Consolidated Sustainability Statement 2024

IBSA

Caring Innovation

Index

Message from our President

The path IBSA has chosen for its future is to constantly seek a balance between technological progress, social well-being, and respect for the environment. This commitment to sustainability permeates every aspect of our corporate strategy, including initiatives aimed at improving employee well-being and generating a positive impact on the community.

Our seventh Report, referring to the year 2024, is not just an account of our results, but also a testament to our constant dedication to integrating sustainability into every facet of our business.

Thanks to our sales strategy and the commitment of our teams to various international markets, 2024 was a year of significant growth for IBSA, with a 10% increase in turnover.

Naturally, such a dynamic growth path is not without its challenges. Last year, we strengthened our operational resilience and improved our risk management capabilities, particularly those related to the supply chain. We are committed to refining our processes and ensuring greater robustness in our operations, laying the groundwork for even more solid and sustainable future growth.

Alongside our commercial successes and operational strengthening, we have resolutely pursued our ***ESG (Environmental Social Governance) commitment.*** *We conducted an in-depth analysis of our sustainability and employee health and safety policies, identifying areas for improvement. A significant achievement was the* ***increase in the number of environmental performance indicators****, and, in particular, the categories of* ***value chain emissions*** *covered by our reporting. This demonstrates our commitment to increasingly comprehensive and transparent measurement of our environmental impact.*

Furthermore, 2024 marked the launch of new initiatives that reflect our values and our desire to actively contribute to the well-being of communities and patients. Among these, I want to highlight the launch, at the end of the year, of our ***corporate volunteering program****, a further testament to the culture of solidarity and commitment that distinguishes us. We also intensified our patient listening initiatives, adopting innovative interaction tools like web platforms and applications.*

And today, as we look to the future, we are preparing for a special moment: ***2025, the year we celebrate our 40th anniversary****. This is a milestone we celebrate with pride, and it will push us to continue innovating and operating responsibly for decades to come.*

Please turn to the following pages to discover the details of our journey.

Kind regards,

Arturo Licenziati
President and CEO

Message from the Board

Dear Stakeholders,

*We are pleased to present IBSA's **2024 Sustainability Report**, a document that reflects IBSA's constant commitment to responsible and sustainable growth. This year, sustainability reporting takes on an even deeper meaning, marking a fundamental step in our journey towards **transparency and accountability**.*

*In the constantly evolving landscape of non-financial reporting, we made the strategic decision to transition from a voluntary reporting standard, the GRI (Global Reporting Initiative), used in the previous six editions of our Sustainability Report, to a standard **inspired by the European Sustainability Reporting Standards (ESRS)**. This choice is not accidental; it's the result of a careful evaluation of our Group's current and future needs and the European regulatory context.*

*The ESRS represent a robust and detailed framework, developed to meet the regulatory expectations of the European Union, particularly in relation to the Corporate Sustainability Reporting Directive (CSRD). Progressively aligning with the ESRS allows us to **anticipate future requirements**, ensuring greater comparability and reliability of our sustainability data. We firmly believe that adopting standards like the ESRS not only guarantees rigorous compliance but also pushes us to integrate sustainability even more deeply into our operational and business strategies. It is a concrete demonstration of our desire to go beyond mere conformity, embracing a proactive approach to sustainability that positions us at the forefront of our industry.*

*A central and distinctive element of our 2024 reporting process is the **rigorous application of double materiality analysis**. This innovative approach has allowed us to identify the most significant impacts IBSA has on society and the environment (impact materiality), as well as the sustainability-related risks and opportunities that can influence our financial value (financial materiality).*

This exercise was not just a formal requirement; it was a true compass that guided the definition of our strategic sustainability priorities. Through constant dialogue with our internal and external stakeholders, we have mapped the areas where our commitment can generate the greatest positive impact and where it is fundamental to mitigate risks. The results of this analysis are the foundation upon which we have built the objectives and actions presented in this report, ensuring that our initiatives are relevant, effective, and aligned with the expectations of all those involved with IBSA.

*Our Group is constantly committed to **strengthening its internal governance and control systems** to ensure that sustainability principles are integrated into every aspect of our operations. This includes continuous training for our personnel, the implementation of rigorous policies and procedures, and the promotion of a corporate culture that values ethics and responsibility. For us, compliance is not a burden but an opportunity to demonstrate our reliability and to build lasting trust-based relationships with all our stakeholders.*

This 2024 Sustainability Report is the result of collective effort and the dedication of everyone at IBSA. We invite you to read it to discover how we are contributing to a more sustainable future, not only through our innovative products and services but also through the way we operate.

Highlights

Highlights

IBSA around the world

HEADQUARTERS
Switzerland, Lugano

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

SUBSIDIARIES (AS OF DECEMBER 31ST 2024)
Austria, Vienna
Belgium, Bruxelles
China, Rizhao
China, Qingdao
France, Antibes
Germany, Düsseldorf
Hong Kong, Hong Kong
Italy, Lodi
Netherlands, Amsterdam
Baltic countries, Tallinn
Nordic countries, Copenhagen
Poland, Warsaw
United Kingdom, London
Czech Republic, Prague
Singapore, Singapore
Slovakia, Bratislava
Spain/Portugal, Barcelona
Switzerland, Lugano
Turkey, Istanbul
Hungary, Budapest
USA, Parsippany NJ

IBSA In Numbers

2.554
employees

MAIN MARKETS:
SWITZERLAND, EUROPE, USA, MIDDLE EAST, EAST ASIA AND NORTH AFRICA

More than 160
employees in R&D
Switzerland, Italy, France and China

11
production sites
IN SWITZERLAND, ITALY AND CHINA

10
THERAPEUTIC areas

20
subsidiaries

25
MILLIONS vials of HORMONES

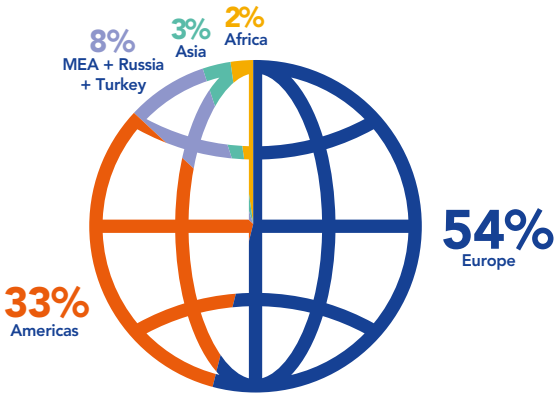
54
MILLION PACKAGES
of finished products

Economic Value Generated

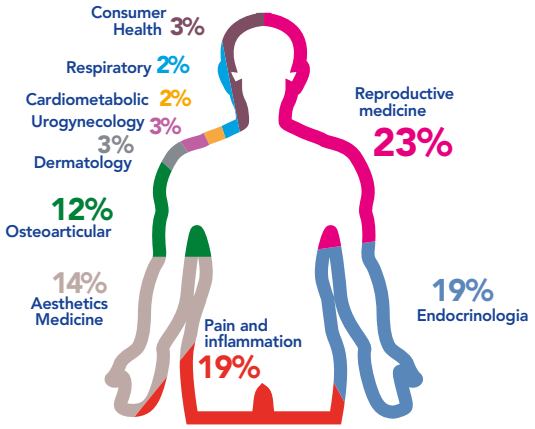
IBSA's turnover has doubled in the last decade. In 2024 gross turnover reached CHF 1,089,271,000, as reported within the Consolidated Financial Statements, confirming the double-digit growth trend in the last few years.
Endocrinology, pain and inflammation, and reproductive medicine are confirmed as the main therapeutic areas, followed by aesthetic medicine.
The geographic areas with the highest growth are the Americas, the Middle East and North Africa.

+10%

1,089 MCHF TURNOVER 2024 *VS* 986.4 MCHF TURNOVER 2023



TURNOVER BREAKDOWN BY GEOGRAPHIC AREA



TURNOVER BREAKDOWN BY THERAPEUTIC AREAS

Double Materiality Analysis and ESRS

Consistent with the desire to progressively align its ESG reporting with a rigorous framework such as the European Sustainability Reporting Standards (ESRS), to anticipate future regulatory requirements and to ensure comparability and reliability of the data, IBSA performed a Double Materiality analysis.
This approach identified the most significant impacts IBSA has on society and the environment (impact materiality), as well as sustainability-related risks and opportunities that may affect our financial value (financial materiality).
The Double Materiality analysis followed a structured process, beginning with the identification of the impacts generated by the Group on people and the environment through the following steps:

1. Understanding the context in which the company operates, the activities performed, and the geographies covered
2. Evaluation of the significance of impacts and their prioritization
3. identification and assessment of risks and opportunities related to sustainability issues that have or could have short, medium- and long-term financial impacts on IBSA Group.
4. the results of the impact and financial analyses were aggregated, and relevant impacts, risks, and opportunities were brought back to the ESRS material sustainability issues for reporting purposes.

Compared to the materiality analysis process followed last year, the main difference is the integration during 2024 of the financial perspective into assessments related to sustainability issues due to the change in reporting standards.

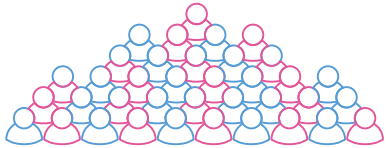
Impacts along the value chain			
Topic	Sub-Topic	Indirect Materiality	Direct Materiality
E1-Climate Change	Climate change mitigation - Energy	●●●●	●●●●
E2-Pollution	Pollution of air	○	●●●
	Pollution of soil	●●●	●●●
	Substances of Concern	○	●●●
E3-Water and Marine Resources	Water: - Water Consumption - Water Withdrawal - Water Discharges	●●●	●●●
E4-Biodiversity and Ecosystems	Direct Impact Drivers on Biodiversity Loss: - Pollution	●●●	●●●
E5-Circular Economy	Resource Inflows, including resource use	○	●●●
	Waste	●●●	●●●●
S1-Own Workforce	Working Conditions: - Health and Safety	○	●●●
	Working Conditions: - Work-Life Balance - Adequate wages - Freedom of Association - Collective Bargaining - Working time - Secure employment	○	●●●●
	Equal treatment and opportunities for all: - Training and Skills Development	○	●●●
	Equal treatment and opportunities for all: - Diversity - Employment and inclusion of persons with disabilities - Measures against violence and harassment in the workplace - Gender equality and equal pay for work of equal value	○	●●●●
	Other Work-Related Rights: - Child Labor - Forced Labor - Privacy - Employee privacy	○	●●●
S2-Workers in the Value Chain	Working Conditions: - Health and Safety	●●●●	○
	Equal treatment and opportunities for all: - Gender equality and equal pay for work of equal value	●●●	○
	Working Conditions: - Freedom of Association - Collective Bargaining	●●●●	○

Impacts along the value chain			
Topic	Sub-Topic	Indirect Materiality	Direct Materiality
S2-Workers in the Value Chain	Other Work Related Rights: - Child Labor - Forced Labor	●●●●	○
S3-Affected Communities	Communities economic, social, and cultural rights: - Security-Related Impacts	●●●	●●●
S4-Consumers and End-Users	Information-related impacts for consumers and/or end-users: - Access to (quality) information	○	●●●
	Personal safety of consumers and/or end-users: - Health and Safety	○	●●●●
	Social inclusion of consumers and/or end-users: - Access to products and services	○	●●●
	Personal safety of consumers and/or end-users: - Security of a person	○	●●●
G1-Business Conduct	Animal Welfare	○	●●●

Risks and Opportunities along the Value Chain			
Topic	Sub-Topic	Indirect Materiality	Direct Materiality
E1-Climate Change	Climate Change Adaptation	●●●	●●●
E2-Pollution	Pollution of water Pollution of soil	○	●●●
S1-Workers	Other Work-Related Rights: - Child Labor - Forced Labor - Privacy - Employee privacy	○	●●●
S2-Workers in the Value Chain	Working Conditions: - Freedom of Association - Collective Bargaining Equal Opportunities: - Gender Equality and Equal Pay for Work of Equal Value Other Work-Related Rights: - Child Labor	●●●	○
S4-Consumers	Personal Safety of Consumers and/or End-Users: - Health and Safety Information-Related Impacts for Patients and/or End-Users: - Access to (Quality) Information	○	●●●

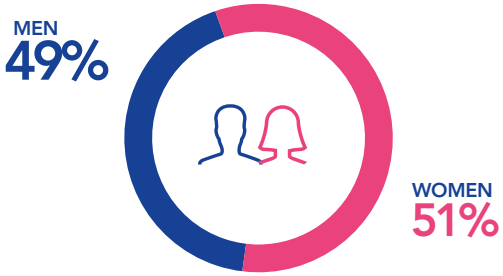
Legend: ○ not material ● very low ●● low ●●● medium ●●●● high

Own workforce



2,554 employees in 2024

+7% compared to 2023



20% women on the Board

26% women in Top Management

7,100+ training hours

First and second levels below the administrative and supervisory bodies

IBSA places the "Person" at the center of its corporate philosophy, extending this principle not only to patients but significantly to its own workers. The undertaking actively strives to build a relationship based on authentic listening and a willingness to meet individual needs, recognizing that the well-being and development of the individual are fundamental to collective success. This translates into a work environment that promotes open and honest communication, where employees feel safe to express their ideas and concerns. The analysis of feedback collected at the end of 2023 with the global "Sharing is Caring" survey led, in 2024, to a series of actions in response to the criticalities highlighted by employees:

- Introduction of flexible working hours in Italy in response to a greater need for flexibility and improved work-life balance, among other reasons.
- Increase in the soft skills training offered with IBSA Academy and introduction of team coaching activities in the teams where critical issues emerged.
- The pay scale was revised, to bring it closer to market benchmarks, and the budget allocated to pay rises in the Annual Salary Review process was increased, for both Headquarters and Italy. The principles and logic guiding this process have been clearly communicated to colleagues.
- In the area of professional and career development, the promotion process (Career Review) has been separated from that of mere salary increases (Annual Salary Review), defining clear and transparent guidelines that support career advancement.
- In order to improve the inter-functional integration, IBSA Academy was used to create relationships, exchange experiences, and perspectives between individual working in different functions and countries.
- The "Finding Diamonds" project was launched in Tech Operations/Quality in Switzerland, in response to the perception of a culture not very open to change and not very oriented to listening to bottom-up proposals or suggestions.
- Greater collaboration between HR and Corporate Communication functions was promoted, and the HRBP (Human Resources Business Partner) role was fully implemented to increase the proximity of the HR function to employees.

The centrality of employee Health and Safety issues has been re-emphasized with a strengthening of the HSE (Health, Safety and Environment) Function in terms of resources and a more mature and structured risk management. IBSA Italy is the leading subsidiary in this process, engaged both in preparing for ISO 45001 and ISO 14001 certification audits and in completing the digitalization of certain operational processes. In Switzerland too, there has been an intensification of activities, including the extension of the HSE management system and the identification of specific contact persons dedicated to supporting the implementation of initiatives in individual buildings and departments.

Climate and Environment

In line with the objectives set during 2023 to monitor, with the aim of improving processes, at least 90% of Scope 3 emissions by the end of 2026, IBSA conducted an evaluation of emission sources to include the most relevant in its inventory. The main source of Scope 3 emissions is represented by activities related to the purchase of goods and services (category 3.1), accounting for approximately 85% of total Scope 3 emissions. These emissions were estimated using a spend-based approach, calculating the impact derived from the purchase of materials and services for the Group's production activities, primarily in Switzerland, Italy, France, and China. The next categories in terms of emission relevance are 3.2 - Capital goods and 3.4 - Upstream transportation and distribution, both with an incidence of 4% of total Scope 3 emissions. For category 3.2, emissions were also calculated using a spend-based approach, estimating the impact related to the purchase of machinery in key countries for the Group's production activities (Switzerland, Italy, France, and China). As for category 3.4, emissions are estimated based on upstream transport, i.e., the transport of raw materials, finished products, and intermediates to warehouses and plants, with prevalent reference to warehouses located in Italy, France, and Switzerland. It is important to emphasize that categories 3.1 and 3.2 were included for the first time in the emission calculation in 2024. Their introduction led to a significant increase in total Scope 3 emissions, reflecting greater completeness in the reporting boundary. This methodological update is in line with trends in the pharmaceutical sector, where increasing attention to supply chain sustainability leads companies to include indirect impacts related to purchases and production investments in an increasingly precise way. In a process of continuous improvement, IBSA has begun to manage and report other environmental aspects more precisely and completely, focusing on pollution, water, biodiversity, and the circular economy, albeit with varying levels of maturity and evolving objectives.

80%

Percentage of recycled waste

PRODUCED BY IBSA ITALY AND IBSA SWITZERLAND

Gross Greenhouse Gas Emissions[1]	2024
Gross Scope 1 Greenhouse Gas Emissions (tCO_2eq)	**15,745**
Total Gross Location-Based Scope 2 Greenhouse Gas Emissions (tCO_2eq)	**10,516**
Total Gross Market-Based Scope 2 Greenhouse Gas Emissions (tCO_2eq)	**14,550**
Total Gross Indirect (Scope 3) Greenhouse Gas Emissions (tCO_2eq)	**263,366**
1 Purchased goods and services	222,760
2 Capital goods	10,725
3 Fuel and energy-related activities	2,577
4 Upstream transportation and distribution	9,280
5 Waste generated in operations	8,319
6 Business travel	1,483
7 Employee commuting	6,611
9 Downstream transportation and distribution	1,611

1 For the calculation of emissions from stationary and mobile combustion, emission factors from the National Inventory Reports of the countries where the different combustions occurred were used. Where these were not available, the database made available by the UK government: DEFRA (Department for Environmental Food & Rural Affairs) or the US government: EPA GHG Emission Factors Hub (United States Environmental Protection Agency) was consulted. The Global Warming Potential (GWP) reported by DEFRA and the International Panel on Climate Change (IPCC) was consulted to estimate emissions from refrigeration system leaks.
Scope 2 emissions were calculated by consulting the emission factors in the databases: DEFRA, for Ecoinvent 3.11 district heating, for both Market and Location-based methodology in order to obtain more comparable results.
The following database was used to select the emission factors for the Scope 3 categories: Ecoinvent 3.11. [E1-6-AR.39. b; AR.46.h].

Social Responsibility

IBSA FOUNDATION for scientific research

IBSA Foundation for scientific research

Established in Lugano, Switzerland, in 2012, as part of the corporate social responsibility programme of the Swiss pharmaceutical group IBSA, IBSA Foundation promotes "Science for all" through accessible information and projects aimed at combining scientific and humanistic culture. Through its numerous activities, IBSA Foundation offers fellowships and scholarships in the medical-scientific field and contributes to promoting dialogue between humanistic and scientific knowledge with approaches that involve the community at all levels, from the institutional world to schools, and with creative and innovative languages designed to train new generations and inspire their growth paths.

Group CSR Activity

IBSA Group companies promote a series of social responsibility projects that benefit local communities and particularly vulnerable individuals.

- **Inclusive Sports**: Inclusive Sailing project "Sailing into the Future. Together", inclusive football (Switzerland and France), inclusive canoeing (Czech Republic).
- **Promotion of Children's Rights and Youth Well-being**: IBSA supports various projects for the protection and development of children in different geographies, collaborating with local associations. These include: Casa dos Curumins (Brazil); "Il Magnete" (Italy); ASPI Associazione della Svizzera italiana per l'Aiuto, il Sostegno e la Protezione dell'Infanzia (Switzerland).
- **Prevention of Discrimination and Gender Violence**: IBSA promotes gender equality with campaigns and projects ("IBSA for Women"), partnerships, and collaborations (Business Professional Women Ticino (CH), Fondazione Onda, National Observatory on Women's and Gender Health (Italy)).
- **Support for Local Culture**: Sponsorship of cultural events such as film festivals (Locarno, Human Rights Film Festival Lugano) and exhibitions.
- **Support in Emergencies, Attention to the Most Vulnerable, and Corporate Volunteering**: Support for the flood-affected population of Vallemaggia (Switzerland); collection of essential items (food, clothing, medicines). In 2024, IBSA Board approved a corporate volunteering project that commenced in spring 2025.

Patients

IBSA consistently places the individual at the center of its strategy, with particular attention to patients. This philosophy translates into a concrete commitment to the humanization of care, recognizing that the therapeutic journey is not limited to drug administration but includes the emotional and psychological dimensions of the individual. A fundamental aspect of this strategy is the **high quality of products**, guaranteed through rigorous research, development, and production processes. IBSA actively promotes continuous dialogue with patients and healthcare professionals. This bidirectional exchange of information and feedback is fundamental not only to optimize the efficacy and safety of treatments but also to improve the patient's overall relationship with the disease. The objective is to create solutions that respond more comprehensively and personalized to the needs of those living with pathological conditions, fostering disease management that is as serene and informed as possible. The various initiatives carried out and implemented by IBSA to manage impacts on patients consist of:

- Rigorous quality system covering the entire product life cycle and pharmacovigilance activities to prevent and mitigate safety risks for the end consumer.
- Disease awareness campaigns: among these, in 2024, "Not a Good MOArning?" focused on osteoarthritis; "From palate to thyroid" focused on the link between nutrition, lifestyle, and thyroid function.
- Structured training offerings for medical professionals: New **TRACE** (training center at IBSA Italy's Antares headquarters), Academy MSK, IBSA Masterclass ART, Narture International Summit 2024.
- New tools to interact with patients and medical professionals: launch of "IBSA Aging Discovery AR," an innovative augmented reality application developed by AnotheReality for IBSA, conceived and launched in 2024 to inform and support both patients and doctors on the skin aging process.

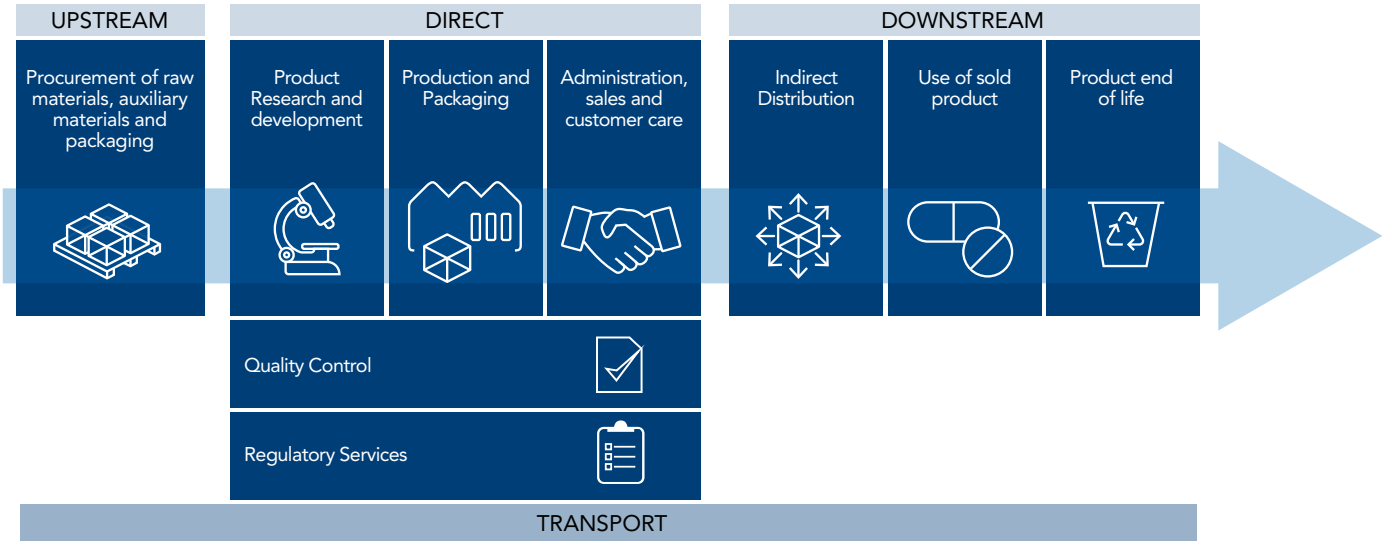
General Information

General Information

ESRS2
Basis for preparation

BP-1 – General basis for preparation of the sustainability statement

The sustainability reporting has been prepared on a voluntary basis by IBSA Group (hereinafter "Group" or "IBSA"), drawing inspiration from the European Sustainability Reporting Standards (ESRS). The reporting boundary of this document includes all Group companies, with some limitations related to certain indicators, as stated in the "Basis for preparation" section found in the Methodological Note. The reporting period is the financial year ended December 31, 2024. [BP-1-5. a-b]
The sustainability statement covers the undertaking's upstream, direct, and downstream value chain. For each reported datapoint, the materiality of the topic in relation to the Group's direct activities or the entire value chain has been indicated.



It should be noted that the phases described above are fully encompassed in the mapping of impacts, risks, and opportunities conducted for the materiality analysis. However, the policies, actions, targets, and metrics currently disclosed, with the exception of the value chain estimates used for Scope 3 emissions calculation, refer exclusively to operations directly performed by the Group. [BP-1-5.c]
Regarding the scope described in the Methodological Note, IBSA has not used the option to omit specific information relating to intellectual property, know-how, or the results of innovation ("sensitive information"). [BP-1-5. d]
Finally, the Group has not benefited from exemptions related to the non-disclosure of impending developments or matters in the course of negotiation, as provided for in Articles 19a (3) and 29a (3) of Directive 2013/34/EU BP-2 – Disclosure in relation to specific circumstances. [BP-1-5. e]

BP-2 – Disclosures in relation to specific circumstances

The time horizons adopted in the preparation of the sustainability report are defined as follows:

- Short-term refers to a period of no more than one year.
- Medium-term ranges from 1 to 5 years.
- Long-term periods exceeding 5 years. [BP-2-9. a]

The definition of the following time horizons adheres to those provided by *ESRS 1 – General Requirements*. [BP-2-9. b]

Value chain estimation

The metrics referring to the value chain are those related to GHG emissions generated from upstream and downstream activities of IBSA's operations (indirect Scope 3 emissions). With reference to these metrics, it is specified that the following data have been estimated using indirect sources:

Scope 3 Category (according to GHG Protocol classification)	Basis for preparation and level of accuracy	Data Considered	Emission factors used	Methodology
3.1 Purchased goods and services	Emissions from this category were calculated using a spend-based approach, estimating emissions from the purchase of materials and services for the Group's activities in countries where purchases are made for production purposes (principally Switzerland, Italy, China, and France)	France, China, Switzerland, and Italy	Exiobase	Spend-based
3.2 Capital goods	Emissions from this category were calculated using a spend-based approach, estimating emissions from the purchase of machinery for the Group's activities in countries where purchases are made for production purposes (principally Switzerland, Italy, China, and France)	France, China, Switzerland, and Italy	Exiobase	Spend-based
3.3 Fuel- and energy-related activities, not included in Scope 1 or Scope 2	Emissions related to consumed energy (excluding those included in Scope 2) were estimated considering the extraction, production, and transport activities of fossil fuels purchased by IBSA or used for the production of energy purchased by the Group	Austria, China, Denmark, France, Germany, Italy, Poland, United Kingdom, Czech Republic, Slovakia, Spain, United States, Switzerland, Hungary	Defra 2024	Average data
3.4 Upstream transportation and distribution	Emissions related to upstream transport are estimated based on the transport of raw materials, finished products, and other intermediate products entering warehouses and plants	China, Hungary, Switzerland, Italy, France	Defra 2024	Distance-based
3.5 Waste generated in operations	For the collection of activity data, the main suppliers of waste collection, management, and disposal of waste produced by IBSA Italy and in Swiss and Chinese sites were involved. The final estimate includes emissions generated for the disposal, recycling, and transport of waste from the place of production to the first treatment point	Switzerland, China, Italy	Ecoinvent 3.11	Weight-based
3.6 Business travel	Emissions related to business travel by group employees are generated by the combustion of fossil fuels in the means of transport used by subsidiary employees and by hotel stays	IBSA group	Defra 2024	Distance-based
3.7 Employee commuting	Emissions related to employee commuting were estimated based on responses to a survey extended to all Group employees (44% response rate)	Data for Switzerland from the IBSA GO app and from a survey conducted for: Austria, China, Denmark, France, Germany, Italy, Poland, United Kingdom, Czech Republic, Spain, United States, Switzerland, Hungary	Defra 2024	Distance-based
3.9 Downstream transportation and distribution	Emissions related to downstream transport are estimated based on the transport and distribution of raw materials, finished products, and other intermediate products leaving warehouses and plants	Italy, Switzerland, Slovakia	Ecoinvent 3.11	Distance-based

[BP-2-10. a-b-c-d]

Sources of estimation and outcome uncertainty

Regarding the quantitative metrics disclosed in the document, it is specified that the document does not contain metrics and monetary amounts subject to a high level of measurement uncertainty, with the exception of Scope 3 metrics calculated using the Spend-Based methodology. [BP-2-11]

Changes in preparation or presentation of sustainability information

Comparative data for this first sustainability reporting period are not reported. [BP-2-13]

Reporting errors in prior periods

Comparative data for this first sustainability reporting period are not reported. [BP-2-14]

Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements

The information contained in the sustainability statement is reported on a voluntary basis in accordance with the ESRS Standards and does not include other information required by other regulations containing sustainability reporting obligations. Consequently, there are no references to additional reporting principles or frameworks. [BP-2-15]

Incorporation by reference

In preparing this document, information has not been incorporated by reference. [BP-2-16]

Governance

GOV-1 – The role of the administrative, management and supervisory bodies

With reference to 2024, IBSA's Board of Directors (BoD) is composed of a total of 5 executive members. Currently, the Board does not include representation of employees and other workers, while adopting all applicable provisions regarding corporate inclusion and participation practices. Each company has its own Board of Directors, which does not coincide with that of IBSA Institut Biochimique SA.
In addition to the BoD, there is an Executive Committee, which is composed of the "Chiefs of" nominated by the BoD. The Executive Committee is chaired by a President nominated by the BoD who coordinates its activities and acts as primus inter pares. Members of the BoD and any Vice Presidents may be invited to participate in the Executive Committee. The Executive Committee manages the overall operations and commercial activities of the Company and oversees all Company employees. [GOV-1-21. a-b]
The Board is composed of members with diverse professional experiences, possessing significant expertise in the sectors, products, and geographical locations in which the undertaking operates. Such experiences form the basis for effective management of impacts, risks, and opportunities, as well as for the continuous improvement of the Board's skills. IBSA also has a General Secretary of the Board of Directors, an autonomous figure directly appointed by the Shareholders' Meeting. The Secretary acts as a link between the strategic and operational bodies, ensuring correct and effective implementation of corporate decisions. [GOV-1-21.c, AR.5]
The following table shows the members of the Board of Directors:

Members of the Board Of Directors	
President and CEO	Arturo Pino Licenziati
Member	Elisabetta Racca
Member	Luca Grassi
Member	Federico Mautone
Member	Gianluca Mautone

Members of the Executive Committee	
Chief Commercial Officer and Chairman	Luca Crippa
Chief of Technical Operations	Enrico Gasperotti
Chief Financial Officer	Luca Grassi
Chief Human Resources Officer	Virginio Cattaneo
Chief Quality Officer	Andreas Gerber
Chief Scientific Officer	Mauro Ninci

From a diversity perspective, the Board of Directors consists of 20% women and 80% men. The gender diversity on the Board of Directors is calculated as the ratio of female to male board members, and similarly for men to the total, to highlight the gender distribution of the governance body.
The following table displays the composition of the Board of Directors by gender and age. [GOV-1-21. d];

Boards of Directors composition by gender and age		
	M	F
< 30 years	-	-
Between 30 & 50 years	2	-
> 50 years	2	1

All members of IBSA's Board of Directors are executive members. [GOV-1-21. e]
The Board of Directors annually reviews the mapping of sustainability-related impacts, risks, and opportunities. The responsibility for the operational management of these aspects has been delegated to the ESG & Real Estate Department (ESG&RE), active at the corporate level and reporting hierarchically to the Senior Vice President (Senior VP), as well as to the ESG Ambassadors of IBSA branches at the local level.
The Senior VP plays a strategic role and is responsible for:

- supervising ESG projects and assuming ultimate responsibility;
- validating the ESG strategic plan; prioritizing projects;
- overseeing the implementation of the strategy;
- ensuring the integration of the ESG strategy into the overall corporate strategy;
- approving the budget allocated to sustainability initiatives.

