFARM Good ESG Practice

ESG Festival: Building bridges between knowledge, partnerships, and sustainable solutions

Hemofarm organized the second ESG Festival, bringing together representatives of the business community, institutions, experts, and civil society organizations with the aim of encouraging dialogue on the most important challenges and opportunities in the field of sustainable development. Through the expert program, panels, workshops, and ESG talks, participants exchanged experiences and presented concrete solutions for applying ESG principles in business – from climate strategies and reducing environmental impact to stakeholder management, sustainable supply chains, and linking sustainability with business strategy. The festival confirmed the importance of cooperation between different sectors in creating sustainable change and further strengthened Hemofarm's role as a company that actively contributes to the development of the ESG agenda. A special focus was placed on education and community engagement through the Open Day, during which citizens and families had the opportunity to learn, through interactive activities, about the importance of environmental protection, healthy lifestyle habits, and prevention. By bringing together companies, experts, employees, and citizens, the ESG Festival serves as an example of how collective action can contribute to creating a more sustainable future.

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Goals and Commitments

[E5-3: Targets related to resource use and circular economy]

We are committed to implementing waste management measures, reducing the generation of waste at source (hazardous and non-hazardous waste) and applying the reuse and recycling principle over the general use of resources and the disposal of waste. This includes the ambition to increase the ratio between recycling and landfilling and to ensure environmentally safe and compliant disposal via certified waste management companies with the mid-term objective to achieve 'zero-to-landfill' at jurisdiction with suitable waste management infrastructure in place.

Goals stated in our Technical Operations' Environmental Policy include reducing waste generation, increasing recycling rates, supporting the adoption of more sustainable product packaging, and providing information on proper product disposal options.

RESOURCE INFLOWS
Qualitative and quantitative targets with view to resources used are to extend sustainable packaging principles and reduce waste directed to disposal.

Our 2025 commitment was to apply design for recycling principles to all non medicinal new product designs. Within the CHC segment, which includes medical and non-medical products, we achieved approximately 80% of active new projects (NPDs) reaching Stage G2 of the CHC Development process with a 5Rs scorecard – the tool used to track our packaging transformation toward PPWR compliance. In 2026, we aim for 100% of NPDs to have a 5Rs scorecard. For our legacy portfolio, we are reducing complexity across our internal manufacturing network and CMOs. In 2025, we tracked leaflet removal and eliminated leaflets from 76% of non-medicinal products packed at our internal sites. We also engaged in grammage reduction initiatives. With both, we generated savings of 31.3 t of paper and avoided 35.9 t of CO_2 in 2025.

Additionally, through industry associations, we intend to promote responsible product disposal and sound waste management practices among customers and stakeholders in 2026. Complementing this, we are developing packaging with high recyclability. For example, the new Ladival range launched in 2025 achieved recyclability rates between 90% and 100%, certified by the external organization Cyclos HTP.

WASTE MANAGEMENT
In 2025, we established a global quantitative target to achieve a waste-recycling rate (including incineration with thermal recovery) of over 82%, covering both hazardous and non-hazardous waste streams from our own production sites. This target was exceeded, with an overall recycling rate of 85%.

In addition, we achieved a 99% reduction in hazardous waste disposed to landfill and a 31% reduction in non-hazardous waste sent to landfill in 2025, reflecting significant progress in our waste-minimization program and underscoring our sustained commitment to advancing responsible waste management across all TechOps operations.

For 2026, all TechOps sites have applied the corporate target of achieving a 3% year-on-year reduction in waste disposed to landfill, corresponding to the 2026 target of 462 tons (476 tons in 2025), calculated against each site's defined operational baseline. The transition toward zero waste to landfill remains a long-term strategic objective, with progressive implementation planned across all EU TechOps sites as waste-minimization technologies, material recovery options, and local infrastructure further mature. More detailed waste targets are defined on production site level.

The targets for resource use and circularity are partially derived from regulatory requirements and are set based on the starting point, desired outcome, good industry practice, the ambition of continuous improvement and organizational implementation capabilities. Monitoring and review are conducted by the respective business functions, such as Global Packaging, Global Procurement, and Global HSE, and are reported within the structures of Technical Operations. Packaging and waste indicators are also part of the global Sustainability Dashboard, where they are tracked quarterly. These figures are reported through the governance structures of the SSC to Executive Management.

The targets are defined based on industry best practices, feasibility, and opportunities for influence, while also considering regulatory mandatory goals. As described, compliance with PPWR is the main driver for resource inflow, with interim targets derived from it.

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Goals and Commitments

[E5-4: Resource inflows, and E5-5: Resource outflows]

RESOURCE INFLOWS
Resources required for the production of our products typically include the following main components:

- API for pharmaceutical products and vitamins/ minerals for food supplements
- Excipients such as sugars, polysaccharides, proteins and oil
- Primary packaging materials like blisters, glass or plastic bottles and syringes
- Secondary packaging material as cardboard folding boxes

The product and packaging specification are – especially for pharmaceutical products – subject to the product authorization with no or only very limited option for optimization (e.g. change or reduction of primary packaging materials).

Using recycled cardboard for product folding boxes instead of virgin materials is another important component. In 2025, 39% of purchased cardboard for folding boxes produced at our own sites were made from recycled cardboard, corresponding to a volume of 1,588 tons (41% and 2,836 tons in 2024), for in total 388 million folding boxes (499 million in 2024). The reduction compared to the previous year is due to a decrease in internal production volume and remaining stock. In parallel we are engaging with our cardboard supplier to better understand the product carbon footprint of their products.

Water consumption

Although water consumption is no longer classified as a material topic for STADA on the basis of our DMA, it remains a resource inflow that we monitor closely to achieve reductions in water consumption across production processes and building operations (measured by water intensity as KPI). Water is primarily used as process water in manufacturing, cooling systems, and sanitary facilities at our sites. In our upstream value chain, water is an input for the cultivation of agricultural raw materials mainly used as excipients supplied to us, as well as in various intermediate chemical processing steps.

We annually evaluate 'water scarcity risk' as a potential impact for our production sites using the Aqueduct Risk Atlas by the Water Resources Institute (WRI). The most recent assessment using the Aqueduct Risk Atlas 4.0 revealed no significant risk for our production sites, as only 5% of our total production water consumption takes place at sites located in water-stressed areas. The WRI defines water stress as the ratio of water use to naturally available supply, indicating the level of competition for water within a given basin. The water volumes used by our operations, and thus the overall environmental impact on the local water bodies, are not considered material in scale or scope. Only a very small share of water consumption is embedded in products as actual water consumption; most withdrawn water is discharged back into the ecosystem via wastewater discharge or evaporation.

WATER CONSUMPTION (in m³) / (SG)	2025	2024
Total water consumption	915.779,30	879.495,00
Total water consumption in areas at water risk, including areas of high-water stress*	56.671,00	76.181,00
Water intensity per net revenue (m3/mEUR)	213,16	216,68

* *For the reporting year, the production sites in Miyun, China, and Bad Vilbel, Germany, were classified as being located in areas subject to water-related risks. For 2024, the production site in Uetersen, Germany, was also classified as being located in an area subject to water-related risks.*

The turnover figures (unadjusted total net revenue) used to calculate the water intensity indicators are based on the consolidated financial statements of Nidda German TopCo GmbH, the holding company of the STADA Group (see also BP-1 "General basis for preparation of the sustainability statement").

Hemofarm manages water, energy, and waste consumption responsibly, with clear measurement of its environmental impact. Total water consumption (municipal + well water, Vršac + Šabac) increased from approximately 500,563 m³ in 2024 to 558,520 m³ in 2025, representing a growth of about 11–12%, despite the increase in production volume and the reconstruction of the Šabac site. Municipal water consumption rose from 463,701 m³ to 516,606 m³, while well water consumption increased from 36,862 m³ to 41,914 m³, with water withdrawal not endangering local water sources.

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Metrics and Data

[E5-4: Resource inflows, and E5-5: Resource outflows]

RESOURCE OUTFLOWS

Waste generated at STADA arises predominantly from production operations while the office waste volumes are negligible. All waste streams are segregated and managed either for recycling or disposal in accordance with applicable local regulations and the recycling options available in each market. The primary non-hazardous waste categories include plastics, paper and cardboard and mixed communal waste while hazardous waste covers laboratory chemicals, filters, pharmaceutical waste, mixed waste and various other specific types of waste. Waste data is based on tracking documents and invoices and refers exclusively to production sites; office waste is currently not included in the reporting. Waste is segregated and collected at the sites according to internal procedures, under the supervision of trained personnel and with record-keeping maintained for local compliance and global reporting purposes. Waste streams are classified as hazardous or non-hazardous in accordance with EU and/or national regulations. Circular principles in line with the PPWR are addressed through the Global Procurement (inbound flows) and Global Packaging (outbound flows) functions, with a focus on secondary packaging and compliance with strict pharmaceutical regulations. In 2025, Hemofarm generated a total of 1,770.41 tons of industrial waste (1,736.90 tons in 2024), of which 488.59 tons was hazardous (386.17 tons in 2024) and 1,281.82 tons was non-hazardous (1,350.73 tons in 2024). A total of 1,733.01 tons was handed over to authorized waste management operators (1,753.13 tons in 2024), of which 1,089.92 tons of non-hazardous waste with recovery value was sent for recycling. The increase in total generated waste in 2025 is the result of a project to free up storage capacity through the disposal of written-off products, rather than a direct result of more intensive production-related pollution.

WASTE DIVERTED FROM DISPOSAL (in t) / (SG)

Waste type	Recovery type	2025	2024
Hazardous waste	Preparation for reuse	0	0
	Recycling	15	23
	Other recovery operations	0	0
	Total	**15**	**23**
Non-hazardous waste	Preparation for reuse	0	0
	Recycling	2.358	2.571
	Other recovery operations	0	0
	Total	**2.358**	**2.571**
Total waste diverted from disposal		**2.373**	**2.594**

WASTE DIRECTED TO DISPOSAL (in t)

Waste type	Recovery type	2025	2024
Hazardous waste	Incineration	1.278	864
	Landfill	2	224
	Other disposal operations	0	0
	Total	**1.280**	**1.088**
Non-hazardous waste	Incineration	1.260	914
	Landfill	463	684
	Other disposal operations	0	0
	Total	**1.723**	**1.598**
Total waste diverted from disposal		**3.002**	**2.686**

WASTE STATISTICS

Waste KPIs	2025	2024
Total Total amount of waste generated (in t)	5.376	5.280
Total amount of non-recycled waste (in t)	3.002	2.686
Share of non-recycled waste (in %)	55,9%	50,9%
Total amount of hazardous waste (in t)	1.295	1.112
Total amount of radioactive waste (in t)	0	0

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ESRS S1 - Own Workforce

Material Impacts, Risks and Opportunities

[S1.SBM-2: Interests and views of stakeholders]
[S1.SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model]

As part of the materiality analysis 'working conditions' and 'equal treatment and opportunities for all' were identified as material topics for Hemofarm within the scope of ESRS S1 – Own Workforce. These topics are linked to the material IROs: 'Secure employment and reliable working conditions', 'Equal treatment and development opportunities' and 'People development through training and competency building', which represent actual positive and potential positive impacts, respectively. The process for identifying material topics – including those related to S1 Own workforce – is described under IRO-1 in the general disclosures of ESRS 2. While stakeholder engagement with respect to our own workforce is covered in this section, the overarching key stakeholder groups for Hemofarm and how their views are considered are detailed in ESRS 2 and ESRS S1-2. In addition to the approximately 12,400 STADA employees (with the share of Hemofarm Group of about 4,500 employees), there is a small number of non-employee workers (106 in 2025; data for the entire STADA Group) who are contractor workers primarily active in our Technical Operations. These considerations translate into strategic areas of action: Two of STADA's seven sustainability program areas (see section ESRS 2) are directly related to ESRS S1 – Own Workforce and further outlined in the 'Management and Policies' section below. The actual and potential positive impacts identified relate to safe and reliable working conditions for our employees, in terms of occupational safety, working hours and minimum wage. This stems from our approach of exceeding the legally prescribed labour conditions in some of the countries where we operate, thereby creating a positive effect for employees in those regions. For example, the contractually agreed working time of 40 hours with overtime regulations apply globally; we have also identified benchmarks for adequate wages for all countries. Additionally, apart from providing equal working conditions and benefits for all employees, the company ensures wages that exceed the national average, regardless of the job position at Hemofarm. The lowest gross salary in Serbia was RSD 84,401.85, in December 2025, whilst the lowest contracted salary at Hemofarm for active employees during the same period was RSD 92,500, which was above the statutory minimum wage for the same period. Furthermore, our commitment to fair treatment and opportunities for all, as well as qualification programmes that foster individual development, have been assessed as positive impacts. No negative material impacts were identified in the double materiality process, nor did they arise from the transition plans to low-carbon operations. We also do not consider any of our operations or geographic areas to be at risk of forced or compulsory labour. This conclusion is based on our double materiality assessment and the monitoring results from our grievance and compliance reporting channels.

	WORKING CONDITIONS	EQUAL TREATMENT AND OPPORTUNITIES FOR ALL	EQUAL TREATMENT AND OPPORTUNITIES FOR ALL
Identifier	S1-PI-01	S1-PI-02	S1-PI-03
IRO	Secure employment and reliable working conditions	Equal (gender, diversity, inclusion) treatment and development opportunities	People development through training and competency building
Type	Actual positive impact	Actual positive impact	Potential positive impact
Description	STADA seeks to ensure safe and reliable working conditions for all its employees. STADA creates positive impacts by adhering to its own standards, which in some of the countries where it operates, significantly exceed the legal minimum requirements.	STADA ensures that all employees are treated equally irrespective of age, gender, ethnic background, race, religion, disability, sexual orientation or any other form of individual trade. In addition, STADA supports and promotes its employees with individual development plans.	STADA requires highly trained and skilled employees for its business activities in the pharmaceutical sector. STADA offers trainings and development programs, that have potential positive impacts on the skillset and knowledge of people.

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[S1-1: Policies related to own workforce]

Employees are Hemofarm's most valuable resource, which is precisely demonstrated by the attitude towards them – now also an increasingly important parameter for assessing success, on an equal footing with positive financial balances and an attractive product portfolio.

Our sustainability programme area 'equal treatment and opportunities for all' emphasises that people development and respect for human rights are fundamental to our business model. We are committed to fostering an inclusive work environment that promotes both personal and professional growth, recognising that diverse perspectives and experiences drive innovative solutions and better decision-making. Upholding human rights is an absolute prerequisite.

The program area 'Talent Attraction and Employee Safety' addresses our commitment to providing a safe and healthy working environment and attracting and retaining top talent in the long term as a key driver for company growth. The safety and health of all employees is a pre-requisite for this and the highest priority. Building a strong, skilled, and motivated workforce, along with a rewarding and supportive work environment, is essential. This approach preserves and enhances knowledge and individual development opportunities fostering our 'Growth Culture'.

With its HR function, which has had a new modernised name – Culture&People for two years now,[25] Hemofarm pays special attention to providing equal opportunities to all.[26] Consequently, the number of candidates tested, as well as the number of those who have applied for open posts, is growing year on year, and the database of potential candidates is becoming increasingly rich. At the same time, the company is intensifying its presence at specialised careers fairs, as well as the promotion of open posts on social media – precisely where young people are, striving to further enhance its 'employer branding', thereby giving potential candidates the opportunity to recognise values that are close to them and which they would like to form part of their working environment.

Key documents such as the STADA CoC, the Sustainability Policy and the Human Rights Statement as well as the global health & safety system describe binding rules of conduct and values that guide STADA's operations. These documents outline the company's principles and commitments, providing guidelines for employees and management and are accessible to all employees worldwide (see also ESRS 2, GOV-2 for an overview of ESG-relevant policies, the covered topics and addressed IROs).

Human rights, diversity and equality, anti-discrimination, gender pay equality, and a safe and healthy workplace are among the social aspects explicitly addressed in our global **Sustainability Policy** and **STADA CoC**. These documents outline the principle of non-discrimination based on race, colour, religion, gender, age, national origin, disability, sexual orientation, gender identity, or other characteristics that are not relevant to job performance. These principles are implemented through training that fosters understanding and appreciation of diversity and inclusion, as well as awareness of what constitutes harassment. Employees are educated about their rights and responsibilities and provided with clear, confidential reporting channels.

The **STADA CoC** was comprehensively revised in 2025 with its rollout and mandatory training taking place in 2026. It includes commitment to human rights and secure and safe working conditions as well as equal employment opportunities and harassment-free workplace and freedom of opinion, speech and association, and references international standards and guidelines to which STADA and all employees adhere. Amongst these are: The OECD Guidelines for Multinational Enterprises on Responsible Business Conduct (OECD Guidelines), the UN Universal Declaration of Human Rights (UDHR), the UN Guiding Principles on Business and Human Rights, and the International Labour Organization's (ILO) Fundamental Principles and Rights at Work.

[25] *The new name of the HR department itself reflects that all its activities are focused on the development of corporate culture and people, which is indeed one of the latest trends in improving work practices worldwide. Hereinafter, this department will be referred to using the abbreviation C&P.*
[26] *In this way, a contribution is made to reducing inequalities in society (Sustainable Development Goal 10).*

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[S1-1: Policies related to own workforce]

This Code of Conduct also incorporates the requirements of the German Supply Chain Act (LkSG) which aims to promote and protect both human rights and the environment. The STADA CoC also encompasses STADA's adherence to the ILO principles as defined in convention C87 Freedom of Association and Protection of the Rights to Organise Convention, 1948, C98 Right to Organise and Collective Bargaining Convention, 1949, C138 Minimum Age Convention, 1973 and C182 Worst Forms of Child Labour Convention, 1999. All employees are required to sign off on the STADA CoC. Global policies are implemented through mandatory online compliance training programs.

The Human Rights Statement (Statement of principles on STADA Human Rights Strategy) serves as a foundational document in accordance with the German Supply Chain Act (LkSG), detailing our approach and expectations regarding human rights. It was signed by the highest governance body, the STADA Executive Board and was published in December 2023. The statement is publicly available and reflects our full commitment to human rights both internally and externally with our business partners. It is based on and refers to the associated ILO conventions.

Our global Sustainability Policy and our Occupational Health and Safety Policy cover proactive safety management and effective emergency and crisis preparedness. The global SOP for Occupational Health and Safety Management sets specific requirements for occupational health and safety, fire safety, and hazard prevention to support health & safety management across all STADA production sites. Its objective is to prevent harm by establishing safe systems of work while ensuring compliance with all applicable workplace health and safety laws and regulations.

The Compliance Reporting Policy provides guidance to employees on reporting concerns about actual, suspected, or potential violations of laws, regulations, human rights, STADA policies, or the STADA CoC. It also outlines the procedures that will be followed when a violation is reported.

The global Sustainability Policy, STADA CoC, and Business Partner CoC are publicly accessible and available on the website (in English). These, as well as all other policies mentioned to address the identified IRO, are accessible to all employees. Their implementation is monitored through regular management reviews and functional oversight within established governance structures. Maintaining a high STADA CoC declaration rate among our employees (target for 2026: ≥95%; achievement 2025: 97%) is an important governance metric. Stakeholder perspectives are considered through regular exchange within business functions. If interactions highlight the need for policy adjustments, these are implemented accordingly. For example, the revision of the STADA CoC during the reporting year involved a diverse group of internal stakeholders from various business areas, entities, and functions, each bringing the perspectives of their respective stakeholders to the process.

[S1-2: Processes for engaging with own workers and worker's representatives about impacts]

PULSE SURVEYS
Employee engagement is the driver of the company's growth. That is why Hemofarm and STADA Group regularly conduct internal surveys that allow employees to provide feedback and see the status in their teams and the company. These surveys are conducted twice a year and the results of 14th Global Pulse Survey, which was the last survey conducted in November 2025, demonstrated a continued strong commitment of employees to the company. 88% of all employees in the STADA Group participated in the survey, and the number of qualitative comments rose by 38%. This time as well, employees at Hemofarm took the opportunity to openly share their opinions on the most important topics within the company, providing valuable feedback to STADA Executive Committee (SEC) and Hemofarm Senior Management Team (SMT). In the fourteenth survey conducted, there was a total of 5,640 qualitative comments, compared to 4,717 qualitative comments in the thirteenth survey in May 2025.

