



# Sustainability Report

2022



# Index

- > 4 Message from our President

## IBSA

- > 8 IBSA at a glance
- > 16 Vision, mission, values, pillars
- > 20 Our business model
- > 22 Therapeutic areas
- > 28 Technologies
- > 30 Financial results

## ESG@IBSA - The new ESG strategy

- > 36 ESG@IBSA - The new ESG strategy
- > 39 Sustainability path
- > 40 Our stakeholders
- > 42 Material topics
- > 44 IBSA and the Sustainable Development Goals (SDGs)

## Governance

- > 50 Governance
- > 52 Integrity and ethics

## Culture

- > 56 Culture

## Society

- > 62 Society
- > 64 Human resources
- > 66 Health and safety
- > 66 Human rights
- > 68 Responsibility, a pillar of conducting business

## Environment

- > 90 Environment
- > 94 Consumption
- > 100 The GHG emissions inventory

## Patients

- > 110 Patients
- > 112 Collaborations with Scientific Societies and Patients Associations

## Value Chain

- > 116 Value Chain
- > 116 Supplier portal
- > 117 ESG supplier evaluation
- > 118 GRI content index



## Message from our President

Dear colleagues,

2022 was an intense year for the IBSA Group, marked by new challenges and extraordinary growth for both our business and our staff.

We are highly satisfied with the results we have achieved, a testimony to our ability to promote scientific progress in a way that stays true to the founding spirit of our company, going beyond the known horizons, looking at the Individual as a whole, and helping to improving their health and quality of life. But what makes us particularly proud is, above all, the way we have been able to transform our business model over the years to respond to the increasingly urgent and complex challenges posed by modern times: we have chosen sustainability as a central element of our mission by pragmatically integrating it into the Group's strategy and operational processes.

With the aim of systematizing this approach and making it even more structured, in 2022 we launched ESG@IBSA, a comprehensive sustainability path that affects corporate life at every level and aims to promote and foster a corporate culture that is increasingly focused on the ESG dimensions (Environment, Social, Governance), in the belief that everyone's contribution is key to achieving the goals we have set.

Along the same lines, we are also building the Group's largest production plant, cosmos, in Lugano, designed with both sustainability and beauty in mind. The initial part of this production site was opened in 2022 and the rest will be completed in the coming years to house new production lines, following the same sustainable principles according to which the plant was built: efficiency, optimization of resources, and attention to the quality, aesthetics, and functionality of the elements. It is a project that achieves sustainability in a way that's integrated into the social, environmental, and economic dimensions and that enables us to give new value back to the community in which we operate and to future generations through its positive impact.

And it is precisely by looking to young people that the IBSA Foundation for Scientific Research continues to develop and promote social, cultural, and academic initiatives in collaboration with universities, research institutes, associations, and non-profit organizations, for the benefit of the region and its communities.

All this and much more is covered in this fifth edition of the IBSA Sustainability Report, which for the first time gives a complete picture of the work carried out by all the Group's subsidiaries. It has taken an extraordinary amount of work to put together a transparent summary of the measures, tools, and strategies implemented by the entire Group to tackle contemporary challenges in a responsible way and, in particular, to pursue the eight Sustainable Development Goals (SDGs) that we as a company have decided to embrace.

All of this serves as a starting point for us to build a more equitable and inclusive future, in which business growth goes hand in hand with protecting people's health, their well-being, and the environment.

**Arturo Licenziati**

President and CEO



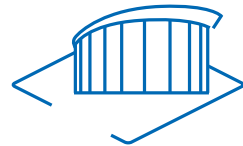





**IBSA**



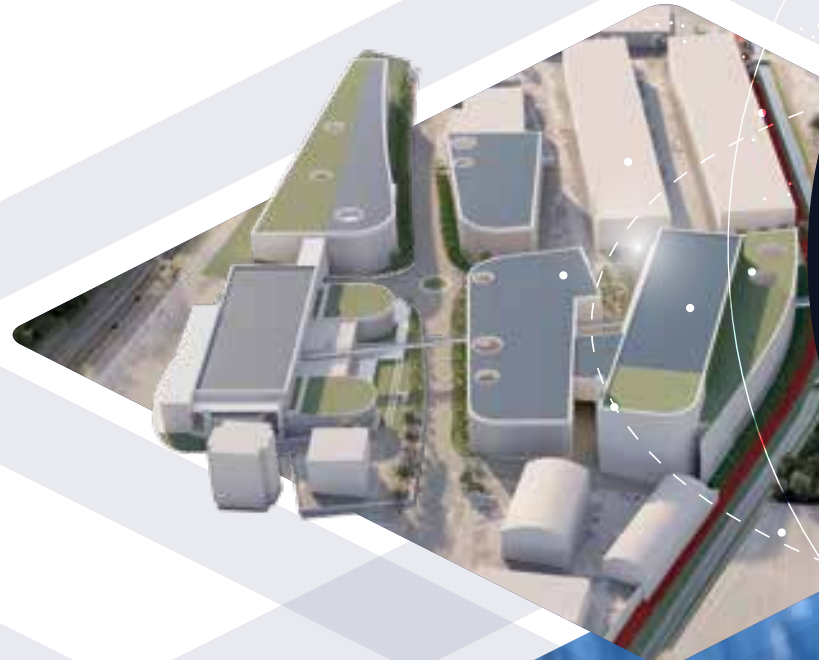




# IBSA at a glance

IBSA, **Institut Biochimique SA**, is a Swiss multinational pharmaceutical company that was founded in Lugano in 1945. After 40 years, it was acquired in 1985 by the Italian entrepreneur Arturo Licenziati, who transformed a small Swiss laboratory into the present-day pharmaceutical group through his commitment and dedication: a multinational company that is active in 10 therapeutic fields and operates in more than **96 countries on 5 continents**, with **17 subsidiaries across Europe, China, and the United States**.

IBSA employs **2,176 people** distributed among its head offices, subsidiaries, and production sites, with a consolidated turnover of **CHF 896 million**. **27 million vials of hormones, 374 million soft capsules, 78 million packages** of finished products per year, and **90 patent families**, as well as others under development, represent IBSA's production capacity and commitment to research. The IBSA group is also **one of the four major players worldwide** in the field of Reproductive Medicine and **one of the world leaders in hyaluronic acid-based** products. The head offices in Lugano are the hub of the network of production plants and research and development (R&D) laboratories that covers the entire Canton of Ticino and **employs a total of 812 people**.







## IBSA in numbers

PRIVATELY-OWNED  
PHARMACEUTICAL  
**COMPANY**  
FOUNDED IN  
**1945**  
—  
**1985**  
ACQUISITION  
BY THE CURRENT  
MANAGEMENT




**2.176**  
employees  
worldwide



**MAIN MARKETS**  
SWITZERLAND, EU, USA,  
MIDDLE EAST, FAR EAST AND  
NORTH AFRICA



ONE OF THE  
**WORLD LEADERS**  
IN HYALURONIC  
ACID-BASED PRODUCTS




**10**  
main therapeutic  
**AREAS**




**17**  
subsidiaries




Operating  
in over  
**90**  
**COUNTRIES**  
on 5 continents



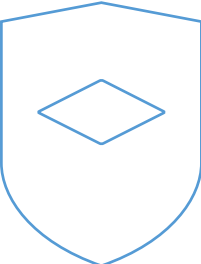
**27** MILLION  
vials of  
**HORMONES**



**78** MILLION  
**PACKAGES**  
of finished products



**374** MILLION  
**SOFT GEL CAPSULES**  
produced annually  
in our factories



**90**  
exclusive  
patents  
AND SEVERAL OTHERS  
IN THE PIPELINE



one  
of the  
**MAJOR PLAYERS**  
WORLDWIDE IN THE FIELD OF  
**REPRODUCTIVE  
MEDICINE**



Over  
**130**  
employees in  
**R&D**  
in Switzerland, Italy,  
France and China





## Foundations



**IBSA**  
Foundation for  
**SCIENTIFIC  
RESEARCH**  
SINCE 2012



**IBSA**  
Foundation for  
**CHILDREN**  
Primi Passi Nursery  
SINCE 2008



**IBSA**  
Foundation for  
**THE PENSION  
FUND**  
OF EMPLOYEES  
SINCE 1958







# IBSA around the world

- 

**HEADQUARTERS**  
Switzerland, Lugano
- 

**PRODUCTION SITES**  
Switzerland (6 sites)  
Italy (3 sites)  
China (2 sites)

- 

**SUBSIDIARIES** (as of December 31<sup>st</sup> 2022)

  - Austria, Vienna
  - China, Qingdao
  - China, Rizhao
  - Czechia, Prague
  - France, Antibes
  - Hong Kong SAR
  - Hungary, Budapest
  - Italy, Lodi
  - Nordic, Copenhagen
  - Poland, Warsaw
  - Slovakia, Bratislava
  - Spain/Portugal, Barcelona
  - Switzerland, Lugano
  - Turkey, Istanbul
  - UK, London
  - USA, Parsippany NJ (Pharma Inc.)
  - USA, Parsippany NJ (YARAL Pharma Inc.)







# Vision, mission, values, pillars

«Over the years, I have become convinced that the fast and solid growth and development experienced by our company are due to four factors, that I like to call the **4Cs**: **Commitment** in pursuing the set objectives; the **Courage** to make choices and difficult decisions, even against the general trend; **Cleverness**, that is, the ability to understand the market and see a step ahead of others; and **Chance**, since the opportunity to exploit events and situations is critical, in order to reap the fruits of one's commitment.»

**Arturo Licenziati**

President and CEO

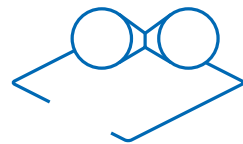
## MISSION

IBSA is committed to improving the quality of life of patients through **the research and development of effective drugs** and technologies that are more in keeping with people's health needs, qualitatively transforming already known therapeutic solutions. **What drives the company is the patient, not the market.** Cutting-edge technologies, innovation and creativity come together to develop pharmaceutical products capable of responding to the people's ever-growing needs, designed to be directed not only towards their care, but also towards the improvement of their health and well-being. IBSA is committed to **restoring value to the territory and the communities** in which it operates in a responsible, ethical and sustainable manner.

## VISION

IBSA places the **Person** – with her health and well-being – at the centre of its work. Making **drugs in the best form**, outlining new treatment perspectives, is the goal that the Group has always pursued. The company's commitment is characterised by the creation of **innovative pharmaceutical forms and administration systems of proven efficacy**, which really improve the prospects of care and the quality of life of patients. Technology and Innovation, Culture and Education, Communication and Sustainability are the milestones in IBSA's path, which has been traced with the aim of never setting limits and keeping innovating, while maintaining People at the heart of the company's ecosystem.





## Our pillars

The Group is characterised by its ethical approach to work based on four pillars:

### PERSON

IBSA pursues a **new humanism of care**, made possible by the conjunction of technologies, science and culture. What drives the Company, in fact, is the patient, and it is precisely in this direction that goes IBSA's commitment to **responding in a tangible way to the needs and requirements of the individual**, to valuing the person beyond the disease. In fact, care is based on the ability to prevent conditions, to enhance the effectiveness of therapies, also through the mobilisation of creativity as an individual and group resource.

### INNOVATION

Innovating is a daily challenge: it means **transforming therapeutic solutions with already known properties into simpler and more advanced treatment tools**. It is only by working on the future that the needs of the present can be met. The company's goal is to breathe new life into those sectors that are often neglected, using **cutting-edge technologies to optimise the bioavailability of the active ingredients** of commonly used drugs, and developing therapeutic systems able to improve the quality of life, in order to make them closer to the health needs of people.

### QUALITY

**Simplifying known therapeutic solutions, developing innovative formulations and administration systems** is the synthesis of an articulated process that places *Quality* as the common denominator of its every single phase. In order to ensure **the highest safety standards**, IBSA carefully verifies the compliance of supplies with the legislation on quality, environment and health, through periodic audit plans carried out within the supply chain, as well as continuous inspections in its productive sites.

### RESPONSIBILITY

Responsibility fulfils a **social function that goes beyond treatment** and beyond the concept of disease, because there can be no wealth if one does not return value to the community one is a part of. Sustainability is therefore crucially important, which is also reflected in the **commitment of IBSA's Foundations**.





# Our business model

Our business model, established by our President's vision, is rather unusual: we operate along the entire value chain, controlling all stages of the production of our products. We have been strictly and closely following this model for 35 years. Our business model is based on the following principles:

## Vertical integration

Most of our products are manufactured internally and we control all the stages of production with vertically integrated

processes. This guarantees a finished product of very high quality, direct control of all processing stages, greater speed and flexibility, and a reduction of risks along the supply chain. In some markets, we also control distribution, since we are able to be directly present thanks to our local

subsidiaries, which carry out marketing activities and provide scientific information on our products to doctors, pharmacists, and healthcare professionals.

## Supply Chain

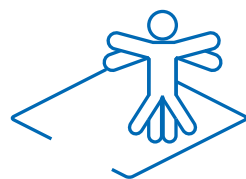
The production of ready-to-use medicines requires the active ingredients to be combined with

various excipients to obtain a finished product in different formulations, such as tablets, capsules, soft gels, patches, pre-filled syringes, or vials. The finished product is then packaged with the package insert containing information on its use and safety. IBSA purchases the active ingredients, excipients, and packaging materials mainly from European suppliers and they are transported to IBSA by road or air. All our suppliers are subjected to systematic checks that cover multiple aspects, in particular

the quality control system, respect for the environment, and sustainability practices. These aspects are increasingly included in our selection criteria for suppliers, who we expect to adhere to the highest standards.







# Therapeutic areas

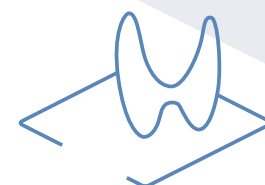
Improving adherence to treatment with solutions that are ever closer to people is the mission of the Group, which chooses to innovate in those often neglected sectors, to make effective the therapeutic solutions that are best suited to the real needs of patients.

Through the continuous research of innovative formulations and delivery systems, IBSA is engaged in **10 therapeutic areas**.



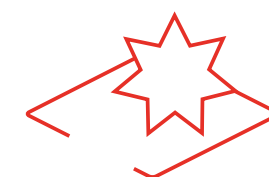
## Reproductive medicine

**Infertility** is a disease of the male and female reproductive systems defined by a failure to achieve pregnancy after 12 months or more of regular sexual intercourse: 17.5% of the adult population – or about 1 subject in 6 worldwide – suffers from infertility, which testifies to the urgent need to increase access to fertility care (WHO). Infertility therefore possesses an undeniable social dimension, and cannot be relegated, as is often the case, to a minority of couples left alone to address their issues. IBSA is engaged in the reproductive medicine area with a portfolio of products for the treatment of infertility that includes **progesterone** in aqueous solution and extractive **gonadotropins**, which are highly glycosylated thanks to a peculiar purification process.



## Endocrinology

**Hypothyroidism** is one of the most common chronic disorders, affecting up to 5% of the global population and requiring thyroid hormone replacement therapy. For the treatment of hypothyroidism, IBSA developed innovative liquid and soft capsule formulations of hormones and supplements.



## Pain and inflammation

Across Europe, around 500 million working days are lost each year due to **chronic and acute pain**, with a huge social and economic impact. Among the different remedies available for the symptomatic treatment of pain, **non-steroidal anti-inflammatory drugs (NSAIDs)** have been, and still are, widely used. In the area of pain and inflammation, IBSA offers various types of products for topical, oral and transdermal use.





## Osteoarticular

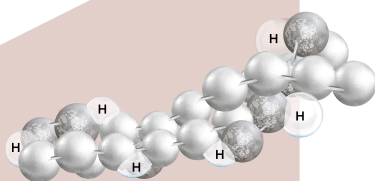


**Osteoarticular conditions** affect about 10% of the world population, and are divided into two forms: inflammatory and degenerative. They are usually characterised by a chronic evolution which, if left untreated, can lead to irreversible damage to the joint structures, leading to disability and invalidity. In the osteoarticular field, IBSA offers **several types of products, to be taken orally or intra-articularly.**



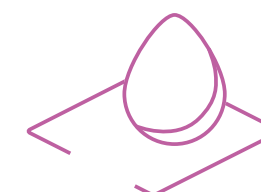
## Aesthetic medicine

**Aesthetic medicine** aims to improve and maintain the aesthetic **well-being of the skin** through a precise analysis of the general and local conditions of the patient, the formulation of accurate diagnoses and the development of therapeutic strategies. IBSA offers a **complete range of products based on the concept of Hydrolift® Action**, an innovative approach aimed at counteracting the physiological decrease of hyaluronic acid (HA) present in the skin, thus restoring its hydration, elasticity and tone. In recent years the line has been expanded with an innovative product containing a solution of thermally stabilised ultrapure hyaluronic acid hybrid cooperative complexes **developed with IBSA's patented hybrid Nahyco® technology.**



## Dermatology

Within the **dermatological** area, IBSA developed a **portfolio of hyaluronic acid-based products** achieved through a patented and certified bio-fermentation process. The line of hyaluronic acid-based products is completed by **cosmetic products** (a spray and a gel formulation) indicated for skin irritations of various origins (wind, sun, cold, sweat, shaving, beauty treatments and tattoos).

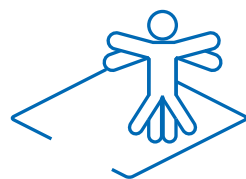


## Urogynecology



Patients with **recurrent urinary tract infections (rUTI)**, interstitial cystitis (IC/BPS), or cystitis from radiotherapy or chemotherapy suffer from urothelial damage, that causes severe pain and inflammation. IBSA offers **several types of hyaluronic acid-based products** in pre-filled syringes and soft capsules that help prevent damage to the urothelium, improving its healing process. The company also focuses on male disorders, such as erectile dysfunction (ED), with the innovative oral formulation in orodispersible film (ODF).

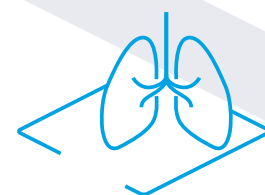




## Cardiometabolic



In the last two decades, interest in omega-3 polyunsaturated fatty acids (PUFA) has grown, thanks to their antidyslipidemic, anti-inflammatory, antiarrhythmic and antithrombotic properties. In addition to being introduced in the diet, omega-3s, extracted from fish oil, can be prescribed by doctors as drugs in case of certain pathological conditions. IBSA uses **omega-3 fatty acids** (EPA/DHA) which have been certified as a sustainable source by the NGO Friends of the Sea and have obtained the IFOS Five Star certification for their **purity, freshness and concentration**.



## Respiratory

In terms of mortality, incidence and costs, respiratory diseases are second only to cardiovascular diseases. Globally, hundreds of millions of people suffer from **chronic respiratory diseases**. Climate change is probably responsible for several negative effects on our health, as described by the WHO. In Europe and in the rest of the world, mortality from chronic respiratory and lung diseases is expected to increase in the future. IBSA offers a **range of mucolytics and other products containing hyaluronic acid** indicated as an adjuvant treatment for several pathological conditions.



## Consumer Health

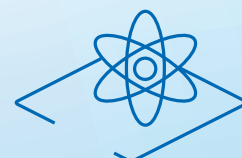


In the Consumer Health area, IBSA has developed **several solutions to better address the small challenges** to which the body is exposed every day.

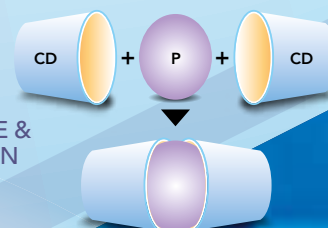


# Technologies

IBSA is engaged in the **development of innovative technologies, new formulations and drug administration and delivery systems that are more functional to treatment**, as well as more targeted at people's needs. Although an "handcrafted" attitude towards the improvement of molecules is maintained, both in terms of delivery and absorption, the original results of the research are also the subject of **international patents**.



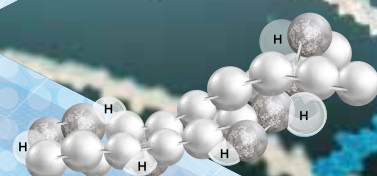
PROGESTERONE &  $\beta$ -CYCLODEXTRIN



PURIFICATION  
PROCESS



For more information on IBSA's technologies, you can view our dedicated brochure.