ESG Ambassadors act as local points of contact for ESG matters, with the following tasks:

- managing and coordinating local and global ESG projects, in conjunction with the ESG & Real Estate Department;
- representing the ESG&RE department within the various corporate functions and Group subsidiaries.

The implementation of the ESG strategy also takes place under the supervision of the Executive Committee, which ensures consistency and integration with the Group's strategic directions. [GOV-1-22. a]
The administrative, management, and supervisory bodies operate according to roles and responsibilities outlined in their respective terms of reference, Board mandates, and relevant company policies. [GOV-1-22. b]
In view of future obligations arising from the Corporate Sustainability Reporting Directive (CSRD), the Group has initiated, for the first time, a preliminary mapping activity of sustainability-related impacts, risks, and opportunities (IRO), in line with the ESRS standards and with reference to the 2024 financial year. This initial exercise,

not yet structured as a formalized process, represented an important phase of internal analysis and awareness. The responsibility for the Double Materiality analysis, aimed at identifying and prioritizing IROs, is attributed to the Board of Directors, which has delegated operational implementation to the ESG & Real Estate Department.
The results have been shared with the Group's top management. As a structured process for managing opportunities is not yet active, the results of the analysis will be progressively integrated into strategic and operational management, with the aim of strengthening the alignment between sustainability and corporate decision-making processes.
Risk management at the corporate level is currently overseen by the Legal & Compliance function, which operates in synergy with other corporate functions for the identification, assessment, and management of risks.
[GOV-1-22.c; IRO-1-53. e; IRO-1-53. f]
To date, the Group does not have a management body that monitors the setting of objectives related to sustainability-related impacts, risks, and opportunities. [GOV-1-22. d]
Although no specific sustainability training has been provided to the administrative, management, and supervisory bodies, a training and discussion session on Double Materiality analysis topics was organized for top management. [GOV-1-23. a]
These skills are essential for the effective management of sustainability-related impacts, risks, and opportunities.
[GOV-1-23. b, GOV-1-AR.5]

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

The Board of Directors is informed by the ESG & Real Estate Department team of the results of the Double Materiality analysis exercise, carried out for the first time in 2024, and reviews it annually.
[GOV-2-26. a-b]
The impacts, risks and opportunities examined by the administrative, management and supervisory bodies in 2024 were assessed as 'material' by the Double Materiality analysis and are reported in Section SBM-3. [GOV-2-26.c]

GOV-3 – Integration of sustainability-related performance in incentive schemes

The Group has implemented an Annual Salary Review procedure that involves all employees in the decision on salary increases, determined based on individual performance and skills. A significant aspect of the incentive system is represented by MBOs (Management by Objectives), which are exclusively linked to performance, ensuring a uniform regulation for all the concerned workers. Currently, the incentive system does not include criteria related to ESG topics. [GOV-3-29. a].
Within the current incentive system, performance is not assessed according to sustainability parameters.
[GOV-3-29. b-c-d-e]

GOV-4 - Statement on due diligence

IBSA currently does not have a structured due diligence process regarding sustainability matters. However, some elements of due diligence are already implemented by the Group, such as the identification and assessment of negative impacts as per the Double Materiality analysis. [GOV-4-30,32]

GOV-5 - Risk management and internal controls over sustainability reporting

The Group is developing a risk management system related to ESG reporting, progressively integrating sustainability principles into its internal control processes. The prioritization methodology is being defined to identify critical areas and implement adequate controls. The results of the ESG risk assessment will be integrated into corporate processes, involving internal functions for effective management. Currently, there is no sustainability reporting procedure, but the reporting of ESG progress and strategies will be gradually organized to inform the administrative and supervisory bodies.
[GOV-5-36. a, b, c, d]

Sustainability Strategies

SBM-1 – Strategy, business model and value chain

IBSA is an international pharmaceutical group headquartered in Switzerland, active in over 90 countries across five continents, with 20 subsidiaries located in Europe, China, and the United States. The Group's portfolio includes ten main therapeutic areas, including reproductive medicine, endocrinology, pain and inflammation, osteoarticular, aesthetic medicine, and consumer health. During the reporting period, no significant changes in the product or service offering were reported. IBSA is recognized as one of the leading global players in the field of reproductive medicine and hyaluronic acid-based products, with a distribution network serving both the hospital and retail channels. No significant changes in the markets served or customer groups were observed during the year. [SBM-1-40. a. i, ii] The following table provides details of the number of employees, broken down by the different geographical areas in which the Group operates: [SBM-1-40. a. iii]

2024	
Country	**Number of employees (headcount)**
Austria	5
China	193
France	236
Germany	44
Italy	646
Netherlands	4
Nordic Countries	26
Poland	48
United Kingdom	40
Czech Republic	40
Singapore	2
Slovakia	36
Spain	52
Switzerland	992
Turkey	11
Hungary	33
USA	146

The following tables show net sales, expressed in thousands of CHF, broken down by:

- therapeutic area
- national markets [SBM-1-40.b.c]

Breakdown by therapeutic areas	2024	%
Reproductive medicine	206,006	23.3
Pain and Inflammation	171,536	19.4
Endocrinology	165,579	18.8
Aesthetics Medicine	124,813	14.1
Osteoarticular	103,990	11.8
Dermatology	27,269	3.1
Urogynecology	26,829	3.0
Consumer Health	21,882	2.5
Cardiometabolic	18,173	2.1
Respiratory	17,130	1.9
Total	883,208	100.0

Breakdown by Markets	2024	%
Italy	187,286	21.2
USA	172,301	19.5
France	92,068	10.4
Middle East	72,263	8.2
Switzerland	67,375	7.6
Other Europe	47,584	5.4
Slovakia	30,943	3.5
Spain	30,432	3.4
United Kingdom	29,305	3.3
Hungary	22,433	2.5
Czech Republic	17,882	2.0
LATAM	16,765	1.9
Germany	16,121	1.8
Poland	14,882	1.7
EAST ASIA	11,865	1.3
ASIA PACIFIC	11,555	1.3
Nordic	10,944	1.2
Egypt	10,001	1.1
AFRICA	8,805	1.0
Turkey	8,175	0.9
OCEANIA	4,224	0.5
Total	883,208	100.0

IBSA CLOSE TO YOU

Sharing
Sustainability
Innovation
and Beauty

IBSA Group has defined its objectives through the "IBSA – Close to You" project, which led to the drafting of the Sustainability Manifesto at the end of 2023. The Sustainability Manifesto, a statement defining priorities and methods for achieving sustainable development goals and shared value creation, ratifies the company's founding values, objectives, strategy, and distinctive style that will guide the concrete execution of projects, spaces, and initiatives, in perfect harmony with the company's ESG objectives.
The Group's priorities in relation to the Sustainable Development Goals (SDGs), shared value creation, and responsible relationships with all stakeholders are outlined below.
The objectives are articulated across several dimensions, in particular [SBM-1-40. e]:

- **Products and services**: responsible innovation focused on the safety, quality, and accessibility of therapeutic solutions, with particular attention to hyaluronic acid-based products and drugs for reproductive medicine.
- **Customer and patient categories**: centrality of the person and the patient as a guiding principle in the research and development of therapeutic solutions that respond to real needs and improve the quality of life.
- **Geographical areas**: widespread distribution of products in over 90 countries with the aim of expanding access to care, ensuring the sustainability of processes even in emerging markets.
- **Stakeholders**: promotion of active and continuous dialogue with employees, local communities, scientific partners, and suppliers, based on transparency, collaboration, and social responsibility

SBM-2 – Interests and views of stakeholders

The engagement of interested stakeholders is, primarily, a tool that supports the undertaking's business processes and the management of sustainability matters. This is achieved through constant dialogue with each stakeholder group and analysis of their specific and relevant needs. IBSA's approach allows the Group to identify key stakeholder groups and pinpoint areas of greatest relevance and interest for each group. This approach enables us to establish a precise map of relationships and priorities.
The main stakeholders identified through an upstream and downstream analysis of the value chain are:

- healthcare professionals
- employees
- commercial partners
- local communities
- suppliers
- media
- industry and trade associations
- financial institutions
- subsidiaries
- states
- regulatory authorities
- insurance companies
- patients, patient associations and medical-scientific societies

On the occasion of the first Double Materiality analysis conducted in 2024, the Group launched a stakeholder engagement activity, distributing a questionnaire aimed at collecting the perspectives of stakeholders involved in the impact assessment. The initiative made it possible to integrate the views of external stakeholders into the identification of material issues, ensuring greater alignment with the expectations and needs of different stakeholdersc.
The information gathered was analyzed as part of the materiality assessment process, contributing to defining strategic priorities and strengthening the coherence of the Group's sustainability strategy with stakeholder interests. [SBM-2-45. a, b]
To date, the Group does not have structured mechanisms for reporting or communicating stakeholder opinions, complaints, or interests related to ESG impacts to the Board of Directors. [SBM-2-45. d]

ESRS -2 IBSA Double Materiality Analysis

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

The following tables provide a description of the material sustainability impacts, risks, and opportunities for IBSA Group, as a result of the Double Materiality analysis on which this document is based [SBM-3-48. a].
In particular, for each risk and/or opportunity, it is specified where it occurs along the value chain [SBM-3-48. a], and regarding current and anticipated financial effects, it is specified that a process for their identification and quantification has been initiated internally [SBM-3-48. b, d, e].
For each impact, however, it is specified [SBM-3-48. a, c]:

- whether it is negative or positive and, in the description, how it affects people or the environment;
- the reasonably expected time horizon of the impact;
- whether the impact occurs in the Group's direct activities or indirectly along the value chain, due to its business relationships.

Below are the impacts which are considered material by the Group:

Material Impacts	Type of Impact	Description	Value Chain	Time Horizon
Contribution to climate change and greenhouse gas emissions	Negative Impact	IBSA's activities contribute to climate change through greenhouse gas emissions, primarily from natural gas combustion and refrigerant gas leaks, as well as from the company car fleet. In addition, the production of medicines requires large quantities of electrical energy for various processes, which can lead to excessive energy consumption if efficiency measures are not adopted.	Direct	Long
Contribution to climate change and greenhouse gas emissions along the value chain	Negative Impact	IBSA's activities indirectly contribute to climate change through greenhouse gas emissions along its value chain. Indirect GHG emissions are primarily linked to the production of packaging (e.g., bulk) and other accessory raw materials, as well as to the transport of medicines, which generates greenhouse gas emissions from the combustion of traditional fossil fuels and refrigerant gas leaks, necessary for storing medicines at low temperatures.	Indirect	Long
Emission of air pollutants	Negative Impact	IBSA may emit volatile organic compounds, particulate matter, nitrogen oxides, sulfur oxides, carbon dioxide, and other specific chemical compounds during its production processes. In addition, logistics activities are carried out using traditional transport means, including diesel- and jet fuel-powered vehicles (especially trucks and airplanes), which negatively contribute to air pollution.	Direct	Short
Emission of water and soil pollutants	Negative Impact	Water and soil pollution by IBSA can result from the use of chemical substances and organic materials in production and cleaning processes. Untreated wastewater can contaminate the soil, while solid and liquid waste can accumulate, damaging soil fertility and biodiversity. To mitigate these impacts, it is essential to adopt sustainable practices such as wastewater treatment and responsible waste management.	Direct	Short
Emission of water and soil pollutants along the value chain	Negative Impact	IBSA's suppliers that use water for chemical synthesis and the production of biological substances can contribute to water and soil pollution if they do not adequately treat wastewater.	Indirect	Short
Damage to human health and ecosystems caused by incorrect management and storage of substances of concern and substances of very high concern	Negative Impact	IBSA's activities involve the use of chemical substances of regulatory interest, including those identified by the REACH Regulation, namely Substances of Very High Concern (SVHC) or Substances of Concern. These substances, if not adequately managed and controlled throughout their life cycle, can pose significant risks to human health and the environment. Inadequate management of these substances during production processes could cause air, groundwater, and surface water pollution, with potential harmful consequences for ecosystems.	Direct	Medium
Reduction of water resources due to excessive water consumption	Negative Impact	Water is used in significant quantities both in the drug development process and in cleaning and sterilization activities. Excessive withdrawals and poor water management lead to unsustainable consumption, particularly in water-stressed areas.	Direct	Short
Reduction of water resources due to excessive water consumption along the value chain	Negative Impact	The drug development process employs significant quantities of biological substances, which are purchased from third-party companies. The production of such substances, as well as chemical synthesis processes for the production of active ingredients, require the use of water. Excessive withdrawals and poor water management lead to unsustainable consumption, particularly in water-stressed areas.	Indirect	Short
Failure to protect biodiversity and ecosystems	Negative Impact	During its activities, IBSA could have a negative impact on surrounding habitats and ecosystems if adequate preventive measures are not adopted.	Direct	Short
Failure to protect biodiversity and ecosystems along the value chain	Negative Impact	IBSA's suppliers, during their activities, could have a negative impact on surrounding habitats and ecosystems if preventive measures are not implemented, as could the disposal of expired products by end-users.	Indirect	Short
Environmental damage due to the use of virgin or non-recyclable/non-renewable raw materials	Negative Impact	The company's production activity involves the use of accessory raw materials (e.g., excipients, solvents, lubricants, etc.) and finished products (e.g., packaging), which, if managed irresponsibly, can affect the availability of such materials and the quantity of waste produced.	Direct	Medium
Environmental damage due to incorrect waste management	Negative Impact	Waste generated by IBSA's activities, including packaging materials, raw material residues, office waste, and organic waste, can have negative effects on the environment if not managed correctly. This waste can contain hazardous substances that risk contaminating soil and natural ecosystems, as well as contributing to the accumulation of non-biodegradable materials and soil depletion. Ineffective management can also cause damage to aquatic and terrestrial ecosystems, human health, and affect land use.	Direct	Medium
Environmental damage due to incorrect waste management along the value chain	Negative Impact	The reduced recycling of IBSA's end-of-life products, particularly packaging, contributes to air and soil pollution, as well as the exploitation of terrestrial resources. Poor management of packaging materials, if not sent to an adequate recycling process, can lead to the accumulation of non-biodegradable waste, increasing soil and air contamination.	Indirect	Medium
Negative effects on workers' health and safety	Negative Impact	Employees, during the production process, risk coming into contact with certain chemical reagents and materials that could be dangerous or infected, with negative consequences for their health and safety. Exposure could cause injuries, occupational diseases, and accidents, exacerbated by work-related stress often associated with this sector, compromising the overall well-being of workers.	Direct	Short

Material Impacts	Type of Impact	Description	Value Chain	Time Horizon
Lack of employee well-being	Negative Impact	Adequate working conditions, including a healthy work-life balance, fair wages, the existence of a welfare plan, sustainable working hours, freedom of association, and collective bargaining, are fundamental for employee well-being. A lack of attention to these aspects can generate dissatisfaction, stress, and a decrease in motivation, compromising the quality of life of workers.	Direct	Short
Development of employee skills through training programs	Positive Impact	The provision of targeted training programs contributes significantly to the development of employee skills, fostering their professional growth and improving operational effectiveness. Such initiatives can contribute to the acquisition of essential skills, increasing opportunities for individual development.	Direct	Short
Absence of equal opportunities and non-respect of diversity	Negative Impact	The absence of policies and procedures to prevent all forms of discrimination can compromise the respect for equal opportunities in the workplace. This could result in a lack of recognition of equality, also in terms of recruitment, remuneration, substantial equality, and fair treatment for all people, regardless of gender, ethnicity, religious belief, disability, or sexual orientation. Any episode of discrimination within the company could generate a negative impact on the work environment and employee well-being.	Direct	Short
Non-protection of employees' human rights	Negative Impact	Respect for employee privacy and human and civil rights may not always be guaranteed, for example in cases of violations of freedom of association, use of child labor, or forced labor. Any such incidents within IBSA's value chain could cause serious negative impacts on workers.	Direct	Short
Negative effects on the health and safety of value chain workers	Negative Impact	Within the value chain, inadequate working conditions can have negative effects on health and safety. Unhealthy environments, exposure to hazardous substances, or non-compliant procedures can lead to serious illnesses or accidents. These risks compromise the well-being of workers and suppliers and could negatively affect compliance with international standards for safe and ethical work.	Indirect	Short
Absence of equal opportunities and non-respect of diversity of value chain workers	Negative Impact	Non-compliance with gender equality and equal pay for value chain workers of IBSA could compromise the company's image, reduce employee satisfaction, and decrease external stakeholders' interest in IBSA.	Indirect	Short
Non-protection of human rights along the value chain	Negative Impact	Respect for human and civil rights may not always be ensured, as in cases of violations of freedom of association, child labor, or forced labor. If such incidents occur within IBSA's value chain, workers will suffer serious negative consequences.	Indirect	Short
Damage to the local community caused by noise pollution	Negative Impact	IBSA can generate a noise impact on the communities and dwellings surrounding the production plant through various sources of noise. These primarily include the continuous operation of production machinery, but also ventilation and air conditioning systems (HVAC), vehicle traffic for the transport of raw materials and finished products and loading and unloading activities.	Direct	Short
Damage to the local community caused by noise pollution generated along the value chain	Negative Impact	IBSA can generate a noise impact on the communities and dwellings surrounding the production plant through various sources of noise. These primarily include the continuous operation of production machinery, but also ventilation and air conditioning systems (HVAC), vehicle traffic for the transport of raw materials and finished products and loading and unloading activities.	Indirect	Short
Inaccurate product communication and labeling	Negative Impact	Labeling irregularities can seriously compromise patient safety: imprecise or incomplete labels can lead to medication errors, such as incorrect dosages or the use of the wrong product, endangering patient health and increasing the risk of serious adverse events. Labeling must comply with current regulations and must specify how products are to be stored and taken.	Direct	Short
Negative effects on consumer health and safety	Negative Impact	Failure to ensure high standards of quality and safety in medicines can have serious repercussions on patient health, causing severe side effects, worsening of conditions, irreversible damage, or fatal events. Furthermore, non-compliance with safety protocols and the spread of counterfeit medicines (falsified or tampered with in the supply chain) increase health risks and undermine trust in healthcare systems. Proper management throughout the product life cycle and verification of information on medicines is essential to ensure patient safety and prevent serious clinical consequences.	Direct	Short
Promotion of a health culture towards the community	Positive Impact	IBSA is committed to implementing various projects, including "IBSA Health Culture," with the aim of promoting initiatives and synergies between the world of culture and that of health. The goal is to improve the quality of life and well-being of people in healthcare settings, cultural spaces, and daily life.	Direct	Short
Accessibility of medicines and care	Positive Impact	The ability to adopt innovative practices is fundamental to ensuring broader access to medicines, creating opportunities to make treatments available to a greater number of people and thus improving equity in healthcare.	Direct	Short
Research and development of new medicines for specific patient categories	Positive Impact	IBSA is committed to the research and development of new pharmaceutical formulations, with the aim of improving the experience and effectiveness of therapies for different categories of patients. Among its innovations, IBSA has received recognition for new film formulations, designed to meet the specific needs of vulnerable groups, such as dysphagia patients, bedridden individuals, the elderly, and children.	Direct	Medium

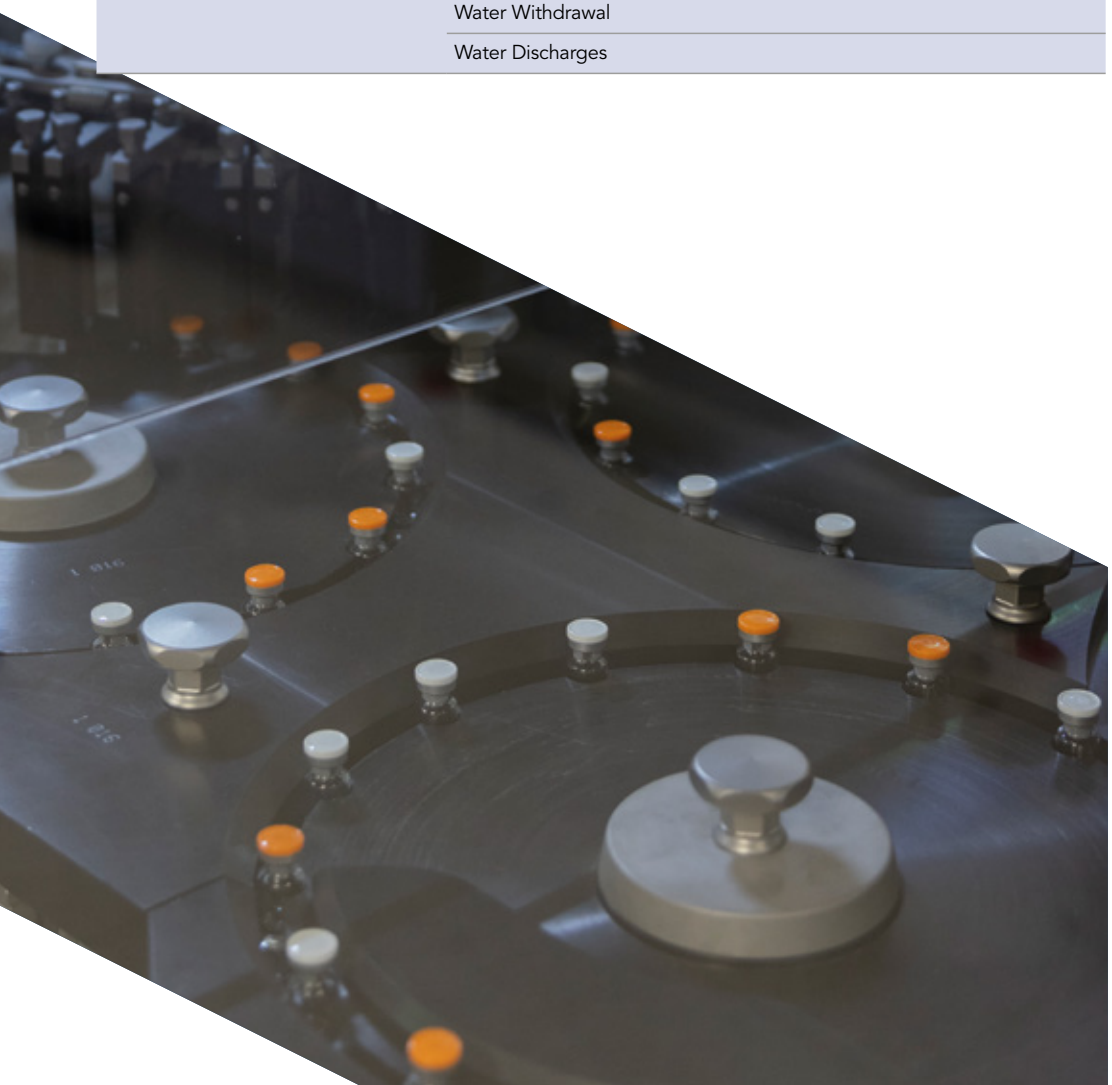
Material Impacts	Type of Impact	Description	Value Chain	Time Horizon
Failure to respect animal welfare	Negative Impact	The unethical use of animals for experimental purposes, without ensuring adequate conditions or adopting valid alternatives, poses significant moral dilemmas and can undermine public trust in scientific research. Practices that do not adhere to rigorous standards risk inflicting avoidable suffering on animals and compromising the reliability of scientific results. For an ethical and responsible approach to research, it is fundamental to promote alternative methods and scrupulously adhere to international regulations on animal welfare.	Direct	Short

Below are the risks and opportunities considered material by the Group:

Material Risks and Opportunities	Risk/Opportunity	Description	Value Chain	Time Horizon
Operational risk due to direct and indirect operational interruptions caused by physical damage related to extreme weather events	Risk	The progressive increase in the frequency and severity of extreme weather events (such as fires and floods) risks compromising IBSA's and its suppliers' infrastructure, with the possibility of causing unexpected delays or stoppages in operations.	Direct and Indirect	Short
Operational risk related to the possible increase in costs (extraordinary interventions, insurance policies) incurred as a consequence of physical damage to assets related to extreme weather events	Risk	The progressive increase in the frequency and severity of extreme weather events (such as fires and floods) risks compromising IBSA's and its suppliers' infrastructure, generating an increase in costs for the repair and maintenance of damages incurred.	Direct	Medium
Legal and reputational risk due to non-compliance with regulations on water and soil contamination	Risk	Non-compliance with regulations on soil and water contamination by chemical substances could expose to, not only legal and economic risks, due to potential monetary sanctions, but also reputational risks, especially in light of increasing customer sensitivity towards environmental protection. Furthermore, the risk of spilling polluting materials into water could entail significant remediation costs, further exacerbating economic and environmental consequences.	Direct	Medium
Legal and reputational risk due to non-compliance with human rights laws for its own employees, including privacy	Risk	Violations of human rights, such as forced labor, child labor, and infringements of health and safety regulations, in the Group's activities represent a serious reputational and legal risk. Furthermore, the increase in digitalization and the use of advanced techniques by cybercriminals expose IBSA to the risk of theft of sensitive employee data, compromising their privacy and the security of personal information.	Direct	Medium-Long
Operational and reputational risk due to supplier non-compliance with human rights laws for workers (including privacy) and equal opportunities and diversity	Risk	Supplier non-compliance with social laws and regulations can cause operational disruptions due to legal actions, strikes, or labor shortages. Such violations can damage the Group's reputation and lead to increased operating costs.	Indirect	Medium
Operational, legal, and reputational risk related to insufficient product and packaging quality	Risk	Incidents related to product and packaging quality, along with non-compliance with drug labeling regulations, can severely damage IBSA's reputation, erode patient and healthcare professional trust, and interrupt clinical trials. Consequences include harm to consumer health, costs to address quality defects, revenue loss due to product recalls, regulatory penalties, and legal actions.	Direct	Medium

IBSA Group, while not conducting a resilience analysis of its strategy and business model, maintains a constant approach to analyzing, evaluating, and monitoring negative impacts arising from the Group's activities, the associated risks it may incur, and the opportunities it could exploit. This evaluation allows for the identification and management of major risks associated with operations, improved operational efficiency, maintenance of a positive image with consumers, and compliance with regulatory obligations. Furthermore, it enables the adoption of preventive measures to reduce negative impacts, promoting the Group's sustainable development. [SBM-3-48. f] Following the Double Materiality analysis, the material topics have been updated compared to those reported in the previous Sustainability Report, also considering the adoption of ESRS standards. The relevant material topics are the following:

E1- Climate Change	Climate Change Mitigation
	Energy
E2 – Pollution	Air Pollution
	Water Pollution
	Soil Pollution
	Substances of Concern
E3 – Water	Water Consumption
	Water Withdrawal
	Water Discharges



E4 - Biodiversity	Direct Impact Drivers on Biodiversity Loss: Pollution
E5 – Circular Economy	Resource Inflows
	Waste
S1 – Own Workforce	Health and Safety
	Work-Life Balance
	Fair Remuneration
	Freedom of Association
	Collective Bargaining
	Working Hours
	Secure Employment
	Training and Skills Development
	Diversity
	Employment and Inclusion of Persons with Disabilities
	Measures Against Workplace Violence and Harassment
	Gender Equality and Equal Pay for Work of Equal Value
	Child Labor
	Forced Labor
	Privacy
S2 – Workers in the Value Chain	Health and Safety
	Gender Equality and Equal Pay for Work of Equal Value
	Freedom of Association
	Collective Bargaining
	Child Labor
	Forced Labor
S3 – Affected Communities	Security-Related Impacts
S4 – Consumers and end-users	Health and Safety
	Access to (Quality) Information
	Access to Products and Services
	Personal Safety
G1 – Business Conduct	Animal Welfare

It is specified that the new material topics imply additional impacts compared to those previously identified, but also risks, for which, however, being the first year of reporting inspired by the ESRS Standards, a comparative analysis with the previous reporting year is not possible. [SBM-3-48. g]
For all information related to impacts and risks reported in the tables above, the Disclosure Requirements of the ESRS Standards have been used for each material topic of reference. No impact or risk has been reported through the use of additional Group-specific disclosures. [SBM-3-48.h]

IRO-1 - Description of the process to identify and assess material impacts, risks, and opportunities

The process of identifying material impacts, risks, and opportunities for IBSA Group followed the guidelines provided by the ESRS Standards, identifying relevant sustainability topics:
- from an impact perspective: when the topic refers to actual and potential impacts that an organization generates (or can potentially generate) on the environment and people;

and/or
- from a financial perspective: if the topic causes or may cause relevant financial effects for the company, both negative (risks) and positive (opportunities). [IRO-1-53. a]

1. Understanding the context in which the company operates, the activities carried out, and the geographies covered
   In defining impacts, IBSA considered all activities carried out directly by the Group and indirectly, through commercial relationships, as previously described in the paragraph "BP-1 – General basis for preparation of the sustainability statement".
   It also considered all geographical areas where the Group has offices, production sites, or subsidiaries.
   The Group then conducted a stakeholder engagement process that involved the administration of a questionnaire by IBSA in which stakeholders were asked to evaluate the relevance of the impacts identified by the company through the impact materiality analysis.
   The levels of relevance that stakeholders could assign in the questionnaire are four: none, low, medium, or high, and these were integrated with those derived from the impact materiality analysis, presented to IBSA's management, assigning a greater weight to the latter to ensure a balanced view. In particular, 80% of the weight is assigned to the results of the Double Materiality analysis, while the remaining 20% is attributed to the results of the stakeholder engagement. This process allowed for the determination of the final relevance of the Group's impacts.