STADA VALUE AWARDS
Additionally, the CEO of STADA presents Value Awards twice a year during global town halls, which are broadcast to all employees worldwide. These awards recognize employees who embody STADA's core values, serve as role models for living those values, and have distinguished themselves through exceptional performance. The Value Awards strengthen STADA's culture of growth, learning, and empowerment, while creating a space to celebrate the variety of individual contributions.

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[S1-2: Processes for engaging with own workers and worker's representatives about impacts]

HEALTH & SAFETY MANAGEMENT
We promote a strong safety culture aiming for all employees to be alert to potential hazards and proactively work to resolve and prevent them by doing the right thing. We encourage our employees to report unsafe acts and unsafe conditions through our Near Miss Program. The reports are reviewed and investigated, with appropriate actions implemented to continually reduce the risk of harm in our workplaces. Additionally, we derive and document lessons learned, which we share across the organization (see also section ESRS S1-4. Action and Resources). In broader assessments – such as the psychological risk assessment – potential negative influences are identified, reviewed across management forums and the relevant functions, and addressed through targeted actions.

COMPLIANCE REPORTING PORTAL
Employees also have the option to report any concerns via the STADA Ombudsman or the Compliance Reporting Portal – our established additional complaint and feedback systems through our compliance reporting portal (see S1-3 below and G1).

WORKS COUNCIL AND TRADE UNION
Works council and general meetings also provide opportunities to inform and discuss topics related to working conditions. In line with ILO Conventions C87 and C98, employees may join trade unions and works councils. About two thirds of our workforce is covered by Collective Bargaining Agreements concluded with unions or internal representation bodies (see also ESRS S1-8 for more information).

ECOVADIS
Our own EcoVadis assessment can also help to initiate dialogue on workforce topics by highlighting potential impact areas that are not yet sufficiently managed. In our 2025 EcoVadis assessment, we achieved a score of 81/100 in the 'Labor & Human Rights' category, due to our dedicated policy and measures to support them.

[S1-3: Processes to remediate negative impacts and channels for own workers to raise concerns]

Every employee is encouraged to speak up and raise any concerns without the fear of retaliation. Individuals wishing to raise concerns about the organization's business conduct or share suggestions have several channels available to them, including the STADA Compliance Reporting Portal, the global ombudsman, the Compliance department, the C&P department or their relevant managers. Relevant information and contact details are published on the intranet and public internet sites.

The grievance mechanism via the STADA Compliance Portal as rule of procedure in accordance with the German Supply Chain Act (LkSG) is accessible to all employees as well as external stakeholders. The process emphasizes the importance of reporting incidents, outlines the channels, the investigation process, and the documentation of each case. Furthermore, it explicitly details the protection provided to the reporter and explains how this is ensured (see also ESRS S2 and ESRS G1 for more information on the Compliance Reporting Portal, monitoring and investigation).

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[S1-4: Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness on those actions]

We are dedicated to fostering an environment that prioritizes fairness and respect. These values are seen as fundamental to STADA's success, promoting a healthy workplace culture and effective collaboration among team members. By providing attractive working conditions and cultivating a positive workplace environment, we strive to attract and retain top talent while enabling the full development potential of all team members. No standalone budget is assigned to managing the identified IROs; costs are absorbed by the responsible functions' routine budgets.

TOP EMPLOYER STATUS AND RECOGNITION
(IROs S1-PI-02; S1-PI-03)
Through an attractive working environment, Hemofarm strives to attract and retain the best employees. To this end, the company offers its employees a wide range of social and financial benefits. As a result of its efforts and the conditions it provides to its employees in Serbia, Bosnia and Herzegovina, and Montenegro, Hemofarm also confirmed its position as a 'Top Employer' in 2025, through the recognition awarded by the Top Employers Institute. This recognition is indicative of Hemofarm's commitment to improving working conditions while ensuring excellent policies and practices in the field of human resources development and management (C&P). Re-certification for the 'Top Employer' status in 2026 is planned. Our consistent recognized strengths include our focus on purpose and values, integrity and ethics, and the emphasis on creating a positive work environment, fostering learning, and promoting diversity, equality, and inclusion.

The work of C&P team in 2025 was also characterized by further automation and digitalization of processes through the global project – HERO. In terms of e-learning, the promotion of the 'GoFluent' language learning platform persisted, encouraging employees to take advantage of the opportunity to learn a foreign language of their choice. The promotion of the 'Kyan' app also continued, offering employees tools to enhance their well-through care for their mental and physical health. The application is available in the local language for all employees, as well as their family members, with usage based on the principles of anonymity and confidentiality.

'Skills Lab' is an internal development programme, formerly known as 'Knowledge Hub', which, through 15 training topics, enables employees to learn from expert colleagues, develop key skills, and share experiences through practical and interactive training sessions, completely free of charge. It is intended for all employees, with the recommendation that the selected topics are aligned with their Individual Development Plan. Registration is completed via the HERO LMS, where all information regarding training topics, formats, and schedules is available. This C&P initiative, supported by experts from other functions who have taken on the role of internal trainers, has received excellent feedback from colleagues, and has been recognised as an ideal place to connect with colleagues and develop specific skills required in our business environment. In 2025, 110 employees completed various training sessions within the 'Knowledge Hub', and the average rating for the training was 9.8/10.

HEMOFARM Good ESG Practice

Employer Brand Campaign 'Grow your own way'

Attracting and retaining talent is a key factor for long term business success. The launch of the new STADA global employer brand therefore represents a strategic foundation.

The campaign claim 'Grow Your Own Way' reflects our values by promoting a working environment that supports individual career paths and self empowerment. It is based on the belief that personal and professional development contributes to shared success.

The campaign illustrates this approach by showcasing diverse, employee driven development paths, featuring employees from different functions as testimonial.

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[S1-4: Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness on those actions]

TRAINING AND QUALIFICATION
(IRO S1-PI-03)
We view the self-empowerment and continuous learning of our employees as key drivers of both individual and organizational performance, innovation and growth.

The company believes that investing in education and talent development will consistently result in further improvement of general and specific business performance. The ultimate objective is to meet and exceed the company's needs for qualified junior staff and at the same time to create an opportunity to fill as many managerial and professional positions as possible within its own team. To this end, Hemofarm uses internal promotion and targeted development programs.

Each employee has access to HERO digital platform for learning. The available educational material is constantly being improved, both in the domain of specific expert knowledge and interpersonal skills, in various formats - via webinars, online books, audio books, e-books, podcasts, etc. Specifically, in 2025, in collaboration with external partners, two training courses were custom-designed and launched on the topics of 'The Importance of Feedback' and 'The Importance of Perspective in Stressful Situations' within the HERO LMS.

In addition to learning on the HERO platform, training is provided to employees in accordance with their 'Individual Development Plan', which is agreed between the employee and their line manager. Education can be individual or team education, organised in-house or externally, supported by an external supplier, carefully selected from the market with regard to the particular topic and need.

In 2025, one of the focuses in employee development was placed on strengthening in-house resources in order to enable internal exchange and knowledge transfer. During 2025, internally certified trainers from the C&P team delivered 17 training sessions covering more than 8 different topics, such as 'Delegation and Micromanagement', 'Effective Communication', 'Onboarding Process for New Leaders', 'Leadership through Influence', 'The Leader as a Coach', 'Public Speaking Skills', and 'Change Management'.

Over the course of 2025, based on the data from Centralized Function Quality System, as much as 99.9% of employees successfully passed the training and the corresponding test in the area of Good Manufacturing Practice (GMP), which is the foundation for assuring the constant quality of our products. Furthermore, monitoring and evaluation of employees training status are carried out on a regular basis by which we secure an efficient implementation of business processes by which our mission is fulfilled - a safe product, of constant quality is delivered to the consumers, while meeting the requirements which refer to the safety of employees involved in the business processes.

Compared to the previous year, somewhat smaller number of employees, 119 of them, were sent to professional education abroad, in tune with focusing on internal expert training at a local level (375 in 2024).

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[S1-4: Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness on those actions]

WORKING CONDITIONS AND EQUAL TREATMENT
(IRO S1-PI-02)
Hemofarm seeks to develop a strong team that offers the same chances to everyone, regardless of gender, age, origin, personal affinities, etc., striving to provide an environment where the key to success is based on the results of professional work and collegial relationships within the team.

With regard to equal opportunities for women and men, a balanced representation of both genders when filling positions is extremely important. Naturally, when it comes to filling management positions, the professional and personal qualifications of the candidates, rather than any other characteristics, are always at the forefront.

The share of women at management positions[27] in Hemofarm in 2025 accounted for approximately 61.56% (63.69% in 2024).

The MySTADA internal application for employees, as well as the internal employee magazine 'One STADA News', which is published quarterly, with translations into several different languages and local versions ensuring appropriate inclusion and accessibility, contribute to maintaining good communication and connectivity within the company. The company also held several global employee meetings, which were broadcast live on the intranet with real-time translation into eight languages. In addition, internal events intended for employees were held at local level, such as 'Company Day', 'Coffee with a Psychologist' organised by the Hemofarm Foundation, 'Caring Day' which is marked both globally and locally within Hemofarm, as well as various town hall meetings with employees across all manufacturing sites within Hemofarm, but also for all Hemofarm employees together.

We inform our employees of their rights and responsibilities and provide clear and confidential channels for reporting any instances of discrimination or harassment. As part of employee rights and the desired culture of collaboration, we are committed to providing a working environment that allows freedom of opinion, expression and speech, provided that this is not in conflict with the rights of colleagues, our STADA CoC, values or other policies, rules, laws and regulations. Our employees are also free to join trade unions and works councils, as set out in ILO Conventions C87 and C98.

HEADCOUNT TREND (HF A.D.)

Gender	2021	2022	2023	2024	2025
WOMEN	1.595	1.765	1.908	1.968	2.014
MEN	1.336	1.420	1.546	1.555	1.580
TOTAL	**2.931**	**3.185**	**3.454**	**3.523**	**3.594**

[27] *Managers are considered to be all employees with at least one direct responsibility: Lower management = at least one direct report. Middle management = at least one direct report who also has at least one direct report. Top management = SMT (Senior Management Team). Total management = the sum of lower, middle, and top management.*

HEALTH AND SAFETY
(IRO S1-PI-01)
Health & Safety is part of HSE management systems that are implemented at both global and site levels aiming to ensure safe and healthy working conditions for employees and contractors. This reflects the positive impact on our workforce through the establishment of safe and reliable working environments. Health and safety measures and metrics are integral to the sites' business performance and personal targets of site heads. As of December 31, 2025, a total of eight sites – Vršac and Šabac (Serbia), Podgorica (Montenegro), Banja Luka (Bosnia and Herzegovina), Huddersfield (UK), Tuy Hoa 1 and 2 (Vietnam) and Miyun (China) – are certified in accordance with ISO 45001, a recognized standard for occupational health and safety management systems, developed by the International Organization for Standardization (ISO).

Hemofarm considers Health, Safety, and Environment (HSE) as one of the pillars of economic and social sustainability and applies standards that exceed legal requirements. The HSE management system, integrated with the Business Social Compliance Initiative (BSCI), relies on its own dedicated HSE professional service, video surveillance, a professional fire brigade, and fire alarms, alongside continuous employee training and preventive measures.

Hazard Identification and Risk Management

We systematically identify work-related hazards through a combination of risk assessments, job hazard analyses, safety audits, and incident reviews, aligning with global guidelines and local laws.

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Our safety management system is built on the STOP hierarchy principle, and we implement both global and local programs – such as proactive safety talks and near-miss reporting – to continuously mitigate risks. We also continuously strive to ensure that all equipment and practices comply with the highest safety standards.

Employee Training and Emergency Preparedness

During 2025, a total of 10,457 training sessions (14,416 in 2024) were conducted at the Hemofarm Group level regarding occupational health and safety, environmental protection, fire safety, and compliance. This included specific training for working with new active substances, personal protective equipment, and advanced training in first aid, forklift operation, and handling pressure vessels. Integrated systems ISO 14001 (environmental management) and ISO 45001 (occupational health and safety) are certified at the facilities in Vršac, Šabac, Dubovac, Hemofarm AD Banja Luka, and Hemomont doo Podgorica, which contributes to greater efficiency, a lower number of injuries, legal compliance, and improved risk management.

Information boards displaying injury data and 'days without injury' counts, along with the work of the Safety Committee and HSE groups at each location, strengthen the culture of prevention and involve the entire workforce. In 2025, the number of workplace injuries at Hemofarm (Vršac, Šabac, Dubovac) decreased to 5 (8 in 2024, a drop of approximately 60% despite an increase in the number of employees). The number of reported near-miss incidents rose to 2,314 (2,282 in 2024), with 95.5% of all near-misses closed (86.3% in 2024), demonstrating a higher level of awareness and active response. The number of lost workdays due to workplace injuries was 176 (120 in 2024), while the number of management-led HSE tours increased to 602 (565 in 2024, +6.5%), confirming management's commitment. There were no workplace injuries among contractors and service providers in 2025.

Continuous Improvement and a Culture of Openness

We foster a culture where employees are encouraged to promptly report hazards or concerns without fear of retaliation. When accidents occur, investigations focus on identifying the root causes to implement effective corrective and preventive measures. We share lessons learned across all sites via the HSE Global Community and analyse data to pinpoint areas for improvement, with each site having its own specific targets.

Hemofarm requires suppliers to adhere to OHS (Occupational Health and Safety) values and human rights through BSCI and qualification questionnaires, as well as proof of employee registration, training, and personal protective equipment, after which a binding annex on OHS, environmental protection, and fire safety is signed. In 2025, 452 legal entities with approximately 9,306 employees were engaged (227 entities and 3,821 employees in 2024). The HSE incident management process includes transparent reporting, root cause analysis, implementation of corrective measures, and sharing of lessons learned, with the aim of prevention and system improvement.

Employee Health & Well-Being

Beyond procedural safety, we prioritize the overall health of our employees. Care for employee health is further reflected in benefits such as 24/7 accident insurance, a voluntary pension fund, voluntary health insurance, and a wide range of solidarity assistance (support for illness, childbirth, crisis situations, etc.), as well as an active Voluntary Blood Donors' Section with over 500 donors and the activities of the Independent Trade Union regarding recreation and the protection of workers' rights.

HUMAN RIGHTS
(IROs S1-PI-01; S1-PI-02)
In 2024, we established a dedicated Human Rights Due Diligence Body to oversee the implementation and monitoring of human rights standards across the organization. This body coordinates with various internal functions, including C&P, Sustainability, HSE, Responsible Procurement, and Compliance & Legal, to achieve comprehensive adherence to human rights obligations.

The foundation for addressing human rights is built on a zero-tolerance standard for abuses such as slavery, human trafficking, forced labour, and discrimination. We uphold transparent mechanisms to enable the reporting of any human rights concerns, ensuring that such issues are promptly addressed and resolved.

We monitor the effectiveness of these actions through regular performance reviews and selected KPIs (e.g., engagement, safety and training metrics), and we adjust measures and priorities based on observed trends, analyses and feedback from employees. The financial resources are covered by existing operational budgets of the relevant business functions, primarily C&P and HSE, with no further significant budget allocated specifically.

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HEMOFARM Good ESG Practice

Solidarity in action through collaboration with 'Liceulice' magazine

With the aim of providing support to socially vulnerable groups and promoting social inclusion, the 'People to People' campaign was carried out, through which employees of the Hemofarm Group and the Hemofarm Foundation, together with vendors of 'Liceulice' magazine, participated in selling the 115th edition of this magazine in the centre of Belgrade. The initiative was an opportunity to highlight the importance of solidarity, empathy and creating opportunities for a dignified life for people facing various social challenges, as 'Liceulice' is a socially responsible magazine sold by individuals from vulnerable social groups. This business model provides them with a legal income, greater economic independence, as well as active inclusion in the community. Through their long-standing collaboration with 'Liceulice' magazine, the Hemofarm Group and the Hemofarm Foundation contribute to the empowerment of vulnerable groups, the promotion of inclusion, and the development of a culture of togetherness. By involving employees in such activities, the company encourages active participation in the community and demonstrates that sustainability also entails caring for people, equal opportunities, and creating a positive social impact.

HEMOFARM Good ESG Practice

'The most important call in life'

National Donor Day was marked by the installation of 1,800 chairs on Trg republike Square in Belgrade, which symbolically represent the number of people in Serbia waiting for an organ transplant. Displayed on the chairs were personal messages from patients, bearing witness to a life of uncertainty, but also to the hope of being given an opportunity for a new beginning. This symbolic display was part of 'The Most Important Call in Life' campaign, which has been run since 2016 by the Ministry of Health of the Republic of Serbia, the Hemofarm Group and the Hemofarm Foundation in collaboration with patient associations, with the aim of raising awareness of the importance of organ donation and transplantation. Through this long-standing campaign and various activities aimed at educating the public, Hemofarm contributes to breaking down prejudices and encouraging open conversation about donation as one of the most humane

acts of solidarity. Through partnerships with healthcare institutions, experts, patient associations and the wider community, the company contributes to developing a culture of responsibility and empathy, with the aim of helping more people recognise the opportunity to give someone a chance to continue their life through their decisions.

STADA Good ESG Practice

STADA Caring Day

The Caring Day in the Hemofarm Group: one day, many heroes

On the occasion of STADA's global 'Caring Day' initiative, employees of the Hemofarm Group in Serbia, Bosnia and Herzegovina, and Montenegro have once again demonstrated that care for the community and solidarity are an integral part of our culture. Actions were organised at all major company locations (Vršac, Belgrade, Šabac, Banja Luka, Podgorica, Tuzla, and Sarajevo), with the aim of providing support to those who need it most and fostering a culture of mutual care. As part of the voluntary blood donation drive, 230 employees registered to participate, whilst 153 successfully donated blood. This initiative confirms the long-standing commitment of employees to volunteering and contributing to local communities through concrete acts of humanity.

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Goals and Commitments

[S1-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities]

Our goal is to address STADA's need for qualified staff and to fill as many management and professional positions as possible internally. To achieve this, we rely on internal promotions and targeted development programs.

As an international group with locations in more than 40 countries worldwide, cultural diversity is integral to us. We view individual personalities and backgrounds as well as differences in personality, experiences, and backgrounds as strengths. Supported by continuous structured talent development programs and training initiatives, we aim to leverage these diverse strengths and development of our employees by further enhancing conditions for internal mobility, timely and effective succession planning, and the early identification and promotion of talent. Defined ambitions and targets regarding equal treatment and development opportunities take into account the interests of our employees, whose feedback is captured through day-to-day interactions, especially with C&P. In addition, the semiannual pulse surveys are a key channel for involvement.

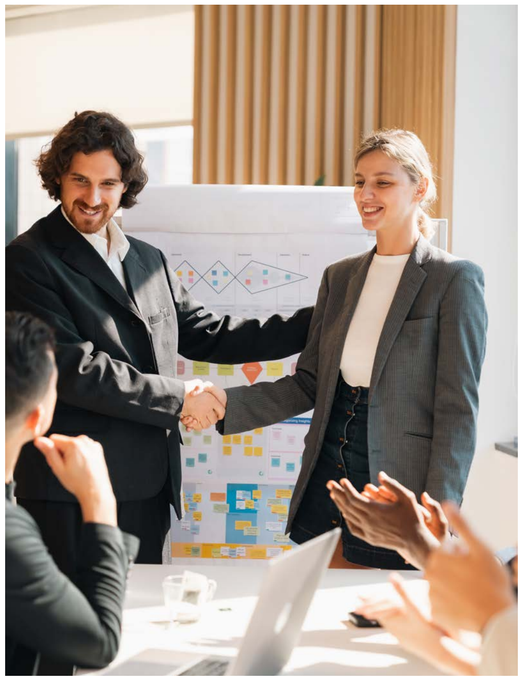
Safety targets, as well as leading and lagging KPIs, are defined at both global and local levels and are fully integrated into our operational management reporting. Accidents and near-misses are analysed based on global specifications to identify underlying causes, with lessons learned shared globally to prevent reoccurrence.

