

5

SUSTAINABILITY STATEMENT

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5.1 GENERAL INFORMATION

The present corporate social responsibility report follows for the first year the Corporate Sustainability Reporting Directive (the "CSRD").

This directive was adopted on December 14, 2022 as part of the EU Commission's Action Plan on Financing Sustainable Growth to achieve the objectives of the European Green Deal.

The Directive (EU) 2022/2464 of the European Parliament and of the Council of December 14, 2022 has been partially transposed into French law by an ordinance dated December 6, 2023 and harmonized with the corporate social responsibility obligations framework, notably within the French Code of commerce.

EUROAPI is part of the first set of "sector agnostic" standards that was adopted by the European Commission on July 31, 2023 and should report according to the standards that have been established by the European Financial Reporting Advisory Group (the "EFRAG") from January 1, 2024.

This report refers to other chapters of this Universal Registration Document (URD) by incorporation by reference:

- Chapter 1 presents the Group and its business model;
- Chapter 2 presents the Group's Governance, including skills and expertise of the Board of Directors in the field of ESG; The integration of sustainability-related performance (including climate-related targets) within incentive schemes is also to be found in the section 2.3 of this URD;
- Chapter 3 presents the Group's main risks and its risk management framework

Identity

The Group is the result of a reorganization of part of the Sanofi group's activities in the development, manufacture, marketing and distribution of APIs. Its listing as a company on the regulated market of Euronext Paris took place on May 6, 2022.

With more than 150 years of experience in the API market, the Group is composed of six chemical

manufacturing sites and development centers equipped with state-of-the-art technology, all located in Europe (Vertolaye and Saint-Aubin-lès-Elbeuf in France, Frankfurt in Germany, Budapest in Hungary, Brindisi in Italy and Haverhill in the United Kingdom) and since 2023 a R&D center in Gera, Germany.

Thanks to a customer oriented structure, these European sites oversee the commercialization and marketing of EUROAPI's products around the world.

On December 31, 2024, the Group employed around 3,430 people. With approximately 200 APIs, EUROAPI offers one of the largest portfolios in the industry, addressing a wide range of consumers (Rx patients, OTC consumers, animals) and providing coverage for more than 80 countries.

With more than €900 million in sales in 2024, EUROAPI is a leader in small molecules APIs, and our strong innovation and R&D capabilities allow us to accelerate our development in more complex molecule segments through CDMO activities.

Vision

EUROAPI is focused on reinventing active ingredient solutions to sustainably meet customers' and patients' needs around the world.

Mission

Every day, we are hard at work developing, manufacturing and supplying active ingredient solutions for our healthcare partners around the world. Drawing on a combination of scientific excellence, industrial expertise and wide ranging technologies, we deliver solutions that meet the highest quality, social and environmental standards – all while pursuing our efforts to ensure stakeholder satisfaction.

Our aim is to become Europe's leading API company by reliably delivering high-quality APIs. EUROAPI is a global leader in small molecule APIs. As a player in innovation and R&D, we are able to accelerate development in more complex-molecule segments through our contract development and manufacturing organization (CDMO) activities.

Our commitment to sustainability

The Group believes that sustainable growth and performance go hand in hand with the deployment of an ambitious Environmental, Social and Governance (ESG) strategy embedded in its vision and mission.

ESG is about integrating stakeholder expectations into the Group's strategy, facilitating the identification of growth opportunities, positioning the company in a competitive landscape, and improving its risk management.

EUROAPI's ESG strategy supports its business purpose, and is aligned with its vision, strategy, and culture.

EUROAPI places non-financial performance at the heart of its development strategy and its corporate culture.

EUROAPI's ESG strategy is aligned with the 17 United Nations Sustainable Development Goals (SDGs). More specifically, drawing on the company's added value and its business model, it contributes to five-key SDGs.

EUROAPI has developed a robust ESG organization and governance arrangements, and, in line with its ESG reporting framework, its performance will be reported each year in its sustainability statement that is audited by an independent third party.

5.1.1 Methodology note on data reporting

General basis for preparation of sustainability statements

Considering the novelty and complexity of this new set of regulations (aka "CSRD"), EUROAPI wants to raise attention to the following contextual elements:

- notwithstanding any uncertainties highlighted, the sustainability statement was prepared and presented in accordance with the requirements of the ESRS and applicable legislation;
- a better understanding of the requirements may be available when additional implementation guidance or Q&A will be available;
- estimates may be refined in future reporting periods when more relevant information becomes available;
- there may be limited information to assess some industry benchmarks and these may only emerge as the number of reporters increases and reporting practices become more established;
- internal control practices related to sustainability reporting are being further strengthened;
- comparatives progressively available after the first year of reporting would make the information more useful in applying the materiality assessment process. It is expected that the materiality assessment process will be refined over time.

Unless indicated otherwise, the scope taken in consideration for the sustainability statement is identical to the scope considered for financial statements.

The list of the companies included in the scope of financial consolidation is presented in note 10.8 of section 4.6 "Consolidated Financial Statements" of this Universal Registration Document.

The sustainability statement covers EUROAPI's manufacturing operations, as well as our non-industrial sites (commercial sites, HQ) in some cases (see table below). It covers information regarding the upstream, including Tier 1 suppliers (in our value chain), and the downstream value chain that were identified as material during the analysis of impacts, risks and opportunities within the double materiality assessment.

Biano site, acquired in 2023, is not included in the environmental statement section (ESRS E), neither in the Health & Safety section of the social section (ESRS S1).

Compared to the rest of the activities of the Group, Biano does not have a significant impact on the sustainability statement (21 employees in 2024). It is a CDMO focusing on small-scale, early-phase (pre-clinical and phase 1), complex and customized projects, based in Gera, Germany. It produces small quantities of API for early phase research and development.

Reporting	Coverage
Health & safety at work	100% of the own workforce (employees, interims and subcontractors, working on site) excluding Bianco, HQ and commercial sites
Human resources	100% of employees (including Bianco, HQ and commercial offices), except when mentioned
Environment	Environmental reporting covers our six production sites with exception for scope 3 greenhouse gas emissions, that also include the HQ, commercial offices and Bianco

In the (rare) cases of a different coverage for specific data points, it is stated within the relevant section of the sustainability statement.

Disclosures in relation to specific circumstances

Events and circumstances that have (or might have) influenced the present sustainability statement:

- The strengthening and the streamlining of the Group's Executive Committee (Press releases 04/09/2024; 05/13/2024; 12/09/2024);
- The launch of EUROAPI's new strategic plan FOCUS-27 and its financing, (PR 10/10; 15/10; 26/06; 06/06) - having no significant change on its ESG strategy;
- The presentation and content of this report differ from previous years. They are based on the requirements of the European Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS).

Value Chain Estimates

The present sustainability statement takes into consideration our value chain: starting with our Tier 1 suppliers, upstream, up to the patients, downstream.

Most of our greenhouse gas (GHG) emissions from the value chain (scope 3) are estimated based on volume (mass) purchased and emission factors by raw materials, and purchase expenditures for services and capital goods.

Sources of uncertainty associated with estimates and results

Uncertainties can arise from the quality of the data regarding the value chain (such as GHG emission factors). We are using the latest Ecoinvent database v3.10 to limit uncertainties. We updated our emissions factors for the past years.

Other results presented in the report are not subject to high level of measurement uncertainty.

The information collection and calculation methodology is specified in the methodology below in this section.

EUROAPI did not use the option to omit specific pieces of information corresponding to intellectual property, know-how or results of innovation. Likewise, the Option allowed by Member State to omit disclosure of impending developments or matters in course of negotiation has been used.

Change in the preparation of information and revision of figures disclosed in preceding period

In order to comply with the CSRD and ESRS requirements, several KPIs calculation methodology were revised in 2024.

Overall, all environmental data are disclosed on a full year basis, on real data for the major part. A change vs. 2023 disclosure, which was on rolling quarter to Q3 N-1 of year of disclosure). Specification is mentioned if done on estimation (e.g. pollution data, December data is estimated). Therefore all data, with the exception of solvents and Volatile Organic Components (VOC), that were already disclosed on full year basis, have also been updated on the historical data.

The solvent data were updated as in the past years as an additional product was included in the scope for Frankfurt.

In addition, the group had initially set the GHG emission reduction target to 30% by 2030 vs. 2020 as baseline year. From this year, the Group decided to reset our GHG emissions reduction target against baseline year 2022, date of listing of EUROAPI and a representative year in terms of activity. This target related to direct CO₂ emissions from owned or controlled operations (scope 1) and indirect CO₂ emissions from the generation of purchased or acquired energy such as electricity, steam, heating and cooling, consumed by the Group (scope 2). EUROAPI also seized the opportunity to review the GHG emissions methodology, as an on-going fine-tuning year after year, with main changes relating to scope 3 calculation:

- Update of emission factors that are secondary data provided by public and acknowledge publications. This information is updated regularly, resulting in historical data updates.

Scope 2 calculations have been updated with revised emission factors for purchased steam for our Budapest and Frankfurt sites.

This may result in differences between figures disclosed in preceding period and revised comparative figures.

<i>metric tons of CO₂e</i>	2023	Previous methodology 2023
Total GHG emissions - location-based	637,310	N/A
Total GHG emissions - market-based	631,870	796,765
Scope 1 GHG emissions	60,846	63,086
Location-based scope 2 GHG emissions	41,066	N/A
Market-based scope 2 GHG emissions	35,626	28,614
Scope 3 GHG emissions	535,398	705,065
1. Purchased goods and services	355,896	397,812
2. Capital goods	13,522	16,086
3. Fuel and energy-related activities	18,393	29,648
4. Upstream transportation and distribution	15,665	23,719
5. Waste generated in operations	40,770	144,505
6. Business travel	464	996
7. Employee commuting	6,829	6,237
8. Upstream leased assets	N/A	N/A
9. Downstream transportation and distribution	N/A	N/A
10. Processing of sold products	82,900	76,235
11. Use of sold products	N/A	N/A
12. End-of-life treatment of sold products	960	9,828
13. Downstream leased assets	N/A	N/A
14. Franchises	N/A	N/A
15. Investments	N/A	N/A
Total GHG Intensity - location based GES (t CO₂/ €M)	699	N/A
Total GHG Intensity - market based GES (t CO₂/ €M)	693	N/A

Water consumption calculation was updated according to the CSRD definition, therefore the portion of water used that is returned to the original water source after being withdrawn (water withdrawal) is not considered as consumed. Evaporated water is considered as consumed water in EUROAPI's activity. The calculation methodology has been updated on historical data.