NAHYCO® HYBRID  
TECHNOLOGY



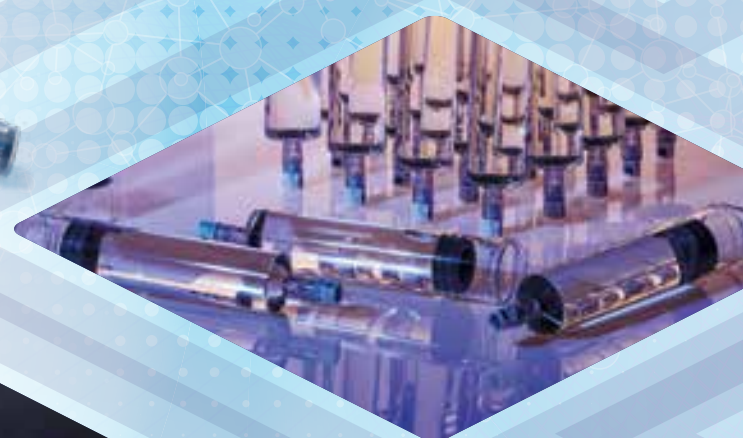
PRE-FILLED  
SYRINGES



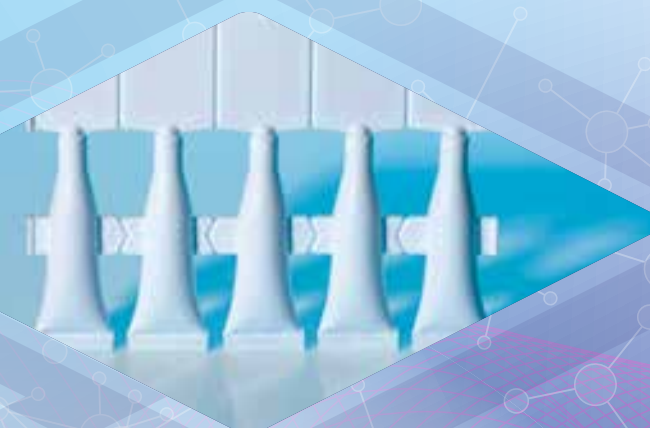
TRANSDERMAL AND  
TOPICAL PATCHES



SOFT CAPSULES



DEVICE FOR INTRAVESICAL  
GLYCOSAMINOGLYCAN  
(GAG) INFUSION



SINGLE-DOSE STRIP



ORODISPERSIBLE FILMS – ODF



BAG ON VALVE – BOV

**90**  
exclusive  
patents  
AND SEVERAL OTHERS  
IN THE PIPELINE





# Financial results

Improving the quality of life of all our patients, offering our employees an **interesting and stable job** with **suitable remuneration**, ensuring adequate payouts for investors, and **generating added value** for all our stakeholders is our modus operandi. To achieve these goals, it is essential to obtain adequate financial results that increase over the years.

This added value enables us to **reinvest most of the revenues** and **redistribute profits** in the form of **salaries, dividends, philanthropic contributions, and interest on third-party capital**. Only a financially sound company can be confident about their long-term prospects and guarantee development and jobs. **IBSA is committed to producing value for a large group of stakeholders by:**

- Offering **more effective and safer products** that meet the needs of doctors and patients;
- Creating **job opportunities** within its Group and for its commercial partners;
- Helping to **improve people's health**;
- Investing in the **talent** of its

employees and in improving their well-being;

- Adopting **good environmental and social protection practices**.

To achieve all this, we must ensure that our company remains **financially sound**. Being **profitable and responsible** from a financial point of view is the necessary prerequisite to carrying out our activities in a responsible way. The IBSA Group is privately owned, i.e., it is not listed on the stock market, and under Swiss and European law

it is therefore not required to publish its financial results beyond data relating to the Group's turnover, its geographical breakdown, and its breakdown by therapeutic field.



## +8,6%

purchases of goods and services from local suppliers compared to 2021\*

\* figure for the Swiss subsidiary



## +16%

Group turnover compared to 2021





In 2022, we purchased **goods or services** from local suppliers in Switzerland worth **CHF 101 million**. This represents further growth, since the results achieved this year equated to an increase of **+8.6%** compared to 2021 (CHF 93 million) and **+26%** compared to 2020 (CHF 80 million). We are proud to have increased **contacts with our region**, supporting it economically as well.

The commitment of IBSA, Institut Biochimique SA, to pursuing sustainable growth is attested by its continuing investments and financing activities. In 2022, IBSA

Farmaceutici, the Group's Italian subsidiary, negotiated two financing agreements with major credit institutions aimed at **supporting business development, which had significant repercussions** for the environment and the social context. The main transactions conducted during the year concerned two medium-term loans:

- financing from BNL for a year and a half (a green loan aimed at promoting environmental sustainability)
- a 5-year loan from BPER.

We have been able to define and subsequently achieve sustainability

criteria and targets through these agreements, bringing **benefits for the Company** in terms of reducing the financing rate and strengthening its ability to invest in new ESG projects.

Specifically, the solutions IBSA Farmaceutici has negotiated with Intesa San Paolo, BNL Gruppo BNP Paribas, and BPER concern criteria and targets aimed at promoting **activities that support the community**, developing corporate **welfare programs**, and improving **environmental parameters** related to the reduction of CO<sub>2</sub> emissions from industrial and civil plants.

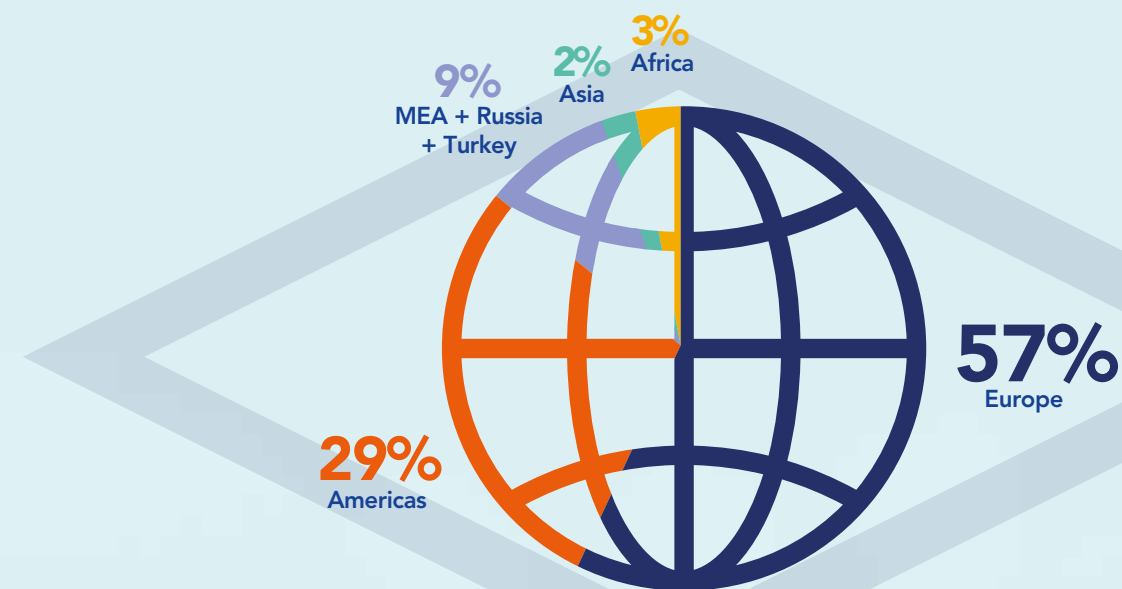
## Turnover analysis

In 2022, IBSA achieved a turnover of **CHF 896 million**, which amount to **an increase of 16%** compared to the previous year (CHF 770 million). As in the previous year, in 2022, Europe was once again the geographical area with the highest contribution to total turnover (57%).

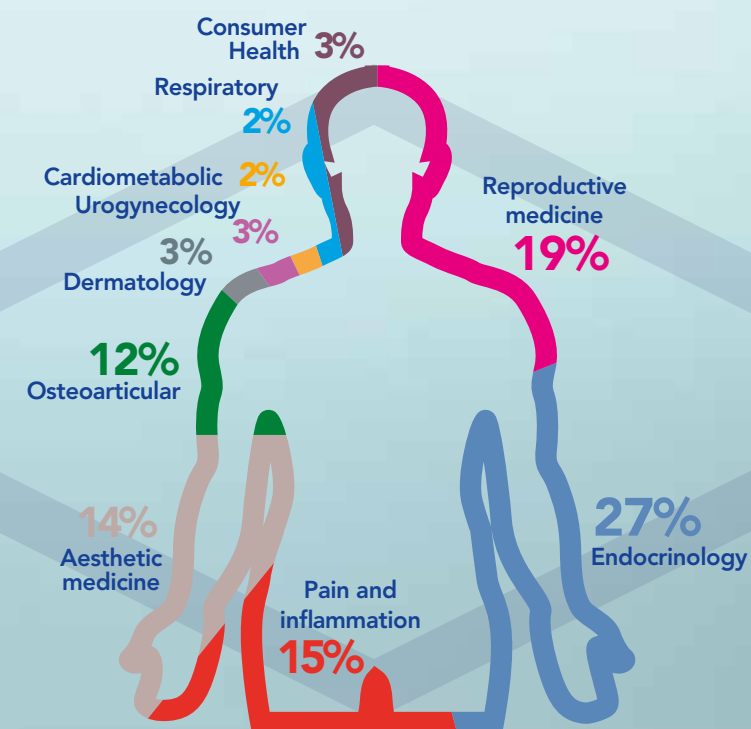
This predominance of Europe is due to the fact that our Group's largest subsidiaries are located right on the Old Continent. The share of turnover from the Americas (North America, LATAM area) remains the second most significant (29%).

If, on the other hand, we analyse the composition of turnover by

therapeutic field, 27% of sales come from Endocrinology, a slight decrease compared to last year (28%). This is followed by reproductive medicine with 19%, while the fields of pain and inflammation and dermo-cosmetic medicine contribute 15% and 14% respectively.



TURNOVER BY GEOGRAPHICAL AREA



TURNOVER BY THERAPEUTIC AREA

FIGURES BASED ON THE YEAR 2022



## ESG@IBSA – The new ESG strategy







# ESG@IBSA – The new ESG strategy

Our Company has experienced strong growth in terms of both employees and turnover in recent years. In order to always guarantee the best care, thanks to the support of innovative technologies, we want **sustainability** to become an integral part of the Group's strategy, while still maintaining this growth trend in the years to come.

The new ESG strategy supports and embraces our vision:

*We want to innovate our Business by ensuring better and better care for a healthier life in a clean environment, in an equitable and inclusive society. We reflect the needs of future generations in every choice we make, following the principles of ethics and responsibility that have always set us apart.*

This is how **ESG@IBSA** came to be, a path that aims to put IBSA's values and pillars into practice in the real world, taking the Company **into the future** and facing new challenges with responsibility and determination. **Governance and culture** are the two foundations of our new strategy, which consists of 4 directions: the **Environment, Society, Patients, and the Value Chain**.

In terms of governance, we are committed to making our leadership approach more responsible and organised.







We have adopted a consolidated program of ESG ethics and compliance within the entire Group that ensures our processes will be more reliable, thanks to systematic risk assessments by third parties, as well as by obtaining specific performance certifications. We have defined ESG governance on the basis of roles and responsibilities, ensuring that the strategy is implemented more clearly and efficiently. The starting point was to identify and validate the strategic plan, integrating the ESG strategy into the corporate strategy and approving the related budget. Overall responsibility is held by the Chair and Senior Vice President, with the support of the ESG & Real Estate Department. The latter is responsible for guiding the execution of the strategy, supervising the relevant projects, and calling on the collaboration of the ESG Ambassadors in the Group's various departments and the contact persons for the key activities in the management of global and local projects. As for the cultural aspect, on the other hand, we aim to involve every single employee by heavily promoting the culture of sustainability. To this end, we are launching a training and awareness program to deepen understanding

of ESG issues at different levels and depending on the target audience. In addition, we are committed to ensuring constant flows of internal and external communication to support the new strategy. All the annual targets we set will also be integrated with the ESG performance targets. In order to support the two foundations of the strategy, we have defined four major directions for *ESG@IBSA* that enable us to fully safeguard and promote our overall vision. The first is that of the **environment**: we want to act in a way that safeguards the health and well-being of our planet, reducing the negative impacts of our value chain by promoting measures to create an environmentally sustainable future. We are committed to implementing a decarbonization process that reduces net greenhouse gas emissions linked to the entire value chain to mitigate climate change. We then work to implement processes, policies, and projects aimed at reducing our impact on the water, air, and soil. The second major direction is that of **society**: it is our responsibility to protect those who work at IBSA, creating an environment that meets their individual needs and fosters the development of their personal skills. We promote various social initiatives to give value back to society and provide support for those who need it. We care about the physical and mental well-being of our employees and want to

ensure their health, safety, and broader inclusion, with the aim of reducing voluntary resignations and providing greater support for individual needs. Out of our different directions, there is

no way we could leave out the **patients**: they are always at the centre of all our business development projects and we pay particular attention to both the quality of our treatment products and access to them, making use of innovative technologies in order to offer patients "drugs in the best form" that are capable of improving their quality of life. To achieve this, we take advantage of extensive collaborations with universities and research institutes, using multidisciplinary tools to collect data and improve the conditions of our patients. Finally, to be truly sustainable we must find out, analyse, and evaluate the impact of our value chain. In fact, we want to intensify our collaborations with our partners in order to integrate the principles of ethics, transparency, and sustainability of our various activities, aligning our efforts with the ESG guidelines.



**2015**  
1<sup>st</sup> sustainability report

**2018**  
2<sup>nd</sup> sustainability report

**2020**  
3<sup>rd</sup> sustainability report

**2021**  
4<sup>th</sup> sustainability report

**2022**  
5<sup>th</sup> sustainability report  
Ecovadis Bronze (IBSA Farmaceutici)  
Calculation of Scope 1 and 2 emissions at the Group level  
Integrated Sustainability Strategy  
ESG Governance

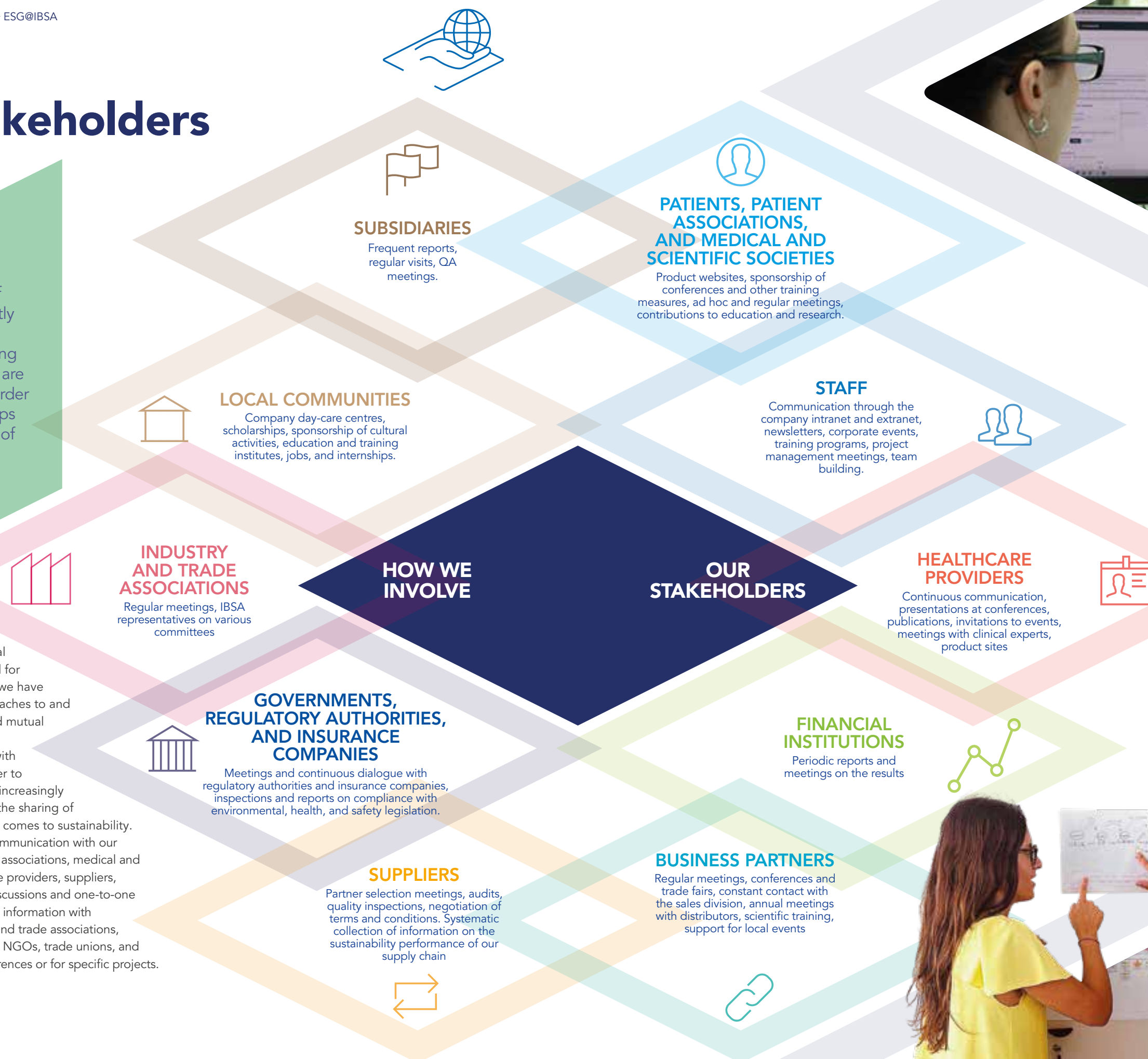
**Sustainability path**  
(from 2015 onwards)



# Our stakeholders

In each of our areas of expertise, we constantly interact with our stakeholders, identifying the specific areas that are relevant for them, in order to map the main groups and identify the areas of interest.

Although no specific external stakeholders were consulted for the purposes of this report, we have carefully analysed the approaches to and procedures for influence and mutual collaboration. In 2022, we consolidated our dialogue with most of our suppliers in order to draw up a document that is increasingly based on transparency and the sharing of intentions, including when it comes to sustainability. We engage in continuous communication with our employees, patients, patient associations, medical and scientific societies, healthcare providers, suppliers, and shareholders through discussions and one-to-one meetings. We also exchange information with local communities, industry and trade associations, academia, public authorities, NGOs, trade unions, and financial institutions at conferences or for specific projects.







# Material Topics

The **materiality analysis** is an essential component of our sustainability approach.

We recognise the importance of identifying and understanding material topics, as they **represent IBSA's impacts on the economy, the environment, and people**, including the impact on their human rights. In fact, these topics are essential to addressing the most urgent challenges and seizing the most significant opportunities for us and our stakeholders.

In order to identify the material topics, we conducted an in-depth analysis of emerging trends in the pharmaceutical sector and related best practices, as well as applying the standards of the Sustainability Accounting Standards Board (SASB) and the Global Reporting Initiative (GRI), thanks to the advice of a specialised external company. Through an approach that combined market research and internal debates, we identified the actual and potential impacts of our activities and collated them into 11 relevant topics.