Occupational safety, measured by the Lost Time Incident (LTI) rate, improved in 2025 and met our target of <0.3.

For our 2026 targets, we will continue and build on our social focus areas:

- Keep the share of women across all management levels at ≥50%
- Ensure compliance with local and EU legislation on equal pay
- Further promote occupational safety, targeting a LTI rate ≤0.35
- Maintain high employee engagement, with ≥80% Pulse Survey participation and a rating ≥8.0

Employee -related targets are defined by the respective global function (C&P, HSE) reflecting interests of internal stakeholders such as employee representatives and management functions.



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Metrics and Data

[S1-6: Characteristics of the company employees]

We use SAP software-based data collection to track and present data ('SAP Success Factors'). Data is generally reported in headcount, with deviations explicitly highlighted. Figures are based on the reporting date of 31st December 2025. In 2025, Hemofarm's team[28] consisted of 3,594 employees (↑3.523 in 2024), marking a 2.02% increase compared to the previous year. The number of women in the company has continued to grow, and they still represent the majority of Hemofarm's workforce. Their share now stands at 56.04% of the total number of employees (55.86% in 2024), and they also represent the majority within the company's management. At the end of 2024, there was a total of 150 employees on maternity leave in the company, and all female colleagues who returned to work following maternity leave during 2025 either retained their position or were promoted to a new one.

NUMBER OF EMPLOYEES BY GENDER (HF)

Gender	2025 (HF)	2024 (HF)	2025 (SG)	2024 (SG)
Male	1.964	1965	5.327	5.374
Female	2.531	2.656	7.047	6.916
Other	0	0	1	1
Not specified	n/p	n/p	n/p	n/p
TOTAL	**4.495**	**4.621**	**12.375**	**12.291**

QUALIFICATION STRUCTURE (HF)

Qualification	Total	Total (%)
PhD	9	0.25
University degree	1331	37.03
Two-year post-secondary school degree	198	5.51
Secondary school degree	2033	56.57
Unqualified	23	0.64

AGE STRUCTURE (HF A.D.)

Age	Total	Total (%)
18-19	6	0.17%
20–24	164	4.56%
25–29	438	12.19%
30–34	571	15.89%
35–39	491	13.66%
40–44	467	12.99%
45–49	552	15.36%
50–54	461	12.83%
55–59	313	8.71%
60–64	128	3.56%
65>	3	0.08%

AGE STRUCTURE (HF)

Age	Total	Total (%)
18-19	8	0.18%
20–24	190	4.23%
25–29	525	11.68%
30–34	698	15.53%
35–39	617	13.73%
40–44	601	13.37%
45–49	735	16.35%
50–54	557	12.39%
55–59	387	8.61%
60–64	171	3.80%
65>	6	0.13%

OTHER KEY PROCESS INDICATORS (KPI) / (SG)

KPI	2025	2024
Number of employees who left the company	1,552	1,833
Employee turnover rate	12.5%	14.8%

EMPLOYEES BY CONTRACT TYPE, BROKEN DOWN BY REGION (SG)
(number of employees; reporting on full-time and part-time employees is voluntary)

Contract type	East Europe	Emerging markets	Germany	Rest of the World	Western Europe	Total
Headcount	7,089	1,404	1,786	107	1,989	12,375
Number of permanent employees	6,958	1,385	1,666	102	1,936	12,915
Number of fixed-term employees	131	19	102	5	53	180
Number of employees with non-guaranteed hours	0	0	0	0	0	0
Full-time employees	6,905	1,396	1,499	99	1,862	11,761
Number of employees with reduced working hours	184	8	287	8	127	614

[28] *The headcount in the entire Hemofarm Group is 4,495, of which 3,594 are employed at Hemofarm a.d., 3.594 out of whom work for Hemofarm a.d.*

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[S1-8: Collective Bargaining coverage and social dialogue]

STADA commits clearly to the freedom of association and the right of its workforce to unionize. Approximately two thirds of employees across the Group are covered by a collective bargaining agreement (CBA) established between STADA and a union representing the employees or internal employee representation bodies. The CBAs applicable within STADA apply to specific entities, industries, or sectors. In Germany, STADA employees are covered by the Federal Employers' Association for the Chemical Industry (BAVC) collective agreement and its benefits. STADA strives to offer the same working conditions also to the employees not covered by CBA (even in the areas/countries) where it is not obligatory by law.

For collective bargaining coverage, reporting is required for European Economic Area (EEA) countries that account for more than 10% of the company's total global employees and for non-EEA countries aggregated in regions that account for more than 10% of the company's total global employees. In the reporting year, the only EEA country meeting this threshold is Germany; collective bargaining coverage information for non-EEA countries and regions is not available for 2025.

Accordingly, based on the Global ESG Report from the point of view of the entire STADA Group, the quantitative information on the collective bargaining agreement coverage are presented for Germany only.

For workplace representation, reporting is required only for EEA countries that account for more than 10% of the company's total global employees; information on non-EEA countries is not required. Consequently, Germany is again the only country for which quantitative information on workplace representation is provided.

EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS (in % of total employees)

	COLLECTIVE BARGAINING COVERAGE		SOCIAL DIALOGUE
COVERAGE RATE	**Employees - EEA** (for countries with >50 empl. representing >10% total employees)	**Employess - Non-EEA** (estimate for regions with >50 empl. representing >10% total employees)	**Workplace Representation (EEA only)** (for countries with >50 empl. representing >10% total employees)
0-19%		no data for non EEA countries	
20-39%			
40-59%			
60-79%	Germany		
80-100%			Germany

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[S1-9: Diversity metrics]

Diversity is measured across various levels at STADA, categorized into 'upper, middle, and lower management levels'. In our understanding, all employees with at least one direct report are considered managers. 'Top management' or 'upper management' refers to members of the STADA Global Leadership Team (SGLT).

DIVERSITY METRICS (SG)

Top management by gender (Men: top management = SG11)	2025	2024
Women	40	38
Men	94	100
Other	n/a	n/a
Not specified	n/a	n/a

Total number of employees by age group	2025	2024
Under 30 years old	1.832	1.930
30-50 years old	8.062	7.964
Over 50 years old	2.481	2.397

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Metrics and Data

[S1-13: Training and skills development metrics]

Employee training is defined and coordinated by the relevant departments based on needs and in accordance with individual development plans, which are offered to all employees. Several talent development programs, tailored for leaders and high-potential employees, were conducted, along with organizational talent reviews held twice during the year.

Learning Management System is used to aggregate data on training hour. The system includes both mandatory and optional e-learning modules in various areas, such as compliance training, educational programs, and personal development, which are implemented sequentially.

Many other trainings, such as in the area of Quality, face-to-face sessions, or talent development programs, are not included in this system and therefore not reflected in the data presented here.

The data on regular performance and career development reviews covers all employees who have individual short-term incentive (STI) agreements and system-supported annual goal-setting in place. Additional employees may also receive regular performance reviews; however, these reviews are not system-supported and are therefore not captured in a way that allows for reliable, groupwide reporting, and are consequently excluded from this disclosure.

REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS (SG)

Employees who participated in regular performance and career development review (headcount)	2025
Women	3,497
Men	2,188
Other	0
Not specified	N/A
Total	**5,685**

Employees who participated in regular performance and career development review (in % of total employees)	2025
Women	49.62%
Men	41.07%
Other	0.00%
Not specified	N/A
Total	**45.94%**

TRAINING HOURS (SG)

Training hours (totals per gender)	2025
Women	36,611.68
Men	24,176.89
Other	10.66
Not specified	N/A
Total	**60,799.23**

Training hours (average per employee)	2025
Women	5.20
Men	4.54
Other	10.66
Not specified	N/A
Total	**4.91**

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Metrics and Data

[S1-14: Health and safety metrics]

STADA operates a global Health, Safety, and Environment (HSE) management system based on EU legislation. This system defines processes for reporting, risk assessments, and contractor management. Local HSE systems at all production sites ensure compliance with local regulations, global standards, and good practices to maintain safe working conditions for employees and contractors.

Our global HSE management system covers all employees at the sites, incl. contractors and visitors. All employees as well as all workers who provide services to STADA at our sites are covered by an occupational health and safety management system. HSE reporting figures do not distinguish between employees and non-employees within our own workforce.

Currently, eight production sites are certified under ISO 45001(see S1-4 for site specific ISO certifications).

HEALTH AND SAFETY METRICS (SG)

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM	2025	2024
Employees covered by SLIGAN occupational health and safety management system (headcount)	12,375	12,291
Employees covered by SLIGAN occupational health and safety management system (in %)	100%	100%

FATALITIES	2025	2024
work-related injuries (own employees)	0	0
work-related ill health (own employees)	0	0
work-related injuries (non-employees)	0	0
work-related ill health (non-employees)	0	0

RECORDABLE WORK-RELATED ACCIDENTS	2025	2024
in total	25	35
as rate per 200.000 working hours	0.25	0.35

RECORDABLE WORK-RELATED ILL HEALTH	2025	2024
Number of work-related ill health cases	0	NA

DAYS LOST TO WORK-RELATED INJURIES AND FATALITIES	2025	2024
from work-related accidents	372	545
from work-related ill health	0	NA
from fatalities	0	0
Total	**372**	**545**

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Metrics and Data

[S1-16: Remuneration metrics (pay gap and total compensation)]

In compliance with the EU Pay Transparency Directive, we are working on providing an overview of salary structures directly integrated into our SAP-based employee platform to offer employees transparency regarding their remuneration.

In line with the Directive's requirements, STADA is also progressing in collecting data on pay differences in the countries where we operate. Our focus is primarily on EU countries and their respective national legislation. Having assessed our entities in Italy, Poland, Romania, Czech Republic, Germany, Belgium, Spain, and Serbia, this analysis covers 80% of our EU workforce. All countries evaluated so far show an adjusted pay gap below 5%.

While the unadjusted pay gap measures the average difference in pay between men and women, the adjusted pay gap reflects the differences in pay after accounting for objective factors that determine compensation. We have engaged an external consultancy as a leading partner for the calculation of the adjusted pay gaps. Using their model, the adjusted pay gap is calculated through a regression analysis. The model examines base remuneration while controlling for objective, job-related factors that legitimately influence pay, such as role, job level, function, location, working time, and tenure. The model identifies the proportion of total variability in the dependent variable (compensation) explained by these factors.

By utilizing regression analysis instead of simple averages, this methodology isolates the unexplained portion of pay differences attributable to demographic characteristics, thereby identifying the presence and magnitude of potential bias.

The disclosure requirements under ESRS S1 16 are partially omitted in the current reporting year. A complete disclosure in accordance with ESRS requirements is planned for the reporting year 2027, when the CSRD reporting obligations are regulatory binding for STADA.

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Metrics and Data

[S1-17: Incidents, complaints and severe human rights impacts]

In the following table, we disclose the number of reported and confirmed incidents of discrimination, including harassment as a specific form of discrimination.

Additionally, we report the overall number of complaints raised through STADA's grievance channels, which include both the documented discrimination cases as well as other complaints related to human rights. For the 2025 reporting year, 19 complaints were recorded, none of which involved serious labour-related human rights issues or non-compliance with UN Guiding Principles, ILO standards, or OECD Guidelines.

The reported cases include all submissions made through the STADA Compliance Reporting Portal. All reported cases were investigated in line with STADA Compliance Policy.

Fines and penalties disclosed in this context relate to monetary sanctions, court-ordered payments and settlement amounts arising from incidents, substantiated complaints or identified severe human rights impacts involving our own workforce. These amounts are compiled from our legal, compliance and finance records and include finalized cases recorded during the reporting period. For the 2025 financial year, no fines or penalties were incurred.

WORK-RELATED INCIDENTS OF DISCRIMINATION (SG)

Reported form of discrimination	2025
Gender	1
Race or ethnic origin	0
Nationality	0
Regligion or personal beliefs	0
Disability	1
Age	0
Sexual orientation	0
Harassment	2
Other forms of discrimination	6
Total	**10**

Number of complaints	2025
Complaints raised through STADA's grievance channels for our own workforce	19
Serious labour-related human rights problems and incidents of non-compliance with the UN Guiding Principles, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprise	0

Amount of fines and penalties	2025
Fines, sanctions and compensation for damages following incidents of discrimination, including harassment and complaints filed	0,00
Fines, sanctions and compensation for significant labour-related human rights problems and incidents of non-compliance with the UN Guiding Principles, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprise	0,00

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ESRS S2 - Workers in the Value Chain

Material Impacts, Risks and Opportunities

[S2.SBM-2: Interests and views of stakeholders]
[S2.SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model]

The materiality analysis identified a potentially negative impact related to S2 – workers in the value chain, as material for STADA. This impact arises from the complex and heterogeneous supplier network, which includes countries with significantly lower labour standards, and the associated risk of human rights violations.

Being aware of our responsibility and influence as a global company we strive to promote good working conditions and ensure equal treatment for all workers in our value chain through our Responsible Procurement function – as integral part of STADA's Global Procurement function (see ESRS G1 for additional details on supplier relationship management). The assessed impact primarily describes the potential vulnerability of supply chain workers in countries with lower labour standards to forced and child labour. The impact extends to all workers within STADA's supplier network. Regarding our operations, this mainly affects employees in the upstream value chain, including our Contract Manufacturing Organizations (CMO), API, excipients and packaging suppliers. No specific incidents, value chain activities, or demographic groups have been identified as being particularly exposed to this potential negative impact. We perform annual ESG assessments of our suppliers as described below (see also ESRS G1). Despite these measures, given the complexity of supply chain structures, we continue to consider the likelihood of such impacts as relevant.

Our approaches to engaging with suppliers and value chain workers are described in the following sections. This approach addresses all workers in the value chain while acknowledging that our reach to tier-n suppliers workers is limited. An overview of STADA's stakeholder groups and how their views are incorporated is provided in ESRS 2.

The process for identifying material topics – including those related to ESRS 2 S2 Working conditions in the value chain – is described under IRO-1 in the general disclosures of ESRS 2.

WORKING CONDITIONS IN VALUE CHAIN	
Identifier	S2-NI-01
IRO	Supplier misconduct related to human rights
Type	Potential negative impact
Description	STADA sources resources globally, which means supply chain workers operate in countries with lower labor standards. Through its responsible procurement function, STADA aims to ensure good working conditions and equal treatment for all workers throughout its value chain.

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Management and Policies

[S2-1: Policies related to value chain workers]

Responsible Procurement - one of our seven sustainability program areas – addresses our ESG risks and opportunities along the value chain strategically and programmatically.

As STADA, we are subject to the German Supply Chain Act (LkSG), which requires companies to conduct appropriate human rights and certain environmental due diligence in their supply chains. In order to ensure compliance with the LkSG, we have established a comprehensive and formalized risk management system and issued a "Statement of Principles on STADA Human Rights Strategy" in accordance with section 6 (2) LkSG. Supporting this effort, we also established a cross-functional 'Human Rights Due Diligence Body,' which regularly assesses and drives the implementation of the relevant processes and procedures to ensure full compliance.

Additionally, our Global Sustainability Policy, our STADA CoC and our Business Partner CoC aim to address and manage the material impacts related to value chain workers. The interests of workers in the value chain have been indirectly incorporated into the creation and ongoing development of the policies through the exchange of the involved internal functions with their stakeholders, particularly global and local procurement, supply chain, and compliance functions. Global Sustainability Policy, STADA CoC and Business Partner CoC are publicly available (see also ESRS 2, GOV-2 for an overview of ESG relevant policies, covered topics, and addressed IROs).

Our Global Sustainability Policy outlines our commitment to upholding human rights standards across our supply chain including prohibiting all forms of forced, compulsory and child labour.

Our STADA CoC states that we adhere to the principles outlined in the Universal Declaration of Human Rights and other international standards, such as the OECD Guidelines for Multinational Enterprises, the International Labor Organization's (ILO) (as defined in Minimum Age Convention, 1973 (C138) and Worst Forms of Child Labour Convention, 1999 (C182)),)) and the UN Guiding Principles on Business and Human Rights. We do not tolerate any form of human rights abuses, including child labour, forced labour, human trafficking, modern slavery, exploitative wages, discrimination, or harassment.

We expect our suppliers and business partners to uphold the same principles, as outlined in our Business Partner CoC. We are continuously working to expand monitoring, review, and management processes with our suppliers to ensure adherence to these standards across all operations and business partners.

Our expectations regarding compliance with human rights standards are explicitly set out for business partners along the value chain. This defines clear expectations for supplier organizations as the framework for our collaboration, while serving as a concrete reference point for value chain workers to protect their rights. Our grievance mechanism and the channels for external parties to report incidents are also part of the Business Partners CoC. Among other, this document is based on ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, the Rio Declaration on Environment and Development, the UN Convention Against Corruption. It also incorporates the requirements of the German Supply Chain Act.

Our policies are designed to facilitate a robust understanding of how STADA identifies, assesses, manages, and remediates material impacts on value chain workers. These policies cover the entirety of our supply chain, from suppliers to end-product distribution, with an emphasis on equitable and humane labour practices.

We are also a signatory to the UN Global Compact and its ten principles, which include human rights and labour rights, such as the elimination of forced, compulsory, and child labour, as well as freedom of association and the right to collective bargaining.

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[S2-2: Processes for engaging with value chain workers about impacts]

We recognize the importance of engaging with our suppliers and value chain workers to understand and address both actual and potential impacts within our supply chain. In engaging with supply chain workers, we follow an indirect, risk-based approach to identify and assess value chain risk hotspots and address identified negative impacts by working with relevant suppliers to support prevention and mitigation. A systematic process directly involving workers in the value chain does not take place. However, as described under ESRS S2-3, we have established publicly accessible grievance channels and handling processes that are also available to workers in the value chain.

We systematically engage with suppliers on impacts affecting value chain workers through EcoVadis ESG assessments. Since 2024, we have also been using the Power BI-based software 'AFRY' to support the evaluation of human rights-related risk items. This tool utilizes sources and indices published by the Federal Office for Economic Affairs and Export Control (BAFA), in addition to the EcoVadis Country Risk Database. It enables detailed investigations into individual human rights risks, leveraging indices and sources primarily from organizations advocating for human rights and reflecting the interests of value chain workers. Additionally, we have implemented a digital compliance reporting system as part of our whistle-blower program, offering a publicly accessible channel for reporting suspected non-compliant behaviour.

RESPONSIBLE PROCUREMENT FUNCTION

Our dedicated Responsible Procurement function defines and steers STADA's sustainable procurement practices as part of the Global Procurement function, supported by other departments such as Sustainability, Legal and Compliance, and Culture & People.

The governance of the Responsible Procurement is overseen by a dedicated Steering Committee, headed by the Global Head of Procurement and the Head of Sustainability, with participation from Legal and Compliance, country procurement heads and category leaders. The Steering Committee meets every two months to monitor progress against defined objectives, review updates on key initiatives, and address identified risks in the supply chain. In addition, training sessions on Responsible Procurement processes are organized for the procurement organization to support consistent implementation and continuous capability building.

ECOVADIS PLATFORM

We use EcoVadis as a platform for ESG supplier assessment, engagement, and management. Starting in 2022, we defined our critical supplier categories and began evaluating them using the EcoVadis platform. The EcoVadis ESG assessment is structured along the four pillars: 'Environment', 'Labor & Human Rights', 'Ethics' and 'Sustainable Procurement'. A supplier's performance is assessed through a structured evidence-based questionnaire-based assessment along the six indicators – 'policies', 'endorsement', 'measures', certifications', 'coverage' and 'reporting' and a review of thousands of sources in the public domain. This comprehensive assessment process has enabled us to effectively prioritize and engage with suppliers to ensure compliance with human rights and also environmental standards. As part of this approach, indirect procurement for high-risk non-EU suppliers was assessed for the first time in 2024, with about 400 indirect suppliers included in the EcoVadis assessment by the end of 2025.