Methodologies

Environmental indicators

Environmental data are consolidated for all Group companies with an industrial activity, specifically the six industrial sites located in Europe, that are also fully consolidated for financial reporting purposes.

In order to assess environmental impact at group level, the scope of environmental reporting also includes sales and administrative sites for certain indicators when available. Generally speaking, the environmental impacts of these sales and administrative sites are considered marginal when compared to industrial sites. Data pertaining to the Group's sales and administrative sites were factored into the calculation of scope 3 GHG emissions. The Group applies environmental reporting standards to ensure the consistency and reliability of indicators across operations. These standards set out the methodologies, definitions, calculation methods and emission factors to be used. The Group also uses standard data collection tools.

The SHERPA system is used to collect and consolidate environmental data for the Group's six industrial sites.

Most environmental data are collected on a quarterly basis, with the exception of solvent consumption and VOC emissions, collected annually.

Data are reported for the full year ending December 31, 2024.

Certain environmental data, notably data required for the calculation of scope 3 GHG emissions, are collected by the department concerned using different systems, and are consolidated for reporting purposes.

GHG indicators

CO₂ emissions associated with the Group's activities follow the GHG Protocol methodology.

Direct emissions (scope 1) include emissions from the use of natural gas, fuels and refrigerants at the Group's six industrial sites. Emissions from electricity sold are subtracted from the Group's emissions. Scope 1 does not currently include emissions from VOC deemed to be non-material (est. < 2% of total scopes 1&2 GHG emissions).

Indirect emissions (scope 2) are those from the generation of energy such as electricity or steam by external suppliers, purchased by the Company and are calculated using relevant emission factors. Emission factors are obtained from databases published by the International Energy Agency (IEA), and the Department for Environment, Food and Rural Affairs (DEFRA), and are updated annually for our six industrial sites. Emissions generated by the production of steam are calculated based on site-specific factors or estimated using the Group's own internal standards.

Indirect emissions (scope 3) that occur in the Group's value chain primarily include emissions associated with purchased goods and services, waste disposal and the processing of sold products:

- purchased goods and services (category 1) is calculated based on quantities (mass) purchased for raw materials and intermediates;
- waste generated in operations (category 5) is calculated based on quantities and type of waste generated and type of treatment. For 2024 figures, the methodology slightly changed by removing the weight of water and salts mixed with solvent as their incineration does not release GHG, the only impact being the energy involved in heating up these components (water and salts). Therefore the methodology take solvent quantity + 10%; and
- processing of sold products (category 10) is calculated based on quantities sold.

Emission factors used to calculate scope 3 emissions are obtained from official databases including those published by Ecoinvent, the Intergovernmental Panel on Climate Change (IPCC), the International Energy Agency (IEA) and the Department for Environment, Food and Rural Affairs (DEFRA).

Although the Group continuously makes efforts to improve the reliability of the data related to its scope 3 emissions, a certain degree of uncertainty remains.

Unlike scope 1 and 2 emissions, changes in scope 3 emissions from one year to the next are due to the updated methods of calculation or to the quality of the data available and not necessarily to a variation in performance.

According to the GHG protocol, certain scope 3 categories do not apply to the Group's business activity or are accounted for under other emissions categories. These categories include:

- Category 8 (Upstream leased assets): associated emissions are included in scope 1 and 2 calculations for energy use;
- Category 9 (Downstream transportation and distribution): all transportation and direct distribution to EUROAPI customers are included in Category 4;
- Category 11 (Use of sold products): in the pharmaceutical industry, impact of sold products is concentrated on medical devices and propellant gases in inhalers. The majority of EUROAPI APIs are formulated in solid forms and their manufacturing impact is included in Category 10;
- Category 13 (Downstream leased assets): this category is not relevant to the Group's business activities;
- Category 14 (Franchises): the Group does not operate franchises; and
- Category 15 (Investments): the Group does not have non-consolidated subsidiaries or participations.

The update and change in the methodology for scope 3 for 2024 is described above in the part: "Change in the preparation of information and revision of figures disclosed in preceding period".

Waste

The distinction between hazardous and non-hazardous operational waste is made according to European regulations, for the sites based in the EU and according to local regulations for the other countries (United Kingdom).

Waste containing solvents is reported as hazardous waste.

Hazardous waste is defined as any waste having one or more of the hazardous properties listed in annex III of the European Directive 2008/98/EC and US CFR part 261 subpart C.

Waste arising from soil decontamination, construction and deconstruction operations (one-time waste) is reported separately in the SHERPA system, only for generated quantities and is not included in the published total for the Group's operating activities.

Recovery rate concerns operational waste only and corresponds to waste (both hazardous and non-hazardous) that is recycled (material recovery) or incinerated off-site using waste-to-energy technology (energy recovery).

Energy, GHG, Water and Waste Intensities

Intensities are calculated according to the ESRS requirements.

Refers to the quantity used/wasted for each category in ratio to the revenue (Net Sales) of the company, expressed as follows:

$$\frac{\text{Mwh (Energy) / t CO}_2 \text{ e. (GHG) / m}^3 \text{ (Water) / tons (Waste)}}{\text{Turnover (Monetary Unit)}}$$

Social indicators

Workforce data is reported for all Group employees with a fixed-term or permanent employment contract on December 31, 2024. The reporting methods used to collect workforce data:

- The majority of workforce data indicators is collected and consolidated using the Workday Global HR platform used to record workforce numbers and movements for all site locations, at the exception of parental leave data, disability data, training data, absenteeism and collective bargaining;
- certain indicators (notably the gender pay gap and absenteeism rate) are collected *via* the payroll systems used in each country where the Group has operations and are consolidated for reporting purposes; and
- certain data points (participation in programs and events, etc.) are collected by the department concerned at individual sites and are consolidated for reporting purposes.

New hires and departures

New hires and departures for the Group exclude all intragroup movements such as international, inter-company or inter-site transfers. Conversions of fixed-term contracts into permanent contracts are not included unless there is a gap of more than one day between the two contracts, in which case they are counted as a departure and a new hire.

Turnover

Indicates the turnover rate for the Group distributed by country of work: France, Hungary, Germany, United Kingdom, Italy and Other. Other includes countries with commercial operations only and proportionally fewer employees: United States, Slovakia, Russia, China and Japan.

Women in extended leadership team and senior leadership positions

The **extended leadership team** includes Executive Committee members, Country Heads and key senior leadership positions.

A **senior leadership position** is defined based on grading 14 or 15, it is either a Group Leadership function or a Local Head function. People in these positions have financial objectives.

Scope for pay ratio and gender pay gap

Data is effective as of December 31, 2024 and includes all employees in main countries and based in Europe at the exception of Bianco, and excluding the other sites as considered non significant for these ratios (i.e representing less than 2% of employees at Group level). Only permanent and fixed term contract employees, with at least six months of presence, are included in the base calculation. Apprenticeship contracts and employees with less than 6 months of presence are excluded from the scope of calculation of these ratios.

For both ratios the calculation method follows the ESRS requirements:

Gender pay gap: (average gross hourly pay level of male employees - average gross hourly pay level of female employees)/average gross hourly pay level of male employees.

Pay ratio: annual total remuneration for the undertaking's highest paid individual/median employee annual total remuneration (excluding the highest - paid individual). For 2024 the highest paid individual refers to the successive CEOs' compensations, the pay ratio is calculated on a *pro-rata temporis* basis.

Health and safety Data

Overall, health and safety data are consolidated for the six manufacturing sites within the Group, as well as for on-site subcontractors and temporary workers, for the year ended December 31, 2024. It excludes HQ, commercial sites and Bianco.

The Group applies reporting standards for health and safety information to ensure the consistency and reliability of indicators monitored across all operations. These standards specify the methodologies, definitions and calculation methods to be used. The Group also uses standard data collection tools. SHERPA system is used to collect and consolidate health and safety data from all manufacturing sites.

Percentage of own workforce, covered in the H&S Management system

The perimeter taken is all Group employees + temporary workers at December 31, 2024.

Lost Time Injury frequency rate (LTI)

Lost Time Injury (LTI) frequency rate refers to the number of accidents resulting in lost time of one day or more during the reporting year, per one million hours worked.

Hours worked refers to the time during which any employee, subcontractor or temporary worker is exposed to occupational risks. Accidents occurring during a home-workplace commute are not included in this indicator; however, they are included for travelling medical representatives, in accordance with internal reporting rules. Work accidents occurring when working remotely are included in this indicator.

Total Recordable Injury frequency rate (TRI)

It is the number of occupational injuries with or without lost time during the reporting year, per one million hours worked.

Accident severity rate (voluntary KPI as per ESRS)

It refers to the number of lost days per one million hours worked. Lost days are the number of calendar days during which a person does not work following a work-related injury.

Societal and Governance data**Ethics and Compliance Indicator/Functions at risk trained on corruption and bribery risks**

It includes two training sessions and the indicator is completed when the two sessions are fully accomplished:

- Code of Ethics;
- Alert Management.

Anti-corruption indicator (voluntary)/ Functions at risk trained against corruption and bribery (mandatory)

This indicator includes 3 training sessions:

- Fighting corruption;
- Anti-bribery and due diligence;
- Gift and invitations.

The functions most at risk identified at EUROAPI are: Executive Committee and their direct reports, Site Leadership Teams, Sales department, Procurement and Maintenance Department and Employees with Power of Attorney.

New suppliers of raw material response rate to the qualification process

The indicator relative to the respondents rate compliant with our qualification process (Signature of the Code of Ethics and of the Supplier Code of conduct) includes only new suppliers of raw material in 2024. 100% of them were asked to sign those 2 documents available on a platform EUROAPI shares with its suppliers.

Raw material expenditure

This indicator includes effective products purchased and paid. It excludes products in transit, freight, accounting adjustment and custom duties.

Standard terms of payment

This indicator is calculated based on all entities of the group (*incl.* commercial sites), at the exception of Bianco, deemed not significant (< 2%). The standard terms at EUROAPI is 60 days, however our system enables to capture the specific terms negotiated with our suppliers and therefore to consider the different terms of payment as agreed, within our calculation.