2. Evaluation of the significance of impacts and their prioritization
   For the evaluation and prioritization of negative and positive impacts, two different evaluation scales were used:
   - Negative impacts were prioritized based on their likelihood and severity, determined by the combination of:
     - o magnitude (scale), meaning the index of impact severity;
     - o scope, meaning the extent of the impact in terms of value chain phases in which it occurs;
     - o irremediable character, meaning how difficult and costly it is to remedy the impact.
   - Positive impacts were prioritized based on their likelihood, as well as their magnitude (scale) and the scope in which they manifest.

By multiplying the severity and likelihood results, the relevance of the identified impact is determined. [IRO-1-53. b]
The Double Materiality process then continued with the identification and evaluation of risks and opportunities related to sustainability topics that have or could have financial effects in the short, medium, and long term on IBSA Group.
Such risks and opportunities were identified considering:
- the material impacts;
- the Group's dependencies, meaning close relationships and interconnections between IBSA and external factors such as suppliers, customers, natural resources, or regulations, on which the Group relies on its operations and the achievement of its objectives;
- risks already mapped by the Group and related to sustainability topics.

The relevance of risks and opportunities was evaluated and prioritized based on the combination of likelihood of occurrence and magnitude of financial effects, as follows:
- magnitude includes the evaluation of how an event can influence the company's revenues, costs, profits, stock value, liquidity, and other financial indicators;
- likelihood considers the historical frequency of similar events, market conditions, and economic forecasts.

[IRO-1-53.c]

In the final phase of the process, the results of the impact and financial analyses were aggregated, and material impacts, risks, and opportunities were linked to ESRS material sustainability topics for reporting purposes.
Compared to the materiality analysis process followed last year, the main difference is the integration, in 2024, of the financial perspective into the evaluations related to sustainability topics, due to the change in reporting standards. [IRO-1-53. h]
The main reference parameters considered in the process of defining material impacts, risks, and opportunities are all production activities carried out by IBSA Group, both directly and indirectly along the value chain, and in all geographical areas where it is present. As for the main assumptions used to prepare this document, the only metrics subject to estimation are those related to Scope 3 GHG emissions.
Furthermore, for the identification, evaluation, and prioritization of impacts, an analysis of public sources was conducted, aimed at identifying the main sustainability topics and industry trends. In addition to a benchmark analysis against a panel of peers/comparable, legislative sources, media and sector reports were considered.
As a supplement, relevant internal documentation was examined, including previous sustainability publications and the Code of Ethics. [IRO-1-53. g]
Regarding the preparation of this document, the work was coordinated by the ESG Team, in constant collaboration with the corporate functions involved, for the purpose of complete data collection and analysis. The document, prepared on a voluntary basis, was published separately from the Group's Consolidated Financial Statements, subject to approval by the Board of Directors. [IRO-1-53. d]

Environmental Information

Environmental Information

Information on Environmental IROs
Climate Change

ESRS 2 IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks, and opportunities

The analysis of climate change-related impacts, risks, and opportunities (IRO) has been integrated into the Double Materiality process, which considered both the significant effects generated by the undertaking on the environment and the risks and opportunities with potential financial implications. As described in the paragraph "IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities" within the ESRS 2 section, dedicated to the methodology adopted for conducting the Double Materiality analysis, the risk assessment was carried out considering different time horizons (short, medium, and long term) and including both the Group's direct operations and those along the entire value chain. For a more accurate detail, please refer to the "IBSA Double Materiality Analysis" section, where specific descriptions of relevant physical climate risks are provided. [E1-1-20. a]. Currently, the Group has not utilized specific climate scenario analyses to assess climate change-related risks. [E1-1-20. b,21]

ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

As already described in detail in the paragraph "SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model" within Chapter 1 ("ESRS 2"), and reiterated below, IBSA Group identifies climate change-related impacts and risks that are strictly connected. [E1 ESRS 2 SBM-3-18]

Material impacts and risks	
Contribution to climate change and greenhouse gas emissions:: Negative impact	IBSA's activities contribute to climate change through greenhouse gas emissions, primarily from natural gas combustion and refrigerant gas leaks, as well as from the company car fleet. In addition, the production of medicines requires large quantities of electrical energy for various processes, which can lead to excessive energy consumption if efficiency measures are not adopted.
Contribution to climate change and greenhouse gas emissions along the value chain: Negative impact	IBSA's activities indirectly contribute to climate change through greenhouse gas emissions along its value chain. Indirect GHG emissions are primarily linked to the production of packaging (e.g., bulk) and other accessory raw materials, as well as to the transport of medicines, which generates greenhouse gas emissions from the combustion of traditional fossil fuels and refrigerant gas leaks, necessary for storing medicines at low temperatures.
Operational risk due to direct and indirect operational interruptions caused by physical damage related to extreme weather events: Physical Risk	The progressive increase in the frequency and severity of extreme weather events (such as fires and floods) risks compromising IBSA's and its suppliers' infrastructure, with the possibility of causing unexpected delays or stoppages in operations.
Operational risk related to the possible increase in costs (extraordinary interventions, insurance policies) incurred as a consequence of physical damage to assets related to extreme weather events: Physical Risk	The progressive increase in the frequency and severity of extreme weather events (such as fires and floods) risks compromising the infrastructure of IBSA and its suppliers, generating an increase in costs for the repair and maintenance of damages incurred.

Within its business strategy, the Group has not yet defined a specific plan for analyzing climate change resilience.
[E-1 ESRS 2 SBM-3-19]

E1-1 – Transition plan for climate change mitigation

Currently, the Group does not have a strategic plan for the transition to climate change mitigation. However, the Group is working on developing a decarbonization plan, as described below. [E1-1-14,17]

E1-2 – Policies related to climate change mitigation and adaptation

Environmental protection and the reduction of negative impacts from its activities represent a fundamental pillar for IBSA Group. The Group is actively engaged on multiple fronts, including the fight against climate change, through concrete initiatives and a transversal planning that involves the entire organization. In particular, the Group is currently engaged in developing a decarbonization plan for its activities,

which includes efficiency interventions in production processes, modernization of plants and equipment.
Currently, the Group has ans HSE policy that also includes environmental aspects, such as environmental protection, specifically tailored for the Italian subsidiary. This policy applies both to activities directly carried out by IBSA Italy and to those entrusted to third parties operating on its behalf or for its account. Although an environmental policy has not yet been formalized at Group level, the principles contained in the existing policy are inspired by IBSA's values.
[E1-2-22,24,25]

E1-3 – Actions and resources in relation to climate change policies

In this perspective, in 2024, IBSA Group took significant steps towards adopting the highest standards of environmental protection, through two main initiatives: the initiation of the certification process of the environmental management system of the Lodi and Cassina de' Pecchi plants according to the UNI EN ISO 14001 standard, which sets the requirements for an environmental organization system, with completion expected in 2025; furthermore, IBSA Group calculates Scope 3 emissions to report greenhouse gas emissions related to its value chain activities. However, to date, the Group has not yet defined structured actions for managing climate change-related impacts, risks, and opportunities.
[E1-3-26,28,29]

E1-4 – Targets related to climate change mitigation and adaptation

Environmental protection and the reduction of negative impacts from its activities represent a central priority for IBSA Group. In this regard, the Group is developing a long-term decarbonization plan, which involves optimizing operational processes, modernizing production plants and equipment, and adopting innovative technologies and low-carbon energy vectors. As part of its climate change mitigation actions, the Group has defined the following targets:

- Achieve 100% electricity supply from renewable energy sources for all production sites by 2026, to eliminate Scope 2 emissions.
- Monitor, with the aim of improving processes, at least 90% of Scope 3 emissions by the end of 2026, in line with the intermediate target of 50% coverage by 2025 and 90% by 2026 set by IBSA.

The target related to Scope 3 was developed internally, without the direct involvement of external stakeholders in the validation process and was defined in consistency with the principles and guidelines of the GHG Protocol (a global initiative that provides standards, guidelines, and tools for measuring and managing GHG emissions) that regulate the quantification and reporting of greenhouse gas emissions. However, at present, IBSA Group has not yet defined specific targets for reducing greenhouse gas (GHG) emissions.
[E1-4-30,32,33,34; AR.25; MDR-T]

E1-5 – Energy consumption and mix

The Group's data on energy consumption and energy mix are presented below.
[E1-5-37-a, b, c; E1-5-38-a, b, c, d, e; E1-5-39]

Energy Consumption and Energy Mix	2024
Consumption of crude oil and petroleum products (MWh)	21,681.56
Consumption of natural gas (MWh)	45,692.77
Consumption of fuel from other fossil sources (MWh)	-
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	45,878.74
Total fossil energy consumption (MWh)	113,253.07
Percentage of energy from fossil sources in total energy consumption (%)	99.906%
Percentage of consumption from nuclear sources in total energy consumption (%)	-
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	107.08
Total renewable energy consumption (MWh)	**107.08**
Percentage of energy from renewable sources in total energy consumption (%)	0.094%
Total energy consumption (MWh)	**113,360.15**

Energy Intensity	2024		
	Energy Consumption	Net Sales	Energy Intensity
Unit of measurement	MWh	Mln CHF	MWh/Mln CHF
Total energy consumption from activities in high climate impact sectors (MWh) / Net sales from activities in high climate impact sectors (CHF)	113,360.15	883,208,167	0.01%

[E1-5-40,41,42; AR 38.]
The calculation of energy intensity is performed considering net sales derived from economic activities classified as high climate impact sectors. High climate impact sectors, introduced by the ESRS standards, correspond to those identified in sections A to H and section L of the NACE classification, as defined by Commission Delegated Regulation (EU) 2022/1288. This classification is based on the operational activities carried out and the associated climate impact according to the regulations.
In the case of IBSA, the Group operates entirely in the pharmaceutical sector, traceable to NACE code C21 – "Manufacture of basic pharmaceutical products and pharmaceutical preparations".
The net sales considered correspond to the "Net Sales" item in the financial statements.
[E1-5-43]

E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions

[E1-6-44-a-b-c-d; E1-6-48,49,50,51,52; E1-6-AR.40,41,44,45,46,47,48]

2 As this is the first year of reporting under the CSRD, data on energy consumption from nuclear sources has not been included.

[3]	2024
Gross Scope 1 greenhouse gas emissions (tCO_2eq)	15,745
Total gross location-based Scope 2 greenhouse gas emissions (tCO_2eq)	10,516
Total gross market-based Scope 2 greenhouse gas emissions (tCO_2eq)	14,550
Total gross indirect (Scope 3) greenhouse gas emissions (tCO_2eq)	263,366
1 Purchased goods and services	222,760
2 Capital goods	10,725
3 Fuel and energy-related activities	2,577
4 Upstream transportation and distribution	9,280
5 Waste generated in operations	8,319
6 Business travel	1,483
7 Staff commuting	6,611
9 Downstream transportation and distribution	1,611

The organizational boundary has been defined based on the control approach, which includes GHG emissions generated by the operations of companies or sites over which IBSA has operational or financial control. Reporting of Scope 1 and Scope 2 emissions includes the Swiss parent company (IBSA SA) and its subsidiaries: IBSA Hungary, IBSA Slovakia, IBSA Poland, IBSA Netherlands, IBSA Nordic, IBSA Iberia, IBSA China, IBSA USA, IBSA Italy, IBSA France, IBSA UK, IBSA Germany, IBSA Czechia, IBSA Austria. [E1-6-50]
The boundary has been expanded compared to the previous year, including previously unquantified consumption, such as that related to Scope 3.1 (purchased goods and services) and 3.2 (capital goods) categories. Furthermore, location-based, and market-based Scope 2 emissions were calculated by consulting emission factors from the Ecoinvent database.
For Scope 3 categories, the following emission factors were used, as already noted in the chapter on ESRS 2:

Scope 3 Category (according to GHG Protocol classification)	Basis for preparation and level of accuracy	Data Considered	Emission factors used	Methodology
3.1 Purchased goods and services	Emissions from this category were calculated using a spend-based approach, estimating emissions from the purchase of materials and services for the Group's activities in countries where purchases are made for production purposes (mainly Switzerland, Italy, China, and France)	France, China, Switzerland, and Italy	Exiobase	Spend-based
3.2 Capital goods	Emissions from this category were calculated using a spend-based approach, estimating emissions from the purchase of machinery for the Group's activities in countries where purchases are made for production purposes (mainly Switzerland, Italy, China, and France)	France, China, Switzerland, and Italy	Exiobase	Spend-based
3.3 Fuel- and energy-related activities, not included in Scope 1 or Scope 2	Emissions related to consumed energy (excluding those included in Scope 2) were estimated considering the extraction, production, and transport activities of fossil fuels purchased by IBSA or used for the production of energy purchased by the Group	Austria, China, Denmark, France, Germany, Italy, Poland, United Kingdom, Czech Republic, Slovakia, Spain, United States, Switzerland, Hungary	Defra 2024	Average data
3.4 Upstream transportation and distribution	Emissions related to upstream transport are estimated based on the transport of raw materials, finished products, and other intermediate products entering warehouses and plants	China, Hungary, Switzerland, Italy, France	Defra 2024	Distance-based
3.5 Waste generated in operations	For data collection, the main suppliers of waste collection, management, and disposal of waste produced by IBSA Italy and in Swiss and Chinese sites were involved. The final estimate includes emissions generated for disposal, recycling, and transport of waste from the place of production to the first treatment point	Switzerland, China, Italy	Ecoinvent 3.11	Weight-based

3 For the calculation of emissions from stationary and mobile combustion, emission factors from the National Inventory Reports of the countries where the different combustions occurred were used. Where these were not available, the database made available by the UK government: DEFRA (Department for Environmental Food & Rural Affairs) or the US government: EPA GHG Emission Factors Hub (United States Environmental Protection Agency) was consulted. The Global Warming Potential (GWP) reported by DEFRA and the International Panel on Climate Change (IPCC) was consulted to estimate emissions from refrigeration system leaks.
Scope 2 emissions were calculated by consulting the emission factors in the databases: DEFRA, for Ecoinvent 3.11 district heating, for both Market and Location-based methodology in order to obtain more comparable results.
The following database was used to select the emission factors for the Scope 3 categories: Ecoinvent 3.11. [E1-6-AR.39. b; AR.46.h].

Scope 3 Category (according to GHG Protocol classification)	Basis for preparation and level of accuracy	Data Considered	Emission factors used	Methodology
3.6 Business Travel	Emissions related to business travel by group employees are generated by the combustion of fossil fuels in the means of transport used by subsidiary employees and by hotel stays	IBSA group	Defra 2024	Distance-based
3.7 Employee commuting	Emissions related to employee commuting were estimated based on responses to a survey extended to all Group employees (44% response rate)	Data for Switzerland from the IBSA GO app and from a survey conducted for: Austria, China, Denmark, France, Germany, Italy, Poland, United Kingdom, Czech Republic, Spain, United States, Switzerland, Hungary	Defra 2024	Distance-based
3.9 Downstream transportation and distribution	Emissions related to downstream transport are estimated based on the transport and distribution of raw materials, finished products, and other intermediate products leaving warehouses and plants	Italy, Switzerland, Slovakia	Ecoinvent 3.11	Distance-based

In continuity with the previous year, to determine which phases to include in the calculation, an assessment of emission sources was carried out based on 4 predetermined criteria:

1. Magnitude of emissions: the degree of quantitative significance of indirect emissions (based on industry guidelines and competitor benchmarks).
2. Level of influence over sources: the organization's ability to monitor and reduce associated emissions.
3. Access to information: the degree of complexity in collecting primary data necessary for measurement.
4. Level of accuracy: the degree of uncertainty in measuring or estimating activity data.

The final value assigned to each emission source is derived from a weighted average of the levels corresponding to each criterion. Emission sources with a final score above 3 were identified as relevant and consequently incorporated into the reporting boundary, which thus includes 8 emission categories, according to the guidelines outlined in the "GHG Protocol Corporate Accounting and Reporting Standard":

- Scope 3.1: Purchased goods and services, emissions generated during the production of purchased goods.
- Scope 3.2: Capital goods, emissions related to the production of machinery, equipment, and infrastructure used by the company.
- Scope 3.3: Fuel- and energy-related activities not included in Scope 1 or Scope 2, including emissions from upstream processes of purchased energy, such as extraction and transport.
- Scope 3.4: Upstream transportation and distribution, emissions from the transport of purchased goods from suppliers to the company.
- Scope 3.5: Waste generated in operations, emissions related to the treatment and disposal of waste produced by business activities.
- Scope 3.6: Business travel, emissions from personnel travel for professional reasons.
- Scope 3.7: Employee commuting, emissions generated by personnel commuting.
- Scope 3.9: Downstream transportation and distribution, emissions related to the delivery of products to customers or points of sale.

[E1-6-AR.46. d, i]

Among the categories analyzed, the main source of Scope 3 emissions is represented by activities related to the purchase of goods and services (category 3.1), which account for approximately 85% of total Scope 3 emissions. These emissions were estimated using a spend-based approach, calculating the impact derived from the purchase of materials and services for the Group's production activities, mainly in Switzerland, Italy, France, and China.

The next categories in terms of emission relevance are 3.2 - Capital goods and 3.4 - Upstream transportation and distribution, both with an incidence of 4% of total Scope 3 emissions. For category 3.2, emissions were also calculated using a spend-based approach, estimating the impact related to the purchase of machinery in key countries for the Group's production activities (Switzerland, Italy, France, and China).

As for category 3.4, emissions are estimated based on upstream transport, i.e., the transport of raw materials, finished products, and intermediates to warehouses and plants, with prevalent reference to warehouses located in Italy, France, and Switzerland.

It is important to highlight that categories 3.1 and 3.2 were included for the first time in the emission calculation in 2024. Their introduction led to a significant increase in total Scope 3 emissions, reflecting a greater completeness in the reporting boundary. This methodological update is in line with trends in the pharmaceutical sector, where increasing attention to supply chain sustainability leads companies to include indirect impacts related to purchases and production investments in an increasingly precise way. For more details on the remaining Scope 3 categories and their calculation methodologies, please refer to the paragraph [BP-2-10. a-b-c-d, section "Value chain estimates"].

The table below shows IBSA Group's emission intensity. In particular, emission intensity was calculated as the ratio between total Scope 1 and Scope 2 emissions (using the location-based approach) and the total net sales of IBSA Group.

The sales considered correspond to the financial statement items associated with the Group's net sales.

[E1-6-AR.46. g]

Emission Intensity	2024		
	GHG Emissions	Net Sales	Emission Intensity
Unit of measurement	$tCO2_{eq}$	Mln CHF	$tCO2_{eq}$ / Mln CHF
Total GHG Scope 1 and 2 location-based emissions from activities in high climate impact sectors (tCO_2eq) / Net sales from activities in high climate impact sectors (million CHF)	26,261	883,208,167	0.003%

[E1-6-53-54-55; AR.53,55]

E1-7 – GHG removals and GHG mitigation projects financed through carbon credits

At present, the Group has not developed or contributed to greenhouse gas (GHG) removal and storage projects within its own operations or in the upstream and downstream value chain. Furthermore, the Group has not financed or contributed to financing GHG mitigation projects outside its value chain through the purchase of carbon credits. Finally, the Group is not subject to compliance obligations with emission trading schemes (ETS).
[E1-7-56. a, b]

E1-8 – Internal carbon pricing

Currently, the Group does not apply internal carbon pricing schemes, nor does it use such instruments in decision-making processes or to incentivize the implementation of climate change-related policies and targets. [E1-8-62,63]

Pollution

ESRS 2 IRO-1 – Description of the processes to identify and assess material pollution-related impacts, risks, and opportunities

The analysis of pollution-related impacts, risks, and opportunities (IRO) has been included in the Double Materiality process, which considered both the significant impacts generated by the undertaking in relation to pollution and the financially relevant risks and opportunities. For further details on the process of identifying and assessing impacts, risks, and opportunities, please refer to the ESRS 2 IRO-1 section. Affected communities were not involved in the process of identifying relevant impacts, risks, and opportunities.
[E2 ESRS 2 IRO-1-11. a-b]
As already described in detail in the paragraph "SBM-3 - Material impacts, risks and opportunities and interaction with strategy and business model" within Chapter 1 ("ESRS 2"), and reiterated below, IBSA Group identifies pollution-related impacts and risks that are strictly connected to its strategy and business model.

Material impacts and risks	
Emission of air pollutants: Negative Impact	IBSA may emit volatile organic compounds, particulate matter, nitrogen oxides, sulfur oxides, carbon dioxide, and other specific chemical compounds during its production processes. In addition, logistics activities are carried out using traditional transport means, including diesel- and jet fuel-powered vehicles (especially trucks and airplanes), which negatively contribute to air pollution.
Emission of water and soil pollutants: Negative Impact	Water and soil pollution by IBSA can result from the use of chemical substances and organic materials in production and cleaning processes. Untreated wastewater can contaminate the soil, while solid and liquid waste can accumulate, damaging soil fertility and biodiversity. To mitigate these impacts, it is essential to adopt sustainable practices such as wastewater treatment and responsible waste management.
Emission of water and soil pollutants along the value chain: Negative Impact	The production of packaging (e.g., bulk) and other raw materials used in the drug development process could produce air pollutants and other toxic emissions into the atmosphere. In addition, logistics activities are carried out using traditional transport means, including diesel- and jet fuel-powered vehicles (especially trucks and airplanes), which negatively contribute to air pollution.
Damage to human health and ecosystems caused by incorrect management and storage of substances of concern and substances of very high concern: Negative Impact	IBSA's activities involve the use of chemical substances of regulatory interest, including those identified by the REACH Regulation, namely Substances of Very High Concern (SVHC) or Substances of Concern. These substances, if not adequately managed and controlled throughout their life cycle, can pose significant risks to human health and the environment. Inadequate management of these substances during production processes could cause air, groundwater, and surface water pollution, with potential harmful consequences for ecosystems.
Legal and reputational risk due to non-compliance with regulations on water and soil contamination: Risk	Non-compliance with regulations on soil and water contamination by chemical substances could be exposed to not only legal and economic risks, due to potential monetary sanctions, but also reputational risks, especially considering increasing customer sensitivity towards environmental protection. Furthermore, the risk of spilling polluting materials into water could entail significant remediation costs, further exacerbating economic and environmental consequences.

E2-1 – Policies related to pollution

Regarding exposure to hazardous substances, in compliance with the REACH Regulation, the European Union regulation governing the registration, evaluation, authorization, and restriction of chemical substances, constant monitoring of the substances used in the production process is ensured. In particular, rigorous verification is carried out to ensure that all chemical substances used are regularly registered and authorized, thus guaranteeing compliance with European regulations on the safety and management of hazardous substances. Furthermore, IBSA Group is continuing the process of certifying the environmental management system of the Lodi and Cassina de' Pecchi plants according to the UNI EN ISO 14001 standard, which sets the requirements for an environmental organization system, with completion expected in 2025.
The Group's Italian plants do not fall within the scope of the so-called "Seveso Directive[4]", the European legislation

4 Directive 82/501/CEE

governing the prevention and control of major accidents related to the presence of hazardous substances, aimed at protecting public health and the environment. This exclusion has been formally demonstrated through specific susceptibility reports, drawn up in June 2025 for the Cassina de' Pecchi and Lodi sites, which assessed the hazard and maximum storable quantities of the substances present. Based on these analyses, it has been ascertained that the plants do not fall within the scope of Legislative Decree 105/2015 (Italian transposition of the Seveso3 Directive) and are therefore not subject to the obligations set out in articles 12, 13 and 15 of the decree.
Both plants operate under a Single Environmental Authorization (AUA) regime, which integrates all necessary environmental authorizations for the management of polluting emissions, discharges, and waste into a single procedure, ensuring comprehensive and coordinated control of environmental aspects.
The main environmental matrices of interest for the plants' production activities include waste management, water discharges, and, to a lesser extent, air emissions. In this regard, continuous monitoring measures and improvement programs are adopted aimed at minimizing environmental impacts, with particular attention to reducing polluting emissions and the correct management and disposal of waste. [E2-1-15. b]
In addition, the Group's Chinese plants, Qingdao Huashan Biochemical Co. Ltd. and Rizhao Lanshan Biochemical Products Co. Ltd., operate with certified plants and equipment according to GMP standards and adopt a quality system compliant with EU-GMP Part II and ICH Q7 guidelines. Both sites have wastewater treatment plants and solvent recovery systems, demonstrating attention to environmental management. The facilities have been designed respecting human and logistical flows and are developed on large areas that include significant green spaces (9,000–10,000 m²). The main environmental activities concern wastewater disposal and solvent management, handled through dedicated plants with a daily treatment capacity of up to 300 m³ in the case of Rizhao.
The Group is committed to preventing incidents and emergency situations, primarily by providing its employees with continuous training on safety procedures. However, currently, a structured system connected to material environmental impacts associated with indicator E2 has not yet been implemented. [E2-1-15]
Currently, IBSA Italy has adopted an HSE policy that also includes environmental aspects, such as environmental protection. This policy applies both to activities directly carried out by IBSA Italy and to those entrusted to third parties operating on its behalf or for its account. Although an environmental policy has not yet been formalized at Group level, the principles contained in the existing policy are inspired by IBSA's values. [E2-1-12,14]

E2-2 – Actions and resources related to pollution

Although the Group has not yet initiated specific actions in response to pollution-related impacts, risks, and opportunities that have been identified as material, it is active in Switzerland and Italy with sustainable mobility initiatives to reduce and mitigate indirect pollution generated by employee commuting. Among the main initiatives promoted by the Parent Company for more sustainable mobility are incentives for the use of public transport and the activation of cross-border shuttles, bookable via the dedicated app "IBSA GO", developed to facilitate home-work commuting. The service currently has over 1,000 active users.
In 2024:

- 102 carpooling teams with at least one passenger were registered in the app.
- 48 users participated in the Bikecoin program, covering a total of 27,655 km in 6,853 trips and accumulating 356,400 bikecoins, converted into 48 booklets of 10 meal vouchers.
- The shuttles recorded a daily average of 17 users (station line) and 19 users (Como line).