Beyond EcoVadis, we engage in capacity building through supplier trainings with the Responsible Health Initiative (RHI) and Pharmaceutical Supply Chain Initiative (PSCI).

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[S2-3: Processes to remediate negative impacts and channels for value chain workers to raise concerns]

We aim to ensure effective processes to remediate negative impacts for any human rights impacts by providing and maintaining mechanisms for grievance handling and resolution.

HUMAN RIGHTS DUE DILIGENCE BODY
In alignment with the requirements of the German Supply Chain Act we established the cross-functional 'Human Rights Due Diligence Body,' which assesses and implements relevant processes and procedures to ensure compliance and adoption of human rights in our value chains.

To achieve this, the body engages multiple internal functions – Culture & People, HSE, Sustainability, Responsible Procurement, and Compliance & Legal – to ensure comprehensive coverage and adherence to human rights obligations. Steered by the Human Rights Body, we use a Power BI–based tool to evaluate human rights related risk items, drawing on sources and indices from the BAFA in addition to the EcoVadis Country Risk Database. The tool enables detailed investigations into specific human rights and environmental risks, using indices and sources primarily from human rights organizations.

The risk analysis of the own business area and the supply chain for 2025 has been completed and no elevated net risk (higher than 'low') has been identified. The results have been reported to the Sustainability Steering Committee in January 2026.

GRIEVANCE MECHANISM
We have a robust grievance mechanism in place, as outlined in our "STADA Grievance Mechanism Rules of Procedure", aligned with the LkSG. The system is designed to address and remediate any reported human rights or environmental violations within our operations or supply chain that may affect value chain workers. To ensure the effectiveness of the remedies provided, we conduct follow-ups and checks to confirm that the remedial actions have successfully resolved the issues and prevented future occurrences.

Our Compliance Reporting Portal allows both employees and external third parties, including value chain workers, to anonymously voice concerns and report potential misconduct or violations in a confidential way – without fear of retaliation. We have strict policies (see ESRS G1 – Management and Policies) prohibiting any form of retaliation against individuals who raise concerns or report violations. These measures are communicated through our reporting channels and internal policies, ensuring that all value chain workers can safely and confidently access these mechanisms.

We communicate continuously and widely about the options to report concerns, ensuring that value chain workers are aware of the available grievance mechanisms. Regular training sessions, informational materials in multiple languages, and open sessions are held to empower workers and build trust in these processes.

All issues reported through our channels are systematically logged and tracked. Cases are reviewed with remediation actions documented and evaluated for their effectiveness. In addition, periodic reviews and updates of grievance mechanisms are conducted to address new challenges and enhance responsiveness. In 2025, no cases with regards to human rights violations have been reported.

We ask our suppliers and partners through our Business Partner CoC to establish and maintain similar grievance mechanisms to ensure that value chain workers have immediate and accessible channels to report concerns directly at the workplace level.

SUPPLIER REVIEWS
Led by the Responsible Procurement function, we regularly analyse the latest EcoVadis rating score of our suppliers and define a score of the pillar 'labour & human rights' of less than 25 as an indication of a potential negative social impact. As a result, we initiate follow-ups with the respective suppliers to address the issue – often caused by a lack of documentation rather than any actual negative human rights or labour misconducts (see below for further information). Follow-ups on potential negative impacts within the value chain and on value chain workers are also part of our regular supplier performance reviews.

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[S2-4: Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness on those actions]

We seek to ensure fair, safe, and respectful working conditions for all workers across our value chain. Our Business Partner CoC sets clear expectations on labour rights, equal treatment, and non-discrimination and applies to all tiers of our supply chain.

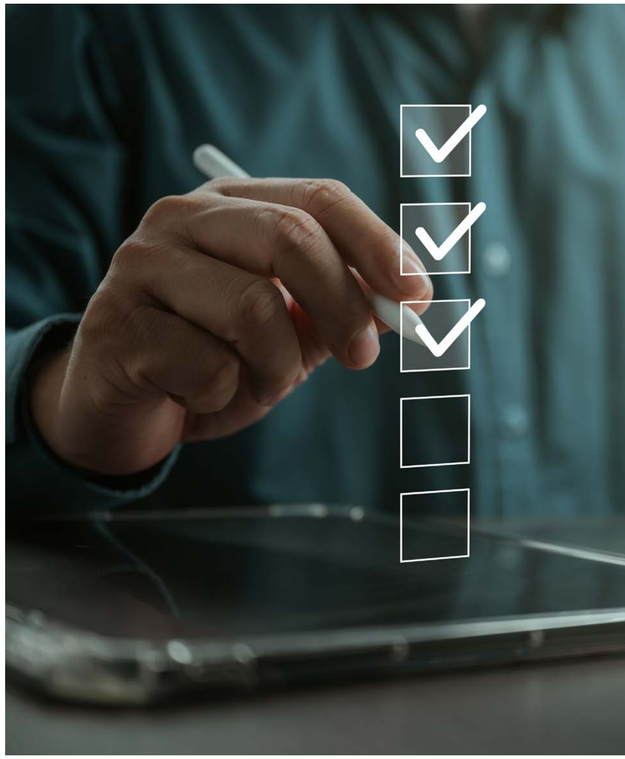
We provide accessible grievance mechanisms for all workers in the value chain to report concerns confidentially and without fear of retaliation. Reported violations are reviewed promptly, with remediation and follow-up to verify effectiveness (as described above in more detail). In parallel, we are reinforcing due-diligence processes to safeguard human rights throughout our supply chain. This includes determining clearer accountability, more rigorous screening and monitoring, and targeted follow-up where elevated risks are identified.

ECOVADIS RISK ASSESSMENT AND MONITORING

With regard to remediating potential impacts, our priority is to continue to strengthen transparency and maintain our consistent approach to identify and assess risk hotspots across tiers. In taking this risk-based approach to manage the interests and rights of workers in our value chain, we account for the scale and complexity of our supplier base and focus on potential significant negative impacts. If a negative impact is reported to or identified by STADA, we work directly with the particular supplier, urging them to prevent and mitigate the impact.

Through EcoVadis ESG assessments, we evaluate our supplier's performance along the four assessment pillars: environment, labour & human rights, ethics and sustainable procurement. Where standards are not met, we work with suppliers to develop corrective action plans, including targeted training or, where necessary, suspending or terminating the business relationship. A limitation of the EcoVadis assessments is that the evaluation is based on supplier self-reporting and the submitted documents. Low scores are therefore not necessarily indicative of higher actual risk but may result from insufficient data submission. This is why follow-ups are an important corrective measure to refine and clarify the actual risk situation.

In 2025, each new supplier (100%) from direct procurement category has been screened using the EcoVadis IQ Plus solution along the above-mentioned four pillars covering value chain workers aspects covering also social criteria (abstract risk analysis). This abstract risk analysis revealed 41% of these new suppliers (36 suppliers) being in scope of the full scale ESG assessment (concrete risk analysis) by EcoVadis. Of these suppliers 89% (32 in total) have completed the ESG risk assessment already in 2025 and the remaining are scheduled for 2026.



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Actions and Resources

[S2-4: Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness on those actions]

In the reporting year, we focused on advancing the roll-out and formal acceptance of our Business Partner CoC across our supplier network. By the end of 2025, suppliers contributing to approximately 80% of total spend were covered. We aim to further expand coverage and intensify and systematize engagement with suppliers over the coming years.

Supplier sustainability performance is – in addition to the formal process via EcoVadis assessment steered by Responsible Procurement – integral part of our External Supplier Organization (ESO). ESO acts as the single point of contact for all matters related to our CMOs and has implemented the process that formally integrates ESG aspects and performance into their supplier business reviews.

INDUSTRY AND SUPPLY CHAIN INITIATIVES

Beyond direct engagement with suppliers, we participate in capacity-building initiatives and collaborate with industry peers and stakeholders through supply chain initiatives such as the RHI and the PSCI to collectively advance sustainable procurement practices.

The financial resources are covered by existing operational budgets of the relevant business functions, with no further significant budget allocated specifically.

HEMOFARM Good ESG Practice

'Let's Write the Story from the Beginning' – for a society without prejudice

The Hemofarm team from Bosnia and Herzegovina launched a socially responsible campaign 'Let's Write the Story from the Beginning' with the aim of raising awareness of harmful narratives and stereotypes that shape women's experiences from their earliest years. Through education and open dialogue, the campaign highlights the importance of recognising prejudices, breaking down stigma, and creating an environment in which women can realise their full potential, free from limiting societal expectations. The campaign brought together experts in the fields of psychology and support for victims of violence, with the aim of contributing to a better understanding of different forms of violence, the importance of prevention, and the significance of mutual support. Through various communication activities, public discussions and educational content, Hemofarm contributes to raising awareness of equality and respect, and to creating a society in which every life story is built on personal choices, rather than imposed stereotypes.

Movember - Caring for Men's Health

As part of the global Movember movement, Hemofarm employees in Serbia and Bosnia and Herzegovina have for years supported the initiative dedicated to improving men's health and raising awareness of the importance of prevention and regular health check-ups. Through the symbolic act of growing moustaches, in 2025 as well, employees raised awareness of the importance of timely healthcare and encouraged men to discuss health issues without stigma or delay. The initiative aimed to encourage the development of health-conscious habits and highlight the importance of early diagnosis for both physical and mental health. Through educational messages on preventative check-ups and the importance of open communication, Hemofarm contributes to creating a culture in which caring for one's health is a natural part of everyday life and a shared responsibility towards oneself, family and society.

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Goals and Commitments

[S2-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities]

While we do not yet set outcome-based targets on impacts for value chain workers –since they are beyond our direct sphere of influence and involve measurement inaccuracies that make such targets less effective – we focus more broadly on supplier assessments, human rights, and risk management and manage progress through coverage targets and assessment scores (e.g., EcoVadis and STADA CoC). This follows a holistic approach for implementing sustainable business practices to identify and address hotspots of potential impacts.

This more adaptive method of managing workers in the value chain aspects allows us to make flexible adjustments where we observe risk areas and to address them directly.

We use a combination of qualitative and quantitative indicators to measure progress. These include for example coverage of the Business Partner CoC among suppliers, effectiveness of grievance mechanisms, and engagement metrics from sustainability training programs. Additionally, we periodically conduct internal reviews of our policies to evaluate their effectiveness and identify areas for improvement, based on the practical experience of the responsible business functions and the feedback they receive.

As of 31/12/2025 a total of 1,344 suppliers has a EcoVadis scorecard, with an average score for 'Labor & Human Rights' of 64.3 (good performance > 45) and 124 suppliers (7.8% spend) with a score between 25 and 45. We consider a score below 25 an indicator of potential negative social impact, in line with the EcoVadis definition of an insufficient score. These cases are followed up in direct discussions with the suppliers.

We committed to covering more than 90% of direct suppliers by spend with an EcoVadis assessment by 2025. This commitment has been achieved, with a coverage of 93% amounting to approximately 950 suppliers with an EcoVadis ESG rating by the end of 2025. For 2026, our goal is ≥95% coverage. We also aim to further raise the average supplier score to >66 in 2026. In 2025, we met our goal of a 10% improvement, increasing the score from 57 (2024) to 63 (2025).

In parallel, we continue to advance the rollout and formal acceptance of our Business Partner CoC across the supplier network; by end 2025, suppliers accounting for approximately 80% of spend were covered. Since the Business Partner CoC was only published at the end of 2023, that year serves as the baseline with zero percent coverage.

In addition to EcoVadis, our approach includes expanding supplier training and capacity-building activities where appropriate, implemented either via industry associations or through direct supplier engagement.

With regard to the IRO of potential supplier misconduct, our objective remains to ensure that grievance mechanisms for value chain workers are accessible, trusted and effective, with grievances being addressed in a timely and appropriate manner while protecting whistle-blowers and used as input for continuous improvement. Accordingly, this objective serves as an ongoing guiding principle for evaluating and, where necessary, adapting our processes.

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Material Impacts, Risks and Opportunities

[S4.SBM-2: Interests and views of stakeholders]
[S4.SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model]

As part of the conducted double materiality analysis, we identified actual positive impacts as well as a risk related to ESRS S4 – Consumers and End-Users. Our customers are primarily healthcare system stakeholders, including pharmacies, hospitals, wholesalers, and public or private health insurers, which decide on the procurement, listing, and reimbursement of our products. The primary end-users are patients who use STADA medicines for the prevention or treatment of illnesses, as well as consumers in the over-the-counter segment, who purchase and use the products directly. Additionally, healthcare professionals, such as physicians and nursing staff, act as intermediaries by prescribing or administering our products.

INFORMATION RELATED IMPACTS	
Identifier	S4-PI-01
IRO	Access to quality product and healthcare information for patients and society
Type	Actual positive impact
Description	STADA strives to provide consumers and end-users with adequate and high-quality product and healthcare information. STADA has controls and mechanisms in place to ensure product information is available and correct.

SOCIAL INCLUSION	
Identifier	S4-PI-02
IRO	Reliable supply of affordable and high-quality medicine
Type	Actual positive impact
Description	STADA provides affordable and high-quality products in the countries where it operates, thereby continuously contributing to public health.

STADA SPECIFIC: CSR & PUBLIC HEALTHCARE SUPPORT	
Identifier	S4-PI-03
IRO	STADA specific: CSR & Public Healthcare Support
Type	Actual positive impact
Description	Through continuous Corporate Social Responsibility (CSR) initiatives, including community support, health education, and medical research, STADA positively impacts health literacy, services, and health care across many communities.

PERSONAL SAFETY	
Identifier	S4-R-01
IRO	Patient safety risk due to quality issues or incorrect medication
Type	Risk
Description	Possible errors in the manufacturing process of pharmaceutical products can result in side effects for consumers and potentially cause harm to people. By following robust Quality Management Systems, based on Good Manufacturing Practices (GMP) and other Good Processes standards, STADA ensures the quality requirements are met for entire product lifecycle, and continuously improved.

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Material Impacts, Risks and Opportunities

[S4.SBM-2: Interests and views of stakeholders]
[S4.SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model]

The assessed actual positive impacts are associated with providing a steady and reliable supply of medicines and healthcare information, as well as engaging in local health and community initiatives. In addition, we assessed the potential risk concerning patient safety due to quality issues in medicines that is inherent to the business model. To prevent this, we follow precise and stringent quality requirements for the manufacturing and handling of medicines. We apply a comprehensive Quality Management System grounded 'Good Operating Practices' (GxP), including Good Laboratory Practices (GLP), Good Clinical Practices (GCP), Good Manufacturing Practices (GMP), Good Pharmacovigilance Practices (GVP), and Good Distribution Practices (GDP), systematic risk assessment, supplier qualification, deviation and CAPA (Corrective Action and Preventive Action) management, and continuous monitoring throughout the product lifecycle.

The process for identifying material topics – including those related to ESRS S4 Consumers and End-Users – is described under IRO-1 in the general disclosures of ESRS 2. Consumer and end-user interests – and their expectations for affordable, safe and high quality, widespread access to medicines and related health information – directly influence our strategy and business model, which is reflected in the relevant IROs identified here. The overall key stakeholder groups for STADA – and how their perspectives are taken into account – are described in more detail in ESRS 2.

Access to medicines and the promotion of health ranks among our seven strategic sustainability program areas, is a cornerstone of our business model, and is reflected in our purpose: "Caring for People's Health." It is the core of our value contribution: providing high-quality, affordable medicines; ensuring reliable supply for safe healthcare across a broad population; and offering accessible health information, engaging in education, and awareness initiatives on health topics, including the improvement of personal health.

We distribute our pharmaceutical products in more than 100 countries, serving over 40 million people in low and middle-income countries, with more than 1.1 billion packs delivered in 2025 – constituting a material positive impact on public health. Our portfolio covers 20% of the WHO List of Essential Medicines. Our business model is also consistent with the Critical Medicines Act (CMA), which provides the legislative framework for enhancing the availability and security of critical medicines within the EU.

Beyond the direct provision of medicines and therapies, we promote education and guidance on proper use of our products, as well as broader public health initiatives and individual prevention and self-medication.

For the products we manufacture and distribute, quality and safety are paramount; conversely, quality defects represent a material risk. Therefore, strict product safety and quality requirements apply across the entire product lifecycle and value chain – including clinical studies, pharmaceutical risk assessment and manufacturing procedures.

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Management and Policies

[S4-1: Policies related to consumers and end-users]

As a pharmaceutical and healthcare company, our products have a direct impact on people's health. We are responsible and undertake our utmost efforts to ensure the groupwide safety of our products – and, in turn, the safety of patients. The adherence to legal requirements, and our own safety and quality standards, is therefore strictly regulated and controlled.

'Access to Medicines & Health Promotion,' one of our seven strategic fields of action, encompasses our programmatic approach to providing people with high-quality medicines and health information (for further details on the program areas, see ESRS 2, Section SBM-1, Sustainability Strategy).

Our Global Sustainability Policy covers IROs impacting consumers and end users, detailing commitments on customer safety, ethical marketing, access to medicines, and equitable pricing. Animal welfare is also included in this policy and in our Code of Conduct.

In our STADA CoC, we make clear that STADA employees are expected to assure the quality and safe use of our products. This includes complying with regulatory obligations toward the relevant authorities, reporting any product-quality complaints to the responsible unit (e.g., Quality Assurance), and promptly notifying the Pharmacovigilance Unit of safety-related information (e.g., adverse reactions, abuse or misuse). The STADA CoC also defines our approach to health-promoting donations in order to advance medical care for patients around the world.

The Business Partner CoC sets these expectations for our partners – for example, in the context of clinical trials and manufacturing – so that the same quality standards are upheld.

Internationally recognized frameworks such as Good Clinical Practice (GCP), Good Manufacturing Practice (GMP), and Good Pharmacovigilance Practice (GVP) are therefore particularly important for us and form the regulatory environment within which we operate. Our Global Quality Policy, Global Pharmacovigilance Policy, and Global Policy on the Interaction with healthcare professionals (HCPs), healthcare organizations (HCOs), and patient organizations set binding guidelines and define procedures and behaviours.

The Global Quality Policy defines how STADA aims to ensure consistent quality across all production and quality operations worldwide. It sets out our quality ambition, accountabilities, employee responsibilities, local implementation requirements, and reporting channels that support continuous improvement of our Quality Management System. Our Quality Management System is documented through the Global Quality Manual and global and local SOPs, ensuring harmonized execution across all sites. Final responsibility lies with the SVP Global Quality and is delegated to Quality Heads and Qualified Persons (QPs) at country, cluster and site level.

Beyond compliance, the Global Quality Policy also supports sustainability throughout the product lifecycle – from responsible sourcing to robust manufacturing, reduction of defect-related waste, and stronger supply continuity.

Global Pharmacovigilance Policy outlines procedures designed to ensure compliance with globally accepted pharmacovigilance standards, based primarily on EU requirements as well as national legal requirements.
Global Policy on the Interaction with HCPs, HCOs, and patient organizations recognizes the need to understand the perspectives of HCP, HCO, patients and patient organizations to improve patient care and health information, and to share product-related experiences. In this context, it sets out rules to safeguard the independence of these professionals and organizations. This policy also regulates the handling of medicinal product samples and donations and provides a framework for marketing pharmaceuticals in compliance with internationally applicable laws and regulations. It is based on a legal, ethical, and patient-focused foundation, ensuring that interactions with healthcare professionals are appropriate and adhere to the relevant laws and regulations.

Global Data Protection Policy, together with the Global Information Security Policy, establishes our standards for the handling of sensitive patient and health data.
All described policies addressing the IROs identified in connection with ESRS S4 apply globally. The Sustainability Policy, STADA CoC, and Business Partner CoC are publicly available to consumers and end-users. These, as well as all other policies mentioned, are accessible to all employees.