## MATERIALITY ANALYSIS

	INTERNAL IMPACT	EXTERNAL IMPACT
1 Development of new treatments with a high benefit / cost ratio		✓
2 Equal pay and opportunities	✓	✓
3 Work environment, sense of belonging	✓	
4 Scientific and cultural activities, development of the local community		✓
5 Training and support for young professionals and students		✓
6 Professional ethics, integrity, and free competition	✓	✓
7 Creation and distribution of economic value	✓	✓
8 Long-term growth of the company	✓	✓
9 Value creation through innovative products and services	✓	✓
10 Reduction of energy and water consumption	✓	✓
11 Reduction of CO <sub>2</sub> emissions along the value chain	✓	✓

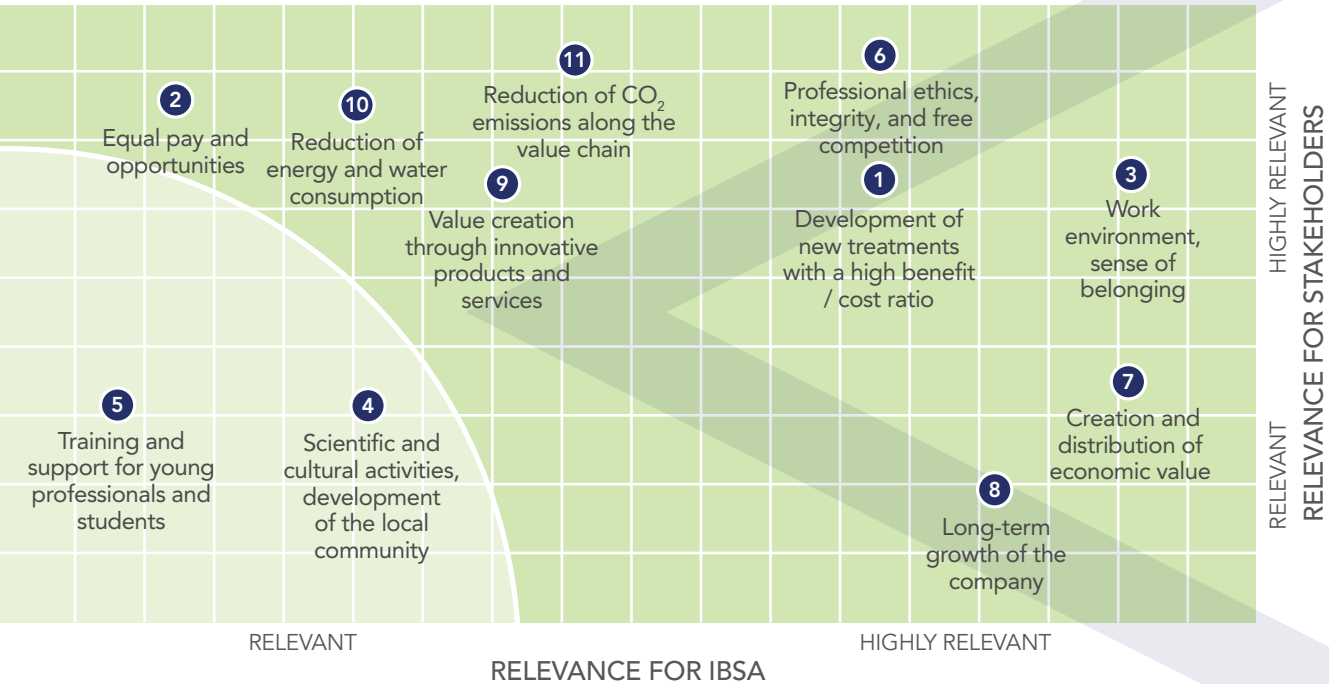
We then assessed these topics in terms of priorities for our stakeholders and for our corporate strategy, as well as in terms of potential impact on the creation of economic, social, and environmental value. After defining the relevant issues, we asked some of our senior employees to evaluate the relevance of each of them for our company and for our stakeholders.

The following 9 material topics were thereby identified:

- Work environment, sense of belonging
- Professional ethics, integrity, and free competition
- Development of new treatments with a high benefit / cost ratio
- Creation and distribution of economic value
- Long-term growth of the company
- Reduction of CO<sub>2</sub> emissions along the value chain
- Value creation through innovative products and services
- Reduction of energy and water consumption
- Equal pay and opportunities

We used this data to draw up our materiality matrix, which graphically illustrates the eleven relevant topics and the threshold defined for reporting the nine material topics. This matrix was reviewed by the Sr. ESG & Sustainability Manager with the assistance of Positive Organizations (Lugano) and approved by our Chair & Sr Vice President.

## MATERIALITY MATRIX







# IBSA and the Sustainable Development Goals (SDGs)

In September 2015, more than 150 international leaders met at the United Nations to discuss how to contribute to global development, promote human well-being, and protect the environment. In 2015, the Member States of the United Nations approved the 2030 Agenda for Sustainable Development, the key elements of which are the **17 Sustainable Development Goals (SDGs)**, which aim to end poverty, combat inequalities, and promote social and economic development. In addition, they cover aspects that are of **fundamental importance for sustainable development**, such as tackling climate change and building peaceful societies by 2030.

The SDGs have universal validity: all countries and organizations must contribute to achieving the goals based on their capabilities, impact, and goodwill. As signatories to the 2030 Agenda, all the countries in which IBSA operates have implemented national strategies to achieve the goals to which they have made a formal commitment. This means that each country draws up laws and guidelines, developing initiatives that directly affect companies and private individuals and are aimed at changing our behaviours.



IBSA takes responsibility for monitoring its supply chain, being an excellent employer, supporting the communities in which it operates, and minimizing the impact of its production activities on the environment.





IBSA recognises the importance of these initiatives and, starting from the second Report published in 2018, it has undertaken to develop its activities in relation to the eight goals chosen, increasing their tangible value. We understand that measuring a company's contribution based on the SDGs is difficult. This is why we will be introducing a formal monitoring system, which will be put in place in the near future.



**SDG 3 – Good health and well-being**

Improving our patients' quality of life and our employees' well-being is at the heart of our culture. We fulfil this duty by:

- offering effective, safe, and accessible treatments;
- safeguarding and promoting the safety and well-being of our employees.



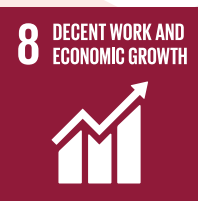
**SDG 4 - Quality education**

Through the IBSA Foundation for Scientific Research, we are committed to promoting education by granting scholarships, organizing scientific forums, and publishing medical and scientific papers. We provide our employees with training courses to improve and refine their skills.



**SDG 5 - Gender equality**

At IBSA, gender equality is indispensable. The Group's Code of Ethics prohibits any type of discrimination based on gender. Women make up 45% of the management team.



**SDG 8 - Decent work and economic growth**

Opening subsidiaries in different continents in recent years has enabled us to create job opportunities that offer better conditions than the local standards in the respective countries. Growing sustainably allows us to contribute to the well-being of the communities in which we operate.



**SDG 9 - Industry, innovation, and infrastructure**

Innovation through Research and Development is at the heart of our business model. We continuously improve the efficiency of our infrastructure using cutting-edge technologies to minimise the impact of our operations. We constantly optimise the efficiency of our use of resources and adopt technologies and industrial processes that comply with environmental standards.



**SDG 12 - Responsible consumption and production**

We strive to manage our impact on natural resources sustainably and to handle chemicals and waste from our operations responsibly. We adopt sustainable practices and try to be as transparent as possible in reporting our activities.



**SDG 13 - Climate action**

Since 2015, we have been committed to reducing the impact of our activities on the environment and communicating these efforts by publishing Sustainability Reports. We work with the Swiss Energy Agency to reduce emissions from our operations.



**SDG 16 - Peace, justice, and strong institutions**

Since 2017, we have implemented an anti-corruption policy in addition to the government policies already in force in the various countries where we operate. We are committed to promoting and communicating anti-corruption directives to our employees and stakeholders in the most appropriate way, implementing specific training programmes for each level within the company hierarchy.

	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Development of new treatments with a high benefit / cost ratio	✓				✓			
Equal pay and opportunities			✓	✓	✓			
Work environment, sense of belonging				✓				
Scientific and cultural activities, development of the local community	✓	✓		✓				
Training and support for young professionals and students		✓	✓					
Professional ethics, integrity, and free competition	✓							✓
Reduction of energy and water consumption		✓			✓	✓	✓	
Reduction of CO <sub>2</sub> emissions along the value chain					✓	✓	✓	
Creation and distribution of economic value				✓				
Long-term growth of the company				✓				
Value creation through innovative products				✓	✓			

- ✓ IBSA contributes **directly** to achieving this goal
- ✓ IBSA contributes **indirectly** to achieving this goal

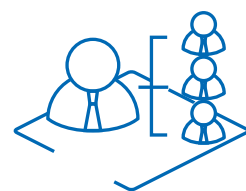




# GOVERNANCE

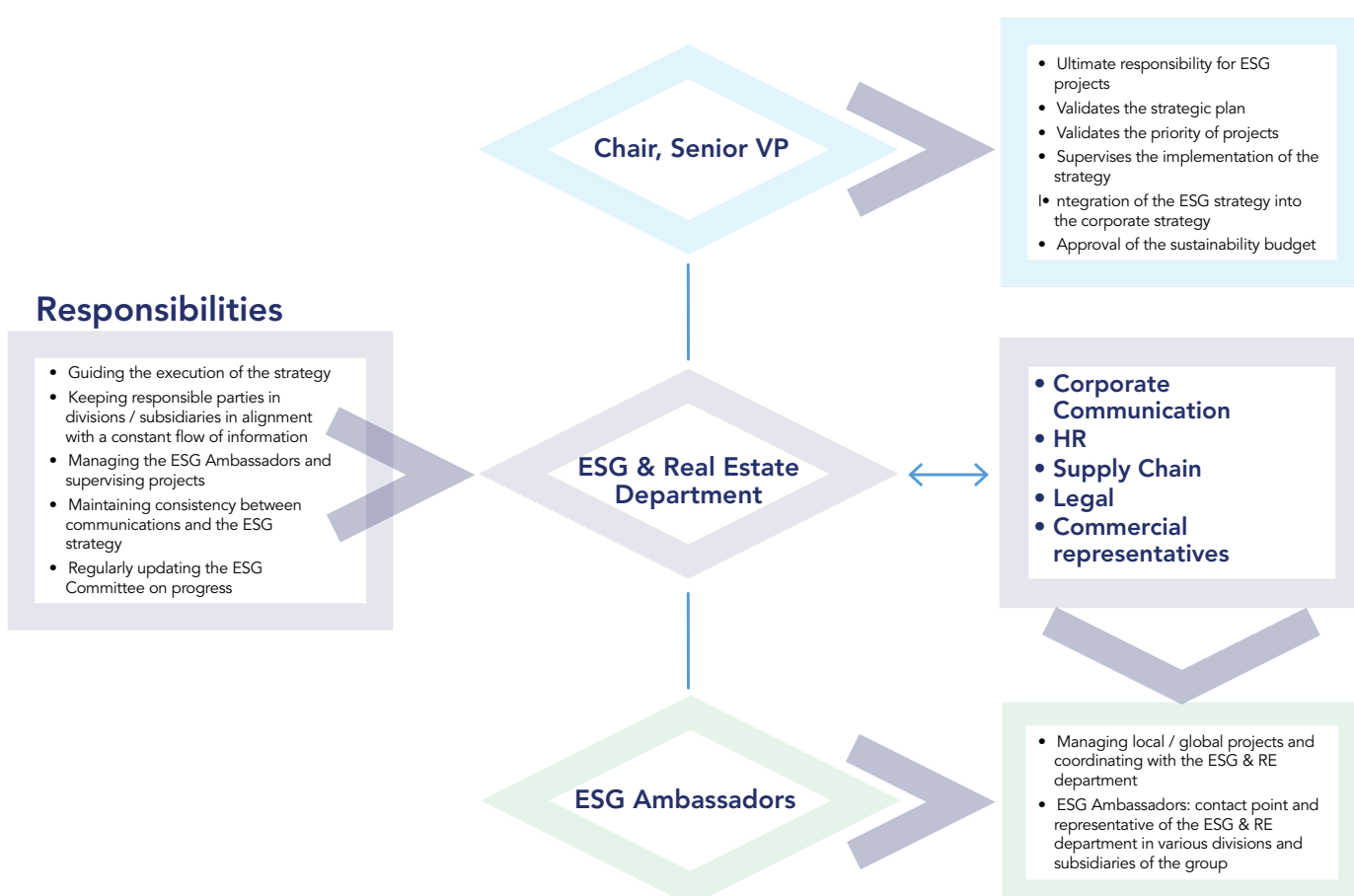






# Governance

The new *ESG@IBSA* strategy represents a **business innovation challenge** for our company, which prioritises **ensuring ever better care, a more equal and more inclusive society, and a clean environment**. To embark on this new journey, we are directing our efforts and attention to establishing a system of **governance** and clear and structured processes, which will enable us to measure and monitor the progress made.

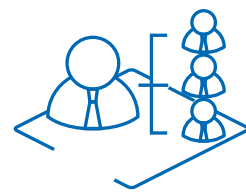


The first step in the evolution of the governance system will be to define the roles and responsibilities more precisely, which enable us to effectively implement our strategy and projects in the ESG field. To support our Chair, we have set up the **ESG & Real Estate Department**, which will facilitate the execution of the strategy within the entire Group.

In our ongoing commitment to IBSA's sustainable development, the Chair and Senior VP plays a key role in ensuring the success of our ESG initiatives. He is entrusted with crucial tasks, ranging from validating the strategic plan to overseeing the implementation of our sustainable strategies. In addition, he consistently integrates ESG aspects into our global business strategy by approving the necessary budget for sustainability measures. **The ESG & Real Estate Department plays a fundamental role in effectively putting our strategy into practice**, guiding its implementation and ensuring that the heads of divisions and subsidiaries remain aligned thanks to a constant flow of information. By overseeing projects and managing our ESG Ambassadors, the department maintains consistent and regular communication between the actions taken and our ESG strategy. The ESG Ambassadors, in turn, act as **catalysts for change at both the local and global levels**, working closely with the ESG & Real Estate Department to ensure the success of projects and proudly representing the values and goals of our sustainable commitments within the group's various divisions and subsidiaries. **Thanks to their synergistic contributions, the company is constantly moving towards a more sustainable future.**







# Integrity and ethics

At IBSA, we have built our reputation as a responsible and reliable company thanks to the **quality** and **effectiveness** of our products, the **values** and **principles** that guide our relationships with all our stakeholders, and the fairness with which we conduct our activities.

We carry out all our activities, both financial transactions and production operations, based on the premise of **giving back to the communities in which we live and work**. This is why we are committed to meeting the needs of the **Individual, both as a patient and as an employee**.

At IBSA, everyone is committed to following an ethical code of conduct that complies with the laws and regulations. This commitment covers all organizational levels and is strongly supported by our President, as well as regulated by the company's legal division.

The pharmaceutical and medical device sector is one of the most heavily regulated in the world. This level of regulation, combined with IBSA's vision of putting the individual, their health, and their well-being at the centre of its work, translates into an obligation to **carry out our activities according to the highest ethical, regulatory, and legal standards**. We are committed to conducting ethical, responsible, accurate, and patient-centred promotional activities and to complying with all applicable regulations, firmly combating all forms of unfairness and corruption.

## Code of Ethics

In 2017, the IBSA Group established a **Code of Ethics** that forms the **basis for all activities carried out within the company**. This document was updated in November 2020 and can be viewed at the link

[www.ibsagroup.com/it/code-of-ethics.html](http://www.ibsagroup.com/it/code-of-ethics.html).

Compliance with the laws, principles, and values contained in the Code is considered an essential condition for carrying out all IBSA's activities.

Through the Code of Ethics, the IBSA Group aims to define and disseminate the principles and values of **fairness, loyalty, integrity, and transparency** as guiding elements for the conduct of its constituent bodies, its employees, and everything related to the Group in order to achieve its objectives.

The scope of the Code of Ethics therefore also covers relations with third parties, such as suppliers, intermediaries, customers, authorities, the media, etc.

The Code also includes guidelines for sponsorship and philanthropic activities, where it is necessary to act in compliance with the Group's anti-corruption policy. Conduct that violates these principles is not justifiable under any circumstances, regardless of any intention to act in the interest of the Group.

IBSA expressly complies with the requirements of the existing national codes of ethics and the provisions of the guidelines applicable for the pharmaceutical industry established in the individual national arenas in which it operates.

It also undertakes to promote and communicate the Code of Ethics in the most suitable way to the parties it is aimed at, implementing specific training

programs to ensure appropriate conduct.

The parties the Code of Ethics is aimed at must comply with the ethical principles set out below within their spheres of competence.

## Anti-Corruption Policy

Transparency International considers corruption in the pharmaceutical industry to be a major risk factor in the sector. The phenomenon of corruption places companies in a position of risk with respect to their operational and reporting targets.

This poses a threat that could limit the business's growth and stability.

Consequently, the IBSA Group is committed to operating with **honesty, integrity, and ethics** in all geographical areas, in compliance with the highest anti-corruption standards.

In 2017, in conjunction with the Code of Ethics, the IBSA Group drew up a document containing internal anti-corruption guidelines, in addition to the governmental guidelines already in place. This document was aimed at both internal stakeholders, such as employees, and external stakeholders, who act on behalf of the Group. The document is available at

[www.ibsagroup.com/it/anti-corruption-guidelines.html](http://www.ibsagroup.com/it/anti-corruption-guidelines.html)

IBSA undertakes to promote and communicate the anti-corruption directives in the most appropriate way, implementing training programs for each new employee, who is required to sign a declaration of compliance with the principles contained therein.

## Legal procurement

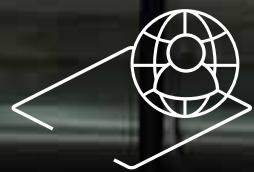
In our second Sustainability Report, we mentioned Legal Procurement (i.e., the purchase of legal services) and the introduction of a digital Beauty Contest in order to select the law firms to be entrusted with our practices. This is a **comparative procedure that enables in-house lawyers to choose the best professional** at market cost, based on thorough due diligence and documented evidence. The whole process is implemented in a way that is transparent and traceable.

Since 2021, IBSA has extended the use of the digital Beauty Contest to all the countries in which the Group operates, thus globalizing a compliance measure initially implemented at the headquarters and in the Italian subsidiary.

«There is no right way to do a wrong thing.»

Kenneth Blanchard

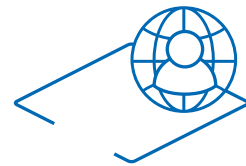




# CULTURE







# Culture

The IBSA Group has initiated a profound process of cultural evolution, characterised by a **strong sense of responsibility at all levels**. Achieving the goals set out in the new *ESG@IBSA* strategy depends significantly on the **active participation of each individual employee**, recognizing that their involvement is what makes us strong and that together we can make a difference. At the heart of this cultural transformation is the promotion of a **sustainability mindset**. We are committed to integrating ESG performance into our annual targets to track progress in ESG matters. In addition, we consider it essential to **constantly educate all our employees on sustainability issues**, in a way that makes them all part of the change. We want to deepen the understanding of these issues at different levels depending on the target audience and their role, promoting numerous initiatives and projects.

Out of all the measures we are implementing, **the training and awareness program**, which is entirely focused on ESG (Environment, Social, and Governance) issues, is particularly important. In order to maximise the effectiveness of this initiative, the program will be tailored to the specific divisions, encouraging all roles within the IBSA Group to get involved. This will also involve **top management**, which plays a fundamental role in integrating sustainability into the Group's strategy. The aim of the training program is to ensure that members of the management team understand the strategic relevance of these

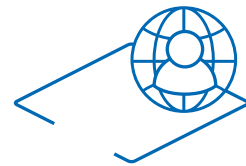
issues and to deepen their understanding of the key concepts for the adoption of sustainable practices and measures in all Group departments.

To spread the culture of sustainability more effectively, it is crucial to get every employee at all levels within IBSA and its subsidiaries involved. To this end, the **ESG@IBSA strategy has appointed a series of ESG Ambassadors, key figures who will promote the ESG principles** at the Group's main subsidiaries and in key departments. This approach will ensure more tangible support for the ESG & Real Estate Department in monitoring progress on ESG issues. The core of this project lies in the need to establish clear internal structures and processes for managing ESG matters, fostering smooth communication and alignment with all company divisions. IBSA's commitment to sustainability does not stop at the present but continues into the future.

«Achieving the goals set out in the new *ESG@IBSA* strategy depends significantly on the **active participation of each individual employee**, recognizing that their involvement is what makes us strong and that together we can make a difference.»