The first results of the corporate mobility plan in 2024 show a 30% reduction in private car use, in favor of alternative mobility. [E2-2-16,18]

E2-3 – Targets related to pollution

Currently, the Group fully complies with applicable regulatory requirements, such as the European Union's REACH Regulation, which provides for the notification and management of substances of very high concern but has not yet defined specific targets for pollutant management. [E2-3-20,23. d]. In addition, there are currently no mechanisms in place to evaluate the effectiveness of actions. [ESRS 2-81]

E2-4 – Pollution of air, water, and soil

Pollutant emissions from IBSA Group's direct operations are reported in the table below and refer mainly to the vehicle fleet used in logistics activities. However, some of the Group's production plants are equipped with chimneys, through which emissions generated by specific industrial processes are conveyed. Such emissions are managed in compliance with applicable environmental regulations and, where required, subjected to monitoring and authorizations within applicable environmental procedures. [E2-4 AR.21]

2024				
E2-4-28[5]	**UoM**	**In air**	**In water**	**In soil**
Particulate matter	ton	2.1	0	0
Total non-methane hydrocarbons	ton	6.1	0	0
Suspended solids	ton	0	0.041	0
Biochemical oxygen demand at 5 days (BOD_5)	ton	0	0.017	0
Total nitrogen	ton	0	0.016	0
Total phosphorus	ton	0	0.0005	0
COD	ton	0	0.042	0
NH_3-N	ton	0	0.0032	0
VOCS	ton	0.06	0	0
TP	ton	0	0.144	0
TOC	ton	0	1.06	0

5 Production subsidiaries and the French site are included in the scope of pollutants.

With reference to the reported data, no significant changes were observed in 2024. Regarding Italy, data are not yet available but, with a view to continuous improvement, will be published in future reporting cycles. [E2-4-30. a]
Data was obtained through requests and collection of necessary information from the relevant sites, asking for categories of pollutants listed in Annex II of Regulation (EC) No 166/2006 of the European Parliament and of the Council (European Pollutant Release and Transfer Register "E-PRTR Regulation") emitted into the air, water, and soil, with the exception of greenhouse gas emissions which are reported in ESRS E1 on climate change. [E2-4-30. b-c]
The monitoring of emissions and pollutants carried out by the Group was not performed according to EU BREF standards (European reference documents that describe the Best Available Techniques (BAT) to reduce the environmental impact of industrial activities). Automated measuring systems (AMS) are currently not subjected to calibration tests. [E2-4 AR.27]

E2-5 – Substances of concern and substances of very high concern

In 2024, substances of concern were identified within the Group, as shown below. These are substances of concern that may pose risks to health or the environment. Currently, no Substances of Very High Concern (SVHC) have been detected according to ECHA classification. [E2-5-32,34,35]

E2-5-34[6] Substances of concern	Hazard class	UoM	2024
Total quantities of substances of concern:	-	**Ton**	**1.421,7**
Generated	*H360-H351*	Ton	0
Used	*H350/H351-H361d-H410/411-H370-H372/373-H372-H412-H373-H315-H317-H219-H411-H360-H301-H302-H351-EUH210-H350-H332-H318-H350*	Ton	295.8
Purchased	*H372-H412-H373-H315-H317-H219-H411-H360-H301-H302-H351-EUH210-H350-H332-H318-H350*	Ton	1,125.9

6 Data on substances of concern currently concern the plants located in Switzerland, China and France. At present, Italy is excluded from the analysis, but activities are underway to start collecting and reporting data. Improvements in collection processes are also underway in Switzerland, which will ensure an increasing level of detail and accuracy in the coming years.

Water

ESRS 2 IRO-1 – Description of the processes to identify and assess material water and marine resources-related impacts, risks, and opportunities

The analysis of impacts, risks, and opportunities (IRO) related to water and marine resources has been included in the Double Materiality process, which considered both the significant impacts generated by the company in relation to water and marine resources, and the financially relevant risks and opportunities. For further details on the process of identifying and assessing impacts, risks, and opportunities, please refer to the ESRS 2 IRO-1 section. Affected communities were not involved in the process of identifying relevant impacts, risks, and opportunities. [E3 ESRS 2 IRO-1-8. a-b]

Material impacts and risks	
Reduction of water resources due to excessive water consumption: Negative Impact	Water is used in significant quantities both in the drug development process and in cleaning and sterilization activities. Excessive withdrawals and poor water management lead to unsustainable consumption, particularly in water-stressed areas.
Reduction of water resources due to excessive water consumption along the value chain: Negative Impact	The drug development process employs significant quantities of biological substances, which are purchased from third-party companies. The production of such substances, as well as chemical synthesis processes for the production of active ingredients, require the use of water. Excessive withdrawals and poor water management lead to unsustainable consumption, particularly in water-stressed areas.

E3-1 – Policies related to water

The Group is actively engaged on several fronts related to the management of environmental impacts, including the efficient use of raw materials and water resources. These issues are addressed through concrete initiatives and transversal planning that involves the entire organization. Currently, IBSA Italy has adopted an HSE policy that also includes environmental aspects, such as environmental protection. This policy applies both to activities directly carried out by IBSA Italy and to those entrusted to third parties operating on its behalf or for its account. Although an environmental policy has not yet been formalized at Group level, the principles contained in the existing policy are inspired by IBSA's values. [E3-1-9; ESRS 2-62] Two production sites located in China, namely Qingdao and Rizhao, are located in areas of high-water stress. For this assessment, the World Resources Institute's (WRI) Aqueduct tool, recommended by the Task Force on Climate-related Financial Disclosures (TCFD), was used. [E3-1-13]

E3-2 – Actions and resources related to water

IBSA Group has initiated a structured path for more responsible water resource management, implementing detailed monitoring of consumption in production sites. Among the first actions undertaken are process optimization, water recycling where possible, and the evaluation of measures for rainwater harvesting. Although specific

actions for managing water use-related impacts, risks, and opportunities have not yet been formalized, ongoing initiatives represent a first concrete step in this direction. [E3-2-15]

E3-3 – Targets related to water

In the near future, IBSA Group will be committed to implementing and consolidating initiatives related to water resource use, promoting employee training and awareness, and appointing figures responsible for environmental management compliance, with particular attention to the sustainable use of water resources. The Group also aims to disseminate continuous improvement practices and launch environmental programs in all its production sites. [E3-3-20]

E3-4 – Water consumption

Water is a fundamental resource for activities carried out in the Group's plants, and is used in large quantities in production processes, for cooling, which is useful for thermal regulation of chemical reactions, for the conservation of temperature-sensitive products, and for the management of process and wastewater, and for equipment washing. 99% of total water consumption is attributable to production sites in Switzerland, Italy, and China. Great attention is paid to the quality of wastewater, which is monitored in compliance with national regulations. Some production sites are equipped with wastewater treatment plants. [E3-4-28]

Water Consumption	2023	2024
	Volume (m^3)	Volume (m^3)
Total water consumption	402,650	389,747
of which in water risk areas, including high water stress areas	113,707	114,219
Total volume of water recycled and reused	2,500	2,800
Total volume of water stored	600	600

The following table presents the Group's water intensity calculated for 2024, which is 0.0004. [E3-4-29]

Water Intensity	2024
	Value
Total water consumption (m^3)	389,747
Net sales from own operations (million CHF)	883,208,167
Water intensity	0.0004

7 KBAs are defined by an international partnership that includes organisations such as IUCN, BirdLife International, and Conservation International.

Biodiversity and Ecosystems

ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

As already described in detail in the paragraph "SBM-3 - Material impacts, risks and opportunities and interaction with strategy and business model" within Chapter 1 ("ESRS 2"), and reiterated below, IBSA Group identifies impacts and risks on biodiversity and ecosystems that are strictly connected to its strategy and business model. [E4 ESRS 2 SBM-3-16] In particular, the two impacts identified as material through the Double Materiality analysis are reported below.

Material impacts and risks	
Failure to protect biodiversity and ecosystems: Negative Impact	During its activities, IBSA could have a negative impact on surrounding habitats and ecosystems if adequate preventive measures are not adopted.
Failure to protect biodiversity and ecosystems along the value chain: Negative Impact	IBSA's suppliers, during their activities, could have a negative impact on surrounding habitats and ecosystems if preventive measures are not implemented, as could the disposal of expired products by end-users.

ESRS 2 IRO-1 Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks, and opportunities

The analysis of impacts, risks, and opportunities (IRO) related to biodiversity and ecosystems has been included in the Double Materiality process, which considered both the significant impacts generated by the company in relation to biodiversity and ecosystems, and the financially relevant risks and opportunities. For further details on the process of identifying and assessing impacts, risks, and opportunities, please refer to the ESRS 2 IRO-1 section. Affected communities were not involved in the process of identifying relevant impacts, risks, and opportunities. [E4 ESRS 2 IRO-1-17]
The two production sites located in China are within areas of relevance, mapped considering "Key Biodiversity Areas" (KBAs)[7] to identify any biodiversity-sensitive areas. However, activities carried out in these plants do not generate negative impacts or entail significant risks of natural habitat degradation. [ESRS 2 IRO-1-19. a]

E4-1 – Transition plan and consideration of biodiversity and ecosystems in strategy and business model

IBSA Group recognizes the importance of biodiversity and has initiated a process to monitor the potential impacts generated by its activities. However, currently, it does not yet have a structured and in-depth assessment of the resilience of its business model and corporate strategy to biodiversity and ecosystem-related impacts, risks, and opportunities. [E4-1-11,13]

E4-2 – Policies related to biodiversity and ecosystems

Currently, IBSA Italy has adopted an HSE policy that also includes environmental aspects, such as environmental protection. This policy applies both to activities directly carried out by IBSA Italy and to those entrusted to third parties operating on its behalf or for its account. Although an environmental policy has not yet been formalized at Group level, the principles contained in the existing policy are inspired by IBSA's values. [E4-2-20,22]

E4-3 – Actions and resources related to biodiversity and ecosystems

Currently, the Group has not yet defined concrete actions for managing biodiversity-related impacts, risks, and opportunities. [E4-3-25,27,28]

E4-4 – Targets related to biodiversity and ecosystems

At present, the Group has not defined specific targets for managing biodiversity-related impacts, risks, and opportunities. [E4-4-29]

E4-5 – Impact metrics related to biodiversity and ecosystems change

The production sites located in China are within areas of particular relevance for biodiversity. However, the activities carried out in these plants do not generate negative impacts or entail significant risks of habitat degradation.
The analysis considered all production sites where significant impacts on biodiversity and ecosystems could occur. IBSA conducted a preliminary assessment of possible biodiversity impacts in relation to its plants, mapping the so-called "KBAs" (Key Biodiversity Areas). KBAs are identified based on standardized scientific criteria and represent the most important areas for the global persistence of biodiversity, in terrestrial, freshwater, and marine ecosystems. Although two sites are located in areas of interest for biodiversity, no significant criticalities or impacts have emerged. Consequently, it was not deemed necessary to implement specific mitigation measures.
The affected sites, including those with plants under the Group's direct control, are specifically located in Huashan, near Qingdao, and Lanshan, near Rizhao, in China. [E4-5-35]

Material impacts and risks	
Environmental damage due to the use of virgin or non-recyclable/non-renewable raw materials: Negative Impact	The company's production activity involves the use of accessory raw materials (e.g., excipients, solvents, lubricants, etc.) and finished products (e.g., packaging), which, if managed irresponsibly, can affect the availability of such materials and the quantity of waste produced.
Environmental damage due to incorrect waste management: Negative Impact	Waste generated by IBSA's activities, including packaging materials, raw material residues, office waste, and organic waste, can have negative effects on the environment if not managed correctly. This waste can contain hazardous substances that risk contaminating soil and natural ecosystems, as well as contributing to the accumulation of non-biodegradable materials and soil depletion. Ineffective management can also cause damage to aquatic and terrestrial ecosystems, human health, and affect land use.
Environmental damage due to incorrect waste management along the value chain: Negative Impact	The reduced recycling of IBSA's end-of-life products, particularly packaging, contributes to air and soil pollution, as well as the exploitation of terrestrial resources. Poor management of packaging materials, if not sent to an adequate recycling process, can lead to the accumulation of non-biodegradable waste, increasing soil and air contamination.

Circular Economy

ESRS 2 IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities related to resource use and circular economy

As already illustrated in the paragraph "SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model" of Chapter 1 ("ESRS 2"), and reiterated below, IBSA Group identifies negative impacts related to resource use and the circular economy, which are strictly correlated to its strategy and business model. [E5 ESRS 2 IRO-1-11]

E5-1 – Policies related to resource use and circular economy

The Group is actively engaged on several fronts to mitigate its negative environmental impacts, including the fight against climate change, the efficient use of raw materials and water resources, the reduction and optimal management of waste and wastewater, as well as sustainable design and responsible packaging management. These issues are addressed through concrete initiatives and a transversal planning that involves the entire organization. Currently, the Group has, limited to its Italian operations, an HSE policy that also includes environmental aspects, such as environmental protection. This policy applies both to activities directly carried out by IBSA Italy and to those entrusted to third parties operating on its behalf or for its account. Although an environmental policy has not yet been formalized at Group level, the principles contained in the existing policy are inspired by IBSA's values. [E5-1-12,14,15,16]

E5-2 – Actions and resources related to resource use and circular economy

In this perspective, IBSA Group has implemented more precise monitoring of water consumption and waste flows from production sites, focusing primarily on those sites associated with the most significant impacts.
IBSA Italy has successfully implemented a circular economy initiative by valorizing a byproduct generated during the production of soft capsules for the development of materials from industrial byproducts: clear gelatin, a gelatinous residue formed during the processing and finishing of capsules. Gelatin, used as a soft capsule shell for its solubility and safe-use properties, is processed in excess and can generate structured waste (in blocks and nets) which, if not valorized, would be disposed of as waste. Thanks to a collaboration with a leading

Italian company in sustainable packaging, specialized in the development of materials from industrial byproducts, a recovery project has been launched that allows this residue to be transformed into a raw material for the production of high-performance adhesives. These adhesives are characterized by safety, biodegradability, and compatibility with the recyclability of the materials to which they are applied. The process involves the gelatin being sold to the partner, who subjects it to washing, stabilization, and heating, before mixing according to proprietary formulations. The quantities recovered through this collaboration amounted to 46 tons in 2023 and 32 in 2024, demonstrating the effectiveness of a virtuous model that combines waste reduction and sustainable innovation.
Furthermore, in 2023, IBSA Group initiated a detailed mapping of primary, secondary, and tertiary packaging—respectively, packaging in direct contact with the product (e.g., blisters, bottles), external packaging intended for product presentation and protection (e.g., cartons), and packaging used for transport and distribution (e.g., boxes and pallets)—with the aim of identifying critical areas and opportunities to reduce environmental impacts, in addition to supporting reporting activities, which are now mandatory for various national authorities. The work continued in 2024 with the objective of improving data quality and including additional parameters, such as the quantity of recycled material included in the different packaging components.
Numerous initiatives have already been implemented, and are ongoing, aimed at making packaging more sustainable, including:

- Replacing carton paper with a quality that guarantees equivalent performance but with lower grammage.
- Using FSC-certified paper in the packaging of 100% of IBSA products (although the certification logo is not present on all cartons).
- Feasibility projects for the replacement of virgin plastic, such as PVC, with materials of non-fossil or recycled origin.

[E5-2-17,19]

E5-3 – Targets related to resource use and circular economy

Waste management represents a primary issue for IBSA. The Group focuses its attention on the recovery, reuse, and correct disposal of chemical-pharmaceutical waste materials produced at its operational sites. To ensure full compliance with national regulations, IBSA relies exclusively on certified partners according to the most rigorous environmental and safety standards. In particular, the Group is committed to implementing and maintaining initiatives aimed at:

- Training and raising employee awareness regarding waste classification and management.
- Appointing responsible figures for environmental compliance, with a specific focus on water resource management and waste classification and management.
- Reducing waste generation from production activities.
- Identifying further opportunities for reuse and recirculation of byproducts.
- Disseminating continuous improvement practices and launching environmental programs across all Group production sites.
- Collaborating with its suppliers to identify and adopt secondary and tertiary packaging materials that reduce environmental impact (renewable or recycled materials).
- Defining eco-design guidelines for the packaging of new products and subjecting them to LCA (Life Cycle Assessment) analysis to evaluate impacts throughout the life cycle. In 2024, two LCA studies were conducted, for internal use, one on a nutraceutical product and the other on a dermo-aesthetic product,
- to identify hot-spots in the process in terms of conversion efficiency and energy utilization.

However, currently, IBSA Group has not yet defined specific targets for managing impacts related to resource inflows and outflows and the circular economy. [E5-3-21]

Materials and Waste

E5-4 – Resource inflows

The main resource inflows for IBSA concern raw materials, active pharmaceutical ingredients (APIs), and packaging materials used in production and packaging processes. Raw materials include substances such as glycerol, gelatin, alcohols (ethyl and isopropyl), polymers like polyethylene glycol, and specific mixtures like glycogelatin.
APIs include, for example, chondroitin sulfate, diclofenac, omega-3 fatty acids, hyaluronic acid, sodium hyaluronate, and micronized progesterone for injection.
Regarding packaging, various materials are used such as cardboard boxes, carton boxes, aluminum tubes and strips, paper leaflets, plastic single-dose strips, glass vials, and rubber components like stoppers.
The following table shows the total resource inflows in 2024, expressed in tons, calculated as the sum of purchased raw materials, APIs, and packaging materials. [E5-4-28,30]

	Quantity (ton)	%
Total weight of resource inflows	4,410.25	100%
Packaging	3,607.81	82%
Raw materials	571.37	13%
API	231.06	5%

The methodology adopted is based on extracting data related to material outflows from the warehouse to production departments, broken down by weight and type. This data is obtained through the integrated digital reporting system, managed by the purchasing and logistics department. [E5-4-31,32].

E5-5 – Resource outflows

Products and materials
The products marketed by the Group fall primarily into ten key therapeutic areas, including reproductive medicine, endocrinology, pain and inflammation treatment, osteoarticular, aesthetic medicine, and consumer health. For further details, please refer to Chapter 1 "SBM-1 – Strategy, business model and value chain".

Regarding pharmaceutical products, some circular economy principles commonly applied in other sectors, such as durability, reusability, repairability, dissolvability, remanufacturing, and refurbishment, do not find direct application, due to the stringent regulatory and health requirements that impose the use of single-use materials, sealed packaging, and non-reusable products, to ensure patient safety and drug quality.
As for recyclability, some materials used for packaging, such as paper, glass, and plastic, are recyclable according to applicable local regulations.
Operating in a highly regulated sector, the Group is subject to stringent regulations that precisely define the requirements and characteristics of each product, particularly in the case of pharmaceutical products. In this context, high standards are applied concerning safety, quality, and traceability, which make some typical circular economy principles, such as durability, reusability, repairability, disassembly, remanufacturing, and reconditioning, inapplicable or severely limited.
These restrictions are necessary to ensure the integrity and safety of the products, preventing any risk to public health. Consequently, the Group's sustainability strategy focuses on optimizing production processes, using recyclable materials where permitted, and responsible end-of-life management, always in compliance with current regulations. Regarding product lifespan, the average shelf life of drugs marketed by IBSA is typically 30 months. [E-5-5-35,36]

Waste

Among the main types of waste generated by IBSA Group are chemical and pharmaceutical substances, packaging materials (such as paper, plastic, aluminum, and cardboard), food waste from company canteens, where present, and general solid waste. Given the specificity of the pharmaceutical sector, a significant portion of the waste produced is classified as hazardous and requires safe management and disposal methods, in compliance with current regulations. The Group pays particular attention to the recovery, reuse, and correct disposal of chemical-pharmaceutical residues generated at its production sites, relying on third-party suppliers. To ensure full compliance with national environmental regulations, IBSA exclusively uses certified partners according to the highest safety and environmental protection standards. In particular, most of the waste is generated by production activities and includes, in addition to expired medicines, residues of chemical substances such as ethanol, gelatin, water treatment sludge, packaging contaminated with hazardous substances, and other waste classified as hazardous. There is also specific waste from laboratory processes, such as waste urine, and common materials such as cardboard and other packaging.
The following table shows the total quantities of waste produced by the Group in 2024, expressed in tons, distinguishing between hazardous and non-hazardous waste, and specifying the final destination (recovery or disposal). It should be noted that no radioactive waste was detected at the Group's sites. [E-5-5-37, 38, 39]

E5-5-37	Unit of Measurement	2024
Total waste generated;	*ton*	721.98
Non-hazardous waste		
Non-hazardous waste not destined for disposal	ton	486.61
Non-hazardous waste destined for disposal	ton	107.39
Total non-hazardous waste generated	ton	593.99
Hazardous waste		
Hazardous waste not destined for disposal	ton	91.36
Hazardous waste destined for disposal	ton	36.62
Total hazardous waste generated	ton	127.99
Total waste not destined for disposal	**ton**	**577.97**
Total waste destined for disposal	**ton**	**144.01**
Total non-recycled waste	**ton**	**144.01**
Share of non-recycled waste in total waste	**%**	**20%**

Social Information

Social Information

Information on Social IROs
Own Workforce

S1 - ESRS 2 SBM-2 – Interests and views of stakeholders

IBSA Group is aware of the centrality of its own workforce in conducting and developing its business. For this reason, it has been deemed it important to involve its own workers in the assessment of the Group's impacts, within the broader double materiality process. The evaluation expressed by IBSA's employees, through the completion of a questionnaire, allowed for the integration of their perspective in the identification of material topics for the Group, contributing, more generally, to the identification of strategic priorities aligned with the interests of the Group's primary stakeholders.
In addition to stakeholder engagement, IBSA pays great attention to internal dialogue and involvement, aiming to understand the interests, needs, and views of its own workers. To this end, the undertaking implements various targeted initiatives. Among these, the "Sharing is Caring" opinion survey stands out, detailed in section S1-2, which is a fundamental tool for collecting feedback and perceptions from personnel.
Internal communication is also fostered by a structured network of channels, such as the company's intranet and extranet platforms, which allow for continuous and transparent information sharing. This is complemented by periodic newsletters, corporate events that strengthen the sense of belonging, and training programs that support the professional growth of employees. Project management meetings, crucial moments for operational discussion, and team-building activities, designed to strengthen interpersonal bonds and foster a collaborative and cohesive work environment, complete the picture.
The commitment to ensuring that the interests of its own workers are respected also in the Group's daily activities is reflected in a series of initiatives and behaviors implemented in various areas. First, the Group's principles and codes of conduct are aligned with the main internationally recognized standards for human rights, such as those recognized by the United Nations (UN), the International Labour Organization (ILO), and the Organisation for Economic Co-operation and Development (OECD) [S1-1-20. a]. Furthermore, voluntary certifications have been obtained that attest to the centrality of improving working conditions and promoting ethical practices in companies, such as the SA8000 obtained by IBSA China.
Finally, there are various awareness and training initiatives, particularly the promotion of the "IBSA Academy" project for the development of soft skills, and an investment plan for the renovation of real estate with attention to "wellbeing" aspects, with the aim of recovering, transforming, regenerating, and giving new life and new purposes to spaces and structures, to offer more effective solutions for the business, but also beauty and well-being for people.
IBSA Academy, in particular, is a training

program focused on the development of soft skills, structured into six thematic areas (Fundamentals, Planning and Organization, Collaboration, Change and Innovation, Decision Making, Team Leadership and Development), for each of which basic, intermediate, and advanced modules are provided. Employees are called upon to work on closing their areas of vulnerability, identified through the Performance process. [S1 – ESRS 2 SBM-2-12]

S1 - ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model

As already described in the paragraph "SBM-3 - Material impacts, risks and opportunities and interaction with strategy and business model", within Chapter 1 ("ESRS 2"), and reiterated below, IBSA Group identifies impacts and risks related to its own employees that are closely connected to its strategy and business model: [S1 ESRS 2 SBM-3-13. a, b]

Material impacts and risks	
Negative effects on workers' health and safety: Negative Impact	During the production process, employees risk coming into contact with dangerous or infected chemical reagents and materials, which could negatively impact their health and safety. Exposure could result in injuries, occupational diseases, and accidents, which are often exacerbated by the work-related stress commonly associated with this sector. This compromises the overall well-being of workers.
Lack of employee well-being: Negative Impact	Adequate working conditions, including a healthy work-life balance, fair wages, the existence of a welfare plan, sustainable working hours, freedom of association, and collective bargaining, are fundamental for employee well-being. A lack of attention to these aspects can generate dissatisfaction, stress, and a decrease in motivation, compromising the quality of life of workers.
Development of employee skills through training programs: Positive Impact	The provision of targeted training programs contributes significantly to the development of employee skills, fostering their professional growth and improving operational effectiveness. Such initiatives can contribute to the acquisition of essential skills, increasing opportunities for individual development.
Absence of equal opportunities and non-respect of diversity: Negative Impact	The absence of policies and procedures to prevent all forms of discrimination can compromise the respect for equal opportunities in the workplace. This could result in a lack of recognition of equality, also in terms of recruitment, remuneration, substantial equality, and fair treatment for all people, regardless of gender, ethnicity, religious belief, disability, or sexual orientation. Any case of discrimination within the company could generate a negative impact on the work environment and employee well-being.

Impacts and relevant risks	
Non-protection of employees' human rights: Negative Impact	Respect for employee privacy and human and civil rights may not always be guaranteed, for example in cases of violations of freedom of association, use of child labor, or forced labor. Any such incidents within IBSA's value chain could cause serious negative impacts on workers.
Legal and reputational risk due to failure to respect the human rights of employees, including privacy: Risk	Violations of human rights, such as forced labor, child labor, and infringements of health and safety regulations, in the Group's activities represent a serious reputational and legal risk. Furthermore, the increase in digitalization and the use of advanced techniques by cybercriminals expose IBSA to the risk of theft of sensitive employee data, compromising their privacy and the security of personal information.

With reference to the material impacts and risks:
- The identified material impacts, both positive and negative, refer to the entirety of the workers within IBSA Group's own workforce, consisting of employees and temporary workers; [S1 ESRS 2 SBM-3-14. a]
- The negative material impacts are identified both in consideration of widespread situations related to the Group's business sector (e.g., those related to employee health, safety, and well-being) and in consideration of possible specific events that may occur during the Group's activities (e.g., those related to discrimination); [S1 ESRS 2 SBM-3-14. b]
- The positive material impact is related to activities actually implemented or planned by IBSA Group for all its workers with the specific aim of bringing them benefits in terms of strengthening skills and knowledge and continuous improvement of performance and professional development; [S1 ESRS 2 SBM-3-14. c]
- The identified material risk is strictly correlated to the identified negative material impacts. [S1 ESRS 2 SBM-3-14. d]

Furthermore, at present, IBSA Group has not adopted a transition plan for the reduction of GHG emissions and, in general, for the reduction of negative environmental impacts deriving from its activities. Consequently, no potential impacts on the workforce generated by the implementation of such a plan have been identified. [S1 ESRS 2 SBM-3-14. e]
IBSA Group has not identified any relevant risk regarding cases of child labor, forced labor or compulsory labor associated with its direct activities. [S1 ESRS 2 SBM-3-14. f, g]
It should be noted that the material impacts, risks, and opportunities identified from the double materiality exercise relate to the entirety of the Group's own workforce, and there are no specificities related to a single group of people, age groups, or workers operating in specific establishments or countries. [S1 ESRS 2 SBM-3-15-16]

S1-1 – Policies related to own workforce

Over time, IBSA Group has developed and adopted a series of policies aimed at the responsible management of issues considered material in relation to its own workforce. These policies reflect the undertaking's commitment to promoting an ethical, safe, and inclusive work environment [S1-1-19]
Among the main instruments, the Code of Ethics stands out, which serves as a guide for all individuals involved in the Group's activities. It promotes values such as transparency, integrity, respect for the law, and the protection of human rights, guiding behaviors towards shared ethical standards. The adoption of the Code of Ethics across all Group subsidiaries is currently underway, with full implementation expected in the coming months.
IBSA has also introduced a Statement of Principle against Sexual Harassment, an internal document specifically dedicated to the prevention and management of situations related to sexual and sexist harassment, reinforcing attention to the protection of human dignity. Currently, the Statement of Principle against Sexual Harassment is only applicable within IBSA Switzerland.
Finally, an Environment, Health, and Safety Policy (HSE Policy) has been adopted, whose scope is restricted exclusively to IBSA Italy, and which aims to prevent risks to the environment, health, and safety of workers, emphasizing responsible and proactive management of potential impacts. [S1-1-23]
Although the Group does not have a policy specifically aimed at managing human rights issues, its Code of Ethics is aligned with international standards recognized by the United Nations (UN), the International Labour Organization (ILO), and the Organisation for Economic Co-operation and Development (OECD). [S1-1-21]
The Group does not currently have actions in place or plans to remedy impacts on employee human rights but plans to adopt a policy on salient human rights protection. Furthermore, IBSA has made commitments in this regard by:
- obtaining SA8000 certification for the two IBSA China sites in 2023;
- adhering to the UN Global Compact in 2023, with the aim of increasing its responsibility in managing human rights and labor issues; [S1-1-20. c].

The Group's Code of Ethics does not explicitly address human trafficking, forced or compulsory labor, and child labor: although these cases are relevant in consideration of its value chain, they are not considered as such in the activities directly carried out by the Group. [S1-1-22]
With reference to D&I (Diversity & Inclusion) issues, the Statement of Principle against Sexual Harassment aims to protect employees and temporary workers in Switzerland, both internally and externally, from those who interact with the Company. As stated, the policy aims to prevent, with preventive measures, and manage, with corrective measures, situations of sexual and sexist harassment. [S1-1-24. a] As also stated in the Code of Ethics, IBSA Group avoids any discrimination based on age, gender and sexual orientation, racial origin, political opinions, trade union membership, religious beliefs, and health status of its interlocutors [S1-1-24. b].
To implement the commitments expressed in the Statement of Principle against Sexual Harassment and comply with legal obligations in Switzerland, the Parent Company has carried out activities related to preventing harassment at work: [S1-1-24. d]
- it has identified an internal contact person (i.e., "Persona di fiducia"), belonging to the Legal Affairs department, who has received specific training;
- it has organized internal training for employees belonging to the Human Resources function, managers, and coordinators, thanks to the collaboration between IBSA personnel and trainers from the cantonal authorities (including the Delegate for Equal Opportunities of the Canton Ticino);

- it has initiated periodic communication to personnel on existing prevention measures (sending newsletters, posting illustrative signs developed by the Canton Ticino, viewing the illustrative video produced by the Delegate for Equal Opportunities of the Canton).