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Management and Policies

[S4-1: Policies related to consumers and end-users]

Many of the policies, such as product security-related Quality Policy and Pharmacovigilance Policy, as well as the STADA CoC, are included in onboarding training, regular refreshers, and awareness initiatives. The effective implementation of policy is monitored through regular management reviews and functional oversight within established governance structures. Key stakeholder perspectives are incorporated through regular exchanges within business functions, including Quality, Medical Affairs, Clinical Affairs, Legal/Compliance and Governance, Communications, Supply Chain, IT, Global Sustainability, and Commercial units. If interactions highlight the need for policy adjustments, these are acted upon accordingly.

For example, the revision of the STADA CoC during the reporting year involved a diverse group of internal stakeholders from various business areas, entities, and functions, each bringing the perspectives of their respective stakeholders to the process (see also ESRS 2, GOV-2 for an overview of ESG relevant policies, the covered topics and addressed IROs).

We are also a member of Medicines for Europe (MfE) and follow its Code of Conduct, which reflects the UN Global Compact and the UN Guiding Principles on Business and Human Rights.

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[S4-2: Processes for engaging with consumers and end-users about impacts]

Our commitment to improving society's access to treatments that meet high quality standards includes interactions with patients in areas such as clinical trials and patient support programs when there is a legitimate need. We also engage with patient organizations and healthcare professionals to understand the perspectives of patients and caregivers, as well as with medicines regulatory authorities to make effective and safe treatments available. Across STADA, several departments are involved and carry operational responsibility, including Regulatory, Medical & Clinical Affairs, Portfolio Management, Product Development, Market Access, and Commercial.

Through our involvement with clinical trials, we adhere to international regulations and guidelines, ensuring transparency, data accuracy, and the protection of trial participants throughout the research process. This specifically means following medical, scientific, and ethical principles as outlined in the World Medical Association's Declaration of Helsinki 'Medical Research Involving Human Participants.'

We obtain informed consent from all participants prior to their involvement in any clinical trial, monitor ongoing trials, and provide grievance mechanisms for trial participants. Additionally, we ensure the reporting of study results, for example, in public assessment reports, databases, or journals, while maintaining data integrity and intellectual-property interests throughout the research process. Most of our clinical trials are conducted through business partners specializing in these trials, and we expect all business partners involved to uphold and adhere to the same high standards.

Our STADA Health Report is a key tool to better understand patients' and healthcare institutions' needs and to provide insights into developments in the healthcare market and individual health. Since 2014, the STADA Health Report has been exploring how people perceive health, the challenges they experience, and how they adapt their behavior. Led by Global Communications, it also serves as a platform to initiate discussions with policymakers, healthcare institutions, associations, and others on how to improve public health.

Originally launched as a national German survey, the report has now been conducted on a transnational basis for the seventh time. The results of the report are based on a representative online survey. Between January and March 2025, about 27,000 participants from 22 countries were surveyed (see 'Actions and Resources' below for more on the communications supporting the release and this year's key focuses).

Through our Sustainability Country Network, we connect and coordinate sustainability activities with local markets and customer requirements – aligned with the overarching STADA sustainability program while addressing specific local needs in a decentralized manner. The network is guided by Global Sustainability.

Insights from these engagement activities (e.g., interactions with patient organizations and healthcare professionals, and findings from the STADA Health Report) are reviewed by the responsible functions and used to improve patient information, support programs, and stakeholder communication.

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Management and Policies

[S4-3: Processes to remediate negative impacts and channels for consumers and end-users to raise concerns]

In addition to our Quality System, pharmacovigilance (adverse drug reaction reporting and processing) and product user satisfaction are important categories to address and remediate potential negative impacts as our products directly or indirectly influence people's health. Within pharmacovigilance, all products are mandatorily monitored for health and safety impacts in compliance with international and national laws and regulations (e.g. Directive 2010/84/EU, German Medicinal Products Act – Arzneimittelgesetz).

All stakeholders, including professionals such as doctors and pharmacists, business partners in the supply chain, our own employees and end users of STADA's products, are encouraged to report any suspected drug side effects. Contact information for reporting potential adverse drug reactions is available on the global corporate website, the websites of all subsidiaries within the Group as well as via the Compliance Reporting Portal. Additionally, all employees are informed about the pharmacovigilance procedures through regular mandatory training.

Adverse Drug Reactions (ADRs) are key concerns in pharmacovigilance. An ADR is defined as an unintended or undesired harmful reaction occurring at doses normally used by a patient for the diagnosis, treatment, or prevention of disease. Adverse drug reactions can range from minor symptoms, such as skin rashes, to severe consequences, including organ failure or even death. The reactions may occur immediately after administration or develop gradually over time.

Our efforts to reduce ADRs include post-market surveillance, which monitors the safety of drugs in real-world settings with large patient populations after approval, alongside the regulated clinical trials conducted prior to approval. It also involves communicating the risks associated with medicines to healthcare professionals and the public, as well as implementing strategies to minimize potential risks.

As regulated in pharmacovigilance, reporting channels for ADRs must be communicated via product leaflets. Additionally, we actively raise awareness of these pathways, viewing many reports as an indication of well-known and easily accessible reporting systems. Additionally, all STADA employees are informed during onboarding about their responsibility to forward any notifications concerning the safety of medicinal products, even if these occur outside their professional environment. Every employee is provided with a drug safety card that specifies what needs to be reported and to whom – Medical Affairs, Pharmacovigilance, or Quality Assurance.

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[S4-4: Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness on those actions]

QUALITY AND SAFETY

The quality and safety of our products and processes are our top priority. They form the foundation of our business as a healthcare company and support our purpose 'Caring for People's Health as a Trusted Partner'.

We adhere to all relevant laws, regulations, and industry practices to ensure that our products are scientifically sound, safe, and effective, meeting both regulatory requirements and our internal standards. We therefore comply with 'Good Operating Practices' (GxP), GLP, GCP, GMP, GVP, and GDP across our research laboratories, clinical trials, manufacturing plants, and distribution centers.

Our Quality Assurance team aims to ensure that reported product complaints are thoroughly investigated and, when required, reported to the appropriate regulatory authorities.

Good Clinical Practice (GCP)

We adhere to GCP, an internationally recognized ethical and scientific standard for the design, conduct, documentation, and reporting of clinical trials involving humans. We comply with the International Council for Harmonisation (ICH) GCP guidelines and collaborate with clinical, bioanalytical, and statistical Contract Research Organizations (CROs). These CROs are qualified by STADA and regularly audited to ensure compliance with GCP and other key guidelines during the trial. The qualification process is carried out in accordance with our Clinical Affairs SOPs.

Compliance with GCP targets to ensure that the rights, safety, and well-being of trial subjects are protected in accordance with the Declaration of Helsinki and supports the credibility of data collected during clinical trials. We conduct clinical trials only when there is a clear intention to apply for marketing authorization for a specific product. We strictly adhere to all ethical standards as defined in ICH E6 (R2) Good Clinical Practice. For each clinical trial, approval is granted by an Independent Ethics Committee/Independent Review Board, which has the authority to reject approval or request modifications or termination of the trial if deemed necessary. In addition, all clinical trials are monitored at trial sites so that any deviations from the GCP standard can be identified at an early stage and corrected if necessary. With regard to testing policy, we are committed to conducting no animal testing except where such testing is required by law.

Good Manufacturing Practice (GMP)

We follow GMP standards, thereby ensuring that medicines supplied meet high-quality standards. Such standards cover STADA's own sites as well as those of partners, such as contract manufacturers of finished products or suppliers of API raw materials.

All STADA manufacturing sites hold manufacturing licenses issued by the local authorities. These licenses are granted after thorough inspections verifying compliance with applicable pharmaceutical legislation and must be renewed every three years following a successful follow-up inspection. Additionally, all our production sites located outside the EU and supplying products to EU markets are subject to EU inspections. This process ensures compliance with EU GMP requirements, the pharmaceutical industry's quality standard and the foundation for obtaining a manufacturing license, which is equivalent to Quality Management Systems (QMS) certifications.

In 2025, a total of 34 GMP inspections were carried out at our own sites by regulatory authorities and successfully passed (37 in 2024) as well as 18 further external audits and ISO certifications (17 in 2024). No critical deviations were found.

We also conduct regular GMP audits of our manufacturing partners and suppliers as part of our Quality Management System to ensure that products meet quality standards, safety requirements, and all applicable regulations at the time of manufacture. These audits are mandatory for batch releases, finished products, contract testing laboratories, intermediates (quality-critical steps prior to the final active ingredient), and APIs. In specific cases – such as for sterile products, unknown suppliers, or quality issues – audits are also carried out for excipients, packaging materials, and GMP service providers. In 2025, 403 audits have been performed under the responsibility of STADA.

GMP and supplier audits help ensure controlled manufacturing conditions, minimizing rejected batches, reducing environmental impact, and improving supply stability for vulnerable populations living in countries

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or with health conditions that are potentially underserved. In the context of ESRS S4, vulnerable groups broadly refer to consumers or end users who, due to age, health conditions, or limited health literacy, may be more susceptible to adverse impacts related to product safety, information, or access to medicines. In the pharmaceutical context, this may include children, elderly patients, or patients with chronic conditions.

Good Pharmacovigilance Practice (GVP)

We maintain robust pharmacovigilance systems – as part of our group pharmaceutical safety system – to monitor the safety of all STADA pharmaceuticals worldwide and ensure that safety-related information is reported. Information on adverse reactions, abuse/misuse, overdose, or exposure during pregnancy received by our employees or third parties needs to be promptly reported to our Pharmacovigilance Departments, as per mandatory training. All product safety reports are internally collected and if needed forwarded to relevant regulatory bodies.

In accordance with GVP and as part of the Global Pharmacovigilance Quality System, adherence to legal requirements and our SOPs is monitored globally by means of a pharmacovigilance auditing system. Pharmacovigilance audits required under GVP are conducted by auditors from the Medical Affairs/Corporate Pharmacovigilance department. Additionally, STADA's GVP conformity is regularly inspected by authorities such as the German Federal Institute for Drugs and Medical Devices (Bundesinstitut für Arzneimittel und Medizinprodukte, BfArM). In 2025, there were four inspections by authorities, all without critical findings (also four in 2024).

With regard to the identified material potential risk to patient safety no severe human-rights-related impacts were reported.

HIGH-QUALITY HEALTHCARE INFORMATION

It is within our responsibility to provide consumers and end-users with clear, accessible and adequate product and healthcare information. This is an assessed positive impact and a key part of our commitment to being a 'Trusted Partner' in healthcare.

We have controls and mechanisms in place aiming to ensure product information is available and correct. Furthermore, we see our contribution to maintaining health also through raising awareness, educating about preventive health measures, and providing supportive information on the use of medications.

Promotion Material

All information shared in our promotional materials is required to be precise, balanced, and compliant with current laws and regulations, supported by credible scientific evidence to enable informed decisions among healthcare professionals, customers, and patients. Beyond meeting legal requirements, all product-related information is verified, validated, and supported by appropriate scientific references.[29] The review process for promotion materials for STADA products in Germany involves the Brand Manager, Medical Function, Legal, and Medical Affairs departments, with final approval provided by the Information Officer for pharmaceutical products.

We also conduct medical reviews of product-related information, ensuring not only legal compliance but also validation from relevant scientific sources, and we regularly update our materials to incorporate the latest research and guidelines.

In line with legal requirements, we communicate the intended uses, therapeutic benefits, and usage guidelines of its pharmaceutical products (whether prescription-only or non-prescription) through ongoing interaction with relevant stakeholders, particularly medical professionals and pharmacists.

Promotional standards are further reinforced through the Global Policy 'Interaction with HCPs' (see section ESRS S4-1) and are part of training programs for the sales force and marketing teams. This policy provides the framework for marketing pharmaceuticals within the Group in accordance with applicable laws and regulations. It also adheres to the strict requirements of the MfE Code of Conduct for prescription medicines in the MfE jurisdiction.

ACCESS TO MEDICINES

Facilitating access to medicines is at the core of STADA's purpose: 'Caring for People's Health as a Trusted Partner'. By providing access to affordable pharmaceutical products, STADA enables more people to get

[29] *Relevant information at the level of STADA Group is internally checked by Medical Affairs, and in some countries also by Legal Affairs, for protection of interests.*

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medical treatment and furthermore aims to reduce the cost pressure on healthcare systems.

Our strategic sustainability program area 'Access to medicines and health promotion' is operationalized based on six pillars:

1. Development and launch of essential/critical medicines
2. Reliable supply with essential/critical affordable medicines
3. Treatment for rare diseases and niche indications
4. Public healthcare information, patient education and political engagement
5. Local community engagement and partnerships
6. Global donations strategy

As a manufacturer of consumer healthcare products, generics, and specialty medicines, we positively impact the health and well-being of patients and customers in the countries where we operate. We aim to facilitate and optimize access to medicines in global markets, particularly in Asia, CIS/Eurasian states, the Middle East and North Africa (MENA) region, and selected countries in Southeast Asia, such as Vietnam and the Philippines.

Through our broad portfolio of more than 25,000 individual product presentations, encompassing more than 800 Active Pharmaceutical Ingredients (APIs), we significantly contribute to supporting international, national, and regional health bodies, authorities, and systems in delivering high-quality, affordable healthcare and medicines. We distribute our pharmaceutical products in more than 100 countries, maintaining a direct presence in all major European markets, as well as in growth markets in the MENA region, Asia, and Australia.

We delivered more than 1.1 billion packs in 2025, working with over 50 third-party logistics providers as part of our decentralized approach. Of these 1.1 billion packs, we produced 550 million packs in-house in 2025 (~570 million in 2024). Besides our own manufacturing, we leverage our network with currently more than 400 CMOs along the 'external as internal' approach.

With our portfolio and reach, particularly in low- and middle-income countries, we are dedicated to ensuring access to essential and critical medicines. The WHO defines essential medicines as those that effectively and safely treat the priority healthcare needs of a population. These medicines are intended to always be available in functioning health systems, in appropriate dosage forms, of assured quality, and at prices individuals and health systems can afford. The WHO Model List of Essential Medicines is updated and published every two years. As of December 2025, our portfolio covers around 20% of the medicines included in the WHO's Model List of Essential Medicines. The primary contributor to this achievement is our generics segment, which focuses on prescription medicines sold under their International Non-Proprietary Name (INN Generics). In Europe Generics account for around 70% of all medicines dispensed, ensuring affordable access to treatments for cancer, diabetes, heart disease and a wide range of other conditions.

Reliable supply

We improve access to medicines by developing infrastructure and continuously investing in our production sites, distribution, and value chain. At STADA, we place great value on the high reliability of supply through a strong, diverse, and decentralized manufacturing and supply network. Dual sourcing of materials plays a key role in building a resilient and robust supply chain and is a strategic business priority. Through a comprehensive Dual Sourcing program, we aim to ensure that 80% of our top 50 APIs are dual sourced in the future.

In addition to APIs that are already dual sourced, for APIs currently supplied by a single source, a second source utilizing equivalent materials, comparable manufacturing processes, and appropriate technical capabilities is undergoing qualification and will be integrated upon successful completion to achieve this goal.

Moreover, we assess and manage our suppliers on environmental and social topics using the EcoVadis platform. Over 80% of the top 50 API suppliers have an EcoVadis score above 50, which is considered 'good' according to the EcoVadis scale (for more information on EcoVadis assessments and supplier management, see ESRS G1 and ESRS S2).

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Our External Supply Organization (ESO) manages our external supply network, focusing on managing long-term business relationships with these CMOs, fostering trust and promoting the STADA values. ESO provides operational support to other business functions to integrate our 'external as internal' approach across the organization. This approach leads to strong supply reliability and a decreasing percentage of stock-keeping units (SKUs) stocked out, despite increasing CMO management complexity.

Avoiding stock-outs and ensuring a reliable supply also requires precise demand forecasting, continuous real-time monitoring of changing market needs, seamless logistics, and effective inventory management that flags potential excess stock early, identifies additional market demand to pursue cross market opportunities, and detects shortage risks to adjust production. Aggregating insights across sources enables more accurate forecasts and tight integration with the supply plan to meet customer needs efficiently. With our Supply Chain Excellence approach, we drive data analytics based decision making to build seamless end to end processes.

We also continually invest in our own production facilities and test laboratories. Investments in the expansion and renewal of production plants and facilities as well as testing laboratories amounted to € 53 million in 2025 (previous year: € 66.8 million).

By investing our logistics and supply chain we aim to ensure that our medicines reach the patients in the markets we operate, directly or indirectly via affiliates or third parties, in a timely and efficient manner. More than 50% of our overall manufacturing is located in low- and middle-income regions ensuring local access to medicines. By operating manufacturing facilities in or near underserved areas, we can reduce costs and delivery times.

Distribution

The distribution of STADA products varies significantly across countries due to differences in national healthcare systems, regulatory environments, and market structures. As a result, sales channels and customer groups differ substantially by region. Broadly, three main distribution pathways can be distinguished:

- wholesale distribution, in which wholesalers supply pharmacies and other healthcare providers
- direct pharmacy business, including direct supply relationships with retail pharmacies in selected markets
- institutional sales via tenders, such as procurement processes by hospitals, hospital groups, or health insurance funds

In addition, e-commerce channels are employed in some markets for certain non-prescription and consumer healthcare product categories, subject to local regulatory frameworks.

The physical distribution of our products typically starts at our own production sites or CMOs. From there, products are transported to central or regional warehouses and then distributed further to customers through national distribution networks.

Expansion of treatment of rare diseases and niche indications

In recent years, we have built additional capabilities and invested in innovative specialty pharmaceuticals to expand our portfolio and provide care for more individuals with significant unmet needs. Rare diseases, by definition, affect fewer than 5 in 10,000 people – yet they impact around 300 million people worldwide. Rare diseases pose significant challenges due to their low prevalence, which leads to limited medical expertise, research, and treatment options.

Our products within the Specialty segment include therapeutic areas for bone health, immunology, nephrology, neurology, oncology and ophthalmology, with a particular focus on kidney health – most recently strengthened through the launch of Kinpeygo.

Kinpeygo was the first EU-approved medication for treating Immunoglobulin A nephropathy (IgAN). IgAN is a rare kidney disease also known as Morbus Berger disease. If undiagnosed and untreated, this rare disease carries a high risk of kidney failure or even dialysis. While previous therapeutic approaches focused on

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symptoms, Kinpeygo addresses the cause of the disease directly and locally. This was recognized in 2025 when Kinpeygo was included in the KDIGO international therapy guideline for IgAN.

In addition to orphan drugs, we seek to expand access to treatments for niche indications, such as Lecigon which is a triple combination therapy delivered via modern pump technology for advanced Parkinson's disease.

Overall, we aim to introduce targeted new therapies in countries where patients currently lack comparable treatment options for rare or niche conditions, addressing previously unmet needs.

Healthcare Education – STADA Health Report

In addition to information on proper medicines use, derived from relevant and approved clinical studies, we provide advice on preventive care and promoting healthy lifestyles, for example, through the STADA Health Report and #HealthStories.

Our STADA Health Report has been providing a scientifically valid repository of reliable data for over a decade. The Health Report contributes to education and dialogue on health topics based on representative data.

The comprehensive online survey provides insights on the state of the healthcare system based on how individuals adapt to health-related challenges and how they view the healthcare system in their country. Thus, it focuses on patient needs and aims to improve healthcare services for their benefit and facilitate fact-based discussions on complex health issues, also among policymakers.

The 2025 edition centred on self-led health, examining Europeans' health behaviors, the extent to which healthy routines are embedded in daily life, and the barriers that prevent long-term self-care. The report offers insights on how healthcare professionals, providers, policymakers, the media, and pharmaceutical companies and end-users can close existing gaps and actively shape a healthier future for all.

With the report's release, we host information and dialogue events across many countries to discuss the findings and local healthcare implications – backed by broad media coverage. 135 journalists attended the kick-off press conference for the report presentation in Berlin and online. More than 200 articles in trade and public media were published within the first four weeks, and six TV stations aired coverage of the report – resulting in reaching a large audience with the health study.