In the coming years, IBSA intends to expand the training program currently underway, enabling employees to progressively adopt more sustainable practices in their daily lives. The integration of sustainability goals will remain fundamental to ensuring a constant commitment to managing the company in a way that is responsible and sustainable. In the near future, the Group plans to incorporate specific sustainability goals into the performance evaluation system and the MBO (Management By Objectives) process. In addition, recognizing that compliance and certification are constantly evolving processes, IBSA will maintain a continuity program for its certifications so that it remains aligned with best practices in the industry. Internal and external communication will play a fundamental role in the development of the corporate culture. Within the company, we will motivate and inspire employees to integrate sustainability into their daily lives by effectively communicating our sustainability values and goals. Outwardly, we will share our vision and commitment to responsible management by transparently conveying our efforts and results in the field of sustainability, thereby helping to strengthen IBSA's image when it comes to sustainable development.

## Bioethics

Despite our reluctance to carry out animal testing, some regulatory authorities require us to carry out studies on mice to ensure the biological safety of some of our products. However, we are committed to respecting the "Three Rs" principle - **replace**, **reduce**, and **refine** - to limit the use of such tests as much as possible. These principles were developed over 50 years ago and have provided a framework for more ethical animal research. Since then, these principles have been integrated into national and international legislation and regulations, scientific procedures, and the policies of organizations that fund or conduct animal research.

### • Replace

- We use non-animal testing methods (in particular, cell culture studies) or chemical composition studies in cases where these methods are accepted by regulatory authorities as sources of information with equal relevance to those results obtainable from in vivo models.
- We follow the development of new in vitro methods and their acceptability to regulatory authorities.

### • Reduce: We adopt strategies aimed at reducing the number of animals used in experiments, for example:

- Whenever possible, we use materials whose biological safety has already been assessed or ascertained, taking advantage of the shared research conducted by the various companies that make up our Group. We are committed to avoiding unnecessary or repeated testing.
- We pay great attention to risk assessment, carefully analysing the real need to resort to animal testing.

### • Refine

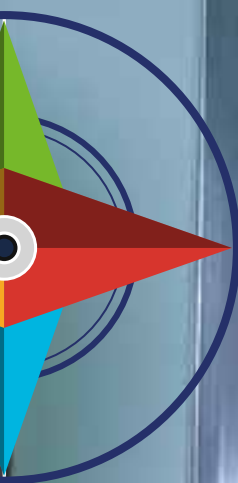
- We choose experimental methods that cause the least possible discomfort for the animal.
- We conduct all our animal testing in specialised and accredited laboratories.







# SOCIETY







# Society

IBSA's role in society is of **great importance and impact, as the Group is one of the main economic players in the fields in which it operates.** We are present at the social level both directly, through the cultural, social, and academic activities of our Foundations, and indirectly, through our corporate structure and composition.

Protecting the people who work at IBSA is our most important responsibility. We strive to create a work environment that takes individual needs into account and promotes the development of personal skills. We recognise that the work environment has a significant impact on the company's success, so we are committed to constantly improving working conditions, paying great attention to our employees' well-being. This commitment translates into occupational health and safety measures, as well as the promotion of inclusion and diversity. We want to create an environment that fosters the personal and professional growth of our employees, reducing turnover and promoting collaboration and mutual support among our employees. IBSA attaches crucial importance to its social role and the positive impact its initiatives will have on society in the future. We see social responsibility as a fundamental pillar of our business. We are committed to creating a lasting positive impact on the lives of the people we work with and the communities in which we operate. We closely monitor the results of our social initiatives to make sure they have a real and meaningful effect. We want to exceed expectations, making a tangible contribution to solving social challenges. Our future commitment is focused on constantly increasing the number of initiatives and reaching more and more people, building a better and more inclusive future for everyone.

3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



5 GENDER EQUALITY



+10,6%  
ORGANIC GROWTH  
from 2021 to 2022

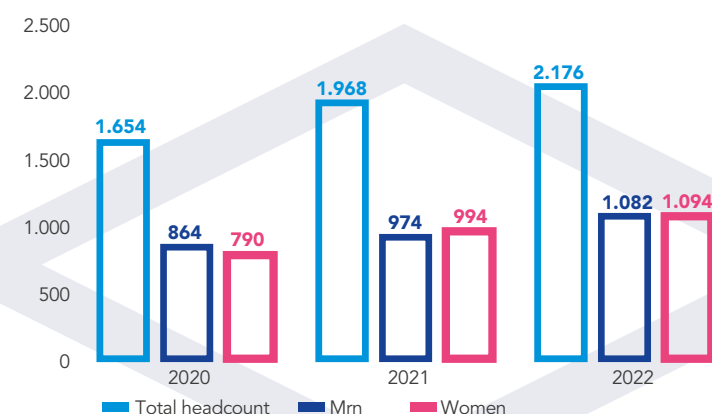
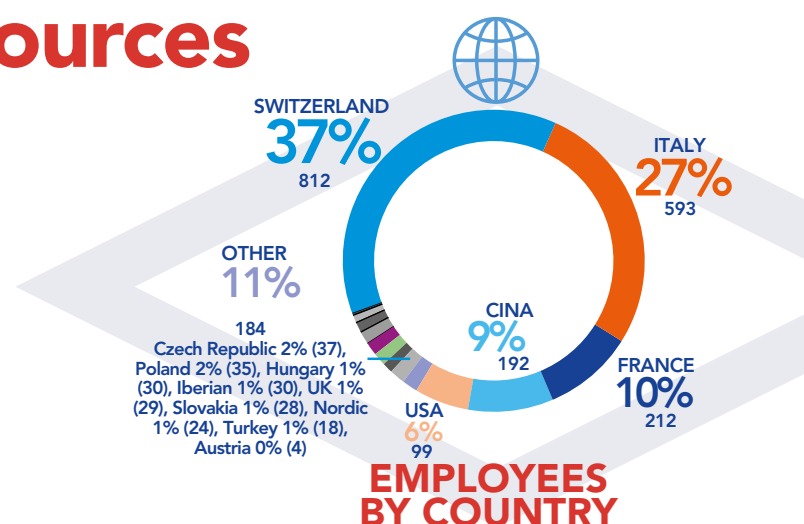
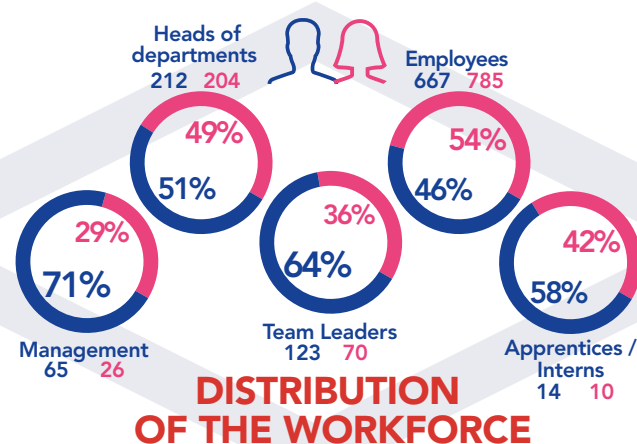


# Human Resources

Our business has not stopped growing, as demonstrated by the 10.6% increase in staff over the last year, reaching a total of 2,176 employees (as of 31 December, 2022). Specifically, the number of our employees at the Italian subsidiary rose significantly by 9%, followed by the Swiss subsidiary (an +8.7% staff increase compared to 2021), and by similarly high growth rates in the other subsidiaries. These results confirm our ambition to continue to grow in the years to come, despite the difficulties posed by the macroeconomic challenges of the market.

It is important for us to highlight the absence of gender inequality, as can be seen from our salary policy and the career opportunities within our Group. This is also reflected in the almost perfect balance between the total number of men (1,082) and women (1,094).

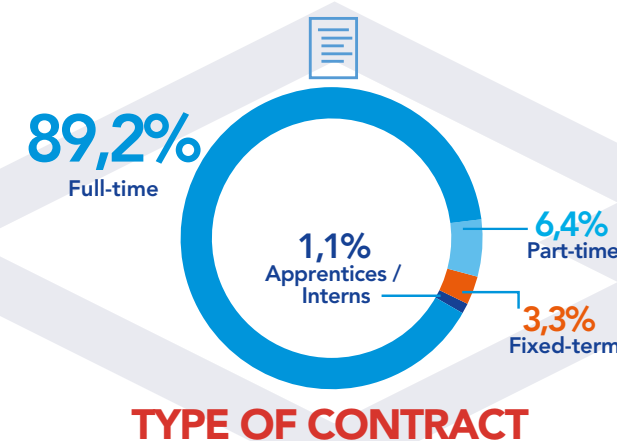
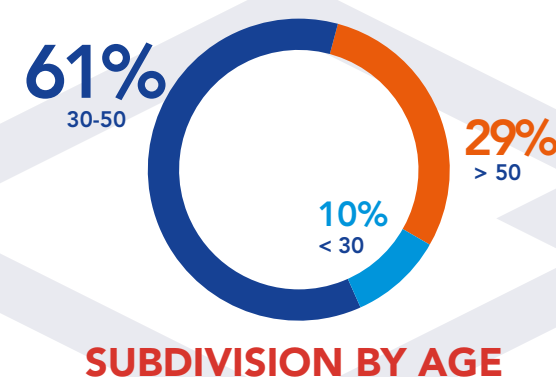
We are also proud to be able to say that our commitment to eliminating gender inequality in our Group has led to 29% of top management positions being filled by women. The proportion is even higher at the level of department heads (49%).



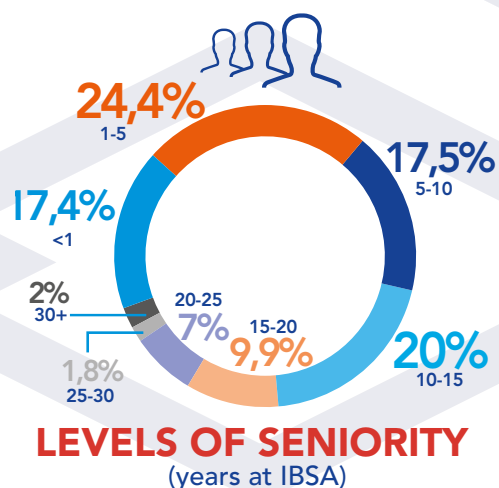
**DEVELOPMENT OF THE TOTAL WORKFORCE**

In addition to these very positive figures, we'd also like to highlight two initiatives that have attracted a lot of interest over the years:

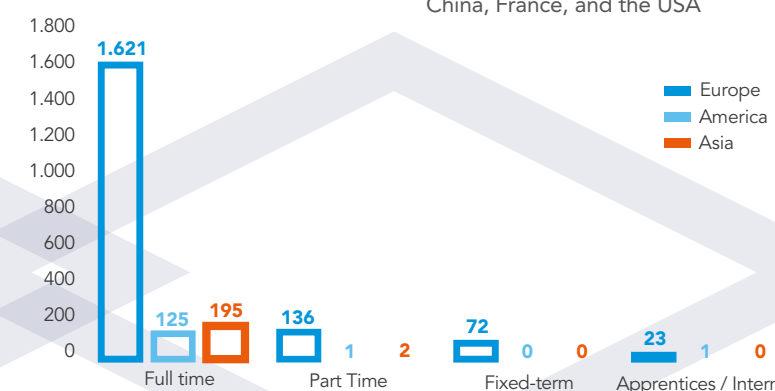
- Advice for employees who wish to take out a personal loan, to provide them with an overview of the best options, so that they can avoid facing too high interest rates and taking on excessive debt;
- The presence of an osteopath available to employees free of charge at the Lugano head offices.



**TYPE OF CONTRACT**

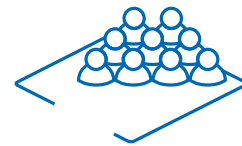


This data only refers to the subsidiaries in Switzerland, Italy, China, France, and the USA



**SUBDIVISION OF CONTRACTS BY GEOGRAPHICAL AREA**





## Health and safety

All subsidiaries of our Group follow the principles of prevention, protection, and continuous improvement of the work environment. We guarantee that the health and safety of our employees and the community are protected thanks to an adequate risk assessment and periodic analyses of the processes and activities in place. In addition, we are continuously identifying the measures necessary to avoid or reduce the likelihood of an adverse event occurring. External audits ensure compliance with current legislation and company standards. Unlike in previous years, data relating to the number of minor accidents or injuries will not be available in this report, as the IBSA Group has launched a new data collection process to adopt a classification system that includes all cases within the Group's subsidiaries.

Nevertheless, we are committed to sharing the dynamics, causes, and consequent corrective action plans of all incidents at all levels of the organization, in order to prevent similar events from recurring and with a view to continuous improvement. All employees, without exception, have participated in training courses, awareness-raising programs, and specific training, with the aim of maintaining a high professional level, promoting the exchange of experiences, improving management, and promoting a culture of safety. Safety training is defined on the basis of the needs highlighted by the professional requirements,

in order to ensure that our staff's skills are continuously updated. Our vocational training focuses in particular on updating knowledge of legislation and on HSE (Health, Safety, and Environment) awareness campaigns aimed at all employees, including through ongoing training courses.

## Human rights

IBSA firmly believes that every person should always be treated with respect and objectivity. We value the diverse experiences of individuals around the world. We are committed to always operating in compliance with the principles universally recognised and supported by the United Nations (UN), the International Labor Organization (ILO), and the Organization for Economic Cooperation and Development (OECD), and to aligning our principles and codes of conduct with these. We expect all our staff and

business partners to respect these principles. For IBSA, protecting human rights also means:

- Improving access to healthcare, including for those whose needs are not fully met by the healthcare systems in the country where they live.
- Protecting the privacy of our employees, customers, and their patients.
- Never tolerating any form of harassment or discrimination based on sex, race, skin colour, religious affiliation, age, ethnic

origin or nationality, marital or parental status, or sexual orientation.

- Respecting the legal right of employees to join or not to join organizations that protect the rights of workers, including trade unions.
- Ensuring that child labour is not exploited and that forced or clandestine labour is not used at any level.







# Responsibility: a pillar of conducting business

Responsibility plays a **social function** that goes beyond treatment and beyond the concept of disease, because there can be no wealth if you do not give value back to the community you are a part of. IBSA has chosen to speak through concrete actions, using quality, innovation, and social responsibility to convey its message. Sustainability therefore plays a fundamental role, which is also reflected **in the commitments of our Foundations.**



## Foundations

Social responsibility plays a role of fundamental importance, as reflected in the commitment of **our Foundations.**

### IBSA FOUNDATION FOR THE PENSION FUND OF EMPLOYEES

Established in 1958, its purpose is to manage the assets in the IBSA employees' pension fund. The decision to manage the pension funds through a foundation was based on our commitment to maintaining independence while minimizing risks. The fund's assets are managed by an external organization in compliance with the mandate assigned by IBSA, which precisely sets out the investment strategy, type of investment asset, and risk profile, with the latter set by the company on the basis of its overall parameters

for its approach to risk itself. These assets belong to the employees and are intended to ensure their financial security during retirement or in the event of health problems. It is therefore imperative to choose a prudent strategy that combines preservation of capital and returns in a balanced way. The coverage ratio is currently well above 100%. The ESG performance of the invested funds is monitored in collaboration with our financial partners. The pension benefits offered are greater than those required by Swiss law.

### THE IBSA FOUNDATION FOR CHILDREN PRIMI PASSI NURSERY

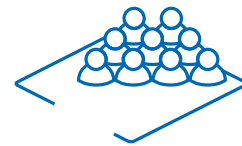
This is a non-profit organization, one of the purposes of which is to run the **IBSA Primi Passi Nursery**, a day-care centre for children from 4 months to 4 years old. This centre was set up to provide practical help for employees and the population of the Canton of Ticino in one of the most critical periods of becoming a parent, promoting a better balance between parenting and work commitments.

The pedagogical approach, implemented by professionals with Montessori training, is based on active pedagogy theories that see every child as competent and eager to know and learn at their own pace, through the enjoyment of knowing how to do things.

[www.nidoprimitpassi.ch](http://www.nidoprimitpassi.ch)







## IBSA FOUNDATION FOR SCIENTIFIC RESEARCH

**IBSA Foundation for scientific research** was established in 2012 and is the **main promoter of the IBSA Group's social responsibility activities**. Through the Foundation's numerous activities, the company not only offers **funding and scholarships** in the medical and scientific fields, but also contributes to **fostering dialogue between the humanities and the sciences**. It does this through approaches that involve the community at all levels, from the institutional world to schools, and with creative and innovative languages designed to educate the new generations and inspire their growth paths.

The IBSA Foundation's vision is to combine the culture of science and that of the humanities to **"go beyond treatment"**. Its mission is to **promote an authoritative and accessible scientific culture** through science communication, membership of a scientific network, and support for research and training.

The IBSA Foundation is committed to carrying out various activities in the scientific and cultural fields, pursuing a path that is made even more virtuous thanks to the synergies and partnerships established with the spheres of education, culture, and medicine. The Foundation supports various bodies and institutions (listed below) to carry out projects and events:

- Cultural Division of the City of Lugano
- DECS - Department of education, culture, and sport of Canton Ticino
- LAC edu - Lugano Arte e Cultura cultural centre educational
- laRegione
- L'ideatorio USI
- Lugano Living Lab
- MASI - Museo d'arte della Svizzera italiana
- MUST - The National Museum of Science and Technology "Leonardo da Vinci"
- MUSE - Trento Science Museum
- Scuola Romana dei Fumetti and Carocci editore publishing house
- USI - Università della Svizzera italiana

In 2022, the improvement of the pandemic situation enabled the Foundation to resume its activities at full speed, while still respecting the Covid-19 regulatory provisions.



More information on activities and initiatives of the Foundation:  
[www.ibsafoundation.org](http://www.ibsafoundation.org)



J. BONE





## Promoting Science

### BLOG

The IBSA Foundation's blog (on the website [www.ibsafoundation.org](http://www.ibsafoundation.org)), in Italian and English, offers insights to make the world of science and health more accessible and interesting, through various topics in the fields of science, culture, technology, and the arts. The blog is divided into **four sections**:

- **Science Beyond Frontiers**: the latest medical and scientific discoveries from all over the world.
- **Cultura e Salute (Culture and Health)**: a collection of experiences, case studies, and new discoveries related to the "biopsychosocial" aspect of Health, which demonstrate how cultural activities affect the quality of life of individuals.
- **Art and Science**: articles that aim to reveal the synergies between the worlds of science and the arts.
- **Comics**: a collection of articles that show how comics can actually be an effective tool for science communication.

### CULTURA E SALUTE (CULTURE AND HEALTH)

The Culture and Health project was launched in 2020 as part of the partnership with the Cultural Division of the City of Lugano. The project is committed to supporting and promoting knowledge, research, and practice, with the aim of taking advantage of existing opportunities to facilitate **the use of the arts as a tool to support care**.

In 2022, the Culture and Health project was consolidated and further developed through various activities:

- The [culturaesalute.ch](http://culturaesalute.ch) website was updated with new research, practices, and artistic and cultural projects to promote the well-being of individuals and communities.

- From October to December 2022, the **university course on Culture and Health entitled "Healing through music"** was held for the second time at the University of Lugano (USI). On seven Mondays, figures from the world of science and professors from the USI Faculty of Biomedical Sciences, coordinated by Prof. Enzo Grossi, discussed seven themes that **link music with medicine** and people's well-being. The talks, which were open to the public,

involved students and doctoral candidates from the Faculty of Biomedical Sciences and the Conservatorio della Svizzera italiana (who were partners for this edition of the course), as well as all citizens who wanted to participate. The course was a great success, with more than 650 people attending the sessions.

### PAROLE FERTILI ("FERTILE WORDS")

"Fertile Words" is a **narrative sharing project** conceived as a **digital story sharing** community that was launched in 2016 with the collaboration of Dr. Cristina Cenci of the Center for Digital Health Humanities. For IBSA Foundation, Fertile Words is a great laboratory to experience how aspects of culture and health can become an important part of the treatment journey. The project website, [parolefertili.it](http://parolefertili.it), is a new kind of online arena that offers a completely different register and **narrative space**, where you can escape from loneliness and share choices, doubts, problems, and expectations with others facing a similar experience. Hundreds of

stories dedicated to trying to have a child have been shared so far on the website and in the Facebook, Twitter, and Instagram communities, and the Fertile Words project has grown significantly, being turned into a video miniseries, a book published by Mondadori Electa, and finally a play entitled "Quasi Genitori" ("Almost parents"). In 2021, Fertile Words became part of the treatment pathway with an **integrated digital drama therapy activity** at a medically assisted reproduction centre. In 2022, the

Fertile Words website was completely revamped; in addition to a new graphic design, the stories shared by users can now also be accompanied by a photo.