Targets

As described previously, from this year the Group decided to take as a new reference year 2022, date of creation of EUROAPI, for the calculation of its GHG targets. It has also been the possibility to review the methodology of GHG emissions calculation, fine-tuned year after year.

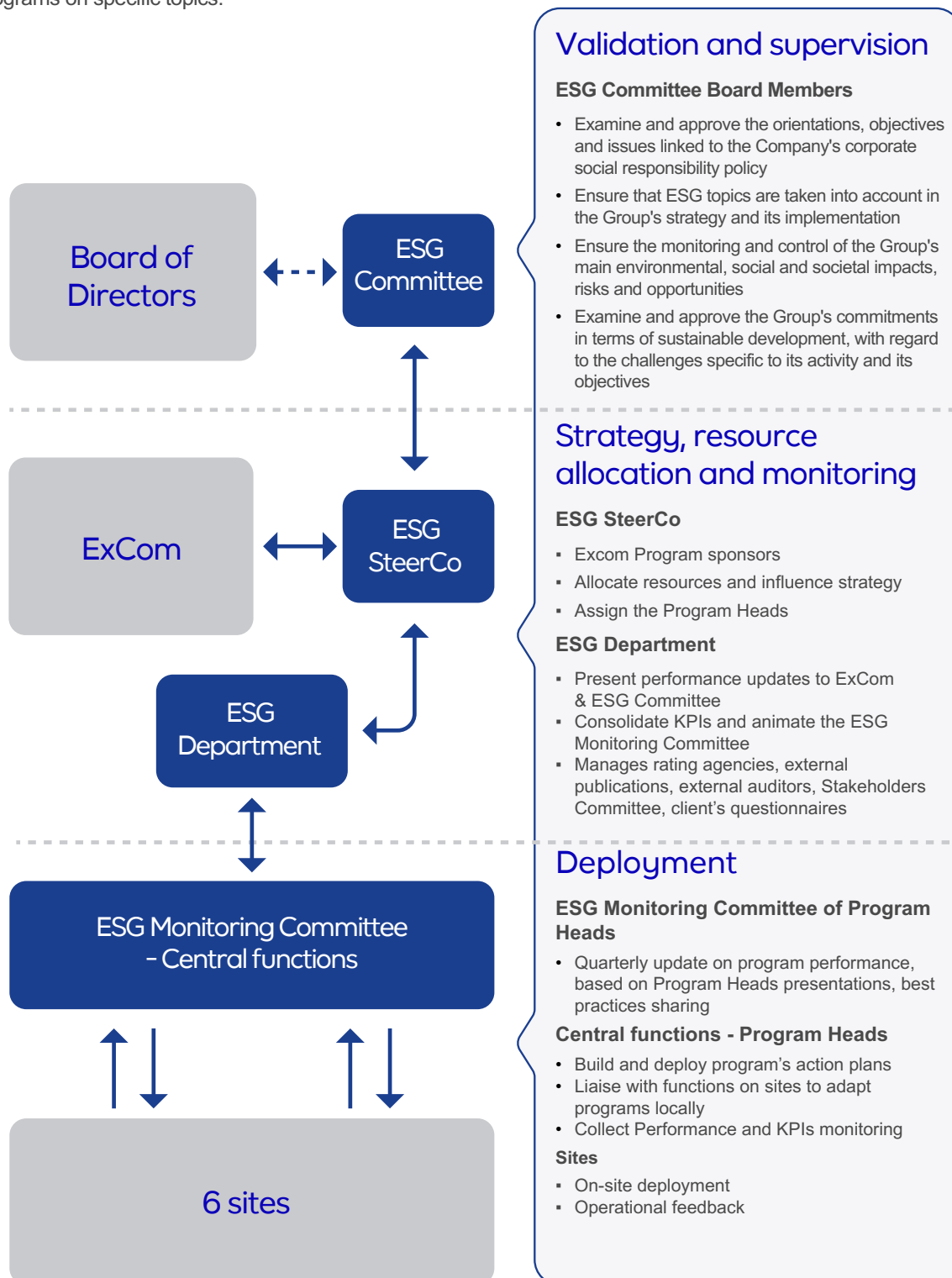
In order to develop its sustainable roadmap, the Group has in some cases set internal targets that are not disclosed but they are part of its internal management. The non-disclosure of those target is related to the different changes in the governance of the company in 2024. Therefore except when mentioned no additional targets were defined in 2024 vs. 2023. The targets and achievement set are mentioned in the commitment table published in the section 5.1.3 "ESG Strategy".

5.1.2 ESG Governance

EUROAPI governance has been adapted to its structural challenges. This resulted in several changes as mentioned in chapter 2 of the URD that impacted the ESG governance of the company in 2024.

However, ESG governance is integrated at all levels of the Group. It ensures that the strategy is deployed fully via programs on specific topics.

Role of the administrative, management and supervisory bodies are detailed in the graph below.



In 2024, the frequency and members were as follows:

	Members Composition	Frequency
ESG Committee	3 board members + ESG SteerCo	3 + Joint ESG - Audit Committee
ESG SteerCo	A selection of members of the ExCom + Head of Investor Relations + Head of ESG	4

The skills and expertise of the Board of Directors in the field of ESG are presented in the Board's competencies matrix in section 2.1.1. (i) of the URD. Board members have undergone a dedicated CSRD training in 2023.

EUROAPI pays particular attention to the diversity and independence of its Board of Directors. The Board is composed of 11 members, all being non-executive members.

The board comprises 45% women and has an independence ratio of 54%.

The results and projections of the ESG roadmap were presented and discussed by the ESG committee throughout the year. In 2024, the information provided to the ESG committee included:

- ESG KPIs monitoring and performance;
- Environmental roadmap;
- Decarbonization roadmap;
- Responsible procurement roadmap;
- R&D green chemistry roadmap;
- CSRD implementation and deployment;
- Strengthening our Safety culture;
- EUROAPI strategic review impact on ESG roadmap.

After each ESG Committee meeting, a summary is then presented to the Board of Directors by the Chair of the ESG Committee.

Each quarter, the ESG SteerCo reviews the progresses made on the ESG Roadmap to check that they are in line with expectations and will enable the Group to meet the internal targets set.

The various departments (Operations, Human Resources, etc.) involve their own management committees in the monitoring of the sustainability topics, actions and targets for which they are responsible.

Performance schemes

The integration of sustainability-related performance (including climate-related targets) within incentive schemes is done at several levels in the company, with key characteristics (criteria, proportion, eligible population, alignment on selected priority ESG programs) approved by the Board. There are sustainability-related criteria in the:

- Annual variable compensation package of the new CEO, with 10% of variable remuneration dependent on sustainability-related targets (focusing on Environmental and Social impacts), of which 5% is applicable to climate-related targets;
- Annual variable compensation package within the short-term incentive (STI) plan of the Extended Leadership Team (ELT) -(focusing on Environmental and Social impacts). The ELT includes the Executive Committee and senior corporate positions;
- Long-term incentive (LTI) plan of the company.

Total remuneration and benefits paid or granted during the 2024 financial year to all executive officers are detailed in section 2.3 and more specifically 2.3.1 of this Universal Registration Document. Details on incentive schemes for senior leadership team (CEO, ELT...), including percentage of variable remuneration linked to climate related considerations and percentage of variable remuneration linked to sustainability targets can be found in section 2.3.1 of this Universal Registration Document.

Due diligence and Risk Management in relation to Sustainability Reporting

Core elements of due diligence	Paragraphs in the sustainability statement
Embedding due diligence in governance, strategy and business model	5.1.2
Engaging with affected stakeholders in all key steps of the due diligence	5.1.2; 5.1.4
Identifying and assessing adverse impacts	5.1.2; 5.1.4
Taking actions to address those adverse impacts	Section 5.2 (except 5.2.7), section 5.3 and 5.4
Tracking the effectiveness of these efforts and communicating	Section 5.2 (except 5.2.7), section 5.3 and 5.4

Risk management plays an integrated part with sustainability reporting. The implication of the company risk manager has been instrumental.

For the CSRD that implication focuses on:

- 1) Double materiality assessment
 - Alignment of double materiality matrix with internal risk management framework: thresholds, likelihood definition...,
 - Contribution to the establishment of the double materiality Matrix: quantitative and qualitative.
- 2) Integration of topic specific risk analysis (e.g. climate risks and associated natural hazards.)

Internal controls over sustainability reporting

No significant risks have been identified on certain types of data.

Our internal reporting framework describes the source of the data, the functions in charge of consolidation and quality control of data, the process and IT systems in place for the reporting and defines as well the KPIs used by EUROAPI.

All quantitative data are collected in our IT systems, with main reporting tools being SHERPA for environmental and safety data collection, Workday and the associated payroll systems for employee-related data, and SATI/SAP for finance and procurement related data.

Most of the data being collected at industrial site level, they are further consolidated at corporate level and reviewed by corporate functions for consistency and reliability. Furthermore, results are systematically compared to historical data, for consistency control.

Internal control department is gradually integrated into sustainability reporting, and Audit Committee informed about the sustainability reporting process that has been implemented throughout 2024.

The Sustainability statement is approved by the Board of Directors.

5.1.3 ESG Strategy

In order to set the Group's ESG strategy, a large stakeholders consultation took place in March 2021 of more than 1,200 participants and resulted in a materiality matrix.

A wide range of internal and external stakeholder groups were consulted and, on the basis of emerging trends and observations, 17 topics were identified as material and classified as High, Very High or Critical.

This analysis was updated by conducting a double materiality assessment in 2023, presented in the forthcoming section 5.1.4.

EUROAPI's ESG strategy is relying on the company business model, the ESG risk profile of the company, as well as its stakeholders' expectations and compliance with regulatory requirements.



Offer safe products and a resilient & responsible supply chain

We provide high quality products and strive to be a reliable partner in the pharmaceutical supply chain.



Accelerate innovation for environmental sustainability

We propose innovative processes and services sustainable by design.



Create a safe & multicultural workplace

We ensure our employees' safety and a fulfilling environment for all.



Uphold best in class corporate governance

We work continuously with our internal and external stakeholders to promote compliance and fair practices.

To promote transparency, EUROAPI responds to numerous requests to assess and rate its ESG performance, which allows its non-financial performance to be recognized.