CSR: Community Engagement, Donations and Partnerships

We actively engage in corporate social responsibility (CSR) initiatives, supporting local communities, healthcare education, and medical research – often in collaboration with local partners. Our approach is based on the belief that initiatives are more effective when tailored to local conditions, needs, and challenges. Identifying local initiatives and evaluating potential partnerships with donation organizations is a key part of this effort. Through the Hemofarm Foundation and ad hoc initiatives across subsidiaries, we engage with local communities. The Hemofarm Foundation leads charitable initiatives such as raising awareness about organ donation, providing mental health support, and educating on high blood pressure prevention in Serbia. Activities range from sponsoring scientific research and educating medical personnel to supporting patient groups and aiding the general population during health crises. Since 2022, we have also partnered with the German Red Cross, donating two cents for every pack of one of our OTC Generics products sold in Germany. This initiative supports over 17 projects, improving healthcare for vulnerable groups, enhancing preventive care, and strengthening healthcare infrastructure through mobile practices, volunteer training, and staff education. To the end of 2025, the project has raised over €570,000.

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We are also working to formalize drug donation programs within a group wide framework. In 2025, we made significant progress in aligning internal processes to ensure drug donations are prompt, systematic, and compliant. We have established a partnership with the international donation organization Direct Relief to cooperate on donating pharmaceutical products to underserved regions. Direct Relief is a humanitarian organization that provides medical assistance to improve the health and lives of people in need, often in response to emergencies or disasters. An example of this cooperation is the successful 2025 pilot donation of the oncology product bortezomib via Direct Relief to the Uganda Cancer Institute serving around 1,000 patients under the newly established process.

Additionally, we participate in several industry initiatives to improve access to medicines, both independently and through membership in leading industry associations and programs. As an advisory member of the International Generic and Biosimilar Medicines Association (IGBA), we regularly engage with global bodies on national and international industry initiatives. This includes meetings with the WHO on topics such as access to medicines and equitable access, as well as with the World Intellectual Property Organization (WIPO) to address barriers to patient access stemming from unjustified patents or protections.

We monitor product safety through established quality and safety oversight mechanisms – including audits and inspections, deviation and CAPA management, delivery reliability (e.g., OTIF), and pharmacovigilance – with corrective measures implemented as needed. The effectiveness of actions related to other material impacts such as access to medicines, health information, and community health initiatives is assessed through regular program evaluations, stakeholder feedback, and reviews within the relevant functions.

There is no dedicated budget allocated for the described actions addressing the identified IROs, costs are covered within the regular budgets of the leading business functions, such as Quality, Medical and Clinical Affairs, Communication, Procurement, Supply Chain, Portfolio, Business Development and Commercial.

HEMOFARM Good ESG Practice

STADA Health Report

Broad reach health information and education.

POLAND: An exclusive media breakfast with journalists and public healthcare experts, supported by a paid and earned media strategy, resulted in 47 publications, a reach of 31.5 million, and €40K advertising value, with additional visibility on LinkedIn.

PORTUGAL: An event in Lisbon brought together 100 guests and 15 speakers across three panels, generating approximately 20 media clippings and over 25 social media mentions.

CZECH REPUBLIC: A four-stage media activation delivered strong national coverage, reaching approximately 21.5 million people (+177% compared to 2024) and achieving €0.9 million in Advertising Value Equivalent (AVE) (+377%), with coverage across print, online, TV and radio outlets.

FRANCE: A stakeholder event with 60 participants, including healthcare professionals, partners, and specialist journalists, showcased key insights from the STADA Health Report 2025 alongside market data and strategic perspectives, resulting in around ten online articles.

These activities enhanced transparent and fact-based communication on health-related topics, improved access to health knowledge through multiple channels, and supported broad stakeholder dialogue across key European markets – helping to reduce information asymmetries and foster responsible communication on health topics.

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Goals and Commitments

[S4-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities]

QUALITY AND SAFETY
As part of complying with quality standards, production, and delivery reliability within our Technical Operations, a set of standardized KPIs is used to assess process effectiveness and efficiency.

Regarding the safety of products, we also document indicators such as the number of reported ADRs by sender category and ADR severity.

At the same time, we do not set absolute external targets for ADR reporting, as a higher number of reported ADRs is not necessarily negative. On the contrary, it can indicate increased awareness and the availability of well-communicated and accessible reporting channels.

Given the nature of our other material ESRS S4 topics, we primarily use process- and coverage-oriented approaches (e.g., expanding outreach activities on health information) to track progress.

HEALTH PROMOTION
With the Health Report, we aim to achieve broad reach and connect with many people across different countries. To support this, we conduct accompanying activities in the countries where we are active, with the goal of holding a stakeholder outreach event in all participating countries.
To this end, the list of participating countries was refined in 2025 according to available internal resources.

ACCESS TO MEDICINES
At STADA, we share the corporate vision to exceed market growth in each business segment.

OVERVIEW OF THE NUMBER OF REPORTS OF ADVERSE DRUG REACTIONS (ADRS) IN 2025 (SG) (compared with 2024), by qualification of the reporter and seriousness of the ADR

Qualification of reporter	No. of ADR reports	Serious ADRs	ADRs that are non-serious
Physician	576 (425)	106 (94)	470 (331)
Pharmacist	1,195 (917)	70 (82)	1,125 (835)
Other health professional	6,004 (5,600)	689 (599)	5,315 (5,001)
Patient or other non health professional	2,855 (2,961)	231 (195)	2,624 (2,766)
TOTAL	**10,630 (9,903)**	**1,096 (970)**	**9,534 (8,933)**

OVERVIEW OF THE NUMBER OF REPORTS OF ADVERSE DRUG REACTIONS (ADRS) IN 2025 (HF) (compared with 2024), by qualification of the reporter and seriousness of the ADR

Qualification of reporter	No. of ADR reports	Serious ADRs	ADRs that are non-serious
Physician	62 (29)	24 (5)	38 (24)
Pharmacist	64 (85)	3 (7)	61 (78)
Other health professional	29 (5)	6 (0)	23 (5)
Patient or other non health professional	22 (21)	1 (6)	21 (15)
TOTAL	**177 (140)**	**34 (18)**	**143 (122)**

In the Specialty segment, for example, this requires exceeding current market growth of approximately 10%.

To this end, STADA strives to develop biosimilar alternatives to leading biological medicines and to launch such biosimilars as soon as possible upon expiry of applicable intellectual-property rights.

For example, in 2026, introductions of biosimilar aflibercept, golimumab and tocilizumab – all blockbuster medicines in their original form – are anticipated.

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ESRS G1 - Business Conduct

Material Impacts, Risks and Opportunities

[G1.IRO-1: Description of the process to identify and assess material impacts, risks and opportunities]

With reference to ESRS G1 Business Conduct, four actual positive impacts and one potential negative impact have been identified through the DMA process. The process for identifying material topics – including those related to ESRS G1 Business Conduct – is described under IRO-1 in the general disclosures of ESRS 2.

Managing the IROs is reflected in our focus on 'Responsible Procurement' and 'Ethical Business Conduct', two of our seven sustainability program areas (see also Section ESRS 2, SBM-1 for more information on STADA's program areas).

POLITICAL ENGAGEMENT AND LOBBYING ACTIVITIES	
Identifier	G1-PI-03
IRO	Expert engagement through ethical lobbying
Type	Actual positive impact
Description	STADA actively engages in different industry associations, providing expertise and know-how for policy proposals that help the political system make informed decisions that improve the healthcare outcomes for patients and support financially sustainable health systems.

CORPORATE CULTURE	
Identifier	G1-PI-01
IRO	Strong and compliant corporate culture
Type	Actual positive impact
Description	STADA has established and continuously reinforces and communicates a strong, compliant corporate culture aligned with the STADA values, encouraging people to speak up.

MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS	
Identifier	G1-PI-04
IRO	Responsible Procurement
Type	Actual positive impact
Description	Responsible procurement practices align with our corporate values, enhance reputation, drive cost efficiencies, mitigate risks, foster innovation, and contribute positively to the environment and society. With our large, diverse supply network, sustainable procurement is a powerful lever – supporting STADA's long term strategy and our mission to be a reliable, trusted healthcare partner.

PROTECTION OF WHISTLE-BLOWERS	
Identifier	G1-PI-02
IRO	Transparency and business integrity with protection of whistle-blowers
Type	Actual positive impact
Description	STADA places great importance on transparency and integrity in its business relationships. To facilitate this, STADA has implemented a digital reporting system ("Compliance Reporting Portal") that enables employees and supply chain partners to safely and easily report suspected cases of non-compliance.

CORRUPTION AND BRIBERY	
Identifier	G1-NI-01
IRO	Misconduct of STADA individuals in relation to anti-bribery/anti-corruption
Type	Potential negative impact
Description	Business operations are potentially subject to the risk of misconduct with regard to corruption and bribery. STADA has implemented processes, controls and measures to mitigate these risks, including its Code of Conduct, Anti-Bribery and Anti-Corruption Policy, and internal audits.

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Material Impacts, Risks and Opportunities

[G1.IRO-1: Description of the process to identify and assess material impacts, risks and opportunities]

With about 12,400 employees worldwide (out of which 4,500 in Hemofarm Group) our company culture is based on our four core values – Agility, Entrepreneurship, Integrity and One STADA –, and clear, consistently reinforced expectations for ethical conduct have a strong impact. Our collaboration is anchored in our values and enables people to speak up, fostering a resilient, accountable culture. The biannual employee Pulse Survey is a regular component of our engagement approach, including country- and function-specific analyses. The high participation rate of 87% in the reporting year signals that employees and the company operate on a foundation of shared values, and the many comments reflect a well-established speak-up culture.

Since integrity and transparency are critical in our industry and are essential to fulfilling our ambition to be a trusted partner, this is reflected in our materiality analysis. The value of reliable, accessible whistleblowing channels, and the potential negative impacts of ethical misconduct, were both assessed as material. While the number of substantiated whistleblowing cases is low, the impact on individuals of an effective whistleblowing system is considered high.

On the other hand, the assessment concludes that we are exposed to potential negative impact because we operate in markets with elevated risks of corruption and bribery, as evidenced by the Transparency International Corruption Perceptions Index (TI/CPI).

This risk can be amplified by potentially high profits combined with sales structures typical of the pharmaceutical sector. We counter these risks with strong control mechanisms and explicit guidance in our STADA CoC, including clearly defined expected behaviors.

This approach extends into the upstream value chain, where supplier management has gained importance. Given our large number of suppliers across countries with varying environmental and social standards, effective supplier oversight can generate substantial positive impact. Payment practices were not identified as a material sub topic. We maintain standard terms with high adherence rates and have no material backlog related to late payments. Regarding constructive political engagement, our rationale is that we operate in a highly regulated environment. The scope of regulations related to pharmaceutical products can affect entire national populations, making political influence in the pharma sector a matter of significant public interest. At the same time, the impact of our engagement – limited to providing information and participating in discussions with policymakers – is constrained.

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Management and Policies

[G1.GOV-1: The role of the administrative, supervisory and management bodies]
[G1-1: Business conduct policies and corporate culture]

The composition and role of the administrative, supervisory and management bodies is described in more detail in section ESRS 2.

The Executive Board of STADA Arzneimittel AG conducts the business in accordance with legal requirements, the Articles of Incorporation, and its rules of procedure. It is supported by an extended management team, while overall corporate management remains the responsibility of the Executive Board. The Supervisory Board appoints and dismisses members of the Executive Board in line with legal requirements. The Supervisory Board oversees and advises the Executive Board on managing the company.

Our operational setup assigns primary revenue and earnings responsibility to the Consumer Healthcare, Generics, and Specialty segments through regional units, enabling responsiveness to country-specific market conditions. This positioning is supported by central Group functions, including Product Development, Procurement and Purchasing, Production, Quality Management, Supply Chain, Finance, Risk Management, C&P, Legal, & Compliance, Corporate Governance, HSE and Sustainability.

"Ethical Business Conduct," one of our strategic sustainability program areas, represents our approach to fostering a strong, resilient culture that upholds a high degree of integrity and reliability.

POLICIES

Alongside environmental and social topics, our **Sustainability Policy** outlines our commitments to various aspects of governance, compliance, and ethics covering all the identified positive impacts and the potential negative impact. It articulates, for example, our stance and expectations regarding responsible supplier relationship management, as well as whistleblower protection, anti-corruption, and anti-bribery measures.

Ethical business conduct within our own operations is anchored in our company value 'Integrity' and is explicitly articulated in our STADA CoC which was revised in 2025 and will be published in 2026. Both the Sustainability Policy and the Code of Conduct address all identified IROs related to ESRS G1. The Code of Conduct sets out the principles under which we conduct our business in a legal and ethical manner and aims to create a workplace free of inappropriate or unlawful behavior, where everyone is encouraged to share concerns without fear of retaliation. The Code of Conduct is guided by the United Nations Convention against Corruption. It is developed on the basis of internationally recognized standards and frameworks, including UN Global Compact, Universal Declaration of Human Rights, United Nations Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work, OECD Guidelines for Multinational Enterprises, German Corporate Governance Code and the UK Bribery Act (see also ESRS 2, GOV-2 for an overview of ESG relevant policies, the covered topics and addressed IROs).

Compliance, Responsibilities, and Process

Within our Compliance management framework, respective policies define responsibilities and end-to-end processes for preventing, detecting, reporting, and investigating violations of STADA's Code of Conduct, including the use of our Compliance Reporting Portal (detailed in section G1-3). We have a dedicated global "Compliance Reporting Policy", a global "Anti Bribery and Anti-Corruption Policy", and additional global policies governing related topics, e. g. our "Global Policy on the Interaction with Healthcare Professionals, Healthcare Organizations & Patient Organizations".

Our Compliance Reporting Policy provides guidance to those who report any actual, suspected, or potential misconduct or violations of laws, regulations, human rights, or STADA policies. The Policy outlines the procedures to be followed if a violation of rules is reported and illustrates the various reporting methods and channels available to reporters. It also describes our policy of non-retaliation.

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[G1.GOV-1: The role of the administrative, supervisory and management bodies]
[G1-1: Business conduct policies and corporate culture]

Our Anti-Bribery and Anti-Corruption (ABAC) Policy aims at specifying the general principles in the areas as set out in STADAs Code of Conduct and describes central principles regarding, for example, gifts and hospitality, sponsoring and donations, dealing with public officials, working with Intermediaries and other Third Parties, and Conflict of Interest, defining minimum requirements across all our entities. Employees are required to complete regular mandatory compliance training. Additional targeted compliance awareness initiatives are conducted throughout the year.

For reported training data under ESRS G1-4, we differentiate at-risk functions, managers, as well as administrative, management and supervisory bodies from other employees. Functions and departments were classified as 'at risk for ABAC' based on the nature of their activities and their exposure to external stakeholders, government bodies and financial decision making. Areas with direct involvement in high value financial flows, third party engagement, regulatory/market access, business development, or customer/prescriber interactions (e.g. Finance, Legal/Compliance, Global Portfolio, Procurement, Sales & Marketing, External Supply, selected General Management) are included.

The Global Policy on interactions with Healthcare Professionals (HCPs), Healthcare Organizations (HCOs) & Patient Organizations particularly addresses business relationships with healthcare stakeholders. The dedicated global policy governs, among other things, interactions with HCPs as part of expert engagements and is described more in detail in Section ESRS S4.

In addition, our global policies on **Anti Money Laundering, Antitrust, Conflicts of Interest**, and **Sanctions** Control serve as further measures against misconduct.

Our **Business Partner CoC** establishes a robust framework for our suppliers and partners, sets our expectations and standards regarding environmental, social and governance aspects, defining the expectations and standards that guide our Responsible Procurement approach. It communicates our values and commitments of ethics and business integrity. The code articulates topics such as conflicts of interest, fair competition, foreign trade, privacy and intellectual property, data protection and security, interactions with healthcare stakeholders, animal welfare, and standards for conducting clinical trials. It also sets out the labor and human rights standards that our business partners must uphold, such as the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights, in order to protect the rights of employees, local communities, and vulnerable groups within their own operations and across their supply chains (more information on referenced frameworks with regard to human rights can be found in section ESRS S2).

The Global Responsible Procurement Policy outlines STADA's internal principles and processes for the selection, evaluation, and management of supplier relationships, with a strong focus on ESG aspects. The **Direct Procurement Policy** and **Indirect Procurement Policy** establish the core guidelines for purchasing and contract management, covering product-related goods and services and business operations-related goods and services, respectively.

The policies apply globally to our own operations and, where relevant, to business partners within the value chain. The global Sustainability Policy, STADA CoC, and Business Partner CoC are publicly available. These, as well as all other policies mentioned to address the identified IROs, are accessible to all employees. Many of the policies, such as the Anti-Money Laundering, Antitrust, Conflicts of Interest, and Anti-Bribery and Anti-Corruption Policy, are included in onboarding training, regular refreshers, and awareness initiatives. Their implementation is monitored through regular management reviews and functional oversight within established governance structures.

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[G1.GOV-1: The role of the administrative, supervisory and management bodies]
[G1-1: Business conduct policies and corporate culture]

The Business Partner CoC is shared with partners at the start of a collaboration as a key document governing the business relationship. Expanding supplier confirmations of our Business Partner CoC is a goal and KPI for managing supply chain topics (as outlined below). Key stakeholder perspectives are considered through regular exchange within business functions, such as via Global Procurement, Global Legal/Compliance and Governance, Global C&P, or Global Sustainability. Furthermore, stakeholder exchanges in the context of supplier management, as well as our compliance reporting channels, are described further below. If interactions indicate the need for policy adjustments, these are implemented accordingly. The revision of the STADA CoC during the reporting year, for example, involved a wide range of internal stakeholders from various business areas, entities, and functions, each contributing the perspectives of their respective stakeholders.

CORPORATE CULTURE

We promote an attentive, engaging culture rooted in integrity, respect, and accountability (see also Section ESRS S1). We view a strong culture as a key driver of compliance, performance, and success.

Our corporate values – Integrity, Agility, Entrepreneurship, and One STADA – form the core of this culture. They are detailed in our STADA CoC and set clear expectations and behaviors for all employees across the Group. Integrity at STADA means acting ethically in line with internal and external standards – doing the right thing, even when nobody is watching. It includes each employee's willingness to take responsibility for their actions, to look closely, and to speak up when problems arise. This understanding is a fundamental part of our work culture. It is nurtured continuously across all communication channels. Regular town halls, management updates, the employee magazine One STADA News, the intranet, and the One STADA app, where everything comes together, aiming to ensure transparent communication that connects sites and functions and exemplifies our culture.

A special testament to the importance of our values in everyday operations is the "Value Awards" in the categories Integrity, Entrepreneurship, Agility, and One STADA. Our CEO, Peter Goldschmidt, presents these awards during the biannual town hall meetings, which are broadcast globally. Through this visible recognition, we honor exceptional achievements, projects, and actions that embody our values in an outstanding way. Corporate culture is evaluated through, for example, feedback mechanisms such as the semi-annual Employee Pulse Survey. This survey captures overall satisfaction, alignment with STADA's values, and addresses specific themes. High participation rates of 87% in 2025 highlight strong employee involvement and provide meaningful results across STADA's countries and functions. During the 2025 Pulse Survey, thousands of comments were shared, offering valuable perspectives and serving as a foundation for targeted improvements (see also ESRS S1).

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Actions and Resources

[G1-2: Management of relationships with suppliers]

Our 'Responsible Procurement' sustainability program area consolidates our efforts in supplier selection and relationship management and is managed by the Responsible Procurement function which is integral part of Global Procurement (more information on can be found in section ESRS S2). Aligned with the corresponding procurement policies, we aim to minimize our own business risks within the supply chain in terms of efficient, reliable, and risk-diversified supply while also exerting a positive influence on environmental and social matters across our global value chains.

Our business model relies on close collaboration with suppliers. In addition to our in-house production, we work with over 400 CMO for large parts of our portfolio and source raw materials, APIs, excipients, bulk and packaging materials, from external suppliers. Across more than 25,000 stockkeeping units, this creates a large, complex and global supplier network.