[www.parolefertili.it](http://www.parolefertili.it)

**PAROLE FERTILI**



## LET'S SCIENCE!

*Let's Science!* is a **creative journey** launched in 2018 that aims to establish dialogues on health-related issues with schools and institutions through series of comic books, experiential labs, and exhibitions **especially for young people**. The aim of *Let's Science!* is to convey scientific information to young people through an engaging and compelling approach, even when dealing with the most difficult topics. The project, carried out in collaboration with the Department of Education, Culture, and Sport of Canton Ticino (DECS), offers young people the opportunity to **deepen their understanding of science**, while at the same time learning about the work of a doctor or researcher. It is thus meant to be not only a useful tool for didactic learning, but also for guiding the future career choices of young people. The *Let's Science!* week was held in September 2022 at Villa Saroli in Lugano. An **exhibition of comics** from the first 10 books in the *Let's Science!* series was put on in this venue. The books contain a scientific text written by doctors and scientists, along with a **comic** scripted by young students from middle schools in Ticino and drawn by artists at the **Scuola Romana dei Fumetti**. "A scientist

among us" was the title and theme of the week: 6 classes from middle schools of the Canton Ticino had the opportunity to **interact with the scientists** who wrote the booklets presented, as well as with **comic book artists**, thus deepening their understanding of the science in an engaging way. The participating classes also visited **L'ideatorio USI**, in Cadro, to further explore the scientific topics. This is an experience that helps students and teachers to **immerse themselves in the world of science** in a region that stands out for its strength in research and innovative studies. The exhibition in Villa Saroli features the three winning comics in the **Contagion Competition**, along with those that received special mentions. The competition, launched in schools by IBSA Foundation in collaboration with DECS, aimed to get young generations to talk about their experiences of the difficult period during the COVID-19 health crisis through comics. Participation in

Contagion was high: 28 classes (12 in the first year, 15 in the third year, and 1 special class) from 16 different schools in the Ticino area submitted a total of 111 projects. At the end of the week, "**Digital between illusion and reality**" was held on Saturday 17 September in collaboration with Lugano Living Lab: an engaging and magical event where participants could discover the magic of the web. With the help of the techniques of the mentalist Federico Soldati and the knowledge of some experts in the field, participants were able to learn about the **risks and opportunities of the web** in an alternative and original way. The afternoon ended with a presentation by RSI SPAM on creating digital content. The event attracted huge number of participants from the public, with more than 200 people attending.

## PUBLICATIONS

The book "**Contagion - The pandemic told through comics by children from middle schools in Ticino**" was published in 2022; the volume contained a collection of the 111 projects submitted for the competition of the same name. Books 9 and 10 in the *Let's Science!* series, entitled "**How life circulates**" and "**The smartphone:**

**ally or enemy?**", were published in 2022, completing the series. The entire series was then translated into French, making it available in 4 languages (Italian, German, English and French).

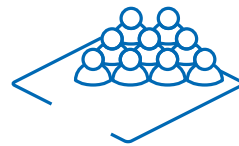
## TICINO SCIENZA

Ticino Scienza, founded in 2020, is an online newspaper ([www.ticinoscienza.ch](http://www.ticinoscienza.ch)) available in Italian and German and dedicated to covering the intensive research and science communication work carried out in Canton Ticino (Switzerland). The purpose of this innovative online portal is to introduce the general public to **Ticino's thriving scientific research scene**, which doesn't yet receive the recognition it deserves, promoting and stimulating synergies between the different institutes in the region and in the rest of Switzerland and giving a voice to those who work in the field of science. Ticino Scienza is also intended to be a space that highlights

the increasing number of **science communication initiatives** being organised in the canton. In fact, scientific developments represent a fundamental part of our lives and make a decisive contribution to our future. Since 2022, Ticino Scienza has entered into a **partnership with laRegione**, one of the leading newspapers in the Canton of Ticino. The collaboration has enabled the creation of the "Ticino Scienza" column, published every month in the paper newspaper and in a special section of the website.

**TICINO**  
SCIENZA





## Art and Science

Art and Science projects aim to raise public awareness of the relationships between art, science, technology, and research, which are now so closely linked that they are often inseparable.

### THE NATIONAL MUSEUM OF SCIENCE AND TECHNOLOGY "LEONARDO DA VINCI"

Since 2019, the 500th anniversary of the death of Leonardo da Vinci, IBSA Foundation has been a Scientific Partner of the Museum of Science and Technology. IBSA Foundation for scientific research shares the museum's strategic aims and contributes to its activities, and

in 2021 it was the first partner to join the Mission Partnership programme, establishing itself as a committed and notable Scientific Partner. The Museum offers a permanent programme of digital art installations through the **Digital Aesthetics** project, with the aim of reflecting on new digital languages and exploring the relationships with artificial intelligence and the connections between technological innovations and artistic creative processes. In 2022,

the IBSA Foundation contributed to the project by supporting the installation "**La Gabbia (The Cage)**" by *AuroraMeccanica*, which is now presented alongside "**Robotic voice activated word kicking machine**" by *Neil Mendoza* and "**Chromata**" by *Michael Bromley*, which were installed in 2021 and remained open to museum visitors throughout 2022. The works inspire and contribute to the development of in-depth activities for a wide audience: students, teachers, and adults can participate in workshops in interactive studios, as well as discussions and dialogues with artists and creatives.

### MUSE - TRENTO SCIENCE MUSEUM

IBSA Foundation has chosen to support MUSE – the Renzo Piano Science Museum in Trento through a Partnership that began in 2018. The MUSE is one of the most important science museums in Europe, attracting almost 500,000 visitors / year and offering a unique focus on science communication and cultural promotion, through collaborations with over 200 institutes and universities all over the world. Over the course of 2022, IBSA Foundation supported the MUSE's institutional and science communication activities,

especially through the Art and Science initiative and the "**We are the flood - Noi siamo il diluvio**" project. The latter is a fluid platform focusing on the issues of the climate crisis, anthropocene interactions, and ecological transition, which offers a broad programme of activities, measures, exhibitions, and performances that interact with the public through the language of contemporary art.

### LA SCIENZA A REGOLA D'ARTE

"La Scienza a regola d'Arte" is a project that arose from the collaboration between IBSA Foundation and MASI Lugano, with the aim of fostering dialogue between seemingly distinct disciplines such as Art and Science, through **conversations between scientists and artists**.

Two meetings were organised in 2022:

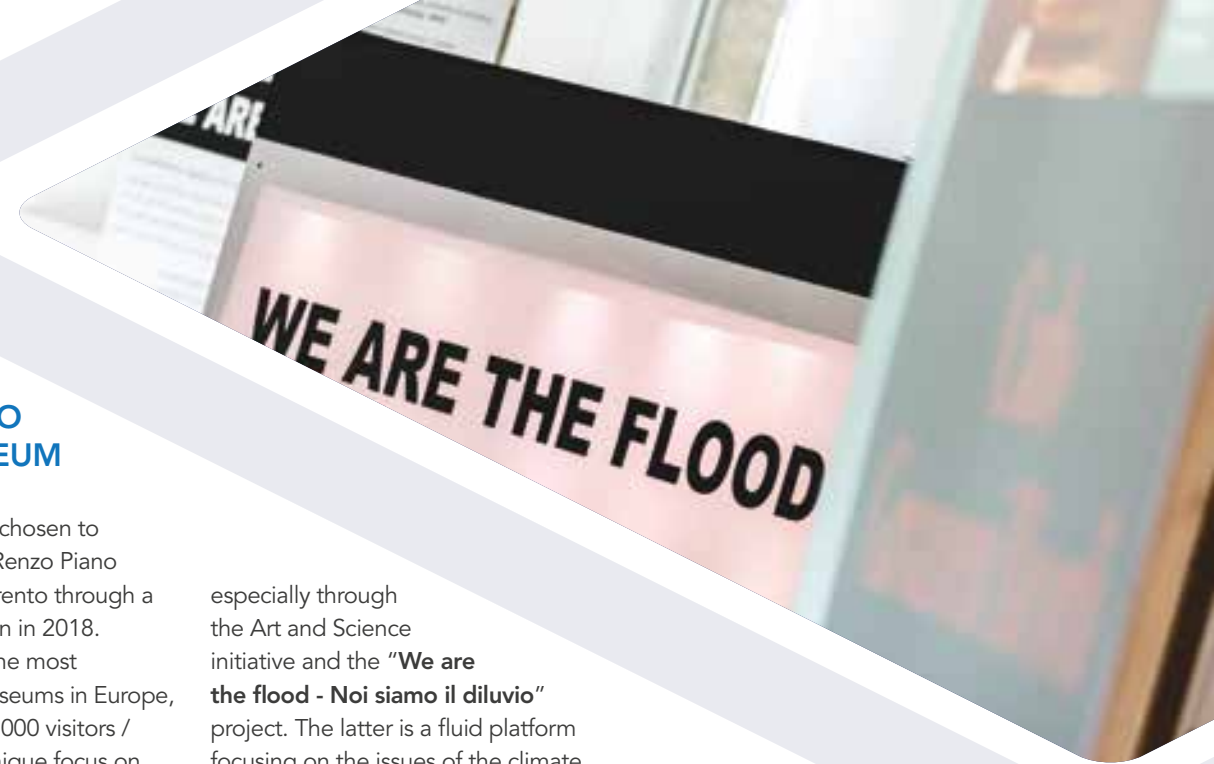
- "**The time of the flood**" – 17/05/2022, Lugano. The first dialogue of 2022 featured the artist **Stefano Cagol** and the

scientist **Massimo Bernardi**. The conversation invited the audience to reflect on the imbalanced relationship between human beings and nature, using the flood as a metaphor for the upheavals of life.

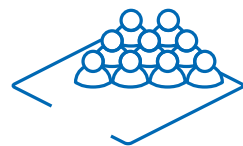
- "**The exploration of the unknown**" – 17/11/2022, Lugano. The second meeting was between the artist **Julius von Bismarck** and the physicist **Tamara Vázquez**

**Schröder**. The conversation, moderated by curator Mónica Bello, focused on the following topics: uncertainties, the mysteries of nature and reality, particles, and the unknown.

The partnership with MASI Lugano as the museum's Scientific Partner involves coming up with new activities related to the intersection between science and art and supporting specific exhibition projects.







## An International Scientific Network

### FORUM

IBSA Foundation organises annual science and health **days** open to the public **to promote** an accessible culture of science. During these forums, internationally renowned scientists and experts discuss the **new frontiers of scientific research**.

IBSA Foundation has organised around **twenty scientific forums** since 2013, with speakers from all over the world to explore a wide variety of subjects: from ageing to nutrition, immunotherapy and artificial intelligence. On 14 April, 2022, in collaboration with the Medical Academy of Rome, IBSA Foundation organised "**New frontiers in regenerative medicine**", a forum dedicated to one of the most interesting fields in

modern medicine. The aim was to foster dialogue between the scientific community and scientists and academics who are experimenting with increasingly innovative technologies to repair and / or replace irreparably damaged organs and tissues. Attendees discussed the biological properties of different stem cell populations, the role of the tissue niche in tissue repair, and strategies for maintaining the functional state of a tissue.



### SUPPORTING RESEARCH AND EDUCATION

Doing research means investing in the future. The IBSA Foundation is at the forefront of supporting today's researchers and tomorrow's scientists.



### FELLOWSHIPS

The IBSA Foundation Fellowship project offers an annual award of several **grants**, each worth €30,000, to researchers under the age of 40 from universities and institutes worldwide. in the following research areas: Dermatology, Endocrinology, Fertility / Urology, Pain Medicine / Orthopaedics / Rheumatology, as well as a different special category (Special Edition) every year. A record number of projects were submitted for the 2022 Fellowships: as many as 211 projects

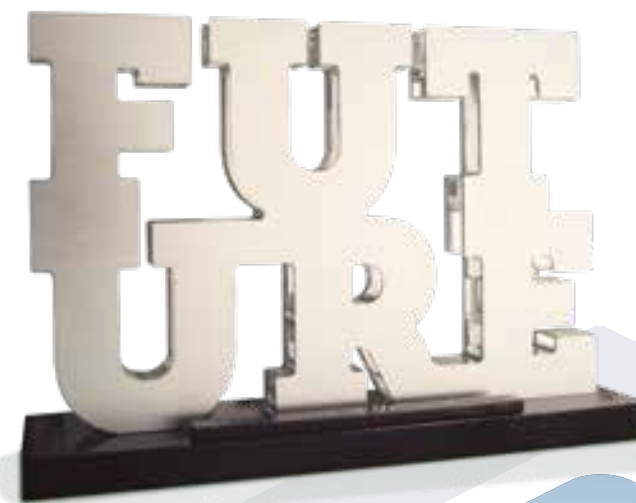
from 29 different countries. Since 2013, when the project was first launched, IBSA Foundation has awarded **46 grants** for a total of over €1 million, with 1149 projects submitted from 50 different countries.



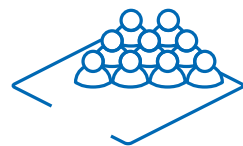
### SCOLARSHIPS

The IBSA Foundation encourages academic study through annual support grants aimed at Bachelor's and Master's **students** in the **Faculty of Biomedical Sciences** at the **USI - Università della Svizzera italiana**. This is a valuable collaboration, established in 2017 for a duration of 10 years, which provides annual funding of CHF 240,000, approximately CHF 2.2 million in total. The agreement signed with the USI stipulates that the IBSA Foundation for scientific research will pay the annual fees of students who study medicine and have completed the

required annual exams. 108 scholarships were awarded in 2022, of which 62 went to first-year students and 56 to second year students studying for the Master of Medicine.







## The main Corporate Social Responsibility (CSR) activities

### IBSA GROUP CASA DOS CURUMINS

An association founded in October 2005, this facility welcomes the hopes and dreams of over 400 children aged 0 to 18 who live in the favelas of Pedreira, a district on the southern outskirts of the city of São Paulo, Brazil.

IBSA contributed to its foundation and continues to support and develop the project with the **aim of creating a strong alternative to the hunger,**

**violence, and human degradation** that surrounds the children, supporting them until they finish vocational training and enter the world of work.

The social inclusion of marginalised children and young people, through the promotion of human values, artistic, cultural, and environmental education, sport, and vocational training, is what helps them **grow into fully developed human beings, who live in harmony with others and**

**with the environment** and have both academic and professional skills and abilities.

[www.casadoscurumins.org](http://www.casadoscurumins.org)



### ASPI (FOUNDATION OF ITALIAN SWITZERLAND FOR THE AID, SUPPORT, AND PROTECTION OF CHILDREN)

This is a non-profit foundation in Italian-speaking Switzerland whose mission is to prevent any form of violence against, mistreatment of, and sexual abuse of minors. IBSA's partnership with ASPI, founded in 2018, has grown year after year, supporting the Foundation's initiatives in order to raise awareness and educate people about treating children with respect, preventing all forms of mistreatment and sexual abuse. ASPI imparts emotional and relational skills through prevention programmes in schools, training, awareness-raising campaigns, and services providing expertise on child abuse:

**I am unique and valuable!:** An interactive educational course for the prevention of sexual abuse, aimed at children from the second year of primary school onwards.

**Say it out loud:** A consolidation programme aimed at the 4th / 5th year of primary school, for the prevention of the mistreatment and sexual abuse of children.

**e-www@il:** A programme aimed at risk prevention and fostering social skills in the use of Information and Communication Technologies (ICT).

**#Join4respect:** a bullying and cyberbullying prevention initiative.

**Parents without borders:** A programme to get parents with a migrant background involved in the prevention of child mistreatment and sexual abuse.

**Let's play dad!:** A programme to prevent child abuse and mistreatment by supporting fathers in their parenting role and promoting good treatment.

[www2.aspi.ch](http://www2.aspi.ch)







## I CAMALEONTI

IBSA has entered into a partnership agreement with the **I Cameleonti Association of Ticino** to support young athletes with disabilities, to help them have **unique experiences through playing football and engaging in other activities.**

The project, launched in Lugano in August 2019 during

the international "Football Is More" tournament, in which the "European Special Needs Cup" championship was organised for the first time, has pushed the association to form a team of adults with disabilities, capable of competing with large teams, including Manchester, Milan, Liverpool, and Paris Saint-Germain.

The I Cameleonti football team aims at **inclusion** and **equal opportunities** for young people with disabilities over the age of 16, organizing regular, friendly training sessions and tournaments, both within the same category (teams of people with disabilities) and inclusive (typical teams). For children up to the age of 16, on the other hand, assistance is offered within existing football clubs by providing support, as well as by instructing and offering specific knowledge to teams and coaches, so that these young players can be included effectively.

[www.camaleonti.ch](http://www.camaleonti.ch)



## BUSINESS PROFESSIONAL WOMEN TICINO CLUB

Since 2020, IBSA has chosen to assist and support the **Business Professional Women (BPW) Ticino Club**, an association that aims to **defend the interests of professionally active women** and which, through BPW Switzerland, is part of BPW International – one of the largest networks of women in the world (30,000 members). IBSA has always been committed to equal treatment and career opportunities, as

evidenced by the fact that 43% of its managers or department heads are women, and the partnership with the BPW Ticino Club fully expresses these shared values.

Founded in Lugano in 1983 and with 70 members from various professional fields, BPW Ticino organises **activities and events related to training, mentoring, networking**, and much more. At the national level in Switzerland, BPW

Switzerland has 2,300 members active in the professional, cultural, civil, and social fields in all linguistic regions.

It collaborates with European and international institutions such as the UN and the Council of Europe.

[bpw-ticino.ch](http://bpw-ticino.ch)



IBSA





## LOCARNO FILM FESTIVAL

Launched in 1946, the **Locarno Film Festival** is one of the first film festivals in the world and **one of the most important in Europe**, along with those in Venice and Cannes. The event brings together a wide audience of viewers who love auteur films. The heart of the Festival is Piazza Grande in Locarno, with its evocative open-air projections. Since 2019, **IBSA has been the Official Climate Action Promoter** of the Locarno Film Festival, with the **aim of supporting initiatives to promote respect for the environment and**

**raise awareness of the importance of recycling** and reducing waste. In fact, IBSA has supported the event through initiatives and projects as part of the **Zero Waste** campaign, conveyed through dedicated materials. By supporting the Locarno Film Festival, IBSA not only reaffirms its close ties to the local community, but also strengthens its contribution to enhancing the region, promoting greater awareness of and attention to an issue that ought to closely concern everyone - protecting the environment we live in.



[www.locarnofestival.ch](http://www.locarnofestival.ch)



Copyright Locarno Film Festival -  
Ti-Press

## INCLUSIVE SAILING

[www.ibsasailing.com/vela-inclusiva](http://www.ibsasailing.com/vela-inclusiva)

The “*Sailing into the Future. Together*” initiative arose from the company's dedication to raising awareness of sustainability issues and its close involvement in the world of sport. It represents an opportunity to convey **IBSA's philosophy and vision, always looking to the future**, and share it with the world through the sport of sailing. Looking beyond sport and taking a broader perspective, the project, launched in March 2022, is part of the Company's journey to increasingly tackle the issue of sustainability, promoting respect for nature and the environment, as well as fostering a **new sensitivity and awareness towards issues of**

**collective responsibility**, through activities aimed at people with disabilities. In collaboration with Swiss, French, and Italian sailing clubs, IBSA is committed to supporting inclusive sailing initiatives, in order to get people with disabilities involved in experiences in close contact with the sea, enabling them to compete in inclusive competitions, improve their skills, and gain more self-confidence. The goal is to **teach people to respect those who are different, combatting**

**prejudices and discrimination**, to foster genuine inclusion of diversity on the field of competition as well, creating opportunities for social integration, dialogue, and understanding and breaking down barriers and differences.