The Group is awarded or featured in the following international ESG ratings that have proven good alignment with stakeholder expectations.

A special section for ESG analysts is available on the Group's website: <https://www.euroapi.com/en/about-us/environmental-social-and-governance>.

Agency	MSCI	ISS	ISS ESG	EthiFinance	SUSTAINALYTICS	ecovadis	CDP
Rating	BBB	Governance: 3 Social: 1 Environment: 1	B- (prime status)	74/100	Low risk	Silver Medal	Climate: B Water: B-
Year	2024	2024	2024	2024	2024	2023	2024
Scale	From AAA to CCC	From 1 to 10	From A+ to D-	From Platinum (above 80/100 and no ESG controversies identified) to Bronze (above 50/100 and no significant ESG controversies identified)	From Negligible to Severe risk	From Platinum (top 1%) to Bronze (top 50%)	From A to D-

All significant markets and customer groups, as well as all our major product lines are included in our sustainability-related goals. Our company strategy relates to sustainability matters as a whole.

Our Resources

People

- ≈ 3,430 employees from 47 different nationalities
- 350 scientists including 45% of PhDs or engineers
- Experienced with 14 years of seniority on average

6 industrial sites

- 100% in compliance with GMP standards
- 100% of the sites are ISO 14001 and ISO 50001
- The Saint-Aubin-lès-Elbeuf factory is the only Western API manufacturing site of vitamin B12

Planet

- 2024 Carbon footprint (scopes 1 & 2): 96,472 tCO₂e (-13% vs. 2022)
- Energy consumption: 506,534 MWh (-11,5% vs. 2022)
- Waste generated in metric tons: 60,384 (-28% vs. 2022)
- Solvent consumed in metric tons: 70,564 (-14% vs. 2022)
- Water consumption in thousand m³: 553 (-17% vs. 2022)
- CDP (Carbon Disclosure Project) Climate score : B

Partnerships

- 500+ clients in 80 countries
- Numerous R&D partnerships and 430 patents
- 58 CDMO projects
- Approx. 4,000 suppliers

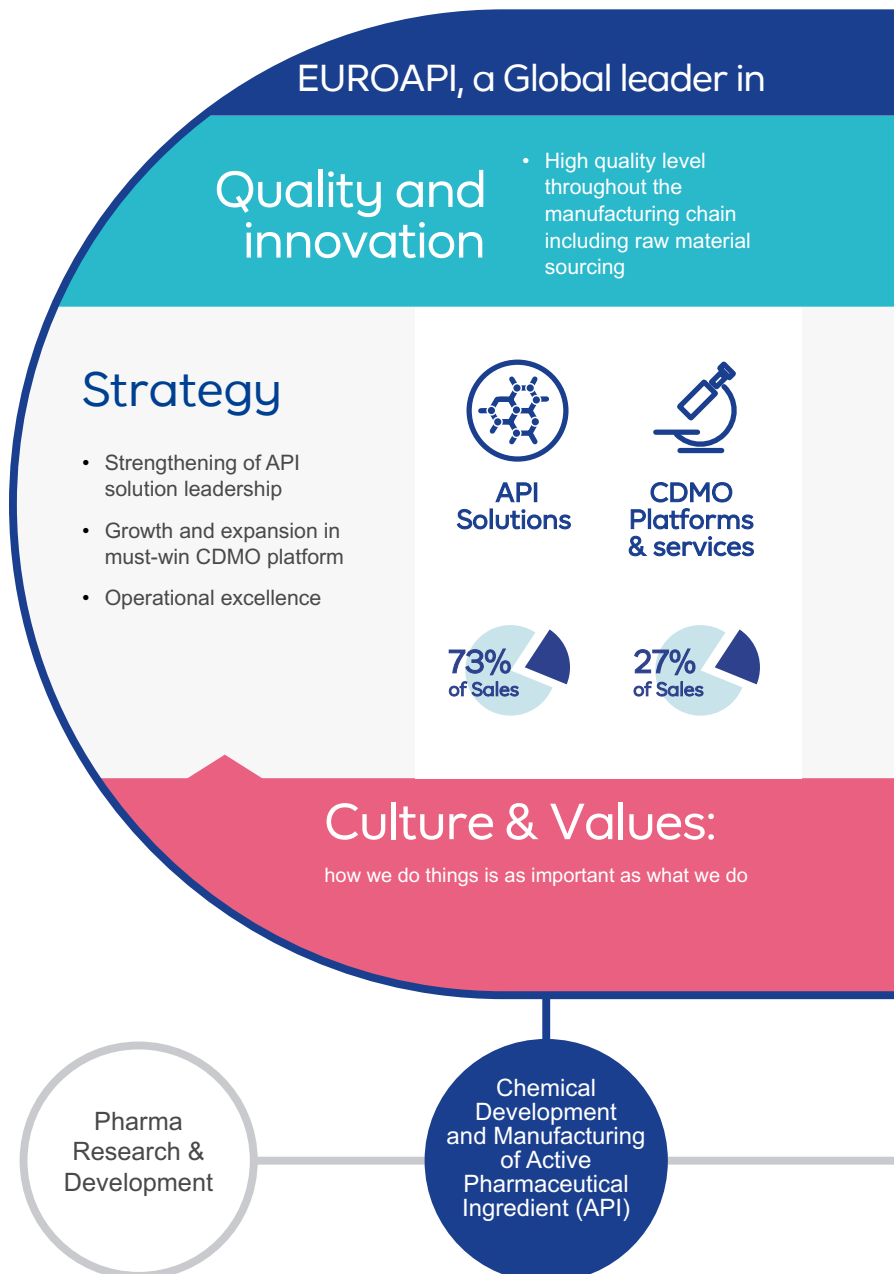
Finance

- €911.9 million in revenue in 2024
- 5.5% Core EBITDA margin in 2024
- €350-400 million in planned investments (between 2024 and 2027)
- Two major shareholders: Sanofi and Bpifrance

Business Model

Our Mission

Our core business is to develop, manufacture and supply active-ingredient solutions for our healthcare partners around the world. We combine our scientific excellence with industrial expertise and a wide range of technologies to deliver solutions that meet the highest quality, social and environmental standards



The healthcare

GMP: Good Manufacturing Practice

API: Active Pharmaceutical Ingredient

CDMO: Contract Development and Manufacturing Organisation

EBITDA: Earnings Before Interest, Taxes, Depreciation, and Amortization

BPI: Banque Publique d'Investissement (the French Public Investment Bank)

What we do

CDMO and API solutions

- Quality and regulatory support services
- Numerous Innovation projects

4 ESG commitments

- 1 Offer safe products and a resilient & responsible supply chain
- 2 Accelerate innovation for environmental sustainability
- 3 Create a safe & multicultural workplace
- 4 Uphold best in class corporate governance

TAKING
OWNERSHIP
CARING
FOR ALL

ACHIEVING
TOGETHER
DRIVEN BY
YOUR CLIENTS

Drug Product
manufacturing

Patient

value chain

EMA (European Medicines Agency) inspections are performed by local agencies

IPCEI: Important Projects of Common European Interest

*As compiled by WHO (Jul 2023), EU (Dec 2024),

BfArM (Jul 2023), ANSM (Sep 2024), FDA (Oct 2020)

Our Impacts

Society

- 53% of sales (in value) from APIs used for essential medicines*
- 5 EMA inspections without remarks
- Contributes to EU and national health sovereignty initiatives: IPCEI, Critical Medicine Alliance
- 97% of employees in functions at risks have done the anti-bribery/anti-corruption training program

People

- Reached our objective of 30% of leadership positions held by women by 2025
- LTI = 3.1 and TRI = 4.6 with dedicated focus and improvement plan
- 12.5 hours training per employee on average in 2024
- Over 4% of employees took a family-related leave

Planet

- Product Carbon Footprint available for more than 70 APIs
- 27% of energy consumed coming from renewable sources
- Waste recycling increased to 60%
- 4,807 thousand m³ of water is recycled or reused
- +74% of solvent consumed is recycled

Partnerships

- 100% successful inspections by client
- Notified by the European Commission for the IPCEI Med4Cure in France
- 100% of new suppliers of raw material signed Supplier Code of Conduct
- Member of Responsible Care® initiative
- Partnerships with ~20 schools in 3 countries

Finance

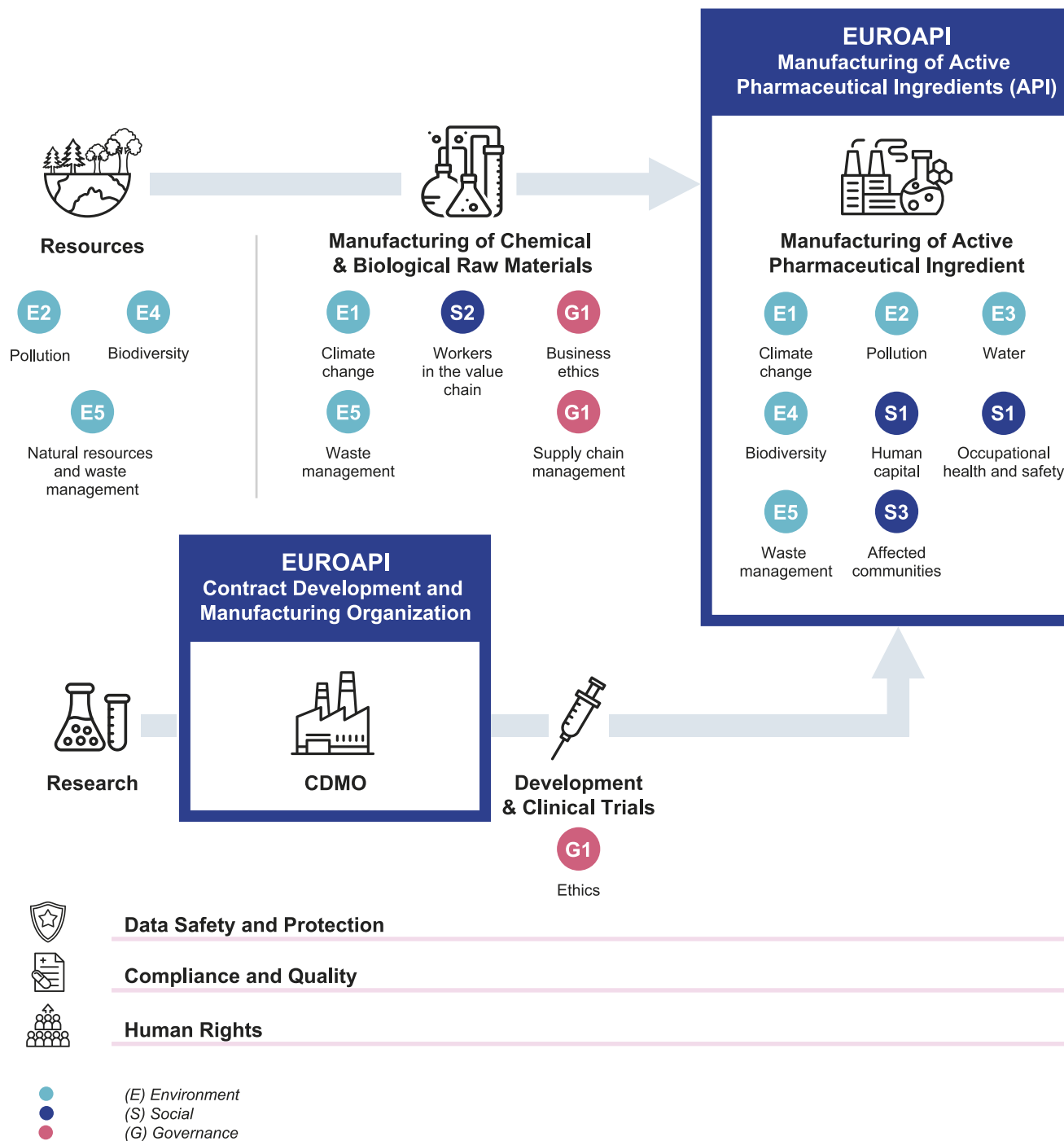
- ISS ESG Rating: B-, High level of transparency
- ESG part of remuneration package of CEO and senior management (10%)