IBSA Group has therefore initiated training, information, communication, and dialogue mechanisms with its employees and collaborators both within the framework of the commitments made with its policies and, in general, within the scope of stakeholder engagement activities, already described in the paragraph "S1 - ESRS 2 SBM-2 – Interests and views of stakeholders", to which reference is made. [S1-1-20. b]
IBSA Group has not currently defined commitments specifically referring to the inclusion of people belonging to groups with a particular risk of vulnerability in its own workforce. [S1-1-24. c]

S1-2 – Processes for engaging with own workers and workers' representatives about impacts

The involvement of the Group's employees occurs through direct interaction with workers, without the intermediation of their representatives. [S1-2-27. a]
They have been involved both in the initial phase of assessing the material impacts related to them, i.e., in the identification of material topics, and through the "Sharing is Caring" opinion survey. [S1-2-27. b] The survey is a structured initiative for listening to people, carried out with the support of a consulting firm, WTW, a market leader in this type of initiative. The initiative is repeated periodically, every three years. Last year, the survey covered employees in Switzerland, Italy, France, and the United States, with a response rate of 82%. The data obtained from the survey were compared by IBSA both with industry standards, which therefore contain opinions collected in pharmaceutical companies, at European or global level, and with country standards, which allow for comparison with responses provided by people with a similar background. Through the opinions of its workers, the survey allows for the identification of the company's strengths, most appreciated by employees, and areas for improvement. The categories that recorded the most favorable results, when compared to benchmarks, are Quality, Patient Focus, Workload & Flexibility, and Retention: this demonstrates and rewards the Group's constant commitment to patient care and its own workers. Regarding areas for improvement, employees highlighted: Innovation, Rewards, and Training and Development. The insights and suggestions that the Group receives through the "Sharing is Caring" survey are thoroughly analyzed and integrated into the development of projects for each team affected by the identified area for improvement. Instead, the results emerged from the involvement of employees in the double materiality analysis have been integrated into the definition of material impacts, and thus indirectly of the topics that require attention from the group during the performance of its activities. [S1-2-27. e]
The supervision of the "Sharing is Caring" survey is entrusted to the same function responsible for stakeholder engagement, namely the Human Resources & Organization function. [S1-2-27.c]

S1-3 – Processes to remediate negative impacts and channels for own workforce to raise concerns

Currently, IBSA Group does not have a centralized whistleblowing channel at the corporate level. However, the Code of Ethics that the Group is implementing provides guidance on the channel to be used for reporting any violations related to the document's scope. [S1-3-32. b-c] Furthermore, there is a specific whistleblowing channel established at IBSA Italy in compliance with the provisions of the Organization, Management, and Control Model (MOG) implemented by IBSA Italy.
The channel provided by the Code allows for reporting any violations of the Code of Ethics via email to compliance@ibsa.ch, while, for IBSA Italy, illicit conduct relevant under Legislative Decree 231/2001 and violations of IBSA Italy's MOG can be reported via a dedicated web channel or by regular mail. The Legal Affairs and Compliance department is responsible for managing such reports, and it will be required to promptly inform the Supervisory Body (OdV) of reports related to illicit acts relevant under Decree 231.
The Code provides for a monitoring and sanctioning system for receiving reports. In particular, compliance with the provisions of the Code of Ethics is considered an integral part of the contractual obligations of the Group's employees for the purposes and effects of applicable laws and regulations. Any violation of the Code's provisions may constitute a breach of employment obligations or a disciplinary offense, with all legal consequences, including with regard to the continuation of the employment relationship, and may result in compensation for damages arising therefrom. [S1-3-32. e].
Furthermore, the dissemination of the Code is ensured through publication on the official IBSA website and the organization of specific training for employees. [S1-3-32. c]
IBSA ensures the confidentiality of the whistleblower's identity, subject to legal obligations and the protection of the rights of individuals maliciously or in bad faith accused, in compliance with confidentiality and privacy protection criteria. IBSA Group protects those who make reports in good faith from any form of retaliation, discrimination, or penalty, ensuring maximum confidentiality, subject to legal obligations. Finally, there is no system in place to monitor the effectiveness and awareness of employees regarding the reporting channels and the protection procedures provided. [S1-3-33]
Thanks to the reporting channel provided by the Group Code, IBSA is able to define any remedial actions for negative impacts on its employees arising from non-compliance with the issues covered by the Code. However, apart from corrective measures activated in relation to violations of the Group Code, no further actions specifically defined for the management of other potentially identified negative impacts are currently foreseen. [S1-3-32. a]

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

Although the Group has not defined a structured action plan for the management of material impacts and risks and therefore has not planned the allocation of specific resources, IBSA has implemented various initiatives with reference to its human resources. [S1-4-37]
First, the Group recognizes the importance of ensuring a safe working environment for its employees and, for this reason, particularly in the Italy subsidiary, established procedures and practices are now in place that IBSA intends to extend to other subsidiaries over time. For example, IBSA Italy, in addition to an HSE policy and an accident tracking system, is carrying out a process of digitizing certain HSE processes, such as for the management of PPE. The HSE management system is progressively being developed at the Swiss sites. In Switzerland, the Group intends to extend the analysis of recorded accident cases and "near misses". [S1-4-38. a] IBSA has therefore adopted various measures in favor of its own workforce, even if these are not necessarily attributable to the material impacts actually identified. [S1-4-38. b]
Similarly, the Group carries out initiatives primarily aimed at responding to the needs of its own workers. The need for more training, in fact, has been reported in response to last year's "Sharing is Caring" survey. The Group, therefore, has strengthened the provision of training for the development of soft skills by developing IBSA Academy, already presented in paragraph S1 – ESRS 2 SBM-2, an initiative launched in the Italy and Swiss subsidiaries that will then be extended to the other Group locations. As anticipated, the initiative is structured into six thematic areas (Fundamentals, Planning and Organization, Collaboration, Change and Innovation, Decision Making, Team Leadership and Development), for each of which basic, intermediate, and advanced modules are provided. Based on the identified areas of vulnerability, workers will be able to work on their gaps, identified through the Performance process. [S1-4-38.c]
With reference to the initiative described, there is no process for monitoring and evaluating the effectiveness of actions in producing results for the workforce. [S1-4-38. d]
Furthermore, at present, a process dedicated to the systematic identification of necessary and appropriate actions in response to specific negative impacts on the workforce is not yet fully formalized within the Group. [S1-4-39]
Nevertheless, IBSA is committed to taking concrete action to respond to the needs and critical issues that emerged from the "Sharing is Caring" survey. In fact, based on the results of the survey, more than 100 meetings were organized in approximately 2 months between the HR & Organization function and the various corporate functions in Switzerland and Italy. In particular, the process initially involved meetings with employees from all departments, during which the survey results were shared and discussed in depth, and potential corrective actions were considered. In the second phase, the HR department liaised with the heads of various business areas to identify the actions that had already been introduced and those that were to be implemented.
The interventions implemented following all post-survey meetings were numerous, including:

- Introduction of flexible working hours in Italy in response to a greater need for flexibility and improved work-life balance, among other reasons.
- Increase in the soft skills training offered with IBSA Academy and introduction of team coaching activities in the teams where critical issues emerged.
- The pay scale was revised, to bring it closer to market benchmarks, and the budget allocated to pay rises in the Annual Salary Review process was increased, for both Headquarters and Italy. The principles and logic guiding this process have been clearly communicated to colleagues.
- In the area of professional and career development, the promotion process (Career Review) has been separated from that of mere salary increases (Annual Salary Review), defining clear and transparent guidelines that support career advancement.
- In order to improve the inter-functional integration, IBSA Academy has been used to create relationships, exchange experiences, and perspectives between individual working in different functions and countries.
- The "Finding Diamonds" project was launched in Tech Operations/Quality in Switzerland, in response to the perception of a culture not very open to change and not very oriented to listening to bottom-up proposals or suggestions.
- Greater collaboration between HR and Corporate Communication functions was promoted, and the HRBP (Human Resources Business Partner) role was fully implemented to increase the proximity of the HR function to employees.

Although no specific actions aimed at mitigating the identified material risks related to its own workforce have been planned to date, IBSA Group has initiated specific actions in the area of health, safety, and environment (HSE) that move in this direction. In particular, the Group is strengthening the HSE department and developing a structured management system. IBSA Italy is the leading subsidiary in this process, engaged in both preparation for ISO 45001 and ISO 14001 certification audits and in the completion of the digitalization of certain operational processes. In Switzerland too, there is an intensification of activities, including the extension of the HSE management system and the identification of specific contact persons dedicated to supporting the implementation of initiatives in individual buildings and departments. [S1-4-40. a]
Attention to impacts on the Group's employees is also ensured by compliance with specific procedures aimed at ensuring that unauthorized people and/or entities do not become aware of confidential information and personal data of employees held by the Group Companies. [S1-3-41]
With reference to the actions described and, more generally, to the management of impacts and risks related to the Group's workforce, no specific objectives have been defined [S1-3-42], and no resources have been allocated in reference to individual impact and risks. [S1-3-43]

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

For the management of identified material impacts and risks related to its own workforce, the Group has set some commitments to define its areas of future engagement, in particular: to re-propose the "Sharing is Caring" survey every three years and to introduce risk analyses in health and safety and accidents that occur, to focus training and implement reduction targets. [S1-5-46, 47]

Group Employees

S1-6 – Characteristics of the undertaking's employees

Number of employees by gender [S1-6-50. a; AR.55;69]

Gender	Number of employees (headcount)
Men	1,258
Women	1,296
Other	0
Not communicated	0
Total	**2,554**

Total number of employees in countries where the undertaking has at least 50 employees representing at least 10% of the total number of employees [S1-6-50. a; AR.55;69]

Country	Number of employees (headcount)
Switzerland	992
Italy	646

Information on employees by contract type, broken down by gender [S1-6-50. b; AR.55;69]

2024				
Women	Men	Other	Not reported	Total
Number of employees (head count)				
1,296	1,258	0	0	2,554
Number of permanent employees (head count)				
1,223	1,177	0	0	2,400
Number of temporary employees (head count)				
73	80	0	0	153
Number of non-guaranteed hours employees (head count)				
0	1	0	0	1
Number of full-time employees (head count)				
1,161	1,243	0	0	2,404
Number of part-time employees (head count)				
135	15	0	0	150

Total number of employees who left the Group during the reporting period and employee turnover rate in the same period [S1-6-50.c]

2024	
Total number of employees who left the Group	149
Employee turnover rate	6%

For the most representative value with reference to employees in the Group's Consolidated Financial Statements, please refer to the data in section "4. Personnel Expenses" of the Financial Statements. [S1-6-50. f]

S1-7 – Characteristics of non-employee workers in the undertaking's own workforce

Number of non-employee workers by gender and type [S1-7-55. a]

Worker Type	Number of non-employees (headcount)
Self-employed workers	15
Agency workers	6
Total	**21**

The data on the Group's non-employee workers are also expressed in headcount and refer to the actual number as of 31/12/2024 [S1-7-55. b].
Compared to the previous reporting year, the types of non-employees working with the Group remained unchanged: in fact, they are still self-employed workers, coordinated and continuous collaboration agreement contractors, and temporary workers.

Compared to the previous year, the total number of non-employee workers has slightly increased (+1 employee). [S1-7-55.c]

S1-8 – Collective bargaining coverage

Considering all geographical areas where IBSA operates, 61% of employees are covered by Collective Bargaining Agreements. [S1-8-60. a] In particular:

Coverage rate	Employees – EEA (for countries with > 50 employees representing > 10% of total employees)
0-19%	
20-39%	
40-59%	
60-79%	
80-100%	Italy

The table shows a higher percentage of coverage for employees working within the European Economic Area (EEA). Indeed, although they do not represent countries with an employment level higher than 10% of the Group, in France, Spain, and Austria,

100% of employees are also covered by Collective Bargaining Agreements. However, regarding geographical areas outside the European Economic Area (EEA), there are no Group employees covered by Collective Bargaining Agreements in regions with workers representing at least 10% of total employees. [S1-8-60. b, c]
The table does not show data related to the percentage of employee representation in the workplace (metrics related to social dialogue) as the topic was not considered material by the double materiality analysis.

Diversity, Inclusion and Equal Opportunities

S1-9 – Diversity metrics

The Group's top management has been defined, in line with the definition provided by the ESRS Standards, as the first and second levels below the administrative and supervisory bodies. Its members (47 in total) are distributed as follows [S1-9-66. a]:

Top management by gender	Number (head count)	Percentage
Men	35	74%
Women	12	26%
Other	0	0%
Not reported	0	0%
Total top management	**47**	**100%**

As for diversity among employees, the data in the table shows a prevalence of employees in the 30-50 age range [S1-9-66. b]:

Employees by age group	Numbers (head count))	Percentage
< 30 years	295	12%
30-50 years	1.440	56%
> 50 years	819	32%
Total employees	**2.554**	**100%**

S1-10 – Adequate wages

All employees of IBSA Group receive fair remuneration, in line with the Collective Bargaining Agreements to which they refer. [S1-10-69]

S1-11 – Social protection

Furthermore, all Group employees are covered by social security in case of income loss due to illness, unemployment, injury, and disability, parental leave, and retirement. [S1-11-74. a-e]

S1-12 – Persons with disabilities

As of 2024, IBSA also collects and reports data on employees with disabilities within the Group, who are not subject to legal restrictions for data collection. These employees have been identified according to the different legal definitions of people with disabilities in the various countries where the Group operates. In the reporting year, employees with disabilities account for 1% of IBSA's total employees. [S1-12-79]

S1-15 – Work-Life Balance metrics

IBSA Group pays attention to the well-being of its employees, as demonstrated by the numerous initiatives activated both to collect their feedback and to promote a better work-life balance. These include, for example, the possibility of flexible working hours and the granting of family-related leave. Compared to the total number of Group employees, the percentage of workers entitled to family-related leave is 51%. Of this percentage, in 2024 only 15% of employees actually took leave: [S1-15-93. a, b]

	Number (head count)	Percentage
Employees entitled to family-related leave	1.301	51%
Employees who took family-related leave among those entitled	197	15%
Of which women	86	7%
Of which men	111	9%

S1-16 – Remuneration metrics (pay gap and total remuneration)

In 2024, the unadjusted gender pay gap, defined as the difference between the average pay levels paid to female and male workers, expressed as a percentage of the average pay level of male workers, was 9% of gross pay. The calculation of the average full-time equivalent remuneration included employees of IBSA Italy and IBSA Switzerland. For the purposes of determining gross hourly remuneration, gross annual remuneration as of 31 December 2024 was considered, including variable components relating to the year in question, estimated where not yet available. Non-recurring items and social security contributions were excluded from the calculation. For variable components, the Group provides forms of remuneration that are consistent with corporate objectives and structured in such a way as to avoid incentives that are not in line with the Group's corporate interests. The activity of each employee is in fact based on pre-set time and project objectives focused on a possible, specific, concrete, measurable result related to the time expected for its achievement.
Assumed the wide variety of job categories and roles within the company, this metric is not representative of the actual pay gap. In 2021, in order to comply with a requirement imposed by the Swiss Confederation, the Parent Company conducted an independent

third-party survey that estimated the "adjusted" pay gap, i.e. obtained by weighting the relative importance of each professional category in relation to the total workforce. The result of the analysis confirms that there is no significant difference between the remuneration of men and women in IBSA Switzerland (the gap identified is 2.1%, which is not a statistically significant difference. As IBSA Switzerland's remuneration policy is shared by IBSA Italy, a similar conclusion regarding the gender pay gap may be drawn for the largest subsidiary.
As for the annual total compensation ratio, the ratio for 2024 is 6.2 and was calculated as the ratio between the total annual compensation of the highest-paid individual and the median annual total compensation of employees (excluding the two highest-paid individual in IBSA Italy and IBSA Switzerland). The ratio was calculated including, also in this case, the workers of IBSA Italy and Switzerland and applying the same criteria used for the "full time equivalent" average remuneration.

The total annual compensation of the highest-paid individual includes fixed, annual variable, and long-term variable components; for the determination of the median total annual compensation, the gross annual compensation as of December 31, 2024, was adopted, including estimated variable components, and net of non-recurring items and social charges. [S1-16-97. b, c]

S1-17 – Incidents, complaints, and severe human rights impacts

In 2024, no incidents of discrimination, including harassment, or complaints through reporting channels were recorded within the Group. Consequently, no fines, sanctions, or damages associated with these cases are reported. [S1-17-103.a-d]
Similarly, no instances of human rights violations, including cases of forced, compulsory, or child labor, were recorded. Consequently, no fines, sanctions, or damages associated with these cases are reported. [S1-17-104.a, b]

Training

S1-13 – Training and Skills Development metrics

The development of its employees' skills is monitored by the Group primarily through a system for monitoring and evaluating worker performance, which in 2024 involved 1,270 employees, representing 50% of the Group's total employees. The percentage is distributed as follows [S1-13-83. a]:

Employees who participated in regular performance and career development reviews	Number (head count)	Percentage
Men	600	48%
Women	670	52%

The professional growth of employees is then ensured by the constant availability of training courses. In 2024, the Group provided a total of 7,175 hours of training to its employees, equivalent to an average of 2.81 hours per employee, calculated as the ratio between the total hours provided and the number of Group employees as of 31.12.2024. The following table shows the distribution of total and average hours provided by gender: [S1-13-83. b]

Training hours by gender	Total hours (number of hours)	Average hours
Men	3,431	2.73
Women	3,744	2.89
Other	0	0
Not communicated	0	0

Health and safety

S1-14 – Health and safety metrics

To date, IBSA Group does not have an occupational health and safety management system [S1-14-88. a]. In 2024, the work initiated by IBSA Italy under the 2023-2025 plan continued, aimed at analyzing and strengthening internal procedures. In particular, attention focused on the development of an occupational health and safety management system and an environmental protection management system, with a view to obtaining ISO 45001 and ISO 14001 certifications.
The current health and safety management system covers 67% of employees and 19% of non-employees of IBSA, respectively. In particular, it should be noted that during the year, IBSA Switzerland availed itself of the work of non-employee Group resources, covered by the HSE management system but no longer employed as of 31.12.24.
The accident tracking system within the Group allowed for the monitoring and reporting of the following data:

	Number
Fatalities of employees due to work-related injuries and occupational diseases [S1-14-88. b]	0
Fatalities of non-employees due to work-related injuries and occupational diseases [S1-14-88. b]	0
Fatalities of other workers working at Group sites due to work-related injuries and occupational diseases [S1-14-88. b]	0
Number of recordable work-related injuries for employees [S1-14-88. c]	16
Number of recordable work-related injuries for non-employees [S1-14-88. c]	0
Rate of recordable work-related injuries for employees [S1-14-88. c]	15%
Rate of recordable work-related injuries for non-employees [S1-14-88. c]	0%
Number of recordable occupational diseases for employees [S1-14-88. d]	0
Number of days lost by employees due to work-related injuries and fatalities from work-related accidents, work-related ill health, and fatalities from ill health [S1-14-88. e]	359

It is specified that the rate of recordable work-related injuries for employees was calculated by dividing the number of recordable work-related injuries for employees by the total hours worked by employees, then multiplied by 1,000,000.

Material impacts and risks	
Negative effects on the health and safety of value chain workers Negative Impact	Within the value chain, inadequate working conditions can have negative effects on health and safety. Unhealthy environments, exposure to hazardous substances, or non-compliant procedures can lead to serious illnesses or accidents. These risks compromise the well-being of workers and suppliers and could negatively affect compliance with international standards for safe and ethical work.
Absence of equal opportunities and non-respect of diversity of value chain workers Negative Impact	Non-compliance with gender equality and equal pay for value chain workers of IBSA could compromise the company's image, reduce employee satisfaction, and decrease external stakeholders' interest in IBSA.
Non-protection of human rights along the value chain Negative Impact	Respect for human and civil rights may not always be ensured, as in cases of violations of freedom of association, child labor, or forced labor. If such incidents occur within IBSA's value chain, workers would suffer serious negative consequences.
Operational and reputational risk due to supplier non-compliance with human rights laws for workers (including privacy) and equal opportunities and diversity Risk	Supplier non-compliance with social laws and regulations can cause operational disruptions due to legal actions, strikes, or labor shortages. Such violations can damage the Group's reputation and lead to increased operating costs.

Workers in the value chain

S2 - ESRS 2 SBM-2 – Interests and views of stakeholders

The views of value chain workers were taken into account by the Group within the double materiality analysis process. Through a stakeholder engagement activity, which took the form of a survey involving a selected panel of subjects external to the Group, they were involved in assessing the materiality of the identified impacts specifically related to them. This level of involvement allows the Group to identify material topics not only for the purpose of sustainability reporting but more generally to manage and address in its strategic and business choices the most relevant aspects for stakeholders. [S2 ESRS 2 SBM-2-9]

S2 - ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

Regarding workers in the value chain, as already reported in the paragraph "SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model", within Chapter 1 ("ESRS 2"), IBSA Group identifies the following impacts and risks that are closely connected to its strategy and business model: [S2 ESRS 2 SBM-3-10. a, b]

With reference to the material impacts and risks:

- The identified material impacts refer to all types of workers present along the Group's value chain, both upstream and downstream. [S2 ESRS 2 SBM-3-11. a]
- Having its legal seat and operating in Switzerland, IBSA is subject to the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict Zones and Child Labor (DDTrO 221.433). In 2024, the verification carried out reported the absence of supply of products and services from countries critical for child labor. [S2 ESRS 2 SBM-3-11. b]
- The negative material impacts are identified both in consideration of situations common to the Group's business sector (e.g., for those related to health and safety and human rights) and in consideration of events that may occur during the performance of activities along the value chain (e.g., for those related to equal opportunities). [S2 ESRS 2 SBM-3-11.c]
- The identified material risk is strictly correlated to the negative material impacts identified for workers in the value chain. [S2 ESRS 2 SBM-3-11. e]

At present, IBSA has not yet completed a structured and in-depth analysis of the potential risks of exposure to harm for workers along the entire value chain, particularly for those with specific characteristics, active in more sensitive contexts, or engaged in sensitive tasks. However, a double materiality analysis has already been conducted, which allowed for the identification of the main material impacts and risks, including those potentially present along the value chain. [S2 ESRS 2 SBM-3-12]
As for material risks related to impacts on

workers along the value chain, it should be noted that those currently mapped by the Group apply transversally to all involved parties, without distinguishing between specific groups, age groups, establishments, or geographical areas.
[S2 ESRS 2 SBM-3-13]

S2-1 – Policies related to workers in the value chain

IBSA Group has implemented a Supplier Code of Conduct with the aim of guiding the entire supply chain in the process of implementing the highest ethical, social, environmental, and corporate governance standards. The Code of Conduct applies to all locations where the supplier carries out its activity and to: [S-2-1-16, MDR-P 65 a, b]

- any natural or legal person who supplies goods and/or services to IBSA Group
- the entire supply chain of the supplier
- all personnel employed in carrying out activities related to the execution of supply activities and/or service provision

However, the Group does not have a policy specifically addressing the management of material impacts, risks, and opportunities related to workers in the value chain [S-2-1-14]
In particular, the Supplier Code of Conduct states the Group's commitment to respect, protect, and concretely implement fundamental human rights and freedoms through the implementation of actions and controls aimed at tangibly asserting the dignity and respect of all individuals. The parameters through which IBSA Group assesses the adequacy of its partners are the principles, rights, and freedoms contained in the Universal Declaration of Human Rights [S-2-1-19] and in the Conventions of the International Labour Organization. These aspects include the prohibition of child labor; the prohibition of forced, coercive, and compulsory labor; the promotion of diversity, inclusion, and fair treatment in the workplace; freedom of association and collective bargaining; local communities and minorities. [S-2-1-17a] [S-2-1-18]
Each supplier must also implement training programmes for its employees, aimed at making them aware of the contents of the Supplier Code of Conduct as well as the regulatory references and principles on which it is based, with the aim of ensuring the correct application of the Code. [S-2-1-17. b]
Each supplier is required to promptly report any risk of violation of the Code to IBSA and to adopt any necessary corrective measures. The Group reserves the right to take all actions deemed appropriate to remedy the violation, including the right to withdraw from any contractual obligation if the supplier does not act to remedy an ascertained and/or reported violation. Furthermore, the possibility of claiming compensation for any damage suffered remains unaffected. [S-2-1-17]

S2-2 – Processes for engaging with workers in the value chain about impacts

To involve workers in the value chain, the Group has defined a stakeholder engagement process, which was activated during the prioritisation of material impacts at the end of 2024, as described in the previous paragraphs. [S2-2-22, 23]

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

To date, despite having documents such as the Group's Code of Ethics, which also applies externally, as described in the following paragraph, IBSA has not yet introduced specific procedures within its reporting channels aimed at structurally managing any reports related to significant negative impacts on value chain workers. [S2-3-27. a]
The Group also makes available to value chain workers the reporting channel provided by the Code of Ethics, as its availability and application are foreseen with reference to both internal and external parties, to anyone who has relations with the Group. Reference is made to the description provided in the paragraph "S1-3 – Processes for remedying negative impacts and channels for its own workforce to raise concerns". [S2-3-27. b, c, d]
As already noted, the Group has not adopted a centralized whistleblowing system at the corporate level but makes available, also to value chain workers, the reporting mechanism provided by the Code of Ethics to report any violations of the document's provisions202. For this reason, reference is made to what is described in the paragraph "S1-3 – Processes for remedying negative impacts and channels for its own workforce to raise concerns".

However, with reference to this channel, IBSA currently has no tools in place to verify if and how value chain workers are actually aware of its availability and, therefore, if they rely on this tool to raise concerns or needs. [S2-3-28]

S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action

The Group implements various safeguards, with the commitment to reducing potential negative impacts on workers in its supply chain. [S2-4-32. a, b]
IBSA subjects all its suppliers to rigorous controls covering various areas, starting with the quality control system. The latter requires suppliers to guarantee high quality standards, often exceeding those required by current regulations. In addition to quality aspects, ESG performance (environmental, social, and governance) is also evaluated, promoting an ethical and responsible approach throughout the supply chain.
The Supply Chain function is also responsible for managing downstream logistics, ensuring the widespread presence of IBSA products at various subsidiaries worldwide. To support global distribution, the Group also avails itself of a network of approximately 70 active international distributors, engaged in the distribution of IBSA products in the seven therapeutic areas in which the company operates.
Indeed, as explicitly stated in the Group's Code of Ethics, in the selection of suppliers and strategic partners, the Group does not only rely on economic criteria, but also on reputational, environmental, occupational health and safety, and social requirements. The Group encourages its suppliers to apply the same selection criteria for choosing sub-suppliers, with the aim of incentivizing and promoting compliance with the principles of this Code throughout the supply chain. Furthermore, the implementation of the Supplier Code of Conduct, and the inclusion of a clause in the contract with the individual supplier requiring acknowledgment of the Code of Ethics and compliance with its principles, contributes to increasing the Group's oversight into the matter. In the event that the supplier or partner does not comply with the principles of the Code of Ethics and the Supplier Code of Conduct, IBSA Group reserves the right to terminate the contractual relationship and to exclude further collaborations.
Additionally, IBSA continued its supplier qualification activity started in 2021, evaluating an additional 188 suppliers in 2024 through the Ecovadis rating, which is a process of corporate sustainability analysis on topics such as sustainable procurement and human rights. Thus, to date, the total number of suppliers evaluated with the rating is 396, with an average score of 60.4. Despite the activities described above, IBSA Group has not implemented a structured process for identifying the necessary and appropriate actions in response to a particular negative impact, actual or potential, on value chain workers [S2-4-33. a]; at present, the application of the Supplier Code of Conduct is the main instrument through which IBSA promotes responsible management of relationships with upstream actors in its value chain. Although no specific measures for managing specific negative material impacts have been adopted to date, nor have structured collaborations with supply chain actors been initiated in this regard, the Code constitutes a solid basis for guiding ethical and sustainable behavior throughout the supply chain [S2-4-33. b]. Not having such processes defined yet, the Group currently has no tools to monitor the implementation and effectiveness of any remedies for specific negative material impacts on value chain workers. [S2-4-33.c]
The Group has implemented, within the obligations of DDTrO 221.433, a process of ESG risk due diligence on the supply chain, aligned with the guidelines of the Organization for Economic Co-operation and Development (OECD). An analysis was performed on 3,146 suppliers, regarding the risk of child labor and the procurement of minerals and metals from conflict zones [S2-4-34. a]. The mapping of suppliers, based on indicators of potential risk or on-site audits, allows for action with reference to a potential negative impact on workers. The Group is then required to publish a report with the findings on human rights compliance in the procurement of minerals and metals from conflict-affected or high-risk areas and the absence of child labor along the supply chain. The Report for 2024 (available on the IBSA website) confirmed that the Group does not import or process any of the 3TG minerals and metals (tin, tantalum, tungsten, or gold) at its sites and does not work with suppliers from critical countries or source materials/services from critical countries (according to the "Children's rights in the workplace – Index": "Heightened"). [S2-4-36]
The Group's commitment to helping prevent negative impacts along the value chain is also reflected, in addition to carrying out due diligence activities, in other complementary and structured actions. [S2-4-35]
These include the creation of a mixed team between Procurement, ESG, and Legal & Compliance functions, with the task, among others, of dealing with risk mapping and due diligence activities. As already specified in the chapter, the Group has adopted a Supplier Code of Conduct, supplemented by specific contractual clauses that require its observance.
A risk management plan has also been established, which allows for targeted management of any identified risks and negative impacts, providing for corrective actions to be implemented in collaboration with high-risk or non-compliant suppliers, with the aim of promoting an improvement in their practices.
In the event that a supplier does not demonstrate a commitment to strengthening its compliance, IBSA foresees a disengagement process, which can lead to the termination of the collaboration.
To ensure adequate monitoring, an internal reporting mechanism has been introduced that regularly updates Senior Management on the progress of due diligence activities and the results obtained. To complete the system, IBSA has also established a complaint and reporting mechanism, which allows anyone, even anonymously, to communicate any concerns or violations regarding the issues addressed.
These initiatives are not currently monitored by IBSA Group through targets. [S2-4-37]

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

As already specified, to date, the Group has not defined any objectives for managing the material impacts and risks identified with reference to workers in the value chain. [S2-5-39, 41, 42]

Affected communities

S3 - ESRS 2 SBM-2 – Interests and views of stakeholders

As with all other Group stakeholders, the contribution of communities affected by the Group's activities has also been taken into consideration within the double materiality analysis process. Indeed, affected communities have also been able to express their views and assessments through the survey administered for the definition of the materiality of the identified impacts specifically related to them.
As IBSA does not have other tools through which interests and views can be integrated into the Group's management and decisions, it has decided to strengthen its commitment to local communities. With the support of ESG Ambassadors, who are the company's reference points for ESG issues, IBSA is encouraging partnership initiatives with local organisations of its subsidiaries around the world. [S3 ESRS 2 SBM-2-7]

S3 - ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

With reference to the communities affected by the Group's activities and its value chain, IBSA identifies the following impacts that are closely connected to its strategy and business model, previously described in the paragraph "SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model", within Chapter 1 ("ESRS 2"):
[S3 ESRS 2 SBM-3-8. a, b]

Material impacts	
Damage to the local community caused by noise pollution Negative Impact	IBSA can generate a noise impact on the communities and dwellings surrounding the production plant through various sources of noise. These primarily include the continuous operation of production machinery, but also ventilation and air conditioning systems (HVAC), vehicle traffic for the transport of raw materials and finished products and loading and unloading activities.
Damage to the local community caused by noise pollution generated along the value chain Negative Impact	IBSA can generate a noise impact on the communities and dwellings surrounding the production plant through various sources of noise. These primarily include the continuous operation of production machinery, but also ventilation and air conditioning systems (HVAC), vehicle traffic for the transport of raw materials and finished products and loading and unloading activities.