EXTERNAL SUPPLY CHAIN ORGANIZATION (ESO)
In order to maintain a reliable, compliant, and cost-effective supply of medicines, while minimizing resource use and preventing disruptions across the value chain, ESO works closely with our contract manufacturing partners. ESO acts as the single point of contact for all CMO matters, covering day to day operations as well as the selection, onboarding, and long-term development of suppliers. Through proactive portfolio management, we strengthen supply chain resilience and efficiency. By harmonizing supply chain processes and consolidating technical and operational spend where appropriate, we support a stable and sustainable supply pipeline that balances quality, cost, and environmental responsibility.

DIRECT PROCUREMENT
Through a comprehensive Dual Sourcing program, we aim for 80% of our top 50 active pharmaceutical ingredients to be dual sourced in the future, ensuring a robust and resource-efficient supply chain (see also ESRS S4). By harmonizing supply chains, consolidating technical and operational spend, and leveraging multiple sources for critical materials, we effectively mitigate shortage risks and enhance supply chain resilience.

Through our Business Partner CoC, and supplier assessments, we set and communicate expectations for suppliers on environmental and social impacts and on risk mitigation, including grievance and whistleblowing mechanisms.

RESPONSIBLE PROCUREMENT
Within Responsible Procurement, we centrally manage the screening of new suppliers for environmental and social risks globally and have systematized ongoing relationship and risk management across our supply base. We are subject to the German Supply Chain Act and have established comprehensive processes to ensure compliance (see section ESRS S2 for further details).

HEMOFARM Good ESG Practice

Compliance Week:

Strengthening the culture of integrity and responsible business

Hemofarm has organized its first-ever Compliance Week, an initiative dedicated to raising employee awareness about the importance of business compliance, ethical principles, and responsible decision-making. Through interactive activities, educational content, and open dialogue, more than a hundred employees had the opportunity to further enhance their understanding of topics such as the prevention of conflicts of interest, corruption, nepotism, and other risks that may impact the company's operations. This initiative is part of Hemofarm's ongoing efforts to foster a culture of integrity, where every employee is responsible for adhering to rules, laws, and ethical standards. Through education, employee engagement, and regular feedback collection, the company further strengthens trust with its employees, business partners, and the wider community, creating a stable foundation for sustainable and responsible business.

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[G1-2: Management of relationships with suppliers]

We use the EcoVadis IQ Plus platform to perform an abstract ESG risk analysis across our supplier base, considering factors such as country and industry risk. Based on the results of this abstract risk analysis and predefined annual spend thresholds, suppliers are prioritized for concrete risk assessment. For concrete risk assessment at supplier level, we use the EcoVadis Ratings platform, which evaluates performance along four pillars: Environment, Labor & Human Rights, Ethics and Sustainable Procurement. Suppliers whose ESG performance falls below our expectations are subject to a structured follow up process led by the Responsible Procurement team, in close collaboration with category leaders and buyers. Environmental and social factors are integrated into supplier selection and subsequently monitored through EcoVadis assessments. A limitation of the EcoVadis assessments is that the evaluation is based on supplier self-reporting and the submitted documents. Low scores are therefore not necessarily indicative of higher actual risk but may result from insufficient data submission. This is why follow-ups are an important corrective measure to refine and clarify the actual risk situation.

In 2025, all new suppliers in the direct procurement category were screened for social and environmental criteria as part of the abstract risk analysis using the EcoVadis IQ Plus platform. Overall, we assessed suppliers representing over 90% of our direct spend and more than 75% of prioritized high risk indirect spend. The average EcoVadis score across our assessed suppliers improved from 57 in 2024 to 63 in 2025 (on a 0–100 scale).

RESPONSIBLE PROCUREMENT – HEMOFARM HUB

Hemofarm's operations depend on a secure and high-quality supply chain, making effective supplier management crucial. The procurement division supplies six production sites for approximately 300 million packs annually across more than 40 markets. The company is diversifying its suppliers, particularly by strengthening cooperation with local partners, while the SMMT (Starting Materials Management Team) provides support in introducing new materials and was instrumental in the launch of Stada Star products in 2025. Regular GMP inspections ensure compliance with quality and safety standards. In 2025, the supply chain transformation continued, with transparent relationships and equal opportunities for all suppliers. Procurement encompasses raw materials, packaging materials, bulk and finished products, and services, with approximately 20,000 tons of packaging material procured, of which recycled folding boxes account for 55.2%.[30] Hemofarm uses the EcoVadis platform to assess the sustainability and ESG performance of its suppliers, with the majority of packaging material suppliers already registered. Clear requirements regarding quality, price, lead times, and support, as well as monitoring of solvency,[31] business conduct, and respect for employee rights, make the procurement process transparent[32] and contribute to reducing environmental impact.

HEMOFARM Good ESG Practice

Reverse Mentoring:

A new perspective through intergenerational collaboration

With the aim of fostering a culture of continuous learning, open dialogue, and intergenerational collaboration, Hemofarm and STADA GIS have implemented the first cycle of the Reverse Mentoring program, which enabled the exchange of knowledge and experience between colleagues of different generations. The program created a space for younger colleagues to take on the role of mentors and share their insights in areas such as digital skills, the application of artificial intelligence, new approaches to leadership, and modern communication methods. Through three mentoring pairs formed in the first half of 2025, participants developed mutual trust, a better understanding of different perspectives, and new ways of collaborating. This initiative contributes to building an inclusive organizational culture where knowledge is exchanged in both directions, and diverse experiences and generational perspectives become a driver of professional and organizational development. The goal of the program is to strengthen intergenerational collaboration, introduce refreshing dynamics and new perspectives on professional development, and contribute to breaking down generational barriers through honest and open dialogue.

Material Group (2025) / (HF)	Domestic market (%)	Foreign market (%)	Total share (%)
Raw materials	5	95	47
Packaging materials	35	65	26
Bulk and finished products	2	98	15
Services	88	12	12

[30] *When considering the procurement of raw materials, which includes active pharmaceutical ingredients (API) and excipients (EXC), the total quantity amounts to approximately 5.4 thousand tons (5.45 thousand tons in 2024). Packaging materials procured in 2025 include paper (cardboard) packaging at approximately 6,700 tons, plastic packaging at approximately 3,850 tons, glass packaging at approximately 820 tons, metal packaging at approximately 680 tons, and wooden pallets at approximately 2,270 tons, totaling approximately 20,000 tons.*
[31] *TPDD (AML) screening is mandatory when onboarding new suppliers, as well as for existing suppliers when amending contracts.*
[32] *STADA's website contains the general terms and conditions of business and procurement, with a link provided for each purchase order: https://www.stada.com/terms-and-conditions*

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Actions and Resources

[G1-3: Prevention and detection of corruption and bribery]

As a global group, we operate in markets with diverse legal frameworks and different national regulations. Complying with these regulations is fundamental since any unlawful behavior can damage our reputation and market position and lead to significant financial losses. To mitigate risks, we follow diligent, transparent, responsible, value driven governance. These principles guide our Executive Board's management and our Supervisory Board's oversight. Beyond legal requirements, we rely on a robust internal framework (see also above): our Internal Control and Risk Management System, our STADA CoC, group wide corporate policies and our Compliance Reporting Portal.

The Corporate Compliance Office acts as a central advisory and oversight function within the compliance management system. It supports the organization in identifying, assessing, and managing legal and regulatory risks and contributes to safeguarding the company against legal, financial, and reputational harm. The Compliance Office collects and evaluates relevant information, conducts fact based assessments, and advises management on appropriate measures and process improvements. It also supports the consistent application of policies and controls across the organization. Corporate Compliance coordinates and exchanges regularly with other assurance and governance functions, in particular Internal Audit and Risk Management, with the objective of continuously improving the effectiveness of the compliance management system.

Beyond the central team, local compliance contacts operate on site. Around 30 Compliance Coordinators support branches alongside their core roles, enhancing group-wide coverage.

ANTI-CORRUPTION AND BRIBARY TRAINING FOR FUNCTIONS-AT-RISK

Training coverage	At-risk functions	Managers	Administrative, management and supervisory bodies (AMSB)	Other own employees
Total covered (in headcount)	3.343	1.802	11	12.375
Total trained (in headcount)	3.314	1.794	10	12.181

Delivery method and duration	At-risk functions	Managers	Administrative, management and supervisory bodies (AMSB)	Other own employees
Classroom training	30 min	30 min	30 min	30 min
Computer-based training	30 min	30 min	30 min	30 min
Voluntary computer-based training	30 min	30 min	30 min	30 min

Training frequency	At-risk functions	Managers	Administrative, management and supervisory bodies (AMSB)	Other own employees
How often training is required?	every 2 years	every 2 years	every 2 years	every 2 years

Topics covered	At-risk functions	Managers	Administrative, management and supervisory bodies (AMSB)	Other own employees
Definitions of bribery	yes	yes	yes	yes
Examples of inappropriate behavior	yes	yes	yes	yes
Overview of ABAC policy	yes	yes	yes	yes
ABAC-related aspects of industry codes (Medicines for Europe Code of Conduct, National Codes from member associations, ABPI Code of Practice, AIPM Code of Practice).	yes	yes	yes	yes
Interaction with Third Parties with reference to anti-corruption laws.	yes	yes	yes	yes

PREVENTION

Our STADA CoC and global Compliance policies guide legal and ethical behavior and help prevent misconduct, including corruption. The STADA CoC sets binding rules on fairness and respect, anti-corruption, antitrust and fair competition, conflicts of interest, and third party interactions. It is available on our intranet and external website. Employees are required to acknowledge their understanding and adherence on a yearly basis. Global Policies are shared with all employees and accessible on the STADA intranet.

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[G1-3: Prevention and detection of corruption and bribery]

Our STADA CoC was reviewed and updated in the course of 2025 and will be published in 2026, accompanied by mandatory trainings and awareness sessions. We also provide regular training and awareness initiatives aiming to ensure employees fully understand our Anti-Bribery and Anti-Corruption Policy and further related policies described in section ESRS G1-1. These sessions cover the principles of our policies, explained on the basis of real-world scenarios and examples. Using a digital training management system, completion of all mandatory compliance trainings can be monitored and ensured.

By empowering employees to speak up and report violations, we strengthen our ethical culture and commitment to sustainability, operating responsibly and transparently across the business.

DETECTION

The Compliance Reporting Portal is the established, robust channel for reporting unlawful behavior and violations of our STADA CoC. It is available to employees and external parties, who can submit concerns anonymously via the STADA webpage. All employees are informed of these channels during onboarding and on a regular basis thereafter. Integrated into their HERO learning program, employees are required to complete mandatory training at the start of their employment and every two years thereafter. Additional training can be assigned as needed, and furthermore, awareness initiatives are conducted without a fixed schedule.

Value chain workers can, in addition to the Compliance Reporting Portal, also directly contact our Compliance Department via email, and we have appointed an external Ombudsman to offer an additional layer of independence in handling reports. The mechanism for reporting unlawful behavior in the value chain (e.g., human rights or labor violations) is also described in Section ESRS S2.

Reported violations are investigated, with protection of the whistleblower ensured in accordance with (EU) 2019/1937. Protection against retaliation is embedded explicitly in our policies and the STADA CoC. Non-retaliation means we will not tolerate any adverse consequences for reporters who report violations in good faith. The STADA CoC states, that reported violations will be analyzed following our established processes, and will be conducted in an independent, fair and unbiased manner.

The Compliance Reporting Policy explains which types of violations should be reported, how to report them, and the subsequent handling and investigation process. Additional reporting channels include Corporate Compliance, Regional Compliance, Local Compliance, Compliance Coordinators, the appointed Ombudsman, and locally appointed Compliance contacts. Other alternative channels include the relevant supervisor, the Legal department, C&P, and the local Workers Council or relevant authorities.

INVESTIGATION

Any reported violation received undergoes an initial review by Corporate Compliance. Further investigations seek to establish sufficient facts to determine appropriate actions, considering the severity of allegations, the detail provided, the likelihood of obtaining additional evidence, and whether similar facts have been reported previously. Corporate Compliance has the primary responsibility for conducting internal investigations and is involving related expert function as required. Investigators are independent of the management chain involved, ensuring impartial investigations free from undue influence. An additional full-time position for internal investigations was added in the reporting year to further improve follow up.

HEMOFARM Good ESG Practice

EUNOVA:

Supporting healthy lifestyle habits and preventive healthcare

Hemofarm has introduced the premium supplement line EUNOVA, developed with the aim of meeting the growing consumer need for high-quality products that support the maintenance of health, vitality, and daily balance. Through the development of products that meet high-quality standards, the company continues to contribute to the advancement of health prevention and to empower individuals to take a more active role in caring for their health. The introduction of the EUNOVA line is part of Hemofarm's broader commitment to improving health culture and providing reliable solutions that meet the modern needs of users. Through collaboration with inspiring ambassadors, such as successful athletes who promote the importance of discipline, healthy nutrition, and body care, the company further raises awareness about the significance of healthy lifestyle habits and preventive healthcare.

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[G1-3: Prevention and detection of corruption and bribery]

RESPONSE
Depending on the investigation's findings, we may take disciplinary action, including termination, legal proceedings, or other corrective measures. Significant investigation outcomes are reported to the management, and supervisory bodies to ensure accountability and transparency. If legally required or in our legitimate interest, we may refer violations and findings to the relevant authorities for criminal prosecution.

Monitoring and tracking of compliance and governance within the organization is conducted through KPIs such as the STADA CoC acceptance rate and the completion rate of compliance trainings among employees. Another management indicator is the number of compliance awareness initiatives, which aim to drive change and maintain a strong compliance-oriented corporate culture.

There is no dedicated budget allocated for managing the IROs, costs are covered within the regular budgets of the leading business functions, such as Legal/Compliance, Procurement, and Supply Chain.

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[G1-4: Incidents of corruption and bribery]

To mitigate risks related to corruption and bribery, we undertook a comprehensive revision of the STADA CoC in 2025, incorporating explicit, practical application examples. The revised Code will be published in 2026 and additional training on the revised STADA CoC will be performed in 2026.

Furthermore, we conduct due diligence on third parties as part of our efforts to prevent bribery and corruption. Under our global Third Party Due Diligence (TPDD) framework, risk-based profiling and compliance assessments are embedded in the selection, contracting, and onboarding of business relationships. The TPDD process was further enhanced in 2025 and rolled out across all STADA entities. Third Party Due Diligence is required prior to onboarding a third party, and to be repeated every three years thereafter. An app-based risk query was integrated directly into the onboarding workflow as part of TPDD. Depending on the risk category, onboarding either proceeds automatically or requires review and, if necessary approval by the Center of Expertise. The TPDD function was also strengthened with additional personnel during the year.

In 2026, we plan further improvements to the TPDD process to strengthen efficiency, consistency, and risk management. It will also be rolled out in phases across further STADA countries. To support consistent implementation, Corporate Compliance has issued a dedicated handbook outlining rules, responsibilities, and process requirements. Compliance goals for 2026 are to maintain our high compliance training rate of at least 97% and ensure a high STADA CoC declaration rate among employees, with a minimum of 95% coverage. Training completion rates can be tracked directly in the HERO learning program, where trainings are assigned to employees and their completion status can be monitored.

With view to supplier relationship management our goal for 2026 is to increase the average EcoVadis score by 5% to 66 and expand coverage to over 95% of direct spend suppliers. In parallel, we continued the rollout of our Business Partner CoC and its formal confirmation by suppliers. The confirmation rate increased from 40% to over 75% during the year. Assumptions and limitations related to the use of the EcoVadis platform and coverage targets are described in detail under ESRS G1-2.

There were neither convictions nor fines for violations of anti-corruption and anti-bribery laws in 2025.

Violation of anti-corruption and anti-bribery laws	2025	2024
Number of convictions	0	0
Total fines (in EUR)	0,00	0,00

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[G1-5: Political influence and lobbying activities]

We consider it our role to share our expertise in industry associations and policy processes to help improve the framework for effective healthcare and medicines supply. Our primary task is to advise, directly or indirectly, policymakers on initiatives that require expertise in medicines and the healthcare industry. Any political activity by our employees and representatives is governed by our STADA CoC and by all applicable legal standards.

We hold discussions with policymakers, submit statements, and take part in hearings and consultations, both as a company and through our membership and leadership roles within national, regional and global industry associations. We also build stakeholder coalitions, consult experts, and support relevant research. Our political relations activity is managed by different functions, among them Market Access, Communications and General Management.

STADA is registered in the EU Transparency Register under number 008507452878-73, covering the areas of the Pharmaceutical Legislation Review, Access to Medicines and the EU Critical Medicines Act, as well as the Urban Waste Water Treatment Directive (UWWTD). STADA is also listed in German Bundestag's lobby register under identifier R006590.

Topics on which we contribute include: the German transposition of the UWWTD, KARL (Kommunale Abwasserbehandlung-Richtlinie), which will potentially impose significant costs on the generics industry for enhanced wastewater treatment; the impact of the proposed restrictions on PFAS "forever chemicals" on the pharma sector; life cycle assessments (LCAs) for the environmental sustainability of products; the draft Critical Medicines Act (CMA) aimed at strengthening the EU's autonomy in medicines supply; and the forthcoming revision of the EU pharmaceutical legal framework.

INDUSTRY INITIATIVES

We actively engage in industry initiatives, participate in national trade associations, and interact internationally with authorities and organizations that facilitate access to medicines, providing expertise and know how. In 2017 locally (Serbia) and in 2021 globally (Germany), we joined the United Nations Global Compact. Our commitment to the UN Sustainable Development Goals (SDGs) was publicly stated in our 2021 Global Sustainability Policy.

Our CEO, Peter Goldschmidt, serves on the CEO Advisory Committee of the International Generic and Biosimilar Medicines Association (IGBA). Through IGBA and other associations, we have in recent years participated in discussions on access and equitable access to medicines with representatives of the WHO, the World Trade Organization (WTO), and the World Intellectual Property Organization (WIPO), including efforts to remove barriers to patient access stemming from unjustified patents or protections. We also work to improve patient access to high-quality, affordable, off-patent medicines on a European level through executive board-level involvement in Medicines for Europe (MfE). We help shape policies through working groups on generics, biosimilars, and specialty/value-added medicines. MfE coordinates interactions with public-health bodies, including the European Commission and its Health Emergency and Response Agency (HERA).

Recent initiatives through MfE in which we have played a prominent role include advising the European Parliament and Commission on legislative measures to maximize access to medicines, and addressing adverse pricing and pharmaceutical policies in France and Lithuania. In December 2025, Christos Gallis, EVP Eastern Europe, was elected to the executive board of Medicines for Europe. In this role, he will advocate for sustainable market policies that recognize the full value of the off-patent medicines sector in providing patient access.

[33] *https://transparency-register.europa.eu/search-register-or-update/organisation-detail_en?id=008507452878-73*
[34] *https://www.lobbyregister.bundestag.de/media/10/59/414186/Lobbyregister-Registereintraege-Detailansicht-R006590-2024-06-25_11-04-28.pdf*

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[G1-5: Political influence and lobbying activities]

We collaborate with national industry associations including Medaxes (Belgium), ProGenerika and Pharma Deutschland (Germany), Egualia (Italy), and Aeseg (Spain), and hold leadership roles in several of them. In key countries such as Germany, Serbia, and the UK, we support the free movement and trade of medicines and healthcare products through active membership and collaboration with local chambers of commerce. We are active in several associations in Germany including:

- Federal Association of Pharmaceutical Manufacturers (Pharma Deutschland)
- Pro Generika / Working Group Pro Biosimilars
- German Chemical Industry Association (VCI)
- House of Pharma & Healthcare
- Economic Council of the CDU
- Employers' Association for the Chemical and Related Industries in the State of Hesse (HessenChemie)

Furthermore, in February 2025, Dr. Ronald Seeliger, CEO of Hemofarm, was elected to a three-year term as President of the Foreign Investors Council in Serbia, while Sanda Savić, Senior Director of Corporate Affairs and Communications, serves as Vice President of the Assembly of the Chamber of Commerce and Industry of Serbia and President of the Association of Pharmaceutical Manufacturers within the Chamber.