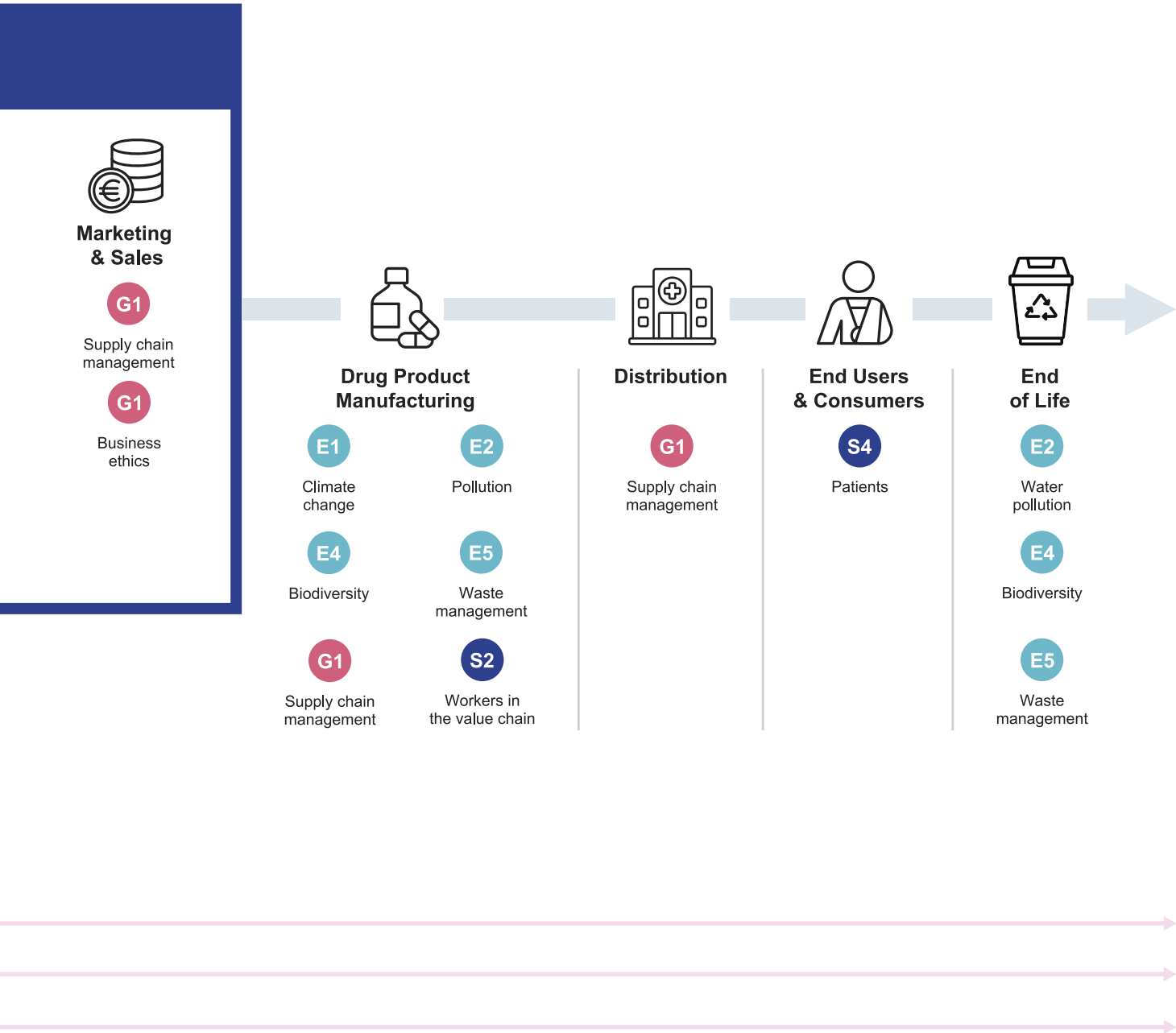
Our contribution to 5 sustainable Objectives



Value Chain

EUROAPI is a key player in the healthcare value chain, and more specifically in the pharmaceutical value chain.






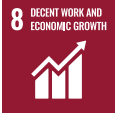


ESG Commitments

This strategy results in the following sustainability-related goals for the company:

Commitments	ESRS	Programs	Policies
Offer safe products and a resilient & responsible supply chain	S4	Product quality & safety	Sustainable Procurement Factsheet
	G1	Responsible Procurement	Supplier Code of Conduct
	S3	Positive impact on society	Ethics and Business Integrity Factsheet
	G1	Responsible supply chain	Supplier relationship charter
Accelerate innovation for environmental sustainability	E5	Towards responsible Innovation	Environmental Sustainability Factsheet
	E1	Environmental	
	E2		
	E3		
	E4		
Create a safe & multicultural workplace	S1-14	Safety	HSE Policy
	S1	Wellbeing	Right to disconnect
		Internal Development	DE&I and Talent Management Factsheet
		Diversity & Equal Opportunity	
Uphold best in class corporate governance	G1	Compliance and Business Ethics	Code of Ethics
			Ethics and Business Integrity Factsheet
			Human Rights Factsheet
			Ethics Line
			Responsible Lobbying Charter

For each program, detailed risks analysis were carried out or are going to be done. In line with the Group risk management framework, that are addressed in the material ESRS in the sections below.

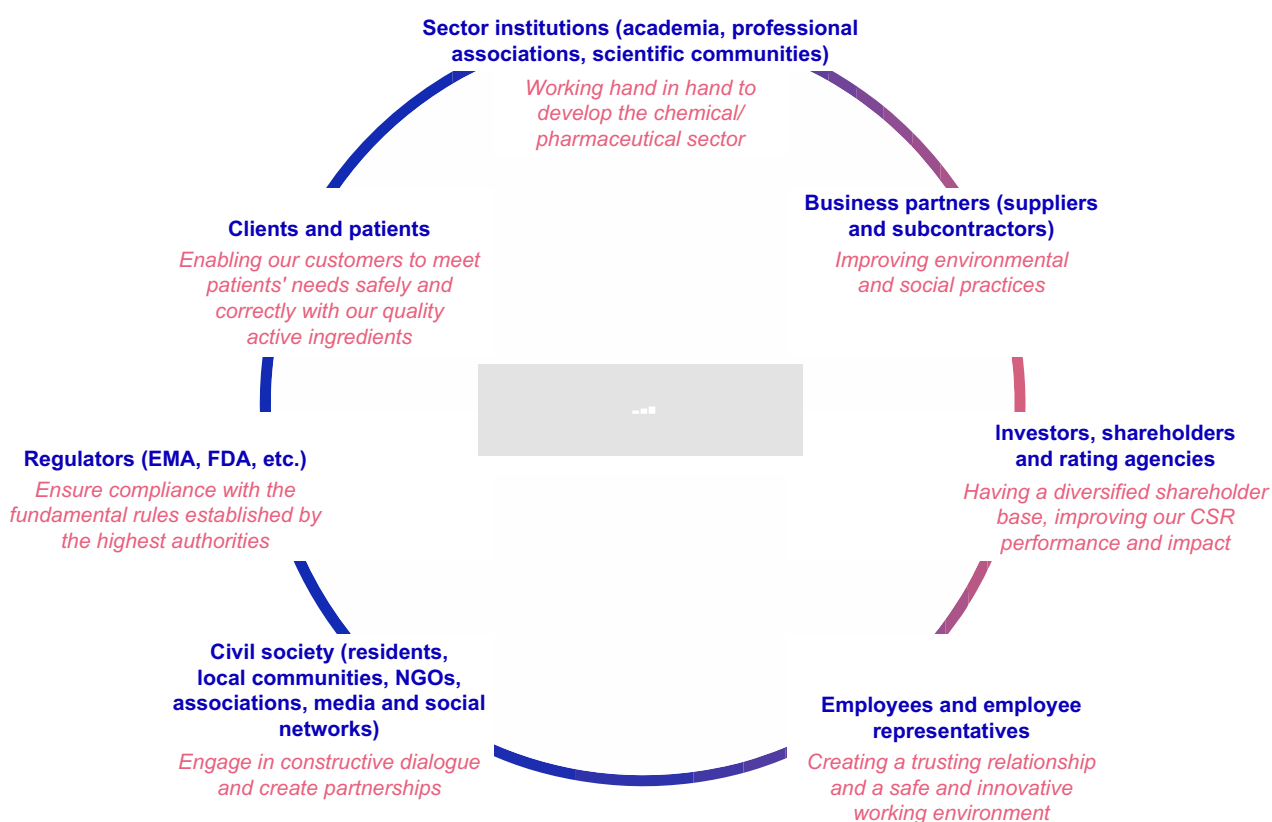
SDG	Targets	Progress 2024
	100% new raw material suppliers sign our supplier Code of Conduct	100% <div></div>
	100% sites ISO14001/50001 certification by 2023	100% since 2023 <div></div>
	100% sites purchase electricity from renewable sources by 2025	83% in 2024 100% since Jan 1, 2025 <div></div>
	42% reduction in GHG emissions (vs. 2022) by 2030 (scopes 1 & 2)	31% <div></div>
	LTI (Lost Time Injury) to 1.5 per 1,000,000 hours worked by 2025	3.1
	TRI (Total Recordable Injury) to 2.5 per 1,000,000 hours worked by 2025	4.6
	30% women in leadership position by 2025	100% <div></div>
	100% training completion on anti-corruption and anti-bribery among functions at risks	97% <div></div>
	100% completion of Code of Ethics and Compliance training	96% <div></div>
		