With reference to the material negative impacts:

- They refer to communities geographically close to the Group's production sites and to the production/operational facilities of the actors in IBSA's value chain, both upstream and downstream;
  [S3 ESRS 2 SBM-3-9. a]
- They are identified in consideration of situations specifically related to the activities carried out by the site or plant in question, ranging from product manufacturing to goods management.
  [S3 ESRS 2 SBM-3-9. b]

IBSA is progressively expanding its capacity to analyze impacts on communities, although at present it has not yet completed a structured and in-depth analysis in relation to those who have specific characteristics or operate in particular contexts. [S3 ESRS 2 SBM-3-10]
Although no material risks or opportunities related to specific groups, such as certain age groups or workers active in specific plants or countries, have been identified at present, the Group recognizes the importance of developing an increasingly articulated understanding of these dynamics, with the aim of strengthening its approach to responsible management of relations with affected communities.
[S3 ESRS 2 SBM-3-11]

S3-1 – Policies related to affected communities

While not having implemented specific policies to date aimed at managing the identified impacts with reference to affected communities, IBSA Group implements monitoring and control measures, especially at the compliance level, for noise pollution. These measures are active in all production sites and especially with reference to the most exposed equipment, such as waste compactor or refrigeration units.
[S3-1-14, 15, 16, 17]

S3-2 – Processes for engaging with affected communities about impacts

Despite various initiatives aimed at supporting and developing local communities, IBSA Group does not currently have formalized processes for listening, dialogue, and engagement with communities regarding identified material impacts. However, as specified earlier in the chapter, the Group's Code of Ethics, which also applies externally, provides guidance on the channel to be used for reporting any violations related to the document's scope.
[S3-3-21, 22, 23]

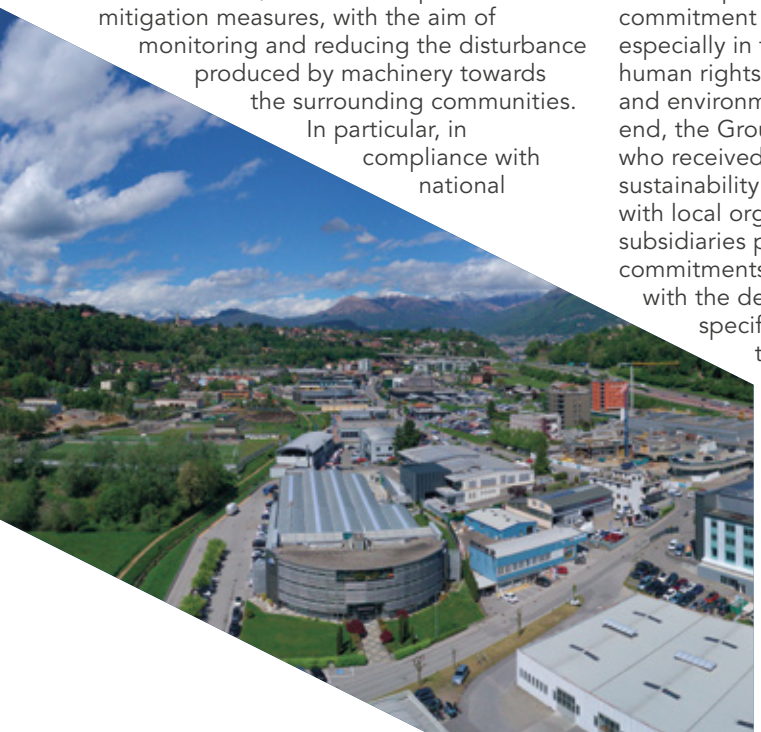
S3-3 – Processes to remediate negative impacts and channels for affected communities to raise concerns

During the year, following a report received in Switzerland, the Group remedied a negative impact actually caused by noise pollution generated by the malfunction of a waste compactor. Despite this specific intervention, IBSA currently does not have formalized processes to provide or contribute to remedy when it has caused or contributed to a material negative impact on communities, nor specific channels to allow affected communities to raise their concerns or needs directly with the undertaking and have them addressed, although it has documents such as the Code of Ethics which also applies externally. [S3-3-27, 28]

S3-4 – Taking action on material impacts on affected communities, and approaches to mitigating material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions

The Group carries out numerous initiatives aimed at generating positive impacts on affected communities, especially in terms of inclusion and social equity, promotion of human rights, cultural promotion of the territory, education, and training. [S3-4-32 c] Although IBSA has launched numerous initiatives in favor of local communities, which will be further explored in the chapter dedicated to CSR, these are not currently specifically designed to address identified material negative impacts. [S3-4-32 a, b]
In particular, the Group supports numerous initiatives in favor of local communities, promoting social inclusion through sports

and cultural activities for people with disabilities. Furthermore, it contributes to educational and health projects for children and families in need, both in local and international contexts. Culture is also an area of great interest for the Group, which supports artistic events with particular attention to accessibility and diversity, promotes female empowerment and awareness against bullying and cyberbullying, and finally supports corporate volunteering and solidarity among employees in various locations around the world.
Moreover, IBSA is aware that, in the territories where it operates, its activities can generate acoustic impacts attributable to various noise sources, mainly related to ventilation and air conditioning systems (HVAC), vehicle traffic for the transport of raw materials and finished products, as well as loading and unloading operations. For this reason, IBSA has adopted acoustic mitigation measures, with the aim of monitoring and reducing the disturbance produced by machinery towards the surrounding communities. In particular, in compliance with national regulations, IBSA Italy constantly monitors its two production plants in Lodi and Cassina De' Pecchi (Milan), located near residential areas, from which the Group has never received reports of disturbance. Despite its commitment and attention to the issue, in Switzerland, IBSA has received reports of disturbance from the population due to noise from a malfunctioning waste compactor. The Group intervened to remedy the situation, bringing noise levels back within regulatory limits.
However, the Group does not have metrics or standardized procedures to evaluate the effectiveness of such initiatives towards local communities. [S3-4-32 d]



S3-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The Group aims to consolidate its commitment to affected communities, especially in three areas: inclusion and human rights, culture and education, and environmental protection. To this end, the Group's 20 ESG Ambassadors, who received two training sessions on sustainability in 2024, and partnerships with local organizations of the various IBSA subsidiaries play a fundamental role. These commitments have not yet been formalized with the definition of objectives specifically aimed at managing the identified impacts with reference to affected communities. [S3-5-41, 42].

Consumers and end-users

S4 - ESRS 2 SBM-2 – Interests and views of stakeholders

As stated in the Group's vision and mission, IBSA's operations are guided by the person: the patient. Therefore, the Group's strategic and business model choices cannot disregard the consideration of the interests and opinions of patients, who represent the consumer and end-user for whom IBSA's products are intended.
Their primary involvement occurred during the double materiality analysis process carried out for the identification of material topics for the Group: the opinions and evaluations of patients, patient associations, and medical-scientific societies were collected with reference to the actual and potential, negative and positive impacts that may concern them, in order to integrate their views and needs into the Group's strategic decisions. [S4-SBM-2-8]

S4 - ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

Considering consumers and end-users, IBSA Group has identified the following impacts and risks that are closely connected to its strategy and business model:
[S4 ESRS 2 SBM-3-9. a, b]

Material impacts and risks	
Inaccurate product communication and labeling Negative Impact	Labeling irregularities can seriously compromise patient safety: imprecise or incomplete labels can lead to medication errors, such as incorrect dosages or the use of the wrong product, endangering patient health and increasing the risk of serious adverse events. Labeling must comply with current regulations and must specify how products are to be stored and taken.
Negative effects on consumer health and safety Negative Impact	Failure to ensure high standards of quality and safety in medicines can have serious repercussions on patient health, causing severe side effects, worsening of conditions, irreversible damage, or fatal events. Furthermore, non-compliance with safety protocols and the spread of counterfeit medicines (falsified or tampered with in the supply chain) increase health risks and undermine trust in healthcare systems. Proper management throughout the product life cycle and verification of information on medicines is essential to ensure patient safety and prevent serious clinical consequences.
Promotion of a health culture towards the community Positive Impact	IBSA is committed to implementing various projects, including "IBSA Health Culture," with the aim of promoting initiatives and synergies between the world of culture and that of health. The goal is to improve the quality of life and well-being of people in healthcare settings, cultural spaces, and daily life.
Accessibility of medicines and care Positive Impact	The ability to adopt innovative practices is fundamental to ensuring broader access to medicines, creating opportunities to make treatments available to a greater number of people and thus improving equity in healthcare.

Material impacts and risks	
Research and development of new medicines for specific patient categories Positive Impact	IBSA is committed to the research and development of new pharmaceutical formulations, with the aim of improving the experience and effectiveness of therapies for different categories of patients. Among its innovations, IBSA has received recognition for new film formulations, designed to meet the specific needs of vulnerable groups, such as dysphagia patients, bedridden individuals, the elderly, and children.
Operational, legal, and reputational risk related to insufficient product and packaging quality Risk	Incidents related to product and packaging quality, along with non-compliance with drug labeling regulations, can severely damage IBSA's reputation, erode patient and healthcare professional trust, and interrupt clinical trials. Consequences include harm to consumer health, costs to address quality defects, revenue loss due to product recalls, regulatory penalties, and legal actions.

With reference to the material impacts and risks:

- The identified material impacts, both positive and negative, primarily refer to patients who use the products sold by the Group. [S4 ESRS 2 SBM-3-10. a]
- The negative material impacts are identified considering common situations related to the nature of the products marketed by IBSA. [S4 ESRS 2 SBM-3-10. b]
- The positive material impacts are not exclusively correlated to the direct benefits derived from marketing medicines; in fact, they mainly stem from the Group's commitment to disseminating health culture in general, and from research, formulation, and development activities for new medicines to help specific categories of patients. [S4 ESRS 2 SBM-3-10. c]
- The identified material risk is correlated to the negative material impact identified with reference to product quality and thus patient safety. [S4 ESRS 2 SBM-3-10. d]

IBSA continuously improves its understanding of potential risks to consumers and end-users through its quality management system and pharmacovigilance activities. [S4 ESRS 2 SBM-3-11]
Similarly, material risks related exclusively to particular groups of people, such as specific age groups or users in certain geographical contexts or facilities, are identified and managed. This is done with a view to continuous improvement that ensures an increasingly targeted and responsible attention to the needs of all users. [S4 ESRS 2 SBM-3-12]

S4-1 – Policies connected to consumers and end-users

Patient needs guide IBSA's research and development activities, which implement various listening and engagement initiatives not only for patients but also for healthcare professionals [S4-1-16. b]. Constant and continuous contact with downstream stakeholders is essential: therefore, multiple informative and educational campaigns on diseases and their management are conducted, for raising awareness and increasing knowledge among patients, with the aim of also facilitating an open and constructive dialogue with doctors.
As described in the following section, the Group adopts various initiatives aimed at protecting consumers and end-users, demonstrating a constant commitment to prevention and responsible risk management. Such initiatives also include corrective measures in case of potential negative impacts, such as contamination, non-compliance of raw materials, or safety-related issues. [S4-1-16.c]
In relation to the identified impacts and risks concerning the Group's consumers and end-users, IBSA follows internal Quality Risk Management procedures aimed at ensuring that risks related to its products are duly identified, evaluated, and mitigated. [S4-1-15,17] Compliance with applicable regulations on product quality and safety is constantly ensured, and both aspects are monitored by IBSA with a view to maintaining or improving their standards. However, policies specifically aimed at managing respect for the human rights of the Group's consumers are not yet in place. [S4-1-16. a]

S4-2 – Processes for engaging with consumers and end-users about impacts

Listening and dialogue with patients, patient associations, and medical-scientific societies, through the initiatives described above, guide the Group's product design and marketing activities. Furthermore, this year, as already mentioned, IBSA also involved its consumers and end-users in the stakeholder engagement carried out during the double materiality analysis process.
In particular, they were asked to evaluate, through a questionnaire, the materiality of the impacts related to them and identified by the Group. [S4-2-20. a, b]
Sometimes, listening and dialogue initiatives have focused particularly on the elderly, children, and patients with specific disabilities, to guide R&D and innovation activities towards the commercialization of solutions accessible to these particular categories of patients. [S4-2-21] First, the development of innovative products, through the Group's R&D function structured into 3 departments (R&D, R&D Pharmaceutical, and R&D Scientific Affairs), involves more than 160 employees in Switzerland, Italy, France, and China. Furthermore, collaboration with patient associations is of primary importance, as they are essential partners for gathering information on the experiences and daily challenges of patients and their caregivers in managing illness, to identify unmet needs and opportunities to improve people's quality of life. Finally, the Group organizes excellent training courses dedicated to healthcare professionals, to enhance their skills in order to increasingly value the central role of the patient.
Within IBSA, the Medical Affairs function is responsible for overseeing dialogue initiatives with patients and associations and for ensuring that the results emerging from these processes are effectively integrated into the Group's activities. [S4-2-20.c]
Although there are currently no tools to evaluate the effectiveness of patients and associations involvement initiatives, IBSA Group intends to implement KPIs to monitor the performance of the aforementioned initiatives. [S4-2-20. d]

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

IBSA has adopted the processes and channels listed below for managing negative impacts related to patients.
The company has a Quality Management System aimed at ensuring the safety and effectiveness of its products, and implements pharmacovigilance activities aimed at protecting patients, as described below. [S4-3-25. a, b-d; 26]
IBSA's quality policy is based on three main pillars:

- Excellent quality standards and attention to health: IBSA is a Swiss company that emphasizes high quality standards in production, always maintaining the care of people's health as its primary objective.
- Integrated control and risk reduction: The company aims to implement vertically integrated processes to control all production phases. This ensures finished products of excellent quality, direct management of the various production levels, and a reduction of risks in the supply chain.
- Innovation for patient well-being: IBSA is committed to developing medicines in their best form, making them more suitable for patients, and providing treatments that improve their quality of life. The company also aims to create innovative technologies that improve existing therapeutic solutions, distinguishing itself as a creator of innovative pharmaceutical products and medical devices with proven and superior efficacy.

IBSA's Quality Management System
IBSA adopts a Quality Management System (QMS) formalized in its Quality Manual, drafted and maintained in compliance with UNI EN ISO 9001, ISO 13485, GMP-ICH Q10 (Pharmaceutical Quality System), cGDP, cGVP, cGCP, 21 CFR Part 820, Directive 2017/745/EU, Directive 2007/47/EC, and KGMP. Responsibility for managing the Quality Manual is entrusted to the Quality Assurance department.
The document describes activities related to design and development, production, distribution, and marketing of medicines, medical devices, nutritional products, and related services. The QMS covers the entire product lifecycle, from research to production, from quality control to distribution, serving as a tool through which management ensures product safety, efficacy, and quality, as well as the efficiency of internal processes.

QMS Documentation
In addition to the Quality Manual, the QMS includes:
- Standard Operating Procedures (SOPs) and Policies.
- Validation Master Plan (VMP): VMP describes the policy and control of the validation process for activities and equipment.
- Master Batch Record (MBR): MBR is the document containing the information necessary for the correct manufacture of the product.
- Site Master File (SMF): The SMF contains specific information on quality management policies and activities taking place at manufacturing sites, with reference to production.
- Pharmacovigilance System Master File (PSMF): PSMF describes the pharmacovigilance system and supports and documents compliance with relevant regulations. The content of the PSMF reflects the global availability of safety information for products authorized in the European Union.

The compliance of these documents is verified through periodic inspections by regulatory authorities (e.g., Swissmedic, AIFA), certification bodies, and notified bodies.

Quality Risk Management
QMS activities are subject to Quality Risk Assessment, to support decisions, changes, and evaluations with a scientific approach. Quality Risk Management (QRM) complies with ISO 14971, ICH Q9, and internal procedures, and is applied in areas such as Change Control, CAPA, and in any situation that may impact the safety or efficacy of validated products and processes.

Key Processes
- **Research and Development**: Development of new products through rigorous clinical studies, with evaluation by national and international bodies.
- **Suppliers and Distributors**: Qualification and continuous monitoring according to stringent criteria and GDP.
- **Production**: In controlled environments, according to cGMP, with regular audits. Controls on raw materials and packaging in certified internal laboratories are included.
- **Final Quality Control**: Each batch is verified before distribution. Data management is integrated into the SAP ERP system.
- **Process Validation**: All production processes are validated to ensure quality, safety, and effectiveness.
- **Digitalization and Traceability**: Validated electronic system for SOPs and QMS management integrated into the company ERP.
- **Training**: Continuous GMP personnel training, tracked through the GxP electronic system.
- **Commercialization**: Anti-counterfeiting systems (serialization, aggregation, quality seals) and complaint management.
- **Medical Devices and Supplements**: Compliance with European regulations and supervision by Notified Bodies.
- **Customer Satisfaction/Post-marketing Information**: Product compliance with customer/market requirements and regulatory requirements, as well as applicable safety and fitness-for-use standards and directives, is monitored by QA (Quality Assurance) and QPPV (Qualified Person for Pharmacovigilance) for medicinal products. Monitoring is carried out through the evaluation of complaints, post-marketing information, and customer information, as described in specific procedures. Post-marketing activity (Surveillance, Complaints, Customer Service, Vigilance Service for Medical Devices, Pharmacovigilance System for medicinal products) leads to the implementation of appropriate CAPAs (corrective and preventive actions), provides input for Management Review, and can be evaluated in a Quality Risk Assessment (as described below).

Pharmacovigilance
IBSA has implemented and maintains a pharmacovigilance system to monitor the safety of its medicines in all countries where they are marketed. This system meets national and

international regulatory requirements, including the principles of Good Vigilance Practice (GVP), and contributes to ensuring the effective use of its medicines, which also meet high quality requirements according to GMP. Through the pharmacovigilance system, IBSA collects and scientifically analyzes product safety data, examines possibilities to minimize and prevent risks, and, where necessary, adopts appropriate measures. As a Marketing Authorisation Holder (MAH), IBSA:

a. conducts periodic audits of its pharmacovigilance system; based on the audit results, it ensures that an appropriate corrective action plan is developed and implemented;
b. manages a pharmacovigilance system master file and makes it available upon request from a competent authority;
c. a risk management system for each medicine applies in accordance with regulations;
d. monitors the results of risk minimization measures provided for in the risk management plan or marketing authorization conditions and conducts required post-authorization studies;
e. updates the risk management system and monitors pharmacovigilance data to determine the presence of new risks or changes in existing risks or in the risk/benefit ratio of medicines.

IBSA is committed to ensuring product safety in all countries where it operates directly through its subsidiaries or through qualified local partners, who operate according to standard operating procedures and in accordance with specific pharmacovigilance agreements. These agreements define in detail activities, modalities, and timelines, always ensuring compliance with regulatory requirements. The pharmacovigilance system and its quality system establish precise responsibilities and procedures, in line with local and international legislation, and are subject to continuous monitoring through internal audits, commercial partner audits, and inspections by regulatory authorities. Compliance with agreements by partners is also monitored, both for local and European legislation. All IBSA pharmacovigilance processes are reviewed by the Clinical and Safety Compliance (CSC) department and approved by the Qualified Person for Pharmacovigilance (QPPV). The latter is responsible for ensuring the system's compliance with regulations, overseeing the collection, evaluation, and communication of product safety data, and ensuring timely reporting of suspected adverse reactions to competent authorities. Careful monitoring of the safety profile applies to the entire product lifecycle (from clinical trials to commercialization) for all Group medicines globally.

Reporting and notification of suspected adverse reactions

The collection and evaluation of reports of suspected adverse reactions received from patients and doctors is an essential element to ensure the safety of medicines. As MAH, IBSA records all suspected adverse reactions that come to its attention, both spontaneously from patients or healthcare professionals, and in the context of post-authorization studies, including data related to off-label use of the product, and ensures that such reports are accessible at a single point. IBSA electronically transmits information on all serious suspected adverse reactions occurring in the Union and in third countries to the network of databases and data processing ("Eudravigilance database") within 15 days of becoming aware of the event, and within 90 days for all non-serious suspected adverse reactions. IBSA has implemented procedures to obtain accurate and verifiable data for the scientific evaluation of suspected adverse reaction reports, including follow-up information, and collaborates with the Agency and competent authorities of Member States in detecting duplicate reports of suspected adverse reactions.

Periodic safety update reports

As MAH, IBSA transmits periodic safety update reports to the Agency containing:

- a summary of relevant data regarding the benefit-risk ratio of the medicinal product, including the results of all studies examining their potential impact on the marketing authorization;
- a scientific evaluation of the benefit-risk ratio of the medicinal product;
- all data relating to the sales volume of the medicinal product and any data in the possession of the marketing authorization holder regarding the volume of prescriptions, including an estimate of the population exposed to the medicinal product.

The evaluation is based on all available data, including data from clinical trials on therapeutic indications and populations not yet authorized.

Signal monitoring and detection

As MAH, in collaboration with the Agency, IBSA takes the following measures:

a. monitors the results of risk minimization measures provided for in the risk management plans;
b. evaluates updates to the risk management system;
c. monitors new safety data provided by the PV system to determine if there are new risks or if risks have changed and how such risks affect the risk/benefit ratio.

Where necessary, relevant information is promptly communicated to the competent authorities.

All company personnel are aware of the purpose of pharmacovigilance and the procedures to follow in case of adverse reactions. For this reason, new hires receive dedicated training, and all employees are required to attend an annual refresher course. Pharmacovigilance personnel constantly update their knowledge through internal and external training courses. [S4-3-25. a] [S4-3-25. b-d, 26]

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

As specified in the previous paragraphs, IBSA has resources dedicated to the quality system and pharmacovigilance, with the precise aim of preventing risks and impacts for the end consumer and managing any reports related to its products. [S4-4-37; S4-4-30] Furthermore, proactively, IBSA has activated various initiatives aimed at patients, illustrated below [S4-4-31 a, b, c], demonstrating a concrete and growing commitment to promoting patient centrality and the quality of the user experience.
The Group organizes awareness campaigns on diseases, with the aim of engaging, raising awareness, and educating the widest possible audience. Among these are:
Osteoarthritis Awareness Campaign "Not a Good MOArning?" (May 2024): This was one of IBSA Italy's main initiatives in 2024. The national campaign, supported by ANMAR (National Association of Rheumatic Patients), aimed to inform and raise awareness among the population about the often-underestimated symptoms of osteoarthritis, such as morning stiffness. It used installations and informational totems in squares in various Italian cities (e.g., Milan, Rome, Naples) and a dedicated landing page with further information.
"From Palate to Thyroid" – Collection of "Thyroid-friendly" recipes (October 2024): IBSA Italy continued its commitment to raising awareness about thyroid pathologies with the launch of a recipe collection in collaboration with Sonia Peronaci. The objective is to provide practical advice and debunk myths about diet and thyroid health, promoting prevention and information as part of a comprehensive approach to health.
Support for International HPV Day (March 4, 2024): IBSA Italy supported this day to raise awareness about the risks associated with Human Papillomavirus and the importance of prevention, screening, and treatment of related diseases.
Participation in the "Life Science Excellence Show" (February 2024): Delegates from IBSA Italy participated in a panel on the role of patient advocacy, discussing how collaboration between the pharmaceutical industry and patient organizations can improve the quality of care.

IBSA's attention to patients also materializes in constant commitment to the training of healthcare professionals. The Group is, in fact, strongly committed to developing educational programs aimed not only at understanding pathologies but also at their effective management, with the aim of strengthening the clinical skills of operators and, at the same time, enhancing the central role of the patient in the treatment pathway.
In 2024, IBSA established **Trace**, its Training Center of Excellence, located in the new Antares headquarters of IBSA Italy in Lodi, as a global reference point for high-level training and innovation, with a specific focus on healthcare professionals. This strategic investment in professional training reflects IBSA's commitment to contributing to scientific progress and supporting the development of qualified skills in the healthcare sector. The center is designed to foster dialogue among experts and update skills, in line with IBSA's "Caring Innovation" philosophy. Training activities are planned in the osteoarticular, aesthetic medicine, and urology sectors, offering courses aimed at improving the knowledge and skills of doctors and nurses, for the benefit of patients.
Among the main training activities, the **IBSA International Academy MSK Modules** stands out, a program focused on the osteoarticular area, articulated in six annual modules, to which a seventh module was added in March 2024. Each year, the initiative involves between 120 and 130 doctors, orthopedic surgeons, sports doctors, rheumatologists, physiatrists, and radiologists from ten subsidiaries. In 2023, the Spanish Academy was also launched, with the participation of 20 Spanish doctors per module. The program, entirely curated by IBSA, offers in-depth studies on anatomy, imaging, and infiltration techniques, with the support of ultrasound scanners and auxiliary instruments.
In 2024, IBSA organized the second edition of the **IBSA Masterclass in Reproductive Medicine and Assisted Reproductive Technology (ART)** in Como (Italy). The meetings were held in October and December and saw the participation of 20 young specialists with a board of international lecturers. As per the program, the first module focused on pathophysiology, while the second focused on the clinical management of reproductive medicine. The 44 hours of training included lectures, role-playing, discussions, and practical exercises where participants could practice on various clinical cases proposed by the board.
"**IBSA Aging Discovery AR**" is an innovative augmented reality application developed by AnotheReality for IBSA, launched in 2024 to inform and support both patients and doctors on the skin aging process. For the patient, the app offers an interactive and engaging experience to explore facial aging in augmented reality. This tool allows for clear and intuitive visualization of how skin changes over time, promoting greater awareness and understanding of the mechanisms related to skin aging. It is an accessible and educational way to get informed and make more conscious decisions about skin care. For doctors, "IBSA Aging Discovery AR" represents advanced digital support for communicating and presenting new products and treatments. The application allows for showing 3D injection techniques, product diffusion, and expected benefits through augmented reality. This significantly improves the doctor's ability to effectively explain the correct use of products and discuss skin health issues, making consultations more informative and visually explanatory.