## IBSA FARMACEUTICI ITALY

### BANCO FARMACEUTICO

The collaboration with **Banco Farmaceutico** was established in 2013 to strengthen solidarity and the idea of giving as an integral part of sustainable and inclusive development. In recent years, **IBSA Farmaceutici**, the Group's Italian subsidiary, **has donated thousands of packages of drugs**. Since 2019, IBSA has been one of the main supporters of Medicine Collection Day, an initiative that facilitates the collection of medicines for Italian families in difficult situations,

enabling them to access the medical care they need.

The partnership with Banco Farmaceutico has grown year after year and has also expanded to encompass other activities, including support for the creation of the **Report on Health Poverty**, a useful tool for understanding and combatting phenomena related to the difficulty of accessing treatment in Italy.

[www.bancofarmaceutico.org](http://www.bancofarmaceutico.org)

### THE FRANCESCA RAVA N.P.H. ONLUS FOUNDATION

This is a non-profit organization that **provides aid for children and adolescents undergoing hardship in Italy and around the world**. It engages in prompt and practical interventions at the forefront of crises affecting children and their families and operates in areas such as healthcare, education, and shelters for orphaned or abandoned children, providing immediate responses and medium- to long-term empowerment programmes. IBSA Farmaceutici has been supporting the Rava Foundation since 2020 in the field of **healthcare-related activities**, such as **In the Pharmacy for Children**, an initiative dedicated to raising awareness of children's rights and to collecting over-the-counter medicines, baby foods, and paediatric products for minors

experiencing health poverty. The collection takes place every year in pharmacies throughout Italy in the week around the **World Children's Day**, celebrated on 20 November, thanks to the collaboration of volunteers and pharmacists. It also supports health education courses for mothers and women in frail health from different countries around the world.



[www.nph-italia.org](http://www.nph-italia.org)



### THE FAIRY CHILDREN

This is a social enterprise that works to ensure financial support for projects that aid families with children and adolescents with autism and other disabilities.

The collaboration between *I Bambini delle Fate* ("The Fairy Children") and IBSA Farmaceutici was launched in 2014. In practical terms, it entails **support for the Stefano and Angela Danelli Foundation** in Lodi, to help parents understand and accept

disability, acquire tools to manage their children more effectively, and protect the psychophysical well-being of families. In addition, thanks to the inclusion pathways that have been set up, parents can meet and get to know people with whom they can form associations or support groups for other families, thus nurturing a virtuous circle of social support.

[www.ibambinidellefate.it](http://www.ibambinidellefate.it)



### #NOBULLISMO

IBSA Farmaceutici has been supporting the "Il Magnete Aps" Association and its awareness projects to combat bullying and cyberbullying in primary and secondary schools in the province of Lodi since 2020. The **#nobullismo2020** ("#nobullying2020") project gets secondary school classes at the Istituto Comprensivo Lodi II involved in digital education meetings discussing various topics: all forms of bullying, responsible and aware use of the web, new technologies, and video games from the perspective of preventing the phenomenon of cyberbullying. The aim of the initiative is to raise awareness and



help young people understand how important it is to use technological tools in a way that is respectful of their peers.

[www.ilmagnete.com](http://www.ilmagnete.com)







# ENVIRONMENT







# Environment

The IBSA Group operates with the aim of protecting the environment and the planet. We follow through on our commitment to a more environmentally sustainable future by **reducing the environmental impacts** of our value chain, paying particular attention to mitigating the effects of climate change.

To this end, IBSA closely monitors the carbon footprint associated with its business and is committed to promoting a decarbonization process based on science-based targets (SBTs) along the entire value chain, by reducing net greenhouse gas emissions.

In addition, the Group keeps track of the environmental impacts it generates by monitoring its carbon footprint (also called the GHG - Green House Gas - inventory) and implements processes, policies, and projects that enable it to reduce and compensate for its impact on water resources, air quality, and the region in which the Company operates.

Among the various initiatives, we intend to implement a mobility plan for Swiss and Italian employees to

limit the environmental impact of company activities and improve our employees'

quality of life by promoting a responsible and environmentally conscious company culture.

The *ESG@IBSA* strategy also includes other environmental targets aimed at reducing emissions and promoting an almost 100% transition to certified and self-generated renewable electricity. In addition, a mobility plan for employees will be implemented on a global scale that will include converting the entire car fleet to green vehicles. Likewise, we plan to conduct an in-depth analysis of our impact related to plastic and implement several measures to mitigate it. We have also introduced a product life cycle analysis to document the environmental impacts and thus plan a transition towards circular business models.

Finally, the entire Group is committed to achieving the ambitious goal of Climate Net-Zero in line with the SBT net-zero targets, by continuing to reduce corporate consumption in line with its efficiency plan, in order to make a significant contribution to environmental

sustainability.

In recent years, IBSA has undergone remarkable development, as attested by its extraordinary growth. This transformation was inspired by the vision of our President, Arturo Licenziati, and fully involved IBSA's entire organizational structure, as well as our subsidiaries and production sites globally.

We can confidently assert that the evolution of our structural and infrastructural projects in Switzerland and Italy is guided by a vision of integrated sustainability. This vision guides the planning and implementation of our initiatives, reflecting our commitment to a better future. In this respect, sustainability is at the heart of all our decisions, and we pay particular attention to the landscape as a fundamental part of our projects, thus helping to shape a more sustainable future for the generations to come, with particular attention to the ecosystem and the Planet.



## Headquarters

At our headquarters in Lugano, we are currently developing CorPharma, an industrial district located between the municipalities of Lugano and Collina d'Oro, covering a total area of 43,000 square metres. This district is home to our General Management, Sales Management, and Research and Development departments, as well as two IBSA Foundations. With an investment of CHF 150 million, CorPharma is set to become our main operating centre, crucial for implementing our future growth.

**cosmos**, our new production hub, is being established and developed within the CorPharma area. This building has been designed to embrace a new approach aimed at symbiosis between our staff, our activities, and the region in which we

operate. **cosmos** has been designed and built following strict principles of sustainability and respect for the environment. A considerable portion of the land has been dedicated to green spaces and photovoltaic panels have been installed to generate clean energy. The furniture has been carefully selected, favouring sustainable materials, while open spaces and areas specially designed to reduce noise have been created. In addition, we used glass with a high insulating capacity instead of cement in the production floors in order to improve the energy

efficiency. **cosmos** will have a critical impact on the urban context surrounding the building, as the entire area will undergo a radical renovation. Nevertheless, the project has been developed to promote all forms of sustainability in the spaces. To date, the building that will have a civil impact has been completed, as well as 50% of the rooms. It is

3 GOOD HEALTH AND WELL-BEING



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION







important to note that three of our production departments are already operational, including the necessary authorizations. In addition, the final project for the construction of the sterile department for manufacturing injectable fertility hormones is currently being set up: this will be the most complex department at the Group level, as well as being physically the largest.

We have recently reached a new and important milestone: a complex engineering project that involved the construction of a tunnel for transferring goods that connects the IBSA production units under the cantonal road.

In addition, the executive design of the fully automated material handling plant for the entire sector is well underway; it is intended to increase the efficiency and precision of the management of production processes.

Finally, we are currently in the planning stage of the next phases of the cosmos project, which include the planning application for the CorPharma district. These developments reflect IBSA's ambitious vision for the future and the importance of sustainability in all its initiatives.

The history of IBSA's new pharmaceutical district is intertwined with that of our company. IBSA's distinctive

approach, which places the Individual at the centre of all activities, is clearly reflected in the design of the new district. During the design phase, we have diligently considered the functionality and aesthetics of the construction elements. In fact, the comfort of the people who work in these spaces was made a priority, as in the new **Pina Center**, which includes a unified work environment; we favoured ergonomic furnishings, as well as outdoor spaces designed to stimulate creativity and innovation in the workplace. We build all IBSA's production spaces and offices - both in Switzerland and Italy and in the rest of the world - with this in mind, following strict standards to ensure the well-being of people and the quality of the work environments.

## Italian Subsidiary

A huge project to renovate and expand the buildings and the social and urban context is currently underway at IBSA's Italian headquarters in Lodi. The aim of this project is to create a larger site, developed with a green and sustainable approach that includes adopting renewable energy sources. As part of the project, construction and expansion work on the administrative headquarters and warehouse have been initiated. In line with the strategic vision for the headquarters, the communal areas have been improved, the workstations have been redesigned to be more ergonomic, and a canteen for employees has been added.

A significant aspect of the renovation was the adoption of sustainable technologies: the new plants and expanded areas will benefit from the installation of a thermopump for heating and cooling, replacing the previous methane gas boiler. In addition, an air handling unit system will be installed inside the building. To optimise the outdoor area, an underground car park is planned, in order to free up outdoor spaces for leisure initiatives and work activities for staff. In addition, the car parks will be equipped with charging stations for hybrid and electric vehicles, promoting the adoption of sustainable mobility solutions by

our employees and visitors. Alongside these structural projects, the Italian subsidiary has launched an investment plan for the construction of a new soft capsule production line and the installation of a plant dedicated to the production of progesterone in pre-filled syringes. The acquisition of increasingly sophisticated machinery will help to ensure innovative and high-precision manufacturing processes. In addition, the site will be able to offer high-level training to scientific partners, further promoting collaboration and innovation in research and development.

## Chinese subsidiary

In China, we have continued to invest in the modernization of the facilities at the IBSA Qingdao Huashan Biochemical site, where we produce the active ingredients for Reproductive Medicine treatments. These investments follow the opening, in 2017, of comfortable offices, a

new canteen for 100 people, a recreational area with a gym, basketball court, and table tennis table, and rooms for employees who live far away. The site area has grown significantly, now covering 26,000 square metres, and includes two new production lines, a

wastewater treatment plant, and a new solvent storage plant.







# Consumption

For the first time, we have measured our energy consumption at the Group level, calculated from the electricity consumption and the fossil fuel consumption of the vehicle fleet and within the buildings. Expanding the operational perimeter in this way enables us to better monitor our consumption and to identify actions and measures to reduce the various energy carriers.

In 2022, the IBSA Group consumed a total of 347,893 GJ, corresponding to 96,636,203 KWh.

The significant increase of 18% over the previous year is due to two main factors:

- the inclusion of the energy consumption of all the Group's subsidiaries (with the exception of Hong Kong, Nordic, and Turkey), covering about 98% of the total perimeter (perimeter based on the number of employees at subsidiaries that have obtained consumption data out of all employees of the entire Group)
- the increase in production at the Italian and Swiss subsidiaries.

The energy intensity, on the other hand, is equal to 161 GJ per employee (equivalent to 44,780 KWh per employee), a decrease of 8% compared to 2021. This reduction is due to the strong growth of our workforce and the expansion of the perimeter, which also takes into account smaller subsidiaries that don't have production sites and are therefore less energy-intensive.

## Fossil fuels Natural gas

The total natural gas consumption amounted to 4,177,584 m<sup>3</sup>, equivalent to 46,526,401 KWh, an increase of 3% over the course of 2022: a result below the growth of our turnover and our workforce.

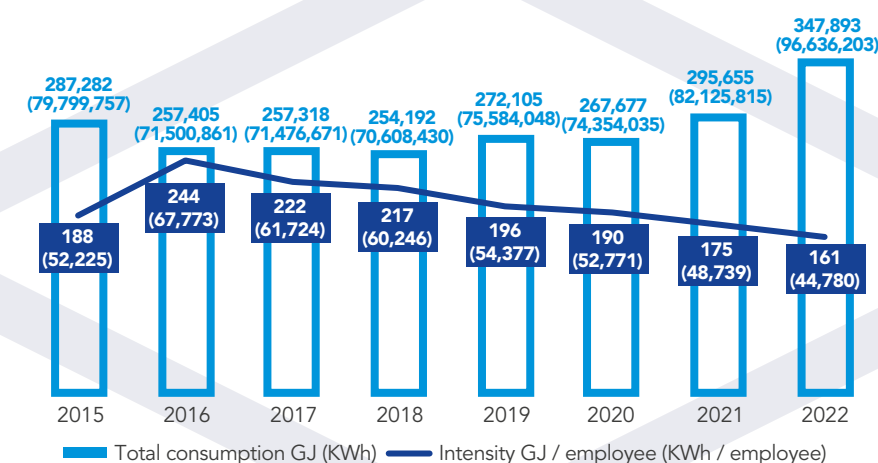
**-8%**  
**ENERGY  
INTENSITY**  
compared to 2021

## TOTAL ENERGY

	2020		2021		2022	
	GJ	KWh	GJ	KWh	GJ	KWh
Austria	-	-	-	-	564	156,579
China	19,681	5,466,914	21,836	6,065,557	19,935	5,537,429
Czech Republic	-	-	-	-	705	195,768
France	-	-	2,576	715,436	9,250	2,569,515
Hong Kong SAR	-	-	-	-	-	-
Hungary	-	-	-	-	2,860	794,520
Italy	123,498	34,304,813	128,684	35,745,258	142,492	39,580,718
Nordic Countries	-	-	-	-	8	2,203
Poland	-	-	-	-	3,839	1,066,440
Slovakia	-	-	-	-	1,216	337,857
Iberian	-	-	-	-	3,977	1,104,573
Switzerland	124,497	34,582,309	142,560	39,599,564	156,402	43,444,497
Turkey	-	-	-	-	-	-
UK	-	-	-	-	376	104,400
USA	-	-	-	-	6,270	1,741,703
<b>Group</b>	<b>267,677</b>	<b>74,354,035</b>	<b>295,655</b>	<b>82,125,815</b>	<b>347,893</b>	<b>96,636,203</b>
<b>Intensity*</b>	<b>190</b>	<b>52,771</b>	<b>175</b>	<b>48,739</b>	<b>161</b>	<b>44,780</b>

\* The energy intensity was calculated as the ratio between the total energy consumed (measured in both GJ and KWh) and the number of employees

## ENERGY CONSUMPTION



The natural gas intensity was 2,512 m<sup>3</sup> per employee, a reduction of 8% compared to 2021: this change shows that our workforce has grown more than our use of natural gas.



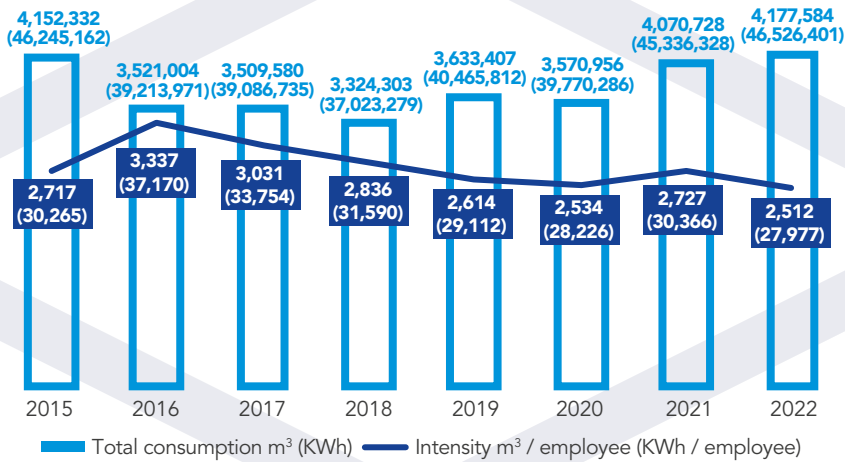


NATURAL GAS (m³)

	2020		2021		2022	
	m³	KWh	m³	KWh	m³	KWh
Austria	-	-	-	-	-	-
China	177,035	1,971,667	222,079	2,473,333	155,528	1,732,139
Czech Republic	-	-	-	-	749	8,342
France	-	-	0	0	0	0
Hong Kong SAR	-	-	-	-	-	-
Hungary	-	-	-	-	7,488	83,395
Italy	1,993,773	22,204,959	2,084,116	23,211,123	2,037,667	22,693,813
Nordic Countries	-	-	-	-	-	-
Poland	-	-	-	-	0	0
Slovakia	-	-	-	-	0	0
Iberian	-	-	-	-	-	-
Switzerland	1,400,148	15,593,660	1,764,533	19,651,872	1,976,152	22,008,712
Turkey	-	-	-	-	-	-
UK	-	-	-	-	0	0
USA	-	-	-	-	-	-
Group	3,570,956	39,770,286	4,070,728	45,336,328	4,177,584	46,526,401
Intensity*	2,534	28,266	2,727	30,366	2,512	27,977

\* The intensity of natural gas consumption was calculated as the ratio between the consumption of natural gas (measured in both m³ and KWh) and the number of employees

NATURAL GAS CONSUMPTION



Diesel

IBSA uses this resource at its subsidiaries in Switzerland and China as a source of heating and in the production process. Diesel is also used as fuel for the subsidiaries' vehicle fleets.

238,256 litres of diesel were consumed at the Swiss and Chinese plants, representing an increase of 9% compared to 2021 and a sharp decrease compared to 2015 (-23%). The vehicle fleet, on the other hand, used 446,236 litres of diesel.

Petrol

In addition to diesel, some vehicles in our fleet run on petrol, consuming 623,140 litres in 2022. In addition to the figure reported above, the US subsidiary's vehicle fleet consumed 149,808 litres of blended petrol.

DIESEL (FOR COMBUSTION VEHICLES)

	2022	
	Litri	KWh
Austria	14,836	156,579
China	13,130	138,574
Czech Republic	14,115	148,970
France	0	0
Hong Kong SAR	-	-
Hungary	10,918	115,229
Italy	255,018	2,691,464
Nordic Countries	-	-
Poland	2,041	21,541
Slovakia	15,421	162,750
Iberian	86,101	908,706
Switzerland	28,984	305,893
Turkey	-	-
UK	0	0
USA	3,763	39,712
Group	444,326	4,689,418
Intensity**	208	2,197

\*\* The intensity of the consumption of diesel and petrol was calculated as the ratio between the total consumption of fossil fuel (measured in both litres and KWh) and the number of employees

PETROL (FOR COMBUSTION VEHICLES)

	2022	
	Litri	KWh
Austria	0	0
China	36,941 3	58,402
Czech Republic	1,924	18,667
France	193,831	1,880,548
Hong Kong SAR	-	-
Hungary	60,584	587,786
Italy	156,302	1,516,438
Nordic Countries	-	-
Poland	102,752	996,899
Slovakia	15,122	146,711
Iberian	19,357	187,800
Switzerland	12,625	122,490
Turkey	-	-
UK	0	0
USA	23,702	229,960
Group	623,140	6,045,701
Intensity**	292	2,833





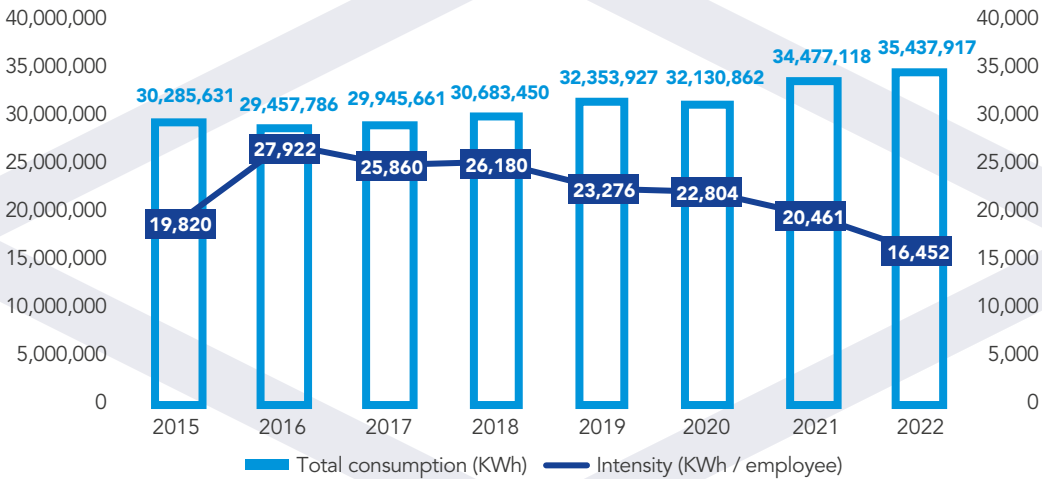
ELECTRICITY (KWh)