Stakeholders' views and interests are reflected within the company's governance through the specific roles and stakeholder interactions (both direct and indirect through their teams) of ExCom members. For example, industry institutions and civil society by the Chief Strategy Officer and R&D Officer; employees by the Chief People Officer; clients by the Chief Commercial Officer; investors by the Chief Financial Officer; business partners and authorities by the Chief Operational Officer. These views will eventually influence EUROAPI's strategy, as can be illustrated by the decision to have its decarbonization roadmap verified by SBTi, with the strong support of key clients. Strategic decisions are being endorsed by the Board of Directors, giving the opportunity to highlight the views of stakeholders contributing to these decisions.

Regular dialogue with stakeholders through different communication channels is maintained. The table below illustrates the type of interactions the Group has with its stakeholders.

Interests and views of stakeholders

EUROAPI's CSR strategy is based on a continuous dialogue with its stakeholders. The Group identifies seven priority stakeholder groups as follows:



Stakeholders	Topics addressed	Illustration of interactions with stakeholders in 2024
Industry institutions (academic, professional associations, scientific communities)	Technological innovation, chemical sector attractiveness for students & employees Economic and environmental framework, lobbying actions	<p>The Group partners with a large number of industry associations and scientific universities (>30), at local or national level.</p> <p>This includes PhD co-fundings and contributions to scientific events.</p> <p>In the context of numerous career events and site visits, the Group offers the opportunity to students to discover our industry and company, benefit from employees' experience with mock interviews, real-world experience and help prepare them for their future. Scholarships, internships and apprenticeships are offered throughout the Group.</p> <p>Participation within industry alliance, in defining and promoting a reference methodology for product carbon footprint calculation.</p>
Business partners (suppliers and subcontractors)	Quality, contractual terms, procurement planning, innovation, cost, risks and compliance with the Code of Ethics and its ESG roadmap	<p>The Group has a supplier portal, allowing timely interactions with all its suppliers and sharing of updated information.</p> <p>In addition, the Group's procurement team organizes regular business reviews, suppliers premises visits and, for important events, sends direct letters from the CPO.</p> <p>The Group's quality and supply chain teams are also key contacts for suppliers, with quality audits and registration documentation updated on an ongoing basis.</p>
Investors, shareholders and rating agencies	Results & forecasts, strategy business models/ product range, news	<p>The Company's Executive Committee members participated in broker conferences and regular investor roadshows.</p> <p>The Group's investor relationship department organized two semi-annual financial and non-financial results conference calls for investors and interacts with ESG rating agencies and banks.</p>
Employees and employee representatives	Working conditions, compensation, business reviews, safety and environmental protection	<p>2 employee representatives are members of the Board of Directors, acting as a voice of our employees, and are informed about any relevant topic as any other Board member, also participating in major decision making.</p> <p>Social dialogue: regular meetings with employee representatives on each industrial site and at country-level. A European Works Council held regular meetings with a view to facilitating information sharing between the countries.</p> <p>In 2024, numerous actions and events took place at site level such as awareness on:</p> <ul style="list-style-type: none"> • Diversity & Inclusion; • Environment; • Safety culture; • Quality culture. <p>An internal program to promote health and well-being is offered to employees at local or Group level. For example: flu vaccination campaigns, mental health, healthy living habits (food, sports, being physically active), ergonomic work-related posture sessions.</p> <p>Other workers are not explicitly represented.</p>
Civil society (residents, local communities, NGOs, non-profits, media and social networks)	Jobs, safety and environmental protection	<p>The Group is a partner of numerous local NGOs and hospitals that are addressing needs of the local communities. It includes blood donation, clothing and meal donation and fundraising events. Meetings and site visits are organized with local elected representatives (mayor, MP, senator...) to demonstrate the Group's capabilities and address potential concerns.</p> <p>The Company's CEO, Executive Committee Members and site representatives participated in various events with journalists, and the Group published 21 press releases, resulting in several hundred articles in local and international press.</p> <p>More than 20,000 people have followed the Group's LinkedIn account since its creation in May 2022.</p>

Stakeholders	Topics addressed	Illustration of interactions with stakeholders in 2024
Authorities and Regulators (EU, EMA, FDA, etc.)	Compliance, safety and environmental protection	<p>EUROAPI has received official notification from the European Commission that the Company has been selected as one of the 13 companies eligible to share up to €1 billion in total public funding under the Important Project of Common European Interest (IPCEI) dedicated to the pharmaceutical sector, "IPCEI Med4Cure". EUROAPI has submitted sustainable innovative projects to help cover the need for currently imported critical medicines such as macrolide antibiotics and corticosteroids.</p> <p>In line with its Responsible Lobbying Charter EUROAPI carries out lobbying activities with the aim of promoting the localization in France and Europe of the production of active ingredients and pharmaceutical intermediates.</p>
Clients and patients	Product offering, technology innovation, supply, quality of products, sustainability, regulatory services, pricing, etc.	<p>The Group's sales teams attended more than 20 trade fairs and scientific events in Europe, North America and Japan.</p> <p>The Group conducts regular <i>ad-hoc</i> pulse surveys and requests feedback after sales visits/calls.</p> <p>Clients and prospective clients regularly audit the Group's sites, a standard in its industry. A total of 53 audits from clients were conducted on EUROAPI's sites.</p>

This sustainability statement was presented to the Works Council on March 19, 2025.

5.1.4 Impacts, risks and opportunities

Basis of CSRD-reporting framework is a double-materiality assessment at Group level, that includes impact materiality and financial materiality, of relevant sustainability-topics for the Group's activity.

Double Materiality

The presented double materiality assessment (DMA or "Double Materiality Matrix") is based on:

- Impact materiality: impact of the company on its stakeholders, employees and environment;
- Financial materiality: financial impact of materiality topics on the company. Mapping of impacts, risks and opportunities consists in identifying, measuring and ranking the sustainability impacts that EUROAPI can have on society, its stakeholders and the environment, risks and opportunities that may affect the undertaking's performance, its reputation or its stakeholders.

This mapping is highlighting the most material topics for EUROAPI and its stakeholders, and therefore, supports prioritization of actions to be implemented and to manage these material issues as best possible.

DMA Methodology

Alongside with external consultants, the project was launched in Q3 2023 within EUROAPI to update material sustainability-topics and establish a double-materiality matrix, disclosing topics of major importance for the Group. At that given time, no clear guidelines had been defined regarding quotation principles. So the assessment was performed at topic level rather than at Impacts, Risks and Opportunities (IROs) level. Detailed IROs have been mapped according to the assessed material topics.

The following methodology was used:

- 1) Screening of relevant topics for EUROAPI business model within ESRS:
 - Based on the Group's initial materiality assessment that had drawn on large stakeholder consultation, benchmarks and the list of ESRS issues, a first list of relevant topics for EUROAPI has been defined. This list was extensive, however, some might not have been material as assessed in the upcoming steps.
- 2) Pre-assessment of impact and financial materiality:
 - Based on EUROAPI's knowledge of its activities, existing studies, sectoral documentation etc., a first assessment of each topic's materiality has been performed jointly with the Head of ESG and the Risk Manager to come up with a draft of the DMA to submit to interviewed stakeholders. EUROAPI already identified risks (both ESG and non-ESG) have been considered notably by the Risk Manager.
- 3) Interviews with stakeholders to challenge pre-assessment:
 - The pre-assessment was shared and challenged by eight internal stakeholders, members of the Executive Committee through individual and group interviews lead by the consultant and through weekly meetings with the Head of ESG and the Risk Manager.
- 4) Validation of EUROAPI financial materiality and final matrix:
 - Presentation meeting to validate financial materiality and the final DMA and if necessary, bring adjustments.
- 5) Internal validation by EUROAPI:
 - Validation of DMA by the ESG SteerCo, members of the Executive Committee.
- 6) Presentation and final validation by ESG Committee, Audit Committee and Board.

Each topic's materiality has been rated based on the following existing risk scoring

	Minor Rating value: 1	Moderate Rating value: 2	Major Rating value: 3	Severe Rating value: 5
PEOPLE & ENVIRONMENT	Situation which does not cause any threat to the employees and/nor the environment.	Situation which is not likely to cause any damage to employees and/nor the environment.	Situation which could cause damage to employees and/or the environment.	Situation which is potentially threatening to the employees or could cause damage to the environment.
BUSINESS	Situation causing adverse impact on earnings before interest, taxes, depreciation, and amortization (EBITDA) below M EUR 1.	Situation causing adverse impact on earnings before interest, taxes, depreciation, and amortization (EBITDA) between M EUR 1 and M EUR 5.	Situation causing adverse impact on earnings before interest, taxes, depreciation, and amortization (EBITDA) between M EUR 5 and M EUR 50.	Situation causing adverse impact on earnings before interest, taxes, depreciation, and amortization (EBITDA) above M EUR 50.
IMAGE & REPUTATION	Situation causing negative publicity in the absence of any damage or misbehavior caused by EUROAPI or not specifically targeting EUROAPI.	Situation causing a limited loss of reputation triggered either by: <ul style="list-style-type: none"> • Damage caused by EUROAPI, without impact on the physical or mental integrity of human beings, and/or on the environment; or • Isolated violation of laws, regulations, ethical principles or values. 	Situation causing a major loss of reputation triggered either by: <ul style="list-style-type: none"> • Isolated or reversible impact on the physical or mental integrity of human beings; or • Small scale or reversible impact on the environment; or • Repeated violation of laws, regulations, ethical principles and values. 	Situation causing a major loss of reputation with significant impact on share price or Euroapi activities, triggered either by: <ul style="list-style-type: none"> • Repeated and irreversible impact on the physical or mental integrity of human beings; or • Large scale irreversible impact on the environment; or • Systemic violations of laws, regulations, ethical principles and values.