Stand-alone meetings
Another format through which IBSA interacts with medical professionals is represented by stand-alone meetings or summits, highly scientific events created, managed, and financed by IBSA. These meetings are characterized by a high level of interaction and discussion, designed to provide each participant with useful tools and knowledge for their professional activity. Generally, each event involves hundreds of participants selected by IBSA's subsidiaries and partners. Among these, Narture 2024 was the fourth edition of the **Narture International Summit**, an event promoted by IBSA Group focused on Reproductive Medicine. Held in Lugano from September 20 to 22, 2024, at LAC Lugano Arte e Cultura, the summit gathered over 250 experts in the sector. The central theme of this edition was the synergy between science, art, nature, and artificial intelligence, exploring the new frontiers of Assisted Reproductive Technology (ART). The event offered an important platform for interaction among fertility specialists, presenting the latest technological and therapeutic advancements, with a particular emphasis on integrating patient well-being into treatment protocols and applying

artificial intelligence to improve assisted reproduction techniques.
Through all the initiatives described, IBSA continues to promote an integrated training approach, with the aim of improving therapeutic effectiveness and fostering an increasingly conscious and active relationship between doctor and patient.
IBSA Group does not currently have formalized tools through which it monitors and evaluates the effectiveness of these actions and initiatives in delivering the expected results for consumers and/or end-users. However, in 2024, the outcome of one of IBSA Group's most important training offerings, the IBSA International Academy MSK Modules, was analyzed. [S4-4-31. d] In particular, perceived effectiveness was evaluated through two surveys: one immediately after participation in the modules and one several weeks later. Considering the 114 specialists from 12 European countries who participated between 2021 and 2023, the response rates to the two surveys were significantly different. In fact, 82.4% of participants (94 people) completed the post-module questionnaire, but only 26.3% (30 people) also responded to the follow-up survey. Participants generally reported a very high level of satisfaction (average scores between 4.83 and 4.93 out of 5) for scientific content, theoretical and practical quality, and teaching. The lowest average scores were observed with reference to the digital and paper materials used, which were slightly less appreciated. In the follow-up surveys, carried out several weeks after the end of the initiative, specialists reported the practical impacts obtained from the training, i.e., improvement in the use of ultrasound, infiltration techniques, and a general better understanding of anatomy. Furthermore, 77% appreciated networking among peers, while 53% appreciated direct contact with experts. [S4-4-36]
In the surveys, specialists also reported unmet training needs in some thematic areas that could therefore be explored in depth: ultrasound-guided infiltrations, ultrasound-guided peripheral nerve blocks, and integration between ultrasound, magnetic resonance imaging, and CT scans. It was precisely the overall satisfaction recorded by the participants, especially in terms of a lasting positive impact on clinical practice, technical skills acquired, and professional development, which prompted the Group to continue with new sessions of the initiative also in 2024. During the year, IBSA did not implement processes, measures, and actions in response to particular negative material impacts. [S4-4-32. a, b, c]

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

IBSA's Quality System has its own KPI system that meticulously monitors performance and aims to minimize the number of non-conformities or deviations, and eventually complaints and reports.
Furthermore, although IBSA Group does not continuously monitor the impacts of voluntary initiatives for the benefit of the end consumer and medical professionals, it is committed to integrating new and innovative feedback and tools into its approach. [S4-5-40,41] To this end, it plans to:

- activate new and more immediate dialogue tools with patients and doctors, such as smartphone apps and dedicated digital platforms (like the aforementioned "IBSA Aging Discovery AR");
- implement internal KPIs to continuously monitor the performance of the aforementioned initiatives;
- implement internal KPIs to track performance in terms of innovative product development and launch – currently, some monitoring KPIs are only present with reference to management review activities for maintaining IBSA Italy's ISO 9001 certification.

Information on Governance

Information on Governance

As extensively illustrated in the paragraph "*SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model*" within Chapter 1 ("ESRS 2"), and reiterated below, IBSA Group has identified an impact related to its business conduct, which is strictly correlated with the adopted strategy and business model.

Material impacts	
Failure to respect animal welfare Negative impact	The unethical use of animals for experimental purposes, without ensuring adequate conditions or adopting valid alternatives, poses significant moral dilemmas and can undermine public trust in scientific research. Practices that do not adhere to rigorous standards risk inflicting avoidable suffering on animals and compromising the reliability of scientific results. For an ethical and responsible approach to research, it is fundamental to promote alternative methods and scrupulously adhere to international regulations on animal welfare.

Business Conduct

ESRS 2 IRO-1 – Description of the processes to identify and assess material impacts, risks, and opportunities [G1 IRO-1-6]

The analysis of impacts, risks, and opportunities (IRO) related to business conduct has been included in the double materiality process, which examined significant impacts, as well as financially material risks and opportunities. For details on the process of identifying and assessing impacts, risks, and opportunities, please refer to the ESRS 2 IRO-1 section in Chapter 1 of this document.

ESRS 2 GOV-1 – The role of the administrative, supervisory and management bodies [G1 GOV-1-5. a, b]

The Group adopts a governance model based on the active role of the Board of Directors (BoD), composed of 5 executive members. The Board of Directors is entrusted with the ultimate management and overall supervision of the Group, as well as the oversight and control of the Chief Executive Officer's (CEO) activities. It determines the principles of the company's strategy and policies and exercises its function in accordance with the law and IBSA's policies. Each company has its own Board of Directors, which is not identical to that of IBSA Institut Biochimique SA.
The CEO is responsible for the day-to-day executive management of the Group, as well as for directing the business activities and functions that report to him.
The Group also makes use of the Executive Committee, which consists of 6 individuals. The Executive Committee is in charge of managing IBSA's overall business operations and activities: it implements the strategic corporate policy along the lines indicated by the BoD or CEO and discusses and defines and the annual financial plan of the relevant department for approval by the BoD.
IBSA's statutory and consolidated financial statements are audited by the Independent Auditors, pursuant to Switzerland regulations. In addition, a Board of Statutory Auditors is appointed for some subsidiaries, such as IBSA Italy, to oversee compliance with laws and the articles of incorporation, proper administration, and the adequacy of the organizational structure and governance rules. It also oversees the independence of the auditing firm, verifying compliance with regulations and the nature of any non-audit services provided, for the subsidiary company itself. Finally, it makes a reasoned proposal to the Shareholders regarding the appointment or dismissal of the statutory audit engagement.
IBSA's organization complies with Swiss regulations and legal provisions applicable to the Group, and its corporate governance practices comply with local legislation and the Group's Articles of Association.

G1-1 – Business conduct policies and corporate culture

IBSA Italy, in order to ensure the compliance of its business activities with the principles of legality and the regulations in force in the countries where it operates, has adopted its own Organization, Management, and Control Model (hereinafter, "Model"), in line with the provisions of Legislative Decree No. 231 of June 8, 2001.
The Model, updated based on the latest regulatory developments and recommendations from doctrine and jurisprudence, has been formally approved by the Board of Directors of IBSA Italy. As required by Italian law, the Model provides for one or more specific channels through which employees and collaborators can submit detailed reports of illicit conduct or violations of the Model itself, ensuring adequate levels of protection and confidentiality.
IBSA Italy allows for anonymous reports to the Supervisory Body, through channels that ensure the confidentiality of the whistleblower's identity. Reports can be sent in various ways: to the dedicated email address (compliance@ibsa.ch) or by regular mail. [G1-1-10. a]
The management of reports is entrusted to the Legal Affairs function, which promptly informs the Supervisory Body (OdV) for the adoption of any consequent measures. The OdV operates according to the principles of autonomy, independence, and continuity of action, and can promote the initiation of disciplinary proceedings where the conditions exist.
In relation to the received reports, IBSA guarantees the confidentiality of the whistleblower and the content of the report throughout the management process. Furthermore, protection from retaliatory or discriminatory acts against those who make reports in good faith is ensured. Anyone who violates confidentiality obligations is subject to disciplinary action.
Currently, the Group does not have a centralized whistleblowing system at corporate level. However, some subsidiaries, such as IBSA Italy or IBSA Nordics, have adopted specific internal regulations that govern the process of receiving, analyzing, and managing reports, including anonymous or confidential ones, in compliance with the principles of whistleblower protection. [G1-1-10. d]
The Group is committed to promoting the communication of the Code of Ethics in

the most appropriate ways to all recipients, as well as implementing specific training programs, and, consequently, the principles of business conduct and corporate culture. [G1-1-7,9]
Regarding animal welfare, while recognizing its growing relevance for the Group, a specific policy on this matter has not yet been adopted. However, IBSA uses animal models in full compliance with current regulations. The unethical use of animals for experimental purposes, without adequate conditions or without evaluating alternative methods, raises important ethical questions, can lead to a loss of public trust, and compromise the quality and reliability of scientific results. For this reason, IBSA is committed to ensuring the utmost attention in managing such practices, promoting an ethical and responsible approach to research, in line with international standards on animal welfare, and constantly monitoring regulatory and scientific developments in this area. [G1-1-10. f]

G1- 2 – Management of relationships with suppliers
[G1-2-15. a; b]

IBSA considers the adherence to agreed payment terms a crucial element for maintaining a solid relationship of trust and collaboration with its suppliers. To date, the Group has not deemed it necessary to formalize this commitment in an ad hoc company policy, but this approach remains central to the relationships established along the value chain and is rooted in the commercial practices followed. IBSA, in fact, encourages suppliers to adopt an ethical and responsible approach that takes into account environmental, social, and governance aspects.
In this context, the introduction, in 2024, of the Supplier Code of Conduct aims to ensure that all business partners adhere to high standards in terms of ethics, working conditions, respect for human rights, and environmental responsibility. The Code, which is binding for the entire supply chain, promotes respect for fundamental rights, the fight against corruption, the protection of the environment and biodiversity, occupational health and safety, and the adoption of responsible management systems. IBSA reserves the right to conduct audits, request the implementation of corrective actions, and, in case of serious non-compliance, terminate contractual relationships.
In the same scope, in 2024, the Group launched a project for the implementation of an ESG risk due diligence system along the supply chain, in compliance with the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict Zones and Child Labor (DDTrO, 221.433). The system includes supply chain mapping, the adoption of a binding Supplier Code of Conduct, the integration of specific contractual clauses, and the activation of a risk management plan. The process involves suppliers operating in high-risk areas, particularly those from which minerals or metals originating from conflict zones or potentially associated with child labor are sourced. The objective is to promote transparency, traceability, and continuous improvement of environmental, social, and governance practices throughout the supply chain.
IBSA has published a position statement regarding the sourcing of minerals and metals from conflict-affected or high-risk areas, with particular reference to the so-called 3TG minerals: tantalum, tin, tungsten and gold. The position statement is a formal document by which the company publicly communicates its commitment, and the approach adopted regarding a specific issue, in this case, responsible sourcing.
This commitment translates into the adoption of due diligence processes for relevant suppliers, aimed at verifying the presence and origin of 3TG and ensuring that they do not come from sources that finance conflicts or involve human rights violations. IBSA is committed to ensuring that all its activities, globally, are carried out in compliance with human rights and in line with international standards, promoting ethical and transparent sourcing throughout the entire supply chain.

G1- 3 – Prevention and detection of corruption and bribery

IBSA, in carrying out its activities, is actively committed to the fight against corruption and to mitigating risks arising from illicit conduct, at all levels of work and in any geographical context. The Group's Anti-Corruption Guidelines identify specific sensitive areas where corruption risks may arise, including: the management of gifts, hospitality, and entertainment expenses; the provision of contributions, sponsorships, and donations; relationships with suppliers, customers, business partners, healthcare professionals and organizations; the purchasing of goods and services; the obtainment of authorizations, certifications, permits, and funding from public authorities; and corporate and investment operations.
In all these areas, IBSA has defined strict rules to prevent corrupt conduct, whether direct or indirect, active, or passive, including instigation. Consequently, IBSA is subject to the legislation in force in the countries

where it operates, including the ratification of international conventions, such as the United Nations Convention against Corruption, ratified by Italy.
Various safeguards have therefore been established for the prevention and awareness-raising regarding anti-corruption. First, with respect to the Anti-Corruption measures adopted by the Group, training activities are regularly organized to disseminate the culture of ethical business conduct. IBSA has also planned to adopt a KPI related to employee training on ethics and anti-corruption with the goal of achieving 100% of employees trained within two years. [G1-1-10. g; G1-3-21. a]
Finally, the Supervisory Board also has the task, together with the Legal Affairs function, of monitoring the application of and compliance with the Anti-Bribery Guidelines.
To effectively manage corruption-related risks, the Board of Directors has indeed adopted the Anti-Corruption Guidelines, a document that defines principles and behavioral rules aimed at preventing and combating corruption, both active and passive. These Guidelines, approved by the Board and addressed to all third parties operating for or on behalf of the Group, establish the obligation to observe applicable anti-corruption regulations and ethical principles. These Guidelines constitute the primary safeguard against corruption risks, while further prevention and control measures are applied by IBSA Italy and are integrated into the Group's Organization, Management, and Control Model, which also addresses corruption offenses. Compliance with and the effectiveness of IBSA Italy's Model are overseen by the Supervisory Body (OdV), which monitors at-risk processes and promotes corrective actions in case of violations. [G1-3-18. a, b]
Currently, however, the company functions most exposed to the risk of active and passive corruption are not explicitly identified. [G1-1-10.h]

G1- 4 – Incidents of corruption or bribery

The effectiveness of the implemented safeguards is also demonstrated by the absence of confirmed incidents of corruption, both direct [G1-4-24. a, b], and along the value chain [G1-4-26] during the reporting period.

G1- 6 – Payment practices

In relation to supplier payment practices, IBSA has not defined specific policies or formal guidelines. In 2024, payment terms vary depending on the geographies in which the Group operates, and in particular: [G1-6-33. a; b]:

- for IBSA Headquarters, 43 days;
- for IBSA France, 35 days;
- for IBSA China, an average of 20 days[8].

No ongoing legal proceedings concerning late and/or non-payments to the Group's suppliers are reported for the reporting year. As far as Italy is concerned, the publication of data is expected in the next reporting cycles, as the methodologies the data collection is currently being refined with a view to progressive improvement. [G1-6-33. c]

8 In the case of China, the value was calculated using a weighted average of the turnover of the two locations in order to determine the average payment time.

Social Responsibility

IBSA, Corporate Social Responsibility and Positive Impact for the Community

IBSA acknowledges that enterprise value extends beyond economic parameters, encompassing the impact generated on society and the environment. This principle forms the foundation of its vision and materializes in the **Sustainability Manifesto**: a document that articulates its positioning regarding the importance of integrating sustainability into business operations. The Manifesto serves as a strategic reference for IBSA's activities, guiding choices at every operational stage.
In particular, it reflects the company's commitment to actively contribute to the well-being of the communities in which it operates, recognizing the crucial role its presence plays in local development and social progress. The objective is to combine scientific innovation with a responsible business approach, where overall well-being and the vitality of the social fabric are interdependent.
This chapter on **Corporate Social Responsibility (CSR)** describes the initiatives and results deriving from this commitment. It illustrates the actions undertaken to support the development of local communities and enhance human capital.

Collaborations and Initiatives in favor of Communities

Throughout the year, IBSA Group has given concrete form to its commitments undertaken in the Sustainability Manifesto with projects and collaborations primarily aimed at generating a positive and lasting impact on people, communities, and the environment.
The main areas covered by the Group's initiatives have been inclusive sports, child development, the fight against discrimination and violence, culture, and support for the most vulnerable.

Inclusive Sports

2024 marked the conclusion of the three-year adventure in the Class40 championship with skipper Alberto Bona, a journey that symbolized IBSA's values of innovation and resilience. However, the commitment to inclusive sports has not ended. The "Inclusive Sailing" project, an integral part of the broader "Sailing into the Future. Together" initiative is destined to be strengthened and extended in the coming years. The objective is to promote accessibility and inclusion through sailing, creating new opportunities for people with disabilities in collaboration with various organizations.
The "Inclusive Sailing" project by IBSA represents a fundamental initiative in the Group's Corporate Social Responsibility strategy, which for years has promoted sailing as a powerful tool for rehabilitation, integration, and empowerment, recognizing its ability to break down barriers and foster autonomy.

Field-based Initiatives
The success of this project is based on a close collaboration between IBSA subsidiaries and inclusive sailing centers/schools. The Group's action is twofold:

- Donation of accessible boats: IBSA contributes with the donation of Hansa 303 or RS Venture boats, valued for their stability, ease of use, and suitability for both able-bodied and disabled athletes. These boats facilitate the learning of sailing strategies and can accommodate diverse crews, promoting interaction and inclusion.
- Promotion of events and training: IBSA organizes and supports awareness and training events that offer concrete opportunities for growth, autonomy, and socialization, reiterating its commitment to a more equitable and accessible society.

Among the salient events of 2024:

- IBSA Regatta (France): In Antibes, IBSA France hosted the second edition of this regatta, dedicated to young people with disabilities aged 12 to 17. The first two editions (2023 and 2024) involved a total of 100 participants.
- IBSA Cup (Switzerland): On Lake Lugano, the IBSA Cup 2024 saw the participation of approximately 150 sailors distributed across about thirty boats (Optimist, Laser, Hansa 303). It is significant that some IBSA employees also actively participated, forming two crews.
- Youth Sailing World Championships (Italy): In Riva del Garda, IBSA, and the Para Sailing Academy (a project supported by IBSA Italy in collaboration with CONI, CIP, and World Sailing) attended the Youth Sailing World Championships, which gathered over 400 sailors from 70 nations. In this context of high competition, the values of inclusion and accessibility were promoted, also organizing training and trials aboard Hansa 303.
- IBSA Iberia: In collaboration with the Escola de Vela Adaptada in Sitges (near Barcelona), the Spanish project involved a team of 9 young participants (aged 11-27) with various disabilities. The program offered eight weekend training sessions and a two-week intensive nautical campus, covering various nautical disciplines.
- IBSA USA: The American subsidiary of the Group supported the Sail to Prevail association in Newport (Rhode Island), which allows approximately 1,500 people with disabilities to practice sailing with the support of professional skippers.

Beyond Sailing: Support for other Inclusive Sports
The commitment to sport as a vehicle for inclusion also extends to other disciplines and international initiatives:

- In France, IBSA France is a sponsor of

the OGC Nice women's football team, supporting young women, often from disadvantaged neighborhoods, in achieving emancipation through sport.

- Furthermore, IBSA France has established a collaboration with the Tonga Rugby Union, providing financial and logistical support to the national teams ("Ikale Tahi") and promoting sporting values such as resilience and teamwork. This partnership also has a tangible and long-term dimension, with the construction of a training center, the IBSA Academy, which will provide state-of-the-art facilities for the training and development of young talents, becoming a reference point for the entire community.
- In the Czech Republic, IBSA Czechia supports the "Rowing into the Future" project, inspired by inclusive sailing, accompanying people with various disabilities in learning and practicing rowing.
- In Switzerland, IBSA continues to support the "I Camaleonti" Association, a football team from Lugano composed of people with disabilities. In 2024, it also provided support for their trip to Madrid, where they participated in a friendly tournament.

Promotion of Children's Rights and Youth Well-being

In 2024, IBSA further consolidated its commitment to the protection and development of children:

- **Casa dos Curumins** (Brazil): IBSA strengthened its long-term support for this fundamental initiative that combats social marginalization and promotes the inclusion of children and adolescents. The support materializes in a comprehensive educational backup program, including formal education, artistic, and musical activities. A significant achievement in 2024 was the inauguration of a new nursery school in April 2024, expanding access to education opportunities for the youngest.
- **ASPI**, Associazione della Svizzera italiana per l'Aiuto, il Sostegno e la Protezione dell'Infanzia (Switzerland): IBSA continued to support ASPI, strengthening a long-standing collaboration to promote the psychological health of children and adolescents. The support materialized in educational and awareness projects aimed at providing tools and resources to families, schools, and operators.
- **Lodigiano in Colors Tag** (Italy): On the occasion of the National Day against Bullying and Cyberbullying (February 7, 2024), IBSA Italy promoted this project in collaboration with "Il Magnete", which led to the requalification of public walls with anti-bullying murals and the involvement of citizens with colored handprints, conveying a message of solidarity and integration.

Prevention of Discrimination and Gender Violence

IBSA is firmly committed to promoting gender equality and combating all forms of discrimination and violence:

- **Fondazione Francesca Rava** – NPH Italia ETS (Italy): IBSA Italy strengthened its support, focusing on the "IBSA for Women" project, aimed at promoting gender equality, empowerment, and the health of women in vulnerable conditions. In 2024, a new cycle of the "Women's Health Training Course" was launched, offering meetings dedicated to women of different ethnicities and cultures on crucial topics ranging from reproductive health to cancer prevention. On November 20, 2024, "Women at the top: the gentle revolution of women" took place, the summit organized by Il Sole 24 Ore, Financial Times, and Sky TG24, focused on female empowerment that addresses businesses and students from schools and universities. IBSA Italy participated in the panel "Women and STEM: examples of excellence between resilience and innovation," bringing its experience as a pharmaceutical company that supports gender equality and recognizes the crucial role of women in the development of future technologies and solutions, supporting their careers with targeted initiatives such as continuous training and collaborating with institutions to ensure that female employees have access to the latest technological and scientific innovations, and fostering their professional growth.
- **Fondazione Onda ETS** (Italy): IBSA Italy continued to support Fondazione Onda, National Observatory on Women's and Gender Health. In 2024, IBSA Italy supported the Open Week against violence against women (in the week of November 25), where hospitals with the Pink Stamp offered free services. IBSA Italy also supported the "Gender Drawings" initiative, launched in July 2024. The project invited artists and students to create works that show scenes of gender discrimination, with the aim of stimulating reflection and debate for cultural change.

- **Business Professional Women** (BPW) Ticino (Switzerland): IBSA sponsored the "Let's have fun with STEAM" event organized by BPW Ticino in Lugano (April 20, 2024). This initiative aimed to stimulate young women's interest in STEM disciplines (Science, Technology, Engineering, Mathematics) and Digital Arts, overcoming gender stereotypes.

Support for Local Culture

In 2024, IBSA demonstrated significant support for film festivals and human rights, recognizing their crucial role in promoting

dialogue and artistic freedom:

- **Lugano Human Rights Film Festival** (FFDUL): IBSA was among the main sponsors of the eleventh edition (October 10-20, 2024), strengthening its commitment to promoting dialogue on issues of inclusion and social relevance. The festival offered a selection of over 30 films focused on inequalities and human rights violations.
- **Locarno Film Festival**: IBSA continued its collaboration with the 77th edition (August 7-17, 2024), strengthening its contribution to enhancing the territory, protecting the environment, and providing artistic freedom, and discovering new talents, in a festival recognized as a unique platform for intercultural dialogue.

Support in Emergencies, Attention to the Most Vulnerable, and Corporate Volunteering

IBSA's and its employees' attention to individuals and families in vulnerable conditions, particularly those affected by emergencies, materialized in 2024 through a series of collection initiatives for various types of goods and support for local associations:

- Banco Farmaceutico (Italy): IBSA Italy confirmed its significant support for Banco Farmaceutico, particularly on the occasion of the Pharmaceutical Collection Day (GRF) from February 6 to 12, 2024, contributing to the collection of over-the-counter medicines for people in conditions of health poverty.
- Collection of Basic Necessities (USA): IBSA USA employees and local communities in the United States actively engaged in collections of food, winter clothing, and toys for the youngest, demonstrating a concrete spirit of solidarity.
- Donation in favor of the flood-affected population of Vallemaggia (Ticino, Switzerland).
- Corporate Volunteering Project: Approved by the Board at the end of 2024 and scheduled for launch in spring 2025, this project will allow employees at headquarters and subsidiaries to dedicate working hours to volunteering activities in social, environmental, and cultural fields.

IBSA Foundation for scientific research

Established in Lugano, Switzerland, in 2012, as part of the corporate social responsibility programme of the Swiss pharmaceutical group IBSA, IBSA Foundation promotes "Science for all" through accessible information and projects aimed at combining scientific and humanistic culture. Through its numerous activities, IBSA Foundation offers fellowships and scholarships in the medical-scientific field and contributes to promoting dialogue between humanistic and scientific knowledge with approaches that involve the community at all levels, from the institutional world to schools, and with creative and innovative languages designed to train new generations and inspire their growth paths. Projects and activities of IBSA Foundation are also carried out thanks to various partnerships, among which are:

- Cartoon Museum – Basel
- Cultural Division of the City of Lugano
- DECS - Department of Education, Culture and Sport of Canton Ticino
- i2a | International Institute of Architecture
- LAC Lugano Arte e Cultura
- LAC edu - Lugano arte e cultura educational
- Lugano Living Lab
- MASI - Museo d'arte della Svizzera Italiana
- MUST - National Museum of Science and Technology Leonardo da Vinci in Milan
- MUSE - Science Museum of Trento
- Scuola Romana dei Fumetti and Carocci Editore
- USI - Università della Svizzera Italiana

In 2023, on the occasion of the tenth anniversary of IBSA Foundation, the new headquarters were inaugurated at the historic Carlo Cattaneo House in Lugano. The House is not only an operational center, but hosts events open to the public and schools, as well as spaces dedicated to the activities of researchers and students. There are also temporary and permanent exhibitions, including an in-depth study of Carlo Cattaneo.
Below are the main initiatives and projects of IBSA Foundation, classified into its two main areas of activity: promoting science and supporting research and education.

Promoting Science

Blog
The blog, available on the website www.ibsafoundation.org and in Italian and English, offers in-depth analyses aimed at making the world of science and health more accessible and attractive to a broad audience, and covers various topics in the scientific, cultural, technological, and artistic fields. The blog is divided into four sections: Science Beyond Frontiers, Cultura e Salute (Culture and Health), Art and Science, and Comics.

Cultura e Salute (Culture and Health)
Born in 2020 from the collaboration with the Cultural Division of the City of Lugano, the project promotes initiatives and synergies between the world of culture and that of health, with the aim of demonstrating the positive effect of cultural activities on the well-being of people. In 2024, Cultura e Salute (Culture and Health) consolidated and developed with various activities:

- The culturasalute.ch website was updated with new research, practices, artistic, and cultural projects for the well-being of people and communities.
- From October to December 2024, the fourth edition of the university course on Cultura e Salute (Culture and Health) titled "Arte che cura" (Visual Arts and Health) was held at the Università della Svizzera italiana. For seven Mondays, personalities from the world of science and professors from the Faculty of Biomedical Sciences of USI, coordinated by Prof. Enzo Grossi, discussed seven themes linking visual arts to people's health and well-being. The course achieved great success with over 950 people attending the lessons.

Parole Fertili (Fertile Words)
"Parole Fertili (Fertile Words): Journey in Search of a Child" was conceived as a narrative and sharing project, a digital story-sharing community for people struggling to conceive. Currently, Parole Fertili (Fertile Words) is a large laboratory for experimenting with how cultural and health aspects can take on important care dimensions also in the field of infertility through different languages such as videos, round tables, and population surveys.

Let's Science!
"*Let's Science!*" is a creative path born in 2018 in collaboration with the Department of Education, Culture and Sport of Canton Ticino (DECS), which, through comic book series, experiential labs, exhibitions dedicated to young people, dialogues with schools and institutions on health topics.

Workshops – Dialogue with food
Thanks to the collaboration with the City of Lugano and DECS, IBSA Foundation offered during the 2023-24 and 2024-25 school year two fifth-grade classes from the Lugano institute the opportunity to attend a series of educational workshops on nutrition, with the aim of deepening topics related to food, health, quality of life, and local resources. The project's goal is to foster the development of transversal skills in food education among very young people.

Happiness2.0
The project aims to explore how the use of social media influences the well-being of adolescents, combining the artistic creativity of young people with scientific rigor, to discuss well-being in relation to the digital world. The main activity of Happiness2.0 were the "HappyLab" workshops held at Carlo Cattaneo House, which integrated art and science and involved 20 high school classes from Canton Ticino. At the end of both weeks, an "HappyApero" followed, a public event focused on reflection and dialogue on the theme of digital well-being. As a conclusion to the project year, the "HappyTable" was held, a discussion where the project results were presented to the stakeholders involved.

***Let's Science!* in German-speaking Switzerland**
During 2024, the "Museum Tour" project continued in German-speaking Switzerland, offering secondary school classes the opportunity to participate free of charge in workshops at five different museums. These workshops are linked to the themes covered in the 10 volumes of the "*Let's Science!*" series, and young participants can explore scientific concepts in a practical and engaging way, experiencing a training path that enriches their learning. In 2024, 21 workshops were organized. IBSA Foundation is also a partner of the Cartoonmuseum in Basel, the center of excellence for comics and cartoons in Switzerland. In 2024, three events were organized at the museum with some high school classes. Participants first attended a lecture by an expert on a scientific topic and then transformed what they learned into comics inspired by the theme.

Ticino Scienza (Ticino Science)
Ticino Scienza (Ticino Science), launched in 2020, is an online newspaper (www.ticinoscienza.ch) available in Italian and German and dedicated to the intense research and scientific promoting activities in Canton Ticino (Switzerland). The purpose of this innovative online portal is to introduce the general public to the thriving landscape of Ticino's scientific research, which has not yet been adequately valued, fostering and stimulating synergies between the various institutes present in the region and in the rest of Switzerland and giving a voice to those who work in the scientific world. Since 2023, the Ticino Scienza (Ticino Science) website has a large archive (with free consultation) of researchers in Life Sciences active in the Canton, which so far contains data relating to over 2,206 authors. To date, 3,307 scientific publications signed by authors working in Ticino institutes and companies, mainly in the biomedical sector, have been surveyed.

Art and Science
The Art and Science projects aim to raise public awareness of the relationship between art, science, technology, and research, realities now so close as to often be inseparable:

Leonardo da Vinci National Museum of Science and Technology in Milan
Since 2019, IBSA Foundation has been a Scientific Partner of the National Museum of Science and Technology. With the Digital Aesthetics project, the Museum offers a permanent program of Digital Aesthetics digital art installations to reflect on new digital languages and explore the relationships with artificial intelligence and the connections between technological innovations and artistic creative processes. Over the years, the Foundation has contributed to the project by supporting various installations such as "The Wall of Sound" by panGenerator, which joins "La Gabbia" by AuroraMeccanica, "Robotic voice activated word kicking machine" by Neil Mendoza, and "Chromata" by Michael Bromley.

MUSE - Science Museum of Trento
IBSA Foundation chose to partner with MUSE – the Science Museum by Renzo Piano in Trento with a partnership that began in 2018. In 2024, the Anthropocene program was supported to create a series of interpretive paths on ecocultural transformation, realized through scientific research and artistic practices, reformulating the relationship between humanity and nature in an ecosystemic sense.