STADA, together with its affiliations, does not provide any financial or in-kind political contributions. No members of STADA's administrative management or supervisory bodies hold positions in public administration.

Financial or in-kind political contributions (SG)	2025	2024
Financial political contribution	0,00	0,00
In-kind political contribution	0,00	0,00
Total contribution	**0,00**	**0,00**

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A. ESRS disclosure requirements covered by this sustainability report

The following table provides an overview of the disclosure requirements (DR) adhered to in the preparation of the sustainability report, as determined by our double materiality analysis and the assessed material IROs – aligned with reporting "partially in compliance" with ESRS.

	ESRS 2 – GENERAL DISCLOSURES		
Disclosure Requirement	**Name of the Disclosure Requirement**	**In compliance with ESRS**	**Page**
BP-1	Basis for preparation of sustainability statements	Yes	p. 14
BP-2	Disclosures about the preparation and presentation of sustainability information	Yes	p. 14
GOV-1	The role of the administrative, supervisory and management bodies	Yes	p. 15
GOV-2	Information provided to and sustainability matters addressed by the administrative, supervisory and management bodies	Yes	p. 17
GOV-3	Integration of sustainability-related performance in incentive schemes	Yes	p. 24
GOV-4	Statement on due diligence	Yes	p. 25
GOV-5	Risk management and internal controls over sustainability reporting	Yes	p. 26
SBM-1	Strategy, business model and value chain.	Yes	p. 28
SBM-2	Interests and views of stakeholders.	Yes	p. 34
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Yes	p. 37
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Yes	p. 41
IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	Yes	p. 44

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	ESRS E1 –CLIMATE CHANGE		
Disclosure Requirement	**Name of the Disclosure Requirement**	**In compliance with ESRS**	**Page**
E1.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Yes	p. 46
E1.IRO-1	Description of the processes to identify and assess material climate related impacts, risks and opportunities	Yes	p. 46
E1.GOV-3	Integration of Sustainability related performance in incentive schemes	Yes	p. 49
E1-1	Transition plan for climate change mitigation	Yes	p. 49
E1-2	Policies related to climate change mitigation and adaptation	Yes	p. 49
E1-3	Actions and resources in relation to climate change policies	Yes	p. 51
E1-4	Targets related to climate change mitigation and adaptation	Yes	p. 54
E1-5	Energy consumption and mix	Yes	p. 55
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	Yes	p. 56
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	Not applicable	-
E1-8	Internal carbon pricing	Not applicable	-
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	No (phase-in)	-

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	ESRS E2 – POLLUTION (WATER)		
Disclosure Requirement	**Name of the Disclosure Requirement**	**In compliance with ESRS**	**Page**
E2.IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	Yes	p. 62
E2-1	Policies related to pollution	Yes	p. 63
E2-2	Actions and resources related to pollution	Yes	p. 64
E2-3	Targets related to pollution	Yes	p. 65
E2-4	Pollution of air, water and soil	Not applicable	p. 66
E2-5	Substances of concern and substances of very high concern	Not applicable	-
E2-6	Anticipated financial effects from pollution-related impacts, risks and opportunities	No (phase-in)	-

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	ESRS E5 – RESOURCE USE AND CIRCULAR ECONOMY		
Disclosure Requirement	**Name of the Disclosure Requirement**	**In compliance with ESRS**	**Page**
E5.IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	Yes	p. 67
E5-1	Policies related to resource use and circular economy	Yes	p. 68
E5-2	Actions and resources related to resource use and circular economy	Yes	p. 69
E5-3	Targets related to resource use and circular economy	Yes	p. 73
E5-4	Resource inflows Targets related to resource use and circular economy Within this reporting period, the following data are not covered by the reporting: - total mass of products, technical and biological materials used during the reporting period (E5-4, 31a) - percentage of biological materials (including biofuels used for non-energy purposes) (E5-4, 31b) - absolute mass and percentage of secondary reused or recycled components, secondary intermediate products, and secondary materials used in the production of the company's products and services (including packaging) (E5-4, 31c) - description of the methodologies used to calculate the data, as well as the key assumptions applied in the process (E5-4, 32).	Partially	p. 74
E5-5	Resource outflows Within this reporting period, the following data are not covered by the reporting: - key products and materials resulting from the production process (E5-5, 35) - expected product lifespan compared to the industry average (E5-5, 36a) - product reparability (E5-5, 36b) - content of recyclable materials in products and product packaging (E5-5, 36c)	Partially	p. 74
E5-6	Potential financial effects from resource use and circular economy-related impacts, risks and opportunities	No (phase-in)	-

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A. ESRS disclosure requirements covered by this sustainability report

	ESRS S1 – OWN WORKFORCE		
Disclosure Requirement	**Name of the Disclosure Requirement**	**In compliance with ESRS**	**Page**
S1.SBM-2	Interests and views of stakeholders	Yes	p. 77
S1.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Yes	p. 78
S1-1	Policies related to own workforce	Yes	p. 79
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	Yes	p. 80
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	Yes	p. 81
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Yes	p. 86
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Yes	p. 87
S1-6	Characteristics of the undertaking's employees	Yes	–
S1-7	Characteristics of non-employees in the undertaking's own workforce	No (phase-in)	p. 88
S1-8	Collective bargaining coverage and social dialogue Within this reporting period, the following data are not covered by the reporting: - percentage of employees in the own workforce covered by collective bargaining agreements (outside the EEA), by region (S1-8, 60c) - information on the existence of any agreement with employees regarding their representation through a European Works Council (EWC), a Societas Europaea (SE) works council, or a Societas Cooperativa Europaea (SCE) works council (S1-8, 63b)	Partially (phase-in)	p. 89
S1-9	Diversity metrics	Yes	–
S1-10	Adequate wages	No (phase-in)	–
S1-11	Social protection	No (phase-in)	–
S1-12	Persons with disabilities	No (phase-in)	p. 90
S1-13	Training and skills development	Yes	p. 91
S1-14	Health and safety metrics	Yes	–

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A. ESRS disclosure requirements covered by this sustainability report

	ESRS S1 – OWN WORKFORCE		
Disclosure Requirement	**Name of the Disclosure Requirement**	**In compliance with ESRS**	**Page**
S1-15	Work-life balance	No (phase-in)	-
S1-16	Remuneration metrics (pay gap and total remuneration) Within this reporting period, the following data are not covered by the reporting: - gender pay gap (S1-16, 97a) - annual total compensation ratio (S1-16, 97b)	Partially	p. 87
S1-17	Incidents, complaints and severe human rights impacts	Yes	p. 88

	ESRS S2 – WORKERS IN THE VALUE CHAIN		
Disclosure Requirement	**Name of the Disclosure Requirement**	**In compliance with ESRS**	**Page**
S2.SBM-2	Interests and views of stakeholders	Yes	p. 94
S2.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Yes	p. 94
S2-1	Policies related to value chain workers	Yes	p. 95
S2-2	Processes for engaging with value chain workers about impacts	Yes	p. 96
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	Yes	p. 97
S2-4	Taking action on material impacts on value chain workers and approaches to managing material risks and pursuing material opportunities related to value chain workers Within this reporting period, the following data are not covered by the reporting: - description of additional initiatives or processes whose primary purpose is to create positive impacts for workers in the value chain (S2-4, 32c) - description of planned or ongoing activities to mitigate material risks arising from impacts and dependencies on workers in the value chain, as well as the methods for monitoring their effectiveness (S2-4, 34a) - description of planned or ongoing activities aimed at realizing material opportunities related to workers in the value chain (S2-4, 34b)	Partially	p. 98
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Yes	p. 100

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	ESRS S4 – CONSUMERS AND END-USERS		
Disclosure Requirement	**Name of the Disclosure Requirement**	**In compliance with ESRS**	**Page**
S4.SBM-2	Interests and views of stakeholders	Yes	p. 101
S4.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Yes	p. 101
S4-1	Policies related to consumers and end-users	Yes	p. 103
S4-2	Processes for engaging with consumers and end-users about impacts	Yes	p. 105
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	Yes	p. 106
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions Within this reporting period, the following data are not covered by the reporting: - description of planned or ongoing activities aimed at realizing material opportunities related to consumers and end-users (S4-4, 33b)	Partially	p. 107
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities related to consumers and end-users Within this reporting period, the following data are not covered by the reporting: -information on whether and how consumers and end-users were directly involved in the process of setting targets (S4-5, 41a) -information on whether and how consumers and end-users were directly involved in monitoring the achievement of targets (S4-5, 41b) -information on whether and how consumers and end-users were directly involved in identifying lessons learned or improvements based on the company's performance (S4-5, 41c)	Partially	p. 113

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A. ESRS disclosure requirements covered by this sustainability report

	ESRS G1 – BUSINESS CONDUCT		
Disclosure Requirement	**Name of the Disclosure Requirement**	**In compliance with ESRS**	**Page**
G1.GOV-1	The role of the administrative, supervisory and management bodies	Yes	p. 117
G1.IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	Yes	p. 115
G1-1	Business conduct policies and corporate culture	Yes	p. 117
G1-2	Management of relationships with suppliers	Yes	p. 120
G1-3	Prevention and detection of corruption and bribery	Yes	p. 122
G1-4	Confirmed incidents of corruption or bribery	Yes	p. 125
G1-5	Political influence and lobbying activities	Yes	p. 126
G1-6	Payment practices	Not applicable	-

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B. List of data points in the general and topical standards that arise from other EU legislation

This table shows an overview of data points in the general and topical standards that arise from other EU legislation and indicates where they can be found in the report.

ESRS Standard	DR	Data Point	Name	SFDR	Pillar 3	Benchmark Regulation	EU Climate Law	Materiality	Reference in this report
ESRS 2	**GOV-1**	**21 (d)**	Board's gender diversity		X	X		material	p. 15
ESRS 2	**GOV-1**	**21 (e)**	Percentage of board members who are independent	X	X	X		material	p. 15
ESRS 2	**GOV-4**	**30**	Statement on due diligence process	X				material	p. 25
ESRS 2	**SBM-1**	**40 (d) i**	Involvement in activities related to fossil fuel activities	X				Not applicable	-
ESRS 2	**SBM-1**	**40 (d) ii**	Involvement in activities related to chemical production	X				Not applicable	-
ESRS 2	**SBM-1**	**40 (d) ii**	Involvement in activities related to controversial weapons	X	X	X		Not applicable	-
ESRS 2	**SBM-1**	**40 (d) iv**	Involvement in activities related to cultivation and production of tobacco	X	X	X		Not applicable	-
ESRS E1	**E1-1**	**14**	Transition Plan to reach climate neutrality by 2050				X	material	p. 49
ESRS E1	**E1-1**	**16 (g)**	Undertakings excluded from Paris-aligned Benchmarks			X		material	-
ESRS E1	**E1-4**	**34**	GHG emission reduction targets	X	X	X		material	p. 54
ESRS E1	**E1-5**	**37**	Energy consumption and mix	X				material	p. 55
ESRS E1	**E1-5**	**38**	Fuel consumption from fossil sources	X				material	p. 55
ESRS E1	**E1-5**	**40 to 43**	Energy intensity	X				material	p. 55
ESRS E1	**E1-6**	**44**	Gross Scope 1, 2, 3 and Total GHG emissions	X	X	X		material	p. 61
ESRS E1	**E1-6**	**53 to 55**	Gross GHG emission intensity	X	X	X		material	p. 61
ESRS E1	**E1-7**	**56**	GHG removals and carbon credits				X	Not applicable	-
ESRS E1	**E1-9**	**66**	Exposure of the benchmark portfolio to climate-related physical risks			X		Not applicable	-

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B. List of data points in the general and topical standards that arise from other EU legislation

ESRS Standard	DR	Data Point	Name	SFDR	Pillar 3	Benchmark Regulation	EU Climate Law	Materiality	Reference in this report
ESRS E1	**E1-9**	**66 (a), (c)**	Disaggregation of monetary amounts by acute and chronic physical risk; location of significant assets at material risk		X			Not applicable	-
ESRS E1	**E1-9**	**67 (c)**	Breakdown of the carrying value of its real estate assets by energy-efficiency classes		X			Not applicable	-
ESRS E1	**E1-9**	**69**	Degree of exposure of the portfolio to climate related opportunities			X		Not applicable	-
ESRS E2	**E2-4**	**28**	Amount of each pollutant listed in Annex II of the E-PRTR Regulation	X				Not applicable	-
ESRS E3	**E3-1**	**9**	Water and marine resources	X				Not applicable	-
ESRS E3	**E3-1**	**13**	Dedicated Policy	X				Not applicable	-
ESRS E3	**E3-1**	**14**	Sustainable oceans and seas	X				Not applicable	-
ESRS E3	**E3-4**	**28 (c)**	Total water recycled and reused	X				Not applicable	-
ESRS E3	**E3-4**	**29**	Total water consumption in m3 per net revenue on own operations	X				Not applicable	-
ESRS 2	**E4.SBM-3**	**16 (a) i**	E4	X				Not applicable	-
ESRS 2	**E4.SBM-3**	**16 (b)**	E4	X				Not applicable	-
ESRS 2	**E4.SBM-3**	**16 (c)**	E4	X				Not applicable	-
ESRS E4	**E4-2**	**24 (b)**	Sustainable land / agriculture practices or polices	X				Not applicable	-
ESRS E4	**E4-2**	**24 (c)**	Sustainable oceans / seas practices or polices	X				Not applicable	-
ESRS E4	**E4-2**	**24 (d)**	Policies to address deforestation	X				Not applicable	-
ESRS E5	**E5-5**	**37 (d)**	Non-recycled waste	X				material	p. 75
ESRS E5	**E5-5**	**39**	Hazardous waste and radioactive waste	X				material	p. 75

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ESRS Standard	DR	Data Point	Name	SFDR	Pillar 3	Benchmark Regulation	EU Climate Law	Materiality	Reference in this report
ESRS S1	**S1.SBM-3**	**14 (f)**	Risk of incidents of forced labour	X				material	p. 77
ESRS S1	**S1.SBM-3**	**14 (g)**	Risk of incidents of child labour	X				material	p. 77
ESRS S1	**S1-1**	**20**	Human rights policy commitments	X				material	p. 78
ESRS S1	**S1-1**	**21**	Due diligence policies on issues addressed by the fundamental ILO conventions 1 to 8			X		material	p. 78
ESRS S1	**S1-1**	**22**	Processes and measures for preventing trafficking in human beings	X				material	p. 78
ESRS S1	**S1-1**	**23**	Workplace accident prevention policy or management system	X				material	p. 79
ESRS S1	**S1-3**	**32 (c)**	Grievance/complaints handling mechanism	X				material	p. 80
ESRS S1	**S1-14**	**88 (b), (c)**	Number of fatalities and rate of work-related accidents	X		X		material	p. 91
ESRS S1	**S1-14**	**88 (e)**	Number of days lost to injuries, accidents, , fatalities or illness	X				material	p. 91
ESRS S1	**S1-16**	**97 (a)**	Unadjusted Gender Pay Gap	X		X		material	–
ESRS S1	**S1-16**	**97 (b)**	Annual Total Remuneration ratio	X				material	–
ESRS S1	**S1-17**	**103 (a)**	Incidents of discrimination	X				material	p. 93
ESRS S1	**S1-17**	**104 (a)**	Non-respect of UN Guiding Principles on Business and Human Rights and OECD Guidelines	X		X		material	p. 93
ESRS S2	**S2.SBM-3**	**11 (b)**	Significant risk of child labour forced labor in the value chain	X				material	p. 94
ESRS S2	**S2-1**	**17**	Human Rights Policy commitments	X				material	p. 95
ESRS S2	**S2-1**	**18**	Policies related to value chain workers	X				material	p. 95
ESRS S2	**S2-1**	**19**	Non-respect of UN Guiding Principles on Business and Human Rights principles and OECD Guidelines	X		X		material	p. 95

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ESRS Standard	DR	Data Point	Name	SFDR	Pillar 3	Benchmark Regulation	EU Climate Law	Materiality	Reference in this report
ESRS S2	**S2-1**	**19**	Due diligence policies on issues addressed by the fundamental ILO conventions 1 to 8	X				material	p. 95
ESRS S2	**S2-4**	**36**	Human Rights issues and incidents connected to its upstream and downstream value chain	X				material	p. 98
ESRS S3	**S3-1**	**16**	Human Rights policy commitment	X				Not applicable	–
ESRS S3	**S3-1**	**17**	Non-respect of UN Guiding Principles on Business and Human Rights, ILO principles or OECD Guidelines	X		X		Not applicable	–
ESRS S3	**S3-4**	**36**	Human Rights issues and incidents	X				Not applicable	–
ESRS S4	**S4-1**	**16**	Policies related to consumers and end-users	X				material	p. 103
ESRS S4	**S4-1**	**17**	Non-respect of UN Guiding Principles on Business and Human Rights and OECD Guidelines	X		X		material	p. 104
ESRS S4	**S4-4**	**35**	Human Rights issues and incidents	X				material	p. 108
ESRS G1	**G1-1**	**10 (b)**	United Nations Convention against corruption	X				material	p. 117
ESRS G1	**G1-1**	**10 (d)**	Protection of whistle-blowers	X				material	p. 119
ESRS G1	**G1-4**	**24 (a)**	Fines for violation of anti-corruption and anti-bribery laws	X		X		material	p. 125
ESRS G1	**G1-4**	**24 (a)**	Standards of anti-corruption and anti-bribery	X				material	p. 125

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Ernst & Young d.o.o. Beograd
Vladimira Popovića 8a
11070 Beograd – Novi Beograd
Srbija

Matični broj: 17155270
PIB: 101824091
Tekući račun: 265111031000860680
Tel: +381 11 2095 800
ey.com/rs

INDEPENDENT PRACTITIONER'S ASSURANCE REPORT

TO THE MANAGEMENT OF HEMOFARM AD VRŠAC

Scope

We have been engaged by Hemofarm a.d. Vršac to perform a 'limited assurance engagement', as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on Hemofarm a.d. Vršac qualitative and quantitative disclosures (the "Subject Matter") contained in Sustainable Development Report for the period from 1 January 2025 to 31 December 2025 (the "Report").

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by Hemofarm a.d. Vršac

In preparing the qualitative and quantitative disclosures contained in the Sustainable Development Report, Hemofarm a.d. Vršac applied the following criteria (the „Criteria"):

- Critera set forth in section "ESRS 2 – General Disclosures" of the Sustainable Development Report
- Critera set forth in section "Annex A" of the Sustainable Development Report

Hemofarm a.d. Vršac responsibilities

Company's management is responsible for selecting the Criteria, and for presenting the Sustainable Development Report in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

Practitioner's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000 (Revised)'). Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

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Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements*, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the qualitative and quantitative disclosures contained in Sustainable Development Report for the period from 1 January 2025 to 31 December 2025 and applying analytical and other appropriate procedures.

Our procedures included:

- Obtaining an understanding of the structure of the sustainability organization and of the stakeholder engagement;
- Inquiries of personnel involved in the preparation of the Report regarding the preparation process, the internal control system relating to this process and disclosures in the Report;
- Identification of the risks of material misstatement of the Report under consideration Criteria;
- Analytical procedures on qualitative and quantitative disclosures presented in the Report;
- Assessing, through inquiry and inspection of supporting documentation on a sample basis, whether selected qualitative and quantitative disclosures are appropriately presented, described and supported in accordance with the Criteria.

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Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that need to be made to qualitative and quantitative disclosures contained in the Sustainable Development Report for the period from 1 January 2025 to 31 December 2025, in order for it to be in accordance with the Criteria.

Belgrade, 17 September 2026

PREDUZEĆE ZA REVIZIJU Ernst & Young II d.o.o. BEOGRAD

Danijela Mirković
Authorized Auditor
Ernst & Young d.o.o. Beograd

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Sustainability Report 2025

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Hemofarm A.D., Beogradski put bb, 26300 Vršac, Serbia

svakodobro@hemofarm.com