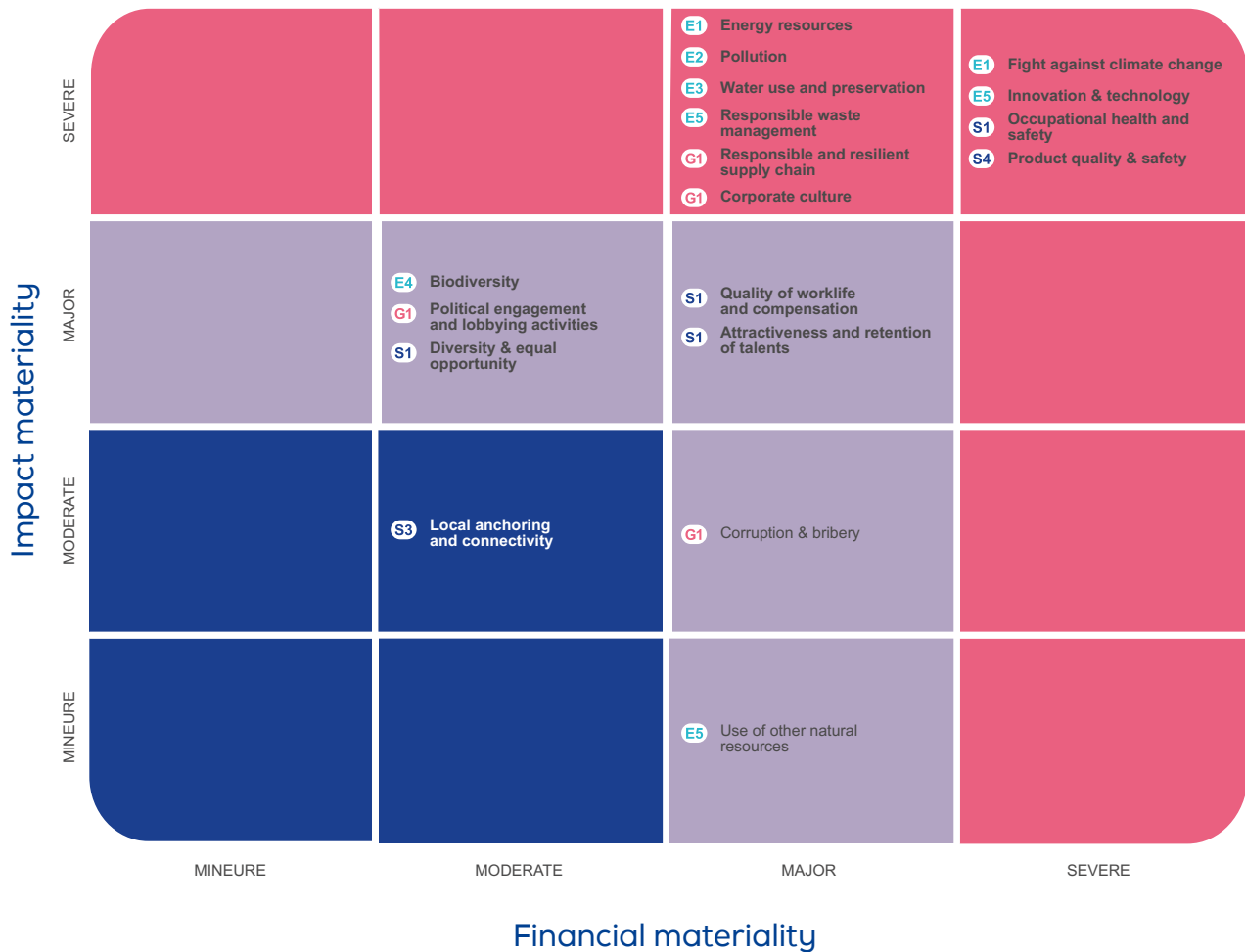
NB: The DMA risk scoring has been aligned with the company risk management standard.

For Impact Materiality

For Financial Materiality



This initial double materiality matrix will be revised periodically.



EX ESRS Environnement

SX ESRS Social

G1 ESRS Gouvernance

The time-horizon considered for these impacts, risks and opportunities (IRO) are short-, medium- and long-term (as these time horizons are defined by CSRD: Short-Term = 1 year; Medium-Term = 1 to 5 years; Long Term = beyond 5 years).

In line with the CSRD methodology, EUROAPI's risk management framework includes material risks identified in the DMA. Management and mitigation of the risks are presented in the company's risk management policy and governance. As a consequence, no significant adjustments to financial statements are expected in relationship to the material risks identified within the DMA.

Non-material ESRS

Based on this analysis, the following topics are considered non-material and have therefore not been included in the disclosure framework:

ESRS	Norms	Topics & Sub-Topics
E2	Pollution	Microplastics
E3	Water and marine resources	Marine resources
E4	Biodiversity and ecosystems	Impact on state of species
S4	Consumers and end-users	Social inclusion of consumers and/or end-users

The ESRS disclosed and related chapters are in the appendices (section 5.5.1 “Legislation and disclosure requirements”) of the present report. The data points disclosed are related to the DMA.

Impacts, Risks and Opportunities

ENVIRONMENT

ESRS Ref.	Sustainability topic	ESRS Sub-Topic	IRO	Upstream Value Chain	Own Operations	Downstream Value Chain
E1	Fight against climate change	Climate change adaptation	Negative impact Risk	X	X	X
		Climate change mitigation		X	X	X
E1	Energy resource	Energy	Negative Impact Risk	X	X	X
E2	Pollution	Pollution of air	Negative Impact Risk	X	X	X
		Pollution of soil				
		Pollution of water				
		Pollution of living organisms and food resources				
		Substances of concern				
		Substances of very high concern				
E3	Water use and preservation	Water	Negative Impact Risk	X	X	
E4	Biodiversity	Direct impact drivers of biodiversity loss	Negative impact Risk Opportunity	X	X	X
		Impacts and dependencies on ecosystem services		X	X	
		Impacts on the extent and condition of ecosystems		X	X	
E5	Use of other natural resources	Resources inflows, including resource use	Negative impact Risk	X	X	
	Responsible waste management	Waste	Negative impact Risk Opportunity	X	X	
	Innovation and technology	Innovation and technology (inc. greener chemistry)	Opportunity		X	

SOCIAL

ESRS Ref.	Sustainability topic	ESRS Sub-Topic	Impact	Upstream Value Chain	Own Operations	Downstream Value Chain
S1	Quality of worklife and compensation	Working conditions	Negative impact Risk		X	
	Diversity and equal opportunity	Equal treatment and opportunities for all	Positive Impact Risk Opportunity		X	
	Attractiveness and retention of talents	Attractiveness and retention of talents	Positive impact Risk		X	
	Occupational health and safety	Occupational health & safety	Negative impact Risk	X	X	X
S2	Responsible and resilient supply chain	Working conditions		X		
		Equal treatment and opportunities for all	Risk Opportunity	X		
		Other work-related rights		X		
S3	Local anchoring and connectivity	Communities' economic, social and cultural rights	Positive and negative impacts	X	X	
S4	Product quality and safety	Information-related impacts for consumers and/or end-users				X
		Personal safety of consumers and/or end-users	Positive impact Risk		X	X
		Product Quality			X	X
		Animal welfare				X

GOVERNANCE

ESRS Ref.	Sustainability topic	ESRS Sub-Topic	Impact	Upstream Value Chain	Own Operations	Downstream Value Chain
G1	Corporate culture	Corporate culture			X	
		Protection of whistle-blowers	Positive impact Risk	X	X	X
	Political engagement and lobbying activities	Political engagement and lobbying activities	Positive impact Risk		X	
	Corruption and bribery	Corruption and bribery	Risk	X	X	X
	Relationships with suppliers	Management of relationships with suppliers		X	X	

5.2 ENVIRONMENT

The manufacture of active pharmaceutical ingredients is especially energy-intensive and involves numerous stages that often require extremely low or high temperatures. It also requires the use of products made of petrochemicals or minerals, and in some cases significant amounts of water (for cooling systems). The Group operates in a restrictive regulatory context due

to its chemical activity and with respect to environmental protection, public health and safety.

As part of our responsible manufacturing commitment, the Group is working on improving our practices as described further in this chapter.

5.2.1 Environmental policy and governance

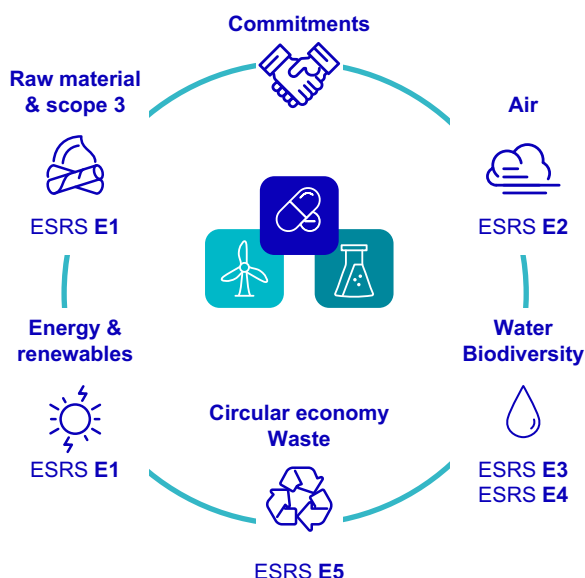
Policies

EUROAPI's Environmental policy is part of our Health, Safety & Environment (HSE) policy set in 2023. This policy shows that the Group is aware about considering and remediating its environmental and climate change impacts, as well as climate risks as described previously (5.1.4 "Management of impacts, risks, opportunities"). It includes climate change, pollutants, water, waste and biodiversity in a global and consistent approach. As a consequence, there are no separate policy documents for each environmental topic.