SciArt SwitzerlAnd
Creating a stimulating dialogue between distant and at the same time united fields to promote scientific culture within an international research path on Science and the Arts. SciArt SwitzerlAnd, a project in collaboration with LAC - Lugano Arte e Cultura and MASI - Museo d'arte della

Svizzera italiana, was born with this objective. Through various event formats and Digital Aesthetics digital products, SciArt SwitzerlAnd aims to focus on those artistic creations that have been transformed thanks to the interaction with scientists, discoveries, and research institutes.
In 2024, three meetings were organized:

- "The Emotions: still a largely unknown territory" – 27.01.2024. For the first SciArt SwitzerlAnd event, Umberto Galimberti, professor, philosopher, and psychoanalyst, explored the theme of emotions, central elements in today's society, despite still being shrouded in mystery. Event organized in collaboration with LAC.
- "Worlds at stake – revisiting ecologies in virtual worlds" – 15.05.2024. Jakob Kudsk Steensen, artist, was the protagonist of the conversation with Maike Thies, researcher in Game Design and lecturer at the Zurich University of the Arts (ZHdK). Current environmental issues found space and voice through Steensen's artistic expression, who, with his work, wants to shed light on climate change and neglect natural phenomena. Event organized in collaboration with MASI.
- "Conversation on art and science" – 20.11.2024. The English artist Ed Atkins (United Kingdom, 1982) was the protagonist of the SciArt SwitzerlAnd autumn meeting 2024, realized in collaboration with MASI Lugano. The dialogue with Mike Sperlinger, curator and program manager of the Office of Contemporary Art Norway, explored the boundaries between real experiences and Digital Aesthetics digital worlds.

IBSA Foundation is also a scientific research partner of MASI and LAC in Lugano.

Forum

IBSA Foundation organises annual science and health days open to the public. Since 2013, IBSA Foundation has organized over twenty scientific Forums with speakers from all over the world and delving into a wide variety of topics.
In 2024, two forums were organized:

- "New frontiers in cancer and healthy aging" – 18.04.2024, Naples. The Forum aimed to explore the complex connections between aging and cancer, shedding light on the mechanisms that contribute to its development. The speakers, international experts on the topic, summarized current knowledge and evaluated the impact of immunology, inflammation, and microbiome on the treatment and clinical aspects of cancer. The event was organized in collaboration with the Federico II University of Naples.
- "Lugano happiness forum" – 17/18.06.2024, Lugano. The Lugano Happiness Forum, held as part of the Cultura e Salute (Culture and Health) project, was the first Forum in Switzerland dedicated to exploring happiness and human well-being, and brought together international experts to share the latest scientific discoveries and innovative theories on the topic. The Forum pursued the objective of analyzing the concept of happiness in its complexity, highlighting the value of a multidisciplinary approach. Over 500 people participated in the two-day event. The event was organized in collaboration with the Cultural Division of the City of Lugano and the Lee Kum Sheung Center for Health and Happiness at Harvard University.

Supporting Research and Education

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

IBSA Foundation Fellowships

The IBSA Foundation Fellowship project involves the annual awarding of several fellowships, each amounting to €32,000, to young researchers under 40 from universities and institutes worldwide. With this project, IBSA Foundation aims to support talented researchers and relevant projects that could in the future change the treatment of particular pathologies in the following research areas: Dermatology, Endocrinology, Fertility/Urology, Pain Medicine/Orthopedics/Rheumatology, Healthy Aging/Regenerative Medicine.
The 2024 edition marked a new record of projects received: 259 projects from 45 different countries. Since 2013, the year of the first edition of the project, IBSA Foundation has awarded 58 fellowships for a total funding of over €1.6 million, out of 1645 projects received from 60 different countries. On May 27, 2025, in the institutional setting of Palazzo Giureconsulti in Milan, the official ceremony gathered winners, members of the Scientific Committee, exponents from the academic and scientific world, and the press. A moment of celebration, but also of reflection on the strategic role of scientific research and the need to invest in young talents to bring innovation and meet the needs of contemporary society.

Scholarships

IBSA Foundation encourages academic study with annual support aimed at Bachelor's and master's students of the Faculty of Biomedical Sciences of the Università della Svizzera italiana (USI). A valuable collaboration, established in 2017 for a duration of 11 years, which provides annual funding of CHF 240,000 for a total of approximately CHF 2.2 million. The agreement signed with USI provides for IBSA Foundation to pay the annual tuition fees for students studying medicine who are in good standing with their annual exams. In 2024, 115 scholarships were awarded, of which 52 to first-year students and 63 to second-year Master of Medicine students.

Methodological Note

Criteria for Preparation

IBSA's sustainability reporting has been prepared on a voluntary basis by IBSA, drawing inspiration from the European Sustainability Reporting Standards (ESRS).

Organizational Boundary

The definition of the organizational boundaries follows the control approach. Consequently, the emissions inventory includes all greenhouse gas (GHG) emissions generated by facilities over which IBSA exercises control, whether financial or operational:

- **Financial control**: This occurs when IBSA has the ability to determine the financial and operational policies of a facility, with the objective of deriving economic benefits from its activities.
- **Operational control**: This applies when IBSA, or one of its subsidiaries, has full authority to introduce and implement its own operational policies at the executive level.

Nation	
IBSA Hungary	IBSA Italy
IBSA Slovakia	IBSA France
IBSA Poland	IBSA Germany
IBSA Nordic	IBSA Czechia
IBSA Iberia	IBSA Austria
IBSA Switzerland	IBSA Netherlands
IBSA China	IBSA Singapore
IBSA UK	IBSA Hong Kong
IBSA Turkey	IBSA Belgium
IBSA USA	

Reporting Boundaries

The reporting boundary of this document includes all Group companies, with some limitations regarding certain indicators, as specified below.

- GHG emissions: The organizational boundary for GHG emissions has been defined using the control approach, which includes GHG emissions generated by the operations of companies or sites over which IBSA has operational or financial control. The reporting of Scope 1 and Scope 2 emissions includes the Swiss parent company (IBSA SA) and its subsidiaries: IBSA Hungary, IBSA Slovakia, IBSA Poland, IBSA Netherlands, IBSA Nordic, IBSA Iberia, IBSA China, IBSA USA, IBSA Italy, IBSA France, IBSA UK, IBSA Germany, IBSA Czechia, IBSA Austria.
- Pollutant emissions: The calculation boundary for pollutant emissions exclusively includes subsidiaries with production plants (Italy, Switzerland, and China) in addition to the French subsidiary.
- Resource inflows and outflows: The calculation boundary for pollutant emissions exclusively includes subsidiaries with production plants (Italy, Switzerland, and China) in addition to the French subsidiary.

The reporting period is the financial year ended December 31, 2024. For the preparation of this document, the work was coordinated by the ESG Team, in constant collaboration with the corporate functions involved, for the purpose of completing data collection and analysis. The document, prepared on a voluntary basis, was published separately from the Group's Consolidated Financial Statements, subject to approval by the Board of Directors.

Workforce Data

For the year 2024, workforce data refers to the entire corporate population of IBSA Group as of December 31, 2024, comprising both employees and temporary workers. Below is the list of countries where IBSA Group subsidiaries included in the social data reporting are located:

Location	
Austria	Czech Republic
China	Singapore
France	Slovakia
Germany	Spain
Italy	Switzerland
Netherlands	Turkey
Denmark	Hungary
Poland	USA
United Kingdom	

GHG Emissions Calculation

Boundary and Criteria for GHG Emissions Calculation (Scope 1 and Scope 2)

The calculation of greenhouse gas (GHG) emissions was performed using the control approach, which includes emissions generated by the operations of companies or sites over which IBSA Group exercises operational or financial control.
The reporting of Scope 1 and Scope 2 emissions includes the Swiss parent company (IBSA SA), and all subsidiaries listed in the table below, including Switzerland:

Location	
IBSA SA (Parent Company) - Switzerland	IBSA USA - United States
IBSA Hungary - Hungary	IBSA Italy - Italy
IBSA Slovakia - Slovakia	IBSA France - France
IBSA Poland - Poland	IBSA UK - United Kingdom
IBSA Netherlands - Netherlands	IBSA Germany - Germany
IBSA Nordic – Nordic Countries	IBSA Czechia - Czech Republic
IBSA Iberia - Spain/Portugal	IBSA Austria - Austria
IBSA China - China	

For the calculation of emissions from stationery and mobile combustion, emission factors from the National Inventory Reports of the individual countries where the activities took place were used. In the absence of such national data, emission factors provided by:

- DEFRA (Department for Environment, Food & Rural Affairs – United Kingdom)
- EPA GHG Emission Factors Hub (Environmental Protection Agency – United States)

For the estimation of emissions from refrigeration system leaks, reference was made to the GWP (Global Warming Potential) values published by DEFRA and the IPCC (Intergovernmental Panel on Climate Change).
Scope 2 emissions, both according to the location-based and market-based approaches, were calculated using emission factors provided by the Ecoinvent database, for both the Market and Location-based methodologies, to obtain more comparable results. For the selection of emission factors for Scope 3 categories, the following database was used: Ecoinvent 3.11.

Scope 3 GHG Emissions Calculation

Compared to the previous year, the boundary for calculating Scope 3 emissions has been extended to include previously unquantified consumption, particularly those related to Scope 3.1 (purchased goods and services) and 3.2 (capital goods) categories.
For Scope 3 categories, the following emission factors were used:

Scope 3 Category (according to GHG Protocol classification)	Basis for preparation and level of accuracy	Data Considered	Emission factors used	Methodology
3.1 Purchased goods and services	Emissions from this category were calculated using a spend-based approach, estimating emissions from the purchase of materials and services for the Group's activities in countries where purchases are made for production purposes (principally Switzerland, Italy, China, and France)	France, China, Switzerland, and Italy	Exiobase	Spend-based
3.2 Capital goods	Emissions from this category were calculated using a spend-based approach, estimating emissions from the purchase of machinery for the Group's activities in countries where purchases are made for production purposes (principally Switzerland, Italy, China, and France)	France, China, Switzerland, and Italy	Exiobase	Spend-based
3.3 Fuel- and energy-related activities	Emissions related to consumed energy (excluding those included in Scope 2) were estimated considering the extraction, production, and transport activities of fossil fuels purchased by IBSA or used for the production of energy purchased by the Group	Austria, China, Denmark, France, Germany, Italy, Poland, United Kingdom, Czech Republic, Slovakia, Spain, United States, Switzerland, Hungary	Defra 2024	Average data
3.4 Upstream transportation and distribution	Emissions related to upstream transport are estimated based on the transport of raw materials, finished products, and other intermediate products entering warehouses and plants	China, Hungary, Switzerland, Italy, France	Defra 2024	Distance-based
3.5 Waste generated in operations	For the collection of activity data, the main suppliers for the collection, management, and disposal of waste produced by IBSA Italy and at Swiss and Chinese sites were involved. The final estimate includes emissions generated for disposal, recycling, and transport of waste from the place of production to the first treatment point	Switzerland, China, Italy	Ecoinvent 3.11	Weight-based
3.6 Business travel	Emissions related to business travel by group employees are generated by the combustion of fossil fuels in the means of transport used by subsidiary employees and by hotel stays	IBSA Group	Defra 2024	Distance-based
3.7 Employee commuting	Emissions related to employee commuting were estimated based on responses to a survey extended to all Group employees (44% response rate)	Data for Switzerland from the IBSA GO app and from a survey conducted for: Austria, China, Denmark, France, Germany, Italy, Poland, United Kingdom, Czech Republic, Spain, United States, Switzerland, Hungary	Defra 2024	Distance-based
3.9 Downstream transportation and distribution	Emissions related to downstream transport are estimated based on the transport and distribution of raw materials, finished products, and other intermediate products leaving warehouses and plants	Italy, Switzerland, Slovakia	Ecoinvent 3.11	Distance-based

In continuity with the previous year, to determine which phases to include in the calculation, an evaluation of emission sources was carried out based on 4 predetermined criteria:

1. Magnitude of emissions: the degree of quantitative significance of indirect emissions (based on industry guidelines and competitor benchmarks)17.
2. Level of influence over sources: the organization's ability to monitor and reduce associated emissions.
3. Access to information: the degree of complexity in collecting primary data necessary for measurement.
4. Level of accuracy: the degree of uncertainty in measuring or estimating activity data.

The final value assigned to each emission source is derived from a weighted average of the levels corresponding to each criterion. Emission sources with a final score above 3 were identified as relevant and consequently incorporated into the reporting boundary, which thus includes 8 emission categories, according to the guidelines outlined in the "GHG Protocol Corporate Accounting and Reporting Standard":

- **Scope 3.1**: Purchased goods and services, emissions generated during the production of purchased goods.
- **Scope 3.2**: Capital goods, emissions related to the production of machinery, equipment, and infrastructure used by the company.
- **Scope 3.3**: Fuel- and energy-related activities not included in Scope 1 or Scope 2, including emissions from upstream processes of purchased energy, such as extraction and transport.
- **Scope 3.4**: Upstream transportation and distribution, emissions due to the transport of purchased goods from suppliers to the company.
- **Scope 3.5**: Waste generated in operations, emissions related to the treatment and disposal of waste produced by business activities.
- **Scope 3.6**: Business travel, emissions from personnel travel for professional reasons.
- **Scope 3.7**: Employee commuting, emissions generated by personnel commuting.
- **Scope 3.9**: Downstream transportation and distribution, emissions related to the delivery of products to customers or points of sale.

Health and Safety

The methodologies for calculating Health and Safety metrics are described in detail in the ESRS Standards. Specifically:

- Number of recordable injuries: total number of recordable injuries with at least 1 day of lost work + medical treatments + limited work cases.
- Number of fatalities due to work-related injuries and occupational diseases: number of fatal incidents caused by work-related injuries and occupational diseases.
- Rate of recordable injuries: (total number of recordable injuries with at least 1 day of lost work + medical treatments + limited work cases) / (hours worked) * 1,000,000.
- Hours worked: hours actually worked and accounted for, necessary for calculating injury rates.
- Percentage of workforce covered by the company's health and safety management system: percentage of people in the company's workforce covered by the health and safety management system out of the total workforce.
- Gender pay gap: difference between the average remuneration levels of male and female employees, relative to the average remuneration level of male employees.

Annex

IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability statement

DR	List of material DRs	Page reference
ESRS 2 – GENERAL DISCLOSURES		
BP-1	General basis for preparation of the sustainability statement	13
BP-2	Disclosures in relation to specific circumstances	13
GOV-1	The role of the administrative, management and supervisory bodies	15
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	16
GOV-3	Integration of sustainability-related performance in incentive schemes	16
GOV-4	Statement on due diligence	16
GOV-5	Risk management and internal controls over sustainability reporting	16
SBM-1	Strategy, business model and value chain	17
SBM-2	Interests and views of stakeholders	18
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	18
IRO-1	Description of the process to identify and assess material impacts, risks, and opportunities	23
ESRS E1 – CLIMATE CHANGEI		
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	25
IRO-1	Description of the processes to identify and assess material climate-related impacts, risks, and opportunities	25
E1-1	Transition plan for climate change mitigation	25
E1-2	Policies related to climate change mitigation and adaptation	25
E1-3	Actions and resources in relation to climate change policies	26
E1-4	Targets related to climate change mitigation and adaptation	26
E1-5	Energy consumption and mix	26
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	27
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	29
E1-8	Internal carbon pricing	29
ESRS E2 – POLLUTION		
IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks, and opportunities	29
E2-1	Policies related to pollution	29
E2-2	Actions and resources related to pollution	30
E2-3	Targets related to pollution	30

DR	List of material DRs	Page reference
E2-4	Pollution of air, water, and soil	30
E2-5	Substances of concern and substances of very high concern	31
ESRS E3 – WATER AND MARINE RESOURCES		
IRO-1	Description of the processes to identify and assess material water and marine resources-related impacts, risks, and opportunities	31
E3-1	Policies related to water and marine resources	31
E3-2	Actions and resources related to water and marine resources	31
E3-3	Targets related to water and marine resources	32
E3-4	Water consumption	32
ESRS E4 – BIODIVERSITY AND ECOSYSTEMS		
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model(s)	32
IRO-1	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, and opportunities	32
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	32
E4-2	Policies related to biodiversity and ecosystems	33
E4-3	Actions and resources related to biodiversity and ecosystems	33
E4-4	Targets related to biodiversity and ecosystems	33
E4-5	Impact metrics related to biodiversity and ecosystems change	33
ESRS E5 – RESOURCE USE AND CIRCULAR ECONOMY		
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities related to resource use and circular economy	33
E5-1	Policies related to resource use and circular economy	33
E5-2	Actions and resources related to resource use and circular economy	33
E5-3	Targets related to resource use and circular economy	34
E5-4	Resource inflows	34
E5-5	Resource outflows	34

DR	List of material DRs	Page reference
ESRS S1 – OWN WORKFORCE		
SBM-2	Interests and views of stakeholders	37
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	37
S1-1	Policies related to own workforce	38
S1-2	Processes for engaging with own workers and workers' representatives about impacts	39
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	39
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	40
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	40
S1-6	Characteristics of the undertaking's employees	41
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	41
S1-8	Collective bargaining coverage	41
S1-9	Diversity metrics	42
S1-10	Adequate wages	42
S1-11	Social protection	42
S1-12	Persons with disabilities	42
S1-13	Training and skills development metrics	43
S1-14	Health and safety metrics	43
S1-15	Work-life balance metrics	42
S1-16	Remuneration metrics (pay gap and total remuneration)	42
S1-17	Incidents, complaints, and severe human rights impacts	43
ESRS S2 – WORKERS IN THE VALUE CHAIN		
SBM-2	Interests and views of stakeholders	44
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	44
S2-1	Policies related to value chain workers	45

DR	List of material DRs	Page reference
S2-2	Processes for engaging with value chain workers about impacts	45
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	45
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	46
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	46
ESRS S3 – AFFECTED COMMUNITIES		
SBM-2	Interests and views of stakeholders	47
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	47
S3-1	Policies related to affected communities	47
S3-2	Processes for engaging with affected communities about impacts	47
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	47
S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	47
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	48
ESRS S4 – CONSUMERS AND END-USERS		
SBM-2	Interests and views of stakeholders	48
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	48
S4-1	Policies related to consumers and end-users	49
S4-2	Processes for engaging with consumers and end-users about impacts	49
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	49

DR	List of material DRs	Page reference
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	52
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	53
ESRS G1 – BUSINESS CONDUCT		
GOV-1	The role of the administrative, management and supervisory bodies	55

DR	List of material DRs	Page reference
IRO-1	Description of the processes to identify and assess material impacts, risks, and opportunities	55
G1-1	Business conduct policies and corporate culture	55
G1-2	Management of relationships with suppliers	56
G1-3	Prevention and detection of corruption or bribery	56
G1-4	Incidents of corruption or bribery	57
G1-6	Payment practices	57

Appendix B List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Pages related only to material ESRSs are shown in the table.

DR	Disclosure Requirement and corresponding information element	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page reference	Not material
ESRS 2 GOV-1	21 (d): Board's gender diversity	Annex I, Table 1, indicator no. 13		Commission Delegated Regulation (EU) 2020/1816, Annex II		15	
ESRS 2 GOV-1	21 (e): Percentage of board members who are independent			Commission Delegated Regulation (EU) 2020/1816, Annex II		15	
ESRS 2 GOV-4	30: Statement on due diligence	Annex I, Table 3, indicator no. 10				16	
ESRS 2 SBM-1	40 (d i): Involvement in activities related to fossil fuel activities	Annex I, Table 1, indicator no. 4	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Table 1 – Qualitative information on environmental risk and Table 2 – Qualitative information on social risk	Commission Delegated Regulation (EU) 2020/1816, Annex II			x
ESRS 2 SBM-1	40 (d ii): Involvement in activities related to chemical production	Annex I, Table 2, indicator no. 9		Commission Delegated Regulation (EU) 2020/1816, Annex II			x
ESRS 2 SBM-1	40 (d iii): Involvement in activities related to controversial weapons	Annex I, Table 1, indicator no. 14		Article 12, paragraph 1, of Delegated Regulation (EU) 2020/1818 and Annex II of Delegated Regulation (EU) 2020/1816			x
ESRS 2 SBM-1	40 (d iv): Involvement in activities related to cultivation and production of tobacco			Article 12, paragraph 1, of Delegated Regulation (EU) 2020/1818 and Annex II of Delegated Regulation (EU) 2020/1816			x
ESRS E1-1	14: Transition plan to reach climate neutrality by 2050				Article 2, paragraph 1, of Regulation (EU) 2021/1119	25	

DR	Disclosure Requirement and corresponding information element	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page reference	Not material
ESRS E1-1	16 (g): Undertakings excluded from Paris-aligned Benchmarks		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Indicators of potential transition risk related to climate change: Credit quality of exposures by sector, emissions and residual maturity	Article 12, paragraph 1, letters (d) to (g), and paragraph 2, of Delegated Regulation (EU) 2020/1818			X
ESRS E1-4	34: GHG emission reduction targets	Annex I, Table 2, indicator no. 4	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book – Indicators of potential transition risk related to climate change: alignment metrics	Article 6 of Delegated Regulation (EU) 2020/1818		26	
ESRS E1-5	38: Energy consumption from fossil sources disaggregated by source (only high climate impact sectors)	Annex I, Table 1, indicator no. 5 and Annex I, Table 2, indicator no. 5				26	
ESRS E1-5	37: Energy consumption and mix	Annex I, Table 1, indicator no. 5				26	
ESRS E1-5	40 to 43: Energy intensity associated with activities in high climate impact sectors	Annex I, Table 1, indicator no. 6				26	
ESRS E1-6	44: Gross Scope 1, 2, 3 and Total GHG emissions	Annex I, Table 1, indicators no. 1 and 2	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Indicators of potential transition risk related to climate change: Credit quality of exposures by sector, emissions and residual maturity	Article 5, paragraph 1, Article 6 and Article 8, paragraph 1, of Delegated Regulation (EU) 2020/1818		27	
ESRS E1-6	53 to 55: Gross GHG emissions intensity	Annex I, Table 1, indicator no. 3	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book – Indicators of potential transition risk related to climate change: alignment metrics	Article 8, paragraph 1, of Delegated Regulation (EU) 2020/1818		29	
ESRS E1-7	56: GHG removals and carbon credits				Article 2, paragraph 1, of Regulation (EU) 2021/1119	29	
ESRS E1-9	66: Exposure of the benchmark portfolio to climate-related physical risks			Annex II of Delegated Regulation (EU) 2020/1818 and Annex II of Delegated Regulation (EU) 2020/1816			x
ESRS E1-9	66 (c): Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66, letter a) ESRS E1-9 Location of significant assets at material physical risk		Article 449a of Regulation (EU) No 575/2013; points 46 and 47 of Commission Implementing Regulation (EU) 2022/2453; Template 5: Banking book – Indicators of potential physical risk related to climate change: exposures subject to physical risk				x

DR	Disclosure Requirement and corresponding information element	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page reference	Not material
ESRS E1-9	67 (c): Breakdown of the carrying value of its real estate assets by energy-efficiency classes		Article 449a of Regulation (EU) No 575/2013; point 34 of Commission Implementing Regulation (EU) 2022/2453; Template 2: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral.				x
ESRS E1-9	69: Degree of exposure of the portfolio to climate-related opportunities			Annex II to Delegated Regulation (EU) 2020/1818			x
ESRS E2-4	28: Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water, and soil	Annex I, Table 1, indicator no. 8; Annex I, Table 2, indicator no. 2; Annex 1, Table 2, indicator no. 1; Annex I, Table 2, indicator no. 3				30	
ESRS E3-1	9: Water and marine resources	Annex I, Table 2, indicator no. 7				31	
ESRS E3-1	13: Dedicated policy	Annex I, Table 2, indicator no. 8				31	
ESRS E3-1	14: Sustainable oceans and seas	Annex I, Table 2, indicator no. 12					x
ESRS E3-4	28 (c): Total water recycled and reused	Annex I, Table 2, indicator no. 6.2				32	
ESRS E3-4	29: Total water consumption in m3 per net revenue on own operations	Annex I, Table 2, indicator no. 6.1				32	
ESRS 2 SBM-3-E4	16 (a i)	Annex I, Table 1, indicator no. 7				32	
ESRS 2 SBM-3-E4	16 (b)	Annex I, Table 2, indicator no. 10				32	
ESRS 2 SBM-3-E4	16 (c)	Annex I, Table 2, indicator no. 14				32	
ESRS E4-2	24 (b): Sustainable land / agriculture practices or policies	Annex I, Table 2, indicator no. 11					x
ESRS E4-2	24 (c): Sustainable oceans / seas practices or policies	Annex I, Table 2, indicator no. 12					x
ESRS E4-2	24 (d): Policies to address deforestation	Annex I, Table 2, indicator no. 15					x
ESRS E5-5	37 (d): Non-recycled waste	Annex I, Table 2, indicator no. 13				35	
ESRS E5-5	39: Hazardous and radioactive waste	Annex I, Table 1, indicator no. 9				35	
ESRS 2 – SBM3 – S1	14 (f): Risk of incidents of forced labour	Annex I, Table 3, indicator no. 13				38	

DR	Disclosure Requirement and corresponding information element	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page reference	Not material
ESRS 2 – SBM3 – S1	14 (g): Risk of incidents of child labour	Annex I, Table 3, indicator no. 12				38	
ESRS S1-1	20: Human rights policy commitments	Annex I, Table 3, indicator no. 9 and Annex I, Table 1, indicator no. 11				38	
ESRS S1-1	21: Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			Commission Delegated Regulation (EU) 2020/1816, Annex II		38	
ESRS S1-1	22: processes and measures for preventing trafficking in human beings	Annex I, Table 3, indicator no. 11				38	
ESRS S1-1	23: Workplace accident prevention policy or management system	Annex I, Table 3, indicator no. 1				38	
ESRS S1-3	32 (c): Grievance/complaints handling mechanisms	Annex I, Table 3, indicator no. 5				39	
ESRS S1-14	88 (b, c): Number of fatalities and number and rate of work-related accidents	Annex I, Table 3, indicator no. 2		Commission Delegated Regulation (EU) 2020/1816, Annex II		44	
ESRS S1-14	88 (e): Number of days lost to injuries, accidents, fatalities, or illness	Annex I, Table 3, indicator no. 3				44	
ESRS S1-16	97 (a): Unadjusted gender pay gap	Annex I, Table 1, indicator no. 12		Commission Delegated Regulation (EU) 2020/1816, Annex II		42	
ESRS S1-16	97 (b): Excessive CEO pay ratio	Annex I, Table 3, indicator no. 8				43	
ESRS S1-17	103 (a): Incidents of discrimination	Annex I, Table 3, indicator no. 7				43	
ESRS S1-17	104 (a): Non-respect of UN Guiding Principles on Business and Human Rights and OECD Guidelines	Annex I, Table 1, indicator no. 10 and Annex I, Table 3, indicator no. 14		Annex II of Delegated Regulation (EU) 2020/1816 and Article 12, paragraph 1, of Delegated Regulation (EU) 2020/1818		43	
ESRS 2 SBM-3-S2	11 (b): Significant risk of child labour or forced labour in the value chain	Annex I, Table 3, indicators no. 12 and no. 13				44	
ESRS S2-1	17: Human rights policy commitments	Annex I, Table 3, indicator no. 9 and Annex I, Table 1, indicator no. 11				45	
ESRS S2-1	18: Policies related to value chain workers	Annex I, Table 3, indicators no. 11 and 4				45	
ESRS S2-1	19: Non-respect of UN Guiding Principles on Business and Human Rights and OECD guidelines	Annex I, Table 1, indicator no. 10		Annex II of Delegated Regulation (EU) 2020/1816 and Article 12, paragraph 1, of Delegated Regulation (EU) 2020/1818		45	

DR	Disclosure Requirement and corresponding information element	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page reference	Not material
ESRS S2-1	19: Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			Commission Delegated Regulation (EU) 2020/1816, Annex II		45	
ESRS S2-4	36: ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain	Annex I, Table 3, indicator no. 14				46	
ESRS S3-1	16: Human rights policy commitments	Annex I, Table 3, indicator no. 9 and Annex I, Table 1, indicator no. 11				47	
ESRS S3-1	17: Non-respect of UN Guiding Principles on Business and Human Rights, ILO principles or OECD guidelines	Annex I, Table 1, indicator no. 10				47	
ESRS S3-4	36: Human rights issues and incidents	Annex I, Table 3, indicator no. 14					x
ESRS S4-1	16: Policies related to consumers and end-users	Annex I, Table 3, indicator no. 9 and Annex I, Table 1, indicator no. 11				49	
ESRS S4-1	17: Non-respect of UNGPs on Business and Human Rights and OECD guidelines	Annex I, Table 1, indicator no. 10				49	
ESRS S4-4	35: Human rights issues and incidents	Annex I, Table 3, indicator no. 14					x
ESRS G1-1	10 (b): United Nations Convention against Corruption	Annex I, Table 3, indicator no. 15					x
ESRS G1-1	10 (d): Protection of whistle-blowers	Annex I, Table 3, indicator no. 6				55	
ESRS G1-4	24 (a): Fines for violation of anti-corruption and anti-bribery laws	Annex I, Table 3, indicator no. 17		Annex II of Delegated Regulation (EU) 2020/1816		57	
ESRS G1-4	24 (b): Standards of anti-corruption and anti-bribery	Annex I, Table 3, indicator no. 16				57	

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