	2020	2021	2022
	KWh	KWh	KWh
Austria	-	-	-
China	3,346,667	3,368,611	3,302,527
Czech Republic	-	-	19,790
France	-	715,436	688,967
Hong Kong SAR	-	-	-
Hungary	-	-	8,110
Italy	12,099,854	12,534,135	12,679,002
Nordic Countries	-	-	2,203
Poland	-	-	48,000
Slovakia	-	-	28,396
Iberian	-	-	8,066
Switzerland	16,684,341	17,858,936	18,493,904
Turkey	-	-	-
UK	-	-	104,400
USA	-	-	54,551
Group	32,130,862	34,477,118	35,437,917
Intensity (KWh/employee)	22,804	20,461	16,452

WATER (m³)

	2020	2021	2022
	m³	m³	m³
Austria	-	-	0,3
China	88,974	112,314	110,713
Czech Republic	-	-	9
France	-	4,006	1,657
Hong Kong SAR	-	-	-
Hungary	-	-	72
Italy	172,025	166,839	176,994
Nordic Countries	-	-	-
Poland	-	-	105
Slovakia	-	-	54
Iberian	-	-	-
Switzerland	88,917	98,355	120,939
Turkey	-	-	-
UK	0	0	369
USA	-	-	-
Group	349,916	381,514	410,912
Intensity (m³/employee)	248	226	208

ELECTRICITY CONSUMPTION



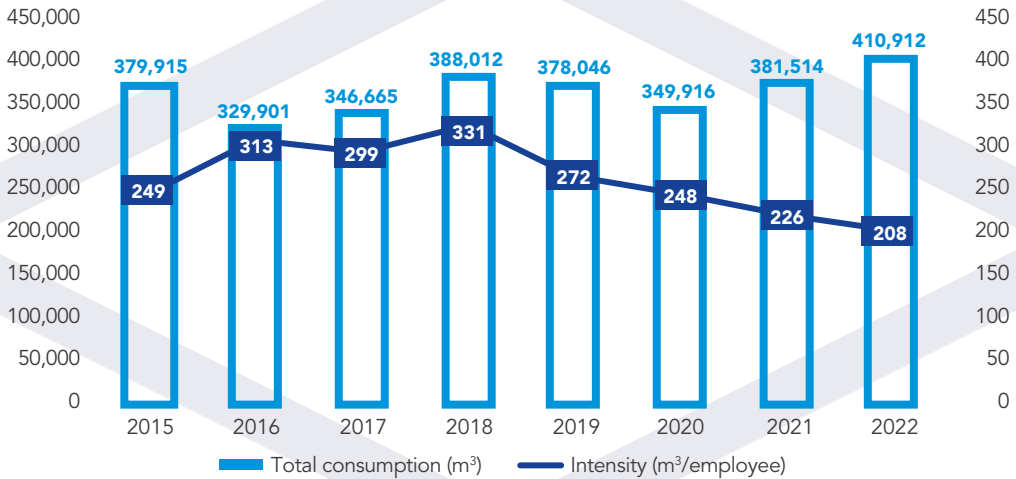
Electricity

Overall, there was a minimal increase in electricity consumption in the Group – from 34,477,118 KWh in 2021 to 35,437,917 in 2022. The increase – equal to 3% over the last year – is modest compared to the

staff growth of 10.6%. Looking at the change in intensity per capita, we can see a significant decrease of 20% in 2022 compared to 2021, due to the enlargement of the reporting perimeter, which now includes non-manufacturing

subsidiaries with a lower energy intensity. **Water** During 2022, we recorded a 7.7% increase in water consumption, which is in line with the growth and

WATER CONSUMPTION



expansion of the group, in terms of both staff and production volumes. On the other hand, the water intensity was 208 m³ of water per employee, down from 226 m³ in 2021. We will be closely monitoring this data in order to implement measures

to reduce water consumption in our processes and make it more efficient.







# The GHG emissions inventory

In a situation in which environmental protection and responsible business practices are the focus of all global organizations, it is **critical to maintain an accurate and complete inventory of the greenhouse gases (GHGs) released into the atmosphere.**

Measuring our greenhouse gas emissions in various contexts and activities gives us valuable insights into the areas where our operations generate a carbon footprint. This awareness is critical not only to aligning our business strategies with global climate goals, but also **to identifying opportunities to improve our operational efficiency, reduce our resource consumption, and innovate towards a low-carbon future.** As we continue our journey towards sustainability, the greenhouse gas inventory is a critical tool that enables us to make informed decisions, minimise our environmental footprint, and contribute to a greener, more resilient world.

An analysis was therefore carried out over the course of 2023 to quantify the GHG emissions associated with our direct activities and those of our value chain for the reference period January 2022 - December 2022. The GHG inventory was calculated according to the recommendations and requirements of the

international standard ISO 14064-1 and the guidelines of the GHG Protocol. The process of drawing up a GHG Inventory in accordance with ISO 14064-1 consists of the following steps:

- Defining the operational boundaries, including identifying local units to be included in the analysis;
- Consulting with company representatives and collecting significant data for the sites under analysis;
- Defining the reporting perimeter (identifying relevant emission sources);
- Developing the calculation model, including defining the activity data relating to the selected sources and selecting the appropriate emission factors;
- Calculating the GHG emissions inventory.

This GHG inventory is the first calculation

carried out for the IBSA group in accordance with the requirements of ISO 14064-1 and the GHG Protocol guidelines. Compared to the previous year, when the Scope 1 and Scope 2 emissions of the major subsidiaries (Switzerland, Italy, China, and France) were partially calculated, in 2023 (referring to the 2022 calendar year), it was possible to expand the perimeter to cover the IBSA Group's subsidiaries.

This GHG inventory is configured as a **reporting tool to increase the Group's awareness of the impact that our activities have in terms of contributing to global warming.** This report is also a means of communication with our stakeholders, as it illustrates IBSA's commitment to identifying and quantifying our GHG emissions.

«conducting rigorous greenhouse gas reporting becomes a cornerstone of our commitment to mitigating climate change.»

## Selecting the reporting perimeter

All the categories defined by the GHG Protocol guidelines were analysed for the study conducted. These provide a structured and defined description of all the activities that generate climate-altering gas

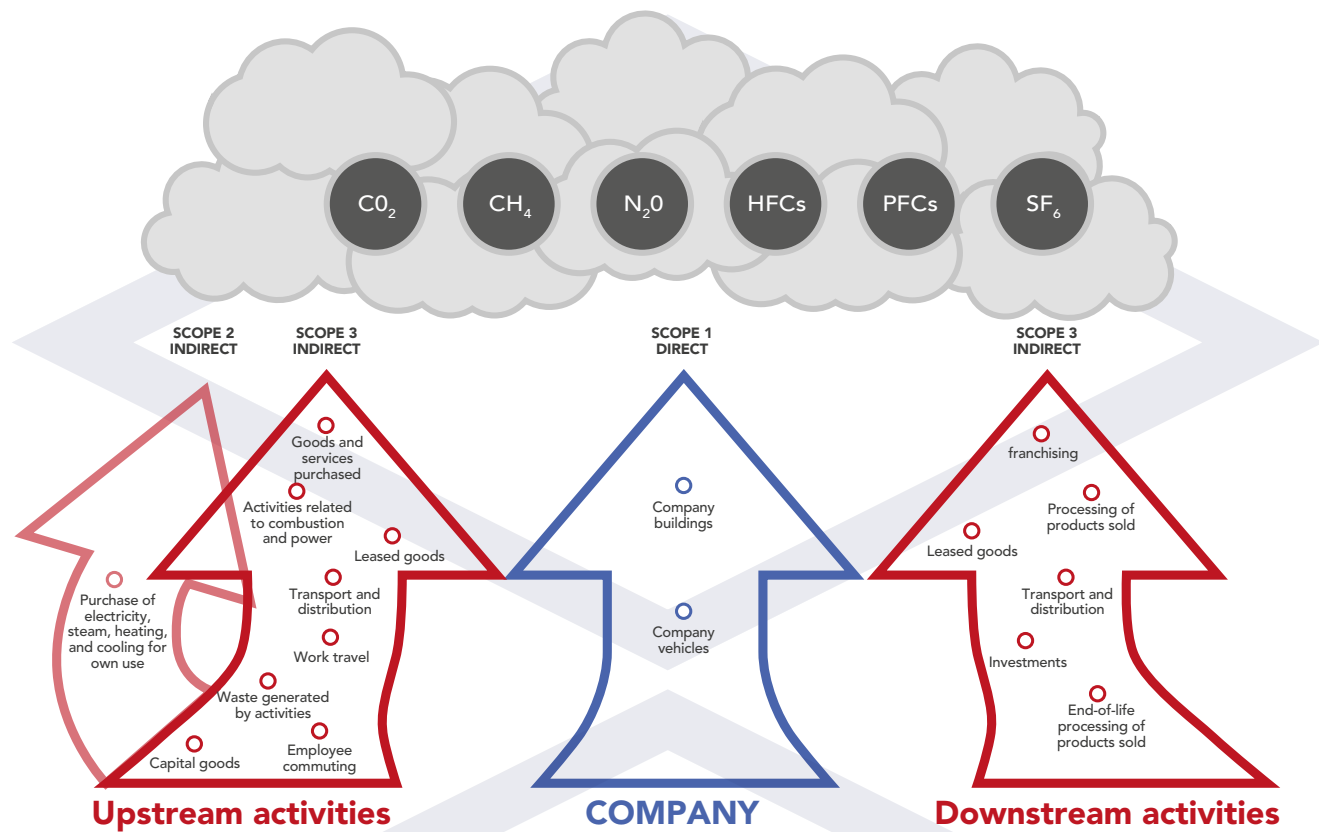
emissions that fall directly under the control of the company or that can be influenced by the Organization's activities, although not under its direct control (indirect emissions). The first operational step was to map and collect the data for all the categories indicated by the GHG Protocol.

**Scope 3 emissions (indirect emissions), however, were excluded from this year's reporting**

**perimeter, as it was not possible to fully complete the complex data collection process.** That process is underway, with the goal of including Scope 3 emissions in next year's GHG inventory.

The categories indicated by the GHG Protocol and considered in IBSA's emissions mapping phase are listed below.





Scope	Name / Description of Category	IBSA division involved
Scope 1	Direct emissions from sources owned or controlled by the organization, including combustion processes, refrigerant gas leaks, and transport by vehicles owned by the organization	Technical Services, ESG & Real Estate Department ESG ambassadors, Management
Scope 2	Indirect emissions resulting from the generation of electricity, heat, or steam purchased and consumed by the organization	Technical Services, ESG & Real Estate Department ESG ambassadors

The reporting perimeter under consideration for the Group's 2022 GHG inventory therefore includes Scope 1 direct emissions and Scope 2 indirect emissions defined on the basis of data obtained from the Lugano Headquarters and the 14 operating subsidiaries.

**The operating perimeter for Scope 1 equates to 98.1% of employees, while for Scope 2, the perimeter covers 99% of the IBSA Group's employees.** The limits of the previously analysed perimeter are listed below:

**Limits of the calculation of Scope 1 emissions**

- Emissions from the combustion of fossil fuels in buildings owned or directly controlled by IBSA were calculated for all subsidiaries included in the perimeter, with the exception of the Iberian, Austrian, Turkish, and Nordic subsidiaries. These were excluded due to the difficulties in obtaining the data faced by the owners of the buildings in which the aforementioned IBSA subsidiaries rent their spaces.
- Emissions from fossil fuel combustion by vehicles owned or directly controlled by IBSA were calculated for all subsidiaries included in the perimeter, net of the Turkish and Nordic subsidiaries.
- Emissions from refrigerant gas leaks

Subsidiary	Scope 1	Scope 2
Switzerland	included	included
Italy	included	included
China	included	included
France	included	included
USA	included	included
UK	included	included
Hungary	included	included
Czech Republic	included	included
Poland	included	included
Slovakia	included	included
Iberian	Included	included
Austria	Included	excluded
Hong Kong SAR	excluded	excluded
Nordic	excluded	included
Turkey	excluded	excluded

were calculated for locations with production activities: Switzerland, Italy, and China

**Limits of the calculation of Scope 2 emissions**

- The emissions produced by the generation of energy purchased and consumed by IBSA were calculated for all subsidiaries included in the perimeter, with the exception of the Turkish and Austrian subsidiaries.

**Quantification and data collection methodology**

The methodology used for the data collection conducted for this study was more in-depth and covered a greater number of emission sources than last year. This was made possible by IBSA's commitment and willingness to continuously improve

its sustainability performance. Much more time and resources were therefore dedicated to collecting the necessary data for the analysis of emissions related to the activities in 2022. The enlargement of the perimeter was made possible thanks to the commitment and availability of certain members of staff at the respective subsidiaries. The latter have been appointed as ESG Ambassadors by their Country Managers, and will be the contact persons for the collection of data and information at the local level needed for calculating emissions. The method chosen for estimating emissions is based on the approach that uses activity data and emission factors. In order to estimate the GHG emissions, all activity data was associated with an appropriate emission factor:

GHG emission	= Activity data	• Emission factor
Quantification of GHGs emitted by the activity, expressed in tons of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e)	Quantitative measurement of the activity that causes greenhouse gas emissions, expressed in terms of energy, mass, volume, etc.	Coefficient that expresses the relationship between the greenhouse gas activity data and the greenhouse gas emissions, expressed in CO <sub>2</sub> emitted per unit of activity data





In complying with the ISO 14064-1 standard, we made use of globally validated and recognised databases. We adopted the global warming potential (GWP) index to assess the impacts of different greenhouse gases, comparing the effect of each gas with the

reference value for CO<sub>2</sub>. The GHG inventory is expressed in CO<sub>2</sub> equivalent (CO<sub>2</sub>e), reflecting the global warming effect. The data measured, the activities, and the emission factors used are described in the following paragraphs.  
**Direct emissions (Scope 1)**

Direct emissions from sources within our organizational boundaries owned or controlled by IBSA are included in Scope 1.  
**Activity data**  
Below, we present an analysis of the Scope 1 emission sources, along with their quantified activity:

Emission source	Unity of measurement of activity	Measure/Estimate	Activity data
fixed diesel combustion plants for heating	Litres	Measurement	238,256
fixed LPG combustion plants for heating	Litres	Measurement	650
fixed natural gas combustion plants for heating	m <sup>3</sup>	Measurement	4,177,584
diesel-powered company cars	Litres	Measure (estimate for IBSA Italy)	444,236
petrol-powered company cars	Litres	Measure (estimate for IBSA Italy)	623,140
company cars powered by petrol blends	Litres	Measurement	149,808
air-conditioning systems containing greenhouse gas refrigerants (F-Gas): R410A	Kg	Measurement	41
air-conditioning systems containing greenhouse gas refrigerants (F-Gas): R32	Kg	Measurement	0.6
air-conditioning systems containing greenhouse gas refrigerants (F-Gas): R407C	Kg	Measurement	10
air-conditioning systems containing greenhouse gas refrigerants (F-Gas): R134A	Kg	Measurement	86
air-conditioning systems containing greenhouse gas refrigerants (F-Gas): R22	Kg	Measurement	90
air-conditioning systems containing greenhouse gas refrigerants (F-Gas): R507A	Kg	Measurement	102

Emission factors

Below is the list of emission factors used to calculate Scope 1 emissions

Emission source	Unity of measurement	Emission factor	Source
fixed diesel combustion plants for heating	$\frac{tonCO_2e}{L (Diesel)}$	2.659372	DEFRA 2023
fixed LPG combustion plants for heating	$\frac{tonCO_2e}{L (LPG)}$	1.557128	DEFRA 2023
fixed natural gas combustion plants for heating	$\frac{tonCO_2e}{m^3 (natural\ gas)}$	2.038390	DEFRA 2023
diesel-powered company cars	$\frac{tonCO_2e}{L (Diesel)}$	2.659372	DEFRA 2023
petrol-powered company cars	$\frac{tonCO_2e}{L (petrol)}$	2.345025	DEFRA 2023
company cars powered by petrol blends	$\frac{tonCO_2e}{L (petrol\ blends)}$	2.097473	DEFRA 2023
air-conditioning systems containing greenhouse gas refrigerants (F-Gas)	$\frac{KgCO_2e}{Kg (F\_Gas)}$	R410A: 1,924 R32: 677 R407C: 1,624 R134A: 1,300 R22: 1,760 R507A: 3,985	DEFRA 2023

Scope 2 indirect emissions:

Indirect emissions from the generation of energy (electrical and thermal) purchased and consumed by IBSA fall under Scope 2. This

exclusively covers the combustion phase of fuels in the energy supplier's generation plants.  
**Activity data**  
Below, we present an analysis of the

Scope 2 emission sources, along with their quantified activity:

Emission source	Unity of measurement of activity	Measure/Estimate	Activity data
Production of purchased electricity (China)	KWh	Measurement	3,302,527
Production of purchased electricity (Czech Republic)	KWh	Measurement	19,790
Production of purchased electricity (France)	KWh	Measurement	688,967
Production of purchased electricity (Hungary)	KWh	Measurement	8,110
Production of purchased electricity (Italy)	KWh	Measurement	12,679,002
Production of purchased electricity (Iberian)	KWh	Measurement	8,066
Production of purchased electricity (Nordic)	KWh	Estimate	2,203
Production of purchased electricity (Poland)	KWh	Measurement	48,000
Production of purchased electricity (Slovakia)	KWh	Measurement	28,396
Production of purchased electricity (Switzerland)	KWh	Measurement	18,493,904
Production of purchased electricity (UK)	KWh	Measurement	104,400
Production of purchased electricity (USA)	KWh	Measurement	54,551
Production of purchased thermal energy	KWh	Measurement	0

Emission factors

Below is the list of emission factors used to calculate the Scope 2 emissions (market-based methodology from the GHG Protocol):

Emission source	Unity of measurement	Emission factor	Source
Production of purchased electricity (China)	$\frac{gCO_2e}{KWh}$	557.200	Climate Transparency 2022 (ENERDATA)
Production of purchased electricity (Czech Republic)	$\frac{gCO_2e}{KWh}$	697.210	AIB 2022 Residual Mix
Production of purchased electricity (France)	$\frac{gCO_2e}{KWh}$	124.960	AIB 2022 Residual Mix
Production of purchased electricity (Hungary)	$\frac{gCO_2e}{KWh}$	319.960	AIB 2022 Residual Mix
Production of purchased electricity (Italy)	$\frac{gCO_2e}{KWh}$	457.150	AIB 2022 Residual Mix
Production of purchased electricity (Iberian)	$\frac{gCO_2e}{KWh}$	275.110	AIB 2022 Residual Mix
Production of purchased electricity (Nordic)	$\frac{gCO_2e}{KWh}$	557.400	AIB 2022 Residual Mix
Production of purchased electricity (Poland)	$\frac{gCO_2e}{KWh}$	858.120	AIB 2022 Residual Mix
Production of purchased electricity (Slovakia)	$\frac{gCO_2e}{KWh}$	186.500	AIB 2022 Residual Mix
Production of purchased electricity (Switzerland)	$\frac{gCO_2e}{KWh}$	23.143	Ail energy mix + Ecoinvent 2022-2023
Production of purchased electricity (UK)	$\frac{gCO_2e}{KWh}$	365.150	AIB 2022 Residual Mix
Production of purchased electricity (USA)	$\frac{KgCO_2e}{KWh}$	0.344	GHG Protocol



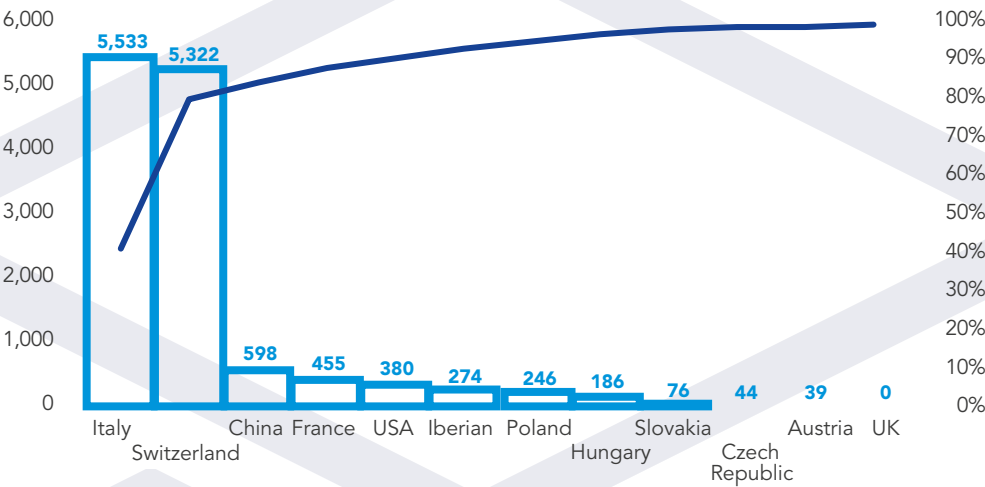


Greenhouse Gas Inventory

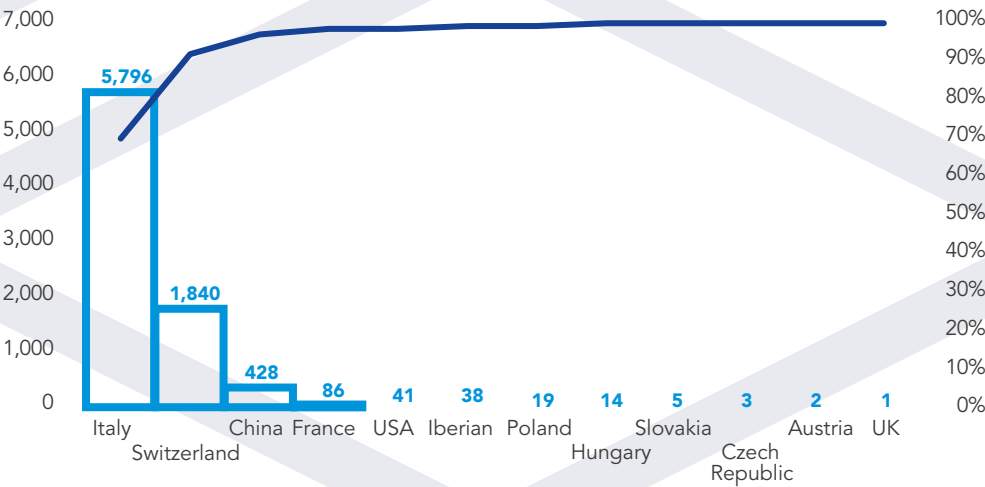
The calculation of emissions explained above led to the following results expressed in tCO<sub>2</sub>e:

	Scope 1 Direct emissions	Scope 1 Emission from stationary combustion	Scope 1 Emission from combustion in the vehicle fleet	Scope 1 Fugitive emissions from the release of greenhouse gases in anthropogenic systems	Scope 2 - MB Indirect emissions from the generation of purchased power
Austria	39	-	39	-	-
China	598	318	122	158	1,840
Czech Republic	44	2	42	-	14
France	455	0	455	-	86
Hong Kong SAR	-	-	-	-	-
Hungary	186	15	171	-	3
Italy	5,533	4,154	1,319	60	5,796
Nordic	-	-	-	-	1
Poland	246	0	246	-	41
Slovakia	76	0	76	-	5
Iberian	274	-	274	-	2
Switzerland	5,322	4,662	107	554	428
Turkey	-	-	-	-	-
UK	0	0	0	-	38
USA	380	0	380	-	19
IBSA Group	13,154	9,150	3,231	773	8,274

SCOPE 1 GHG EMISSIONS (tCO<sub>2</sub>e)



SCOPE 2 GHG EMISSIONS (tCO<sub>2</sub>e)



The sum of direct emissions and emissions due to the generation of energy purchased and consumed by IBSA constitute the Group's Scope 1 and Scope 2 emissions. Within the perimeter under analysis, IBSA released 21,428 tCO<sub>2</sub>e into the atmosphere:

- Scope 1: 13,154 tCO<sub>2</sub>e (61%)
- About two-thirds of our direct emissions are mainly due to the combustion of diesel and natural gas in the production plants of subsidiaries in Switzerland, Italy, and China.
- The vehicle fleet of the subsidiaries accounted for 25% of our direct emissions, mainly emitted by the

vehicles of the subsidiaries in Italy, France, and the United States.

- The remaining 6% of direct emissions came from greenhouse gas leaks from our machinery along the production lines of our plants.

- Scope 2: 8,274 tCO<sub>2</sub>e (39%)
- The Italian subsidiary released 5,796 tCO<sub>2</sub>e (70% of the Group's Scope 2 emissions), generated by the production of the electricity purchased and consumed.
- The Chinese subsidiaries came in second place in terms of the amount of CO<sub>2</sub>e released (1,840

tCO<sub>2</sub>e, about 22% of the Scope 2 emissions).

- Despite its high electricity consumption, the Swiss subsidiary was only the third highest in terms of emissions produced: 428 tCO<sub>2</sub>e (5% of Scope 2 emissions). The Swiss subsidiary's electricity is in fact mainly generated by hydroelectric and nuclear power plants, which release fewer emissions than other non-renewable sources.

Looking at the emissions in relation to the Group's total number of employees, the carbon intensity corresponds to 9.8 tCO<sub>2</sub>e per employee.

Scope 2 - MB  
**39%**  
8,274

Scope 1  
**61%**  
13,154

GROUP EMISSIONS (tCO<sub>2</sub>e)



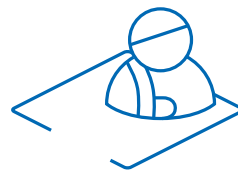




# PATIENTS







# Patients

IBSA's commitment to a more responsible and sustainable future must necessarily take into consideration the important role that patients play in our business. To ensure the best care and a healthier life in a clean environment and within a fair and inclusive society, we need to listen to our patients, which is why they will be one of the four directions of our new *ESG@IBSA* sustainability strategy. To this end, IBSA is committed to guaranteeing the quality of and access to products. In addition, the Group promotes the research and development of innovative technologies that make it possible to create an ever-improving welfare system that is accessible to an ever-increasing number of people.

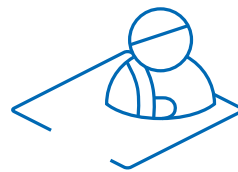
The expansion we are undergoing means that we can reach an increasing number of patients every year. We therefore want to foster increasingly extensive collaborations, with the support of multidisciplinary tools for data collection and to improve the legal and social conditions of our patients. The strong bond that ties us to our patients also allows us to effectively ensure the quality of our products, guaranteeing their purity, digestibility, safety, and efficacy. Within the framework of the *ESG@IBSA* strategy, we have set ourselves the main goal of promoting greater cohesion between the products we offer, the patients we target, and the professionals with whom we collaborate. To this end, we have mapped all ongoing initiatives and collaborations. This will enable us to ensure greater transparency and involvement, thanks also to partnership agreements with patient and medical associations. Looking ahead, in the years to come we want to focus our efforts on structuring a "Voice of Customer" plan, aimed at fostering a space for dialogue and discussion with our patients.



«...promoting greater cohesion between the products we offer, the patients we target, and the professionals with whom we collaborate»







# Collaborations with Scientific Societies and Patient Associations

In the USA, IBSA has implemented the **"Patient Assistance Program"**, which allows low-income or uninsured patients to access certain products at limited or even no cost. These patients can request treatment from institutions such as pharmacies and insurance companies through their treating physician. **The costs of these products are fully covered by IBSA.** Our aim in offering this is to ensure **access to treatment even for those whose financial situation means they could not otherwise afford treatment.** Our subsidiary in the United States, IBSA Pharma Inc., supports various patient associations that promote dialogue with doctors to give people in difficulty the

opportunity to access the most suitable products at an affordable price. This year, we have distributed more than 70,000 packs of IBSA drugs to support patients undergoing treatment for thyroid diseases. The **Medical and Scientific Societies and Patient Associations** are important stakeholders in the pharmaceutical sector, as they facilitate the connection with the world of healthcare. In fact, these associations help us understand the unmet needs of patients, a fundamental aspect for us in order to improve treatments and meet patient's needs. We also live up to our commitment to patients by supporting healthcare workers, whose medical training is crucial to providing the best care to patients themselves. This is why we have been offering the highest level of medical education / training programmes for several years,

covering multiple therapeutic areas (e.g., the IBSA International Academy – MSK Modules, Masterclass ART, and in the field of endocrinology), with the aim of enhancing the skills of our doctors and recognizing the importance of the patient's role, which is increasingly central in health and well-being pathways.

We support and collaborate with various scientific organizations and institutions in this field, including:

- DOXnet Ärztinnen und Ärzte Switzerland
- Swiss Nurses' Association
- American College of Rheumatology (ACR)
- Swiss Association for help with incontinence
- Endocrine Patient Associations Committee (C.A.P.E.)
- Italian Interstitial Cystitis Association
- Swiss League Against Rheumatism
- TOX Info - Swiss Toxicological Information Centre
- VITA Association Switzerland
- Lung disease / Oxygen Patients' Association (VLSP)
- Swiss Burn Victims' Association

- Swiss Rehabilitation Association (SAR)
- Swiss Association for Wound Care (SAfW)
- Swiss Society of Endocrinology and Diabetology (SGED)
- Swiss Society of Sports Medicine (SGSM)
- Swiss Society of Reproductive Medicine (SGRM)
- Rheuma Switzerland
- European Pain Federation (EFIC)
- European Society of Human Reproduction and Embryology (ESHRE)
- Italian Society of Endocrinology (SIE)
- Italian Society of General Medicine and Primary Care (SIMG)
- Fertility Europe - Patient Association
- European Thyroid Association (ETA)
- Thyroid Federation International (TFI)
- European Society of Sexual Medicine (ESSM)
- European Association of Urology (EAU)
- International Continence Society (ICS)

- Italian Society of Urodynamics (SIUD)
- Association for the Protection of Psoriasis Patients (ADIPSO)
- European Federation of National Associations of Orthopaedics and Traumatology (EFORT)
- European Society for Clinical and Economic Aspects of Osteoporosis and Osteoarthritis (ESCEO)
- European Society of Sports Traumatology, Knee Surgery, and Arthroscopy (ESSKA)
- European Alliance of Associations for Rheumatology (EULAR)
- International Association for the Study of Pain (IASP)
- International Symposium on Intra-Articular Treatment (ISIAT)
- ISOKINETIC Medical Group
- International Osteoarthritis Foundation (OAFI)
- Osteoarthritis Research Society International (OARSI)
- World Institute of Pain (WIP)

- Cantonal Hospital Authority (EOC)
- Farma Industria Ticino
- Farmindustria - Association of Pharmaceutical Companies
- Chamber of Commerce, Industry, Crafts, and Services of the Canton of Ticino (Cc-Ti)
- Ticino Society of Biomedical and Chemical Sciences (STSBC)
- Scienceindustries Switzerland







# VALUE CHAIN







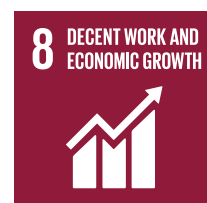
## Value chain

Analysing and assessing the impacts of the value chain is a crucial aspect of the sustainability journey IBSA has undertaken. This includes an ESG assessment of our suppliers, supported by the adoption of codes of conduct aimed at these suppliers. We collaborate with the network of our partners in order to integrate the principles of ethics, transparency, and sustainability of activities.

To do this, we are committed to collaborating with all stakeholders in a way that is active and inclusive, in order to obtain an accurate assessment of ESG risks and of the value chain itself. Specifically, the goal we have set is to further reduce negative impacts along the value chain and, at the same time, to increase the number of suppliers who implement our sustainability initiatives.

In the coming years, IBSA aims to carry out a complete assessment of the climate change risks on company buildings, to evaluate the environmental and social performance of suppliers, and to conduct an ESG analysis of suppliers, including climate-related risks. In addition, the company aims to achieve high levels of certifications such as Ecovadis.

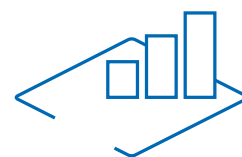
IBSA's long-term commitment includes increasing the percentage of our suppliers who implement ESG initiatives, thereby reaching high levels of sustainability certifications. We intend to carry out a comprehensive and complete analysis of climate-related risks along the entire supply chain, conducting thorough due diligence processes to ensure that our business partners comply with sustainability standards in accordance with our corporate strategy.



## Supplier portal

As part of the digital transformation process undertaken by IBSA, various **Supplier Portals** have been set up; these are IT tools that enable us to manage, measure, and optimise the processes underlying the exchange of documents and information with suppliers. Thanks to the use of customizable indicators, the platforms provide a supplier assessment based on regulatory compliance, sustainability, logistics, and certifications.

*the goal we have set is to further reduce negative impacts along the value chain and, at the same time, to increase the number of suppliers who implement our sustainability initiatives*



We foster continuous dialogue with our suppliers to improve the sustainability performance of the entire value chain upstream of our activities.

## ESG supplier evaluation

Since 2021, IBSA has been working with Ecovadis to evaluate its suppliers along the value chain.

In 2022, 190 suppliers that make up part of our value chain were evaluated, measuring the best practices in terms of sustainable procurement, human rights, ethics, and the environment. The following results were observed through the programme:

- the average score of suppliers was 54.2/100, showing significant improvement compared to the average score of 45/100 in 2021
- the suppliers evaluated obtained results above the global average for the pharmaceutical sector (47.4/100), even exceeding the average score of the Europe-Central Asia region (52.6/100)

### Ecovadis – IBSA Farmaceutici

IBSA Farmaceutici Srl underwent an evaluation of its sustainability performance through the Ecovadis platform for the first time in 2022. Ecovadis is a corporate sustainability assessment platform that measures the social, environmental, and ethical impact of companies using performance indicators.

In the first year, the Italian subsidiary obtained a good Ecovadis result and was awarded the Bronze medal for achieving a score of 49 out of 100. This achievement represents a significant recognition of our relentless commitment to sustainability and corporate social responsibility.

The Bronze medal is an achievement we are proud of, but it should be seen as a starting point, with the aim of further improving our performance over the next few years.





# GRI content index



CONTENT INDEX  
ESSENTIALS SERVICE

2023

“For the Content Index - Essentials Service, GRI Services reviewed that the GRI content index is clearly presented, in a manner consistent with the Standards, and that the references for disclosures 2-1 to 2-5, 3-1 and 3-2 are aligned with the appropriate sections in the body of the report.”  
The Content Index - Essentials Service of the original version was conducted in Italian.

Statement of use	IBSA Institut Biochimique SA has reported in accordance with the GRI Standards for the period January 1st 2022 - December 31st 2022.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	No Sector Standard applied

GRI Standards	Disclosures	Location*	Reason for omissions	Explanation
GRI 1: Foundation 2021				
General Disclosures				
GRI 2: General Disclosures 2021	1. The organization and its reporting practices			
	2-1 Organizational details	8, 10		
	2-2 Entities included in the organization's sustainability reporting	14		
	2-3 Reporting period, frequency and contact point	122		
	2-4 Restatements of information	No changes have been made compared to the previous report		
	2-5 External assurance	122		
	2. Activities and workers			
	2-6 Activities, value chain and other business relationships	10, 11, 20, 21		
	2-7 Employees	64, 65		
	2-8 Workers who are not employees	64, 65		
	3. Governance			
	2-9 Governance structure and composition	Compliance Programme, – 3.2 IBSA's Corporate Governance System		
	2-10 Nomination and selection of the highest governance body	Compliance Programme, – 3.2 IBSA's Corporate Governance System		
	2-11 Chair of the highest governance body	Arturo Licenziati is the President and CEO of the IBSA Group		
	2-12 Role of the highest governance body in overseeing the management of impacts	50, 51		
	2-13 Delegation of responsibility for managing impacts	50, 51		

GRI Standards	Disclosures	Location*	Reason for omissions	Explanation
GRI 2: General Disclosures 2021	2-14 Role of the highest governance body in sustainability reporting	The Senior Vice President is responsible for approving the information and data reported in this sustainability report		
	2-15 Conflicts of interest	Code of Ethics of the IBSA Group– 3.14 Conflicts of interest		
	2-16 Communication of critical concerns	Code of Ethics of the IBSA Group– 4.1 Whistleblowing		
	2-17 Collective knowledge of the highest governance body	-	Information unavailable	No measures have been implemented
	2-18 Evaluation of the performance of the highest governance body	-	Information unavailable	There are no performance evaluation procedures of this type
	2-19 Remuneration policies	-	Confidentiality constraints	Confidential and non-publicly discosable information
	2-20 Process to determine remuneration	-	Confidentiality constraints	Confidential and non-publicly discosable information
	2-21 Annual total compensation ratio	-	Confidentiality constraints	Confidential and non-publicly discosable information
	4. Strategy, policies and practices			
	2-22 Statement on sustainable development strategy	4		
	2-23 Policy commitments	52, 53, Code of Ethics of the IBSA Group		
	2-24 Embedding policy commitments	52, 53, Code of Ethics of the IBSA Group		
	2-25 Processes to remediate negative impacts	52, 53, Code of Ethics of the IBSA Group		
	2-26 Mechanisms for seeking advice and raising concerns	Code of Ethics of the IBSA Group - 4.1 Whistleblowing		
	2-27 Compliance with laws and regulations	No significant cases of non-compliance laws and regulations were founds		
	2-28 Membership associations	112, 113		
	5. Stakeholder engagement			
	2-29 Approach to stakeholder engagement	40-41		
	2-30 Collective bargaining agreements	There are no collective bargaining agreements in place		

\* Location refers to the page unless otherwise specified





GRI Standards	Disclosures	Location*	Reason for omissions	Explanation
<b>Material Topics</b>				
GRI 3: Material Topics 2021	3-1 Process to determine material topics	42, 43		
	3-2 List of material topics	43		
<b>Work environment, sense of belonging</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	56-58, 62		
<b>Professional ethics, integrity, and free competition</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	47, 52, 53		
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	52, 53		
<b>Development of new treatments with a high benefit / cost ratio</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	22-30, 46 <a href="#">Technologies Brochure</a>		
<b>Creation and distribution of economic value</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	30-32, 46		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	30-33		
	201-3 Defined benefit plan obligations and other retirement plans	69		
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	30-32		
<b>Long-term growth of the company</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	46, 90-93		
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	90-93		
<b>Reduction of CO<sub>2</sub> emissions along the value chain</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	47, 90, 100-107		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	101-104, 106, 107		
	305-2 Energy indirect (Scope 2) GHG emissions	101-103, 105-107		
	305-4 GHG emissions intensity	107		
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	117		
<b>Value creation through innovative products and services</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	22-29, 46		
<b>Reduction of energy and water consumption</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	90-94, 96- 99		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	94-98		
	302-3 Energy intensity	94, 95		
	302-4 Reduction of energy consumption	94, 95		

\* Location refers to the page unless otherwise specified

GRI Standards	Disclosures	Location*	Reason for omissions	Explanation
<b>Material topics</b>				
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	98, 99		
	303-5 Water consumption	99		
<b>Equal pay and opportunities</b>				
GRI 3: Material topics 2021	3-3 Management of material topics	46, 62, 64-65		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	64, 65		
405: Diversity and Equal Opportunities 2016	405-1 Diversity of governance bodies and employees	64, 65		



The reporting period for this Sustainability Report extends from January 1st, 2022 to December 31st, 2022 and was published in November 2023. In order to ensure maximum transparency for all our stakeholders, we intend to report on our progress and results in relation to sustainability issues on an annual basis. This Sustainability Report has not been subject to external assurance. For more information, please contact us at: [esg@ibsagroup.com](mailto:esg@ibsagroup.com)



We'd like to say a heartfelt thanks to all those who made it possible to draw up this fifth Sustainability Report, in particular:

to our President and CEO, Arturo Licenziati

to all our Directors,  
to the Corporate Communication department,  
to Positive Organizations,  
to Alberto Sala Design

**IBSA, Institut Biochimique SA**

Via del Piano 29  
CH 6926  
Collina d'Oro - Montagnola  
Switzerland  
[www.ibsagroup.com](http://www.ibsagroup.com)



Report published in 2023, referring to the year 2022







**IBSA**  
**CLOSE TO YOU**  
Sharing  
Sustainability  
Innovation  
and Beauty