In 2024, the HSE policy was reinforced by focusing on a sustainable client-oriented business and on climate transition. EUROAPI's policy is based on three guiding principles:

- 1) Climate transition: driving our company to carbon neutrality by 2050. We engage our value chain with our main suppliers. Adaptation: we anticipate scarcity on water and resources by adapting our assets and processes;
- 2) The improvement of the environmental footprint of our products;
- 3) The engagement of our people in taking care of the planet. We apply a strict compliance with European regulations on air and water emissions, and on soil pollution (such as the IED directive 2010/75/EU). We reduce, reuse and recover our waste and solvents.

The strategy is based on six sub-policies with the objective to mitigate environmental impacts, as described in the following illustration.



Commitments & employee engagement

- SBTi (commitment based on Paris agreement), CDP Climate & water
- Management Systems: all sites ISO14001 & ISO50001

Air emissions

- Minimize VOC air emissions vs. solvents inputs %
- Full compliance with new European BREFs on waste gas (Best References)

Water stewardship & biodiversity

- Sobriety on water use
- High water quality with final treatment on WWTP
- Biodiversity

Circular economy, waste, solvents

- Reduce, Reuse, Recycle wastes: 3R program including solvents reuse.

Climate: energy and renewables

- Carbon neutral by design for investments and energy sobriety
- Renewables: 100% Renewable electricity purchased by 2025

Climate: raw materials & scope 3

- Product Carbon Footprint for main APIs
- Solvents recycling program
- Raw materials: a top 20 key suppliers' program
- A towards zero air freight Program

Since 1999, EUROAPI's sites have started to be enrolled within the ISO 14001 (environmental management) process and since 2012 in the ISO 50001 Process (energy management). Since 2023, all our manufacturing sites are certified with both certifications.

To ensure good and efficient environmental actions and measurement, the Group subscribed to the CDP Climate (Carbon Disclosure Project), for which EUROAPI obtained a B score in 2023 (2024 score is pending). The Group went further with the submission of the CDP Water project, obtaining a B- score beginning of February.

It provides an external and independent assessment, demonstrating which extent EUROAPI is addressing its climate change impacts and ensures adequate environmental management.

With the intention to further reinforce its climate change policy the Group has decided to engage with the SBTi process in 2025, that will support the company in reaching its decarbonization objectives by 2050.

With the governance changes throughout 2024, the environmental policy as part of the HSE policy has not been updated during the reporting period. However, the arrival of a Head of Environment end of 2023 has enabled the Group to boost its projects to remediate environmental impacts of the company.

Avoiding incidents and emergency situations: Operating in a highly regulated industry, and with five of our six manufacturing sites being Seveso-classified, detailed risk mapping, incident and emergency situations prevention are an essential part of our HSE policy (available on our website) and industry standards. In the unlikely occurrence of an incident, specific mitigation actions are planned and described in our policies, with the aim of protecting people on site and in the neighborhood, as well as the environment. Further information available in the section 5.3.5 "Health and Safety".

To date the Group set internal objectives, but does not have CSRD-aligned targets.

Governance


Under the responsibility of the Chief Operating Officer, the HSE Department is overseen by the Head of HSE who is responsible for delivering the Group's environmental strategy and overseeing the implementation and management of associated programs.

- The measurement and monitoring of environmental indicators is managed at site level by HSE Site Managers. The Environment Team's responsibilities include energy, water, waste and emissions management. It is also responsible for initiatives across all operations, consumption monitoring and reduction programs;

- These initiatives form an integral part of the Group's global HSE policy and its Environmental factsheet that are available on the Company's website;
- Environmental metrics and performance are reported and reviewed regularly by the Board of Directors' ESG Committee (see section 5.1.2 "ESG Governance", for further details).

The topic of resources and circular economy involves Operations and R&D departments. The latter plays a crucial role to drive the company towards green chemistry, with the aim of producing greener products.

5.2.2 Climate change

 Impacts	Risks	Opportunities
<ul style="list-style-type: none"> • API production processes generate GHG emissions Energy <ul style="list-style-type: none"> • API production is energy dependent, in particular for heating/cooling 	Clients and investors (ST) <ul style="list-style-type: none"> • Growing expectations from clients and investors to align with Paris agreement Climate change physical risks resulting in potential business interruption (MT-LT) <ul style="list-style-type: none"> • Due to deviation of processes (supply, production, storage and transportation) • Due to impact on employee health • Due to impact on company assets and sites Climate change transition risks resulting in loss of competitiveness and reputational damage (MT-LT) <ul style="list-style-type: none"> • Shift in norms and technology, stricter environmental regulations, carbon pricing implementation, and reporting requirements Energy (ST-MT) <ul style="list-style-type: none"> • Financial and operational risks due limited energy sources available in Europe (price volatility, supply shortages) 	Commercial and financial opportunity (ST-MT) <ul style="list-style-type: none"> • Competitive advantage linked to lower and decreasing carbon footprint • Valuation of the Company's resilience (decrease of dependency towards resources impacted by climate change, business continuity vs. climate change impacts) • Being prepared to meet the demand for new API for new treatments linked to climate-related diseases (LT) Energy (ST-MT) <ul style="list-style-type: none"> • Investments in energy saving initiatives and autonomous production capacity of energy would be an opportunity to mitigate the risk of energy supply and energy costs leading to competitive advantage in the future

Climate change IROs are concentrated on own-operations, though upstream value chain and downstream value chain are also involved. Time-horizons for IROs are indicated as Short-Term (ST), Medium Term (MT) or Long Term (LT).

Transition plan for climate change adaptation

On Climate change adaptation, in 2024, an assessment of physical risks, scenario +4°C (IPCC RCP8.5 - as a worst case scenario) up to 2050 was conducted for our six industrial sites and five critical sites of our value chain. This study confirms the need for continuing sites facilities' adaptation to rising temperatures and the necessity to maintain on some sites the existing Business Continuity Plans (BCP) such as the flood BCP for Saint Aubin-lès-Elbeuf site or the water stress BCP for Vertolaye site. After a severe hailstorm on Vertolaye site, roofing is planned to be refurbished to support extreme hail events which may become more frequent due to climate change. Some additional studies will be performed to complete this 2024 assessment in order to define additional adaptation plans where needed.

Being still at the assessment stage, EUROAPI has not defined yet a dedicated policy or associated targets regarding climate change adaptation.

Nonetheless, some initial adaptation actions have been undertaken as described in our examples on reinforced BCP integrating some major risks such as flooding (in Elbeuf). Similarly, our transition plan includes the management of water stress areas, whereby the Group has to adapt to reduce its water consumption on two sites. (see chapter 5.2.4 "Water stewardship").

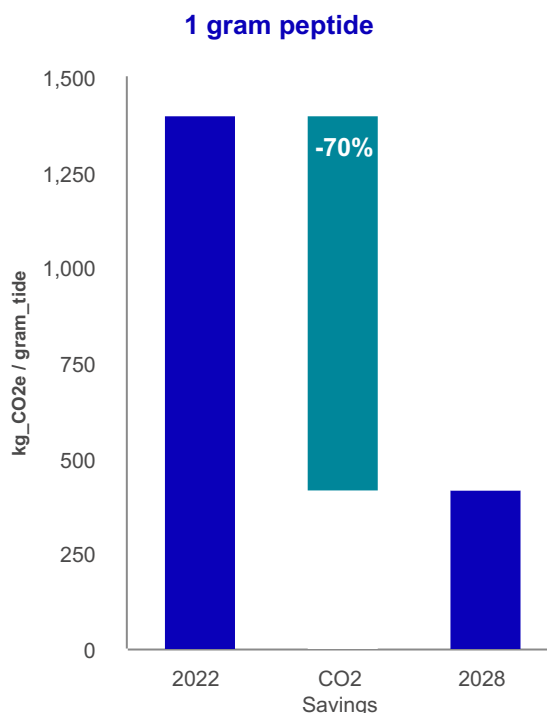
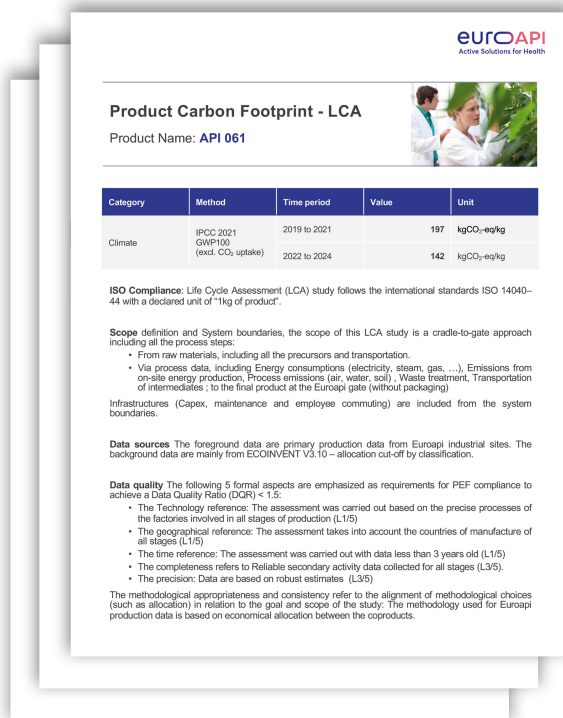
Transition plan for climate change mitigation

Pursuing compatibility with the Paris Agreement's target about limiting global warming to 1.5°C and to manage neutrality of GHG emissions by 2050, EUROAPI continuously explores, invests and executes a diversity of GHG-reduction projects. Furthermore, our SBTi commitment (effective in February 2025) shall demonstrate our commitment and the reliability of our decarbonization roadmap. Our GHG-reduction objectives have been approved by the ESG Committee and endorsed at site level since 2024.

To reinforce the mitigation process on climate change, the following actions have been set up:

- An internal carbon pricing scheme (€100/tCO₂e) to prioritize CapEx projects and to decarbonize our key raw materials (scope 3);
- For projects above €1 million, a mandatory review of ESG criteria is done, for example: zero fossil fuels for new buildings' heating, clean refrigerants, selection of solvents and their recycling, a better carbon score (scopes 1, 2 and 3);
- A Product Carbon Footprint (PCF) was assessed for our APIs representing 80% of our sales (in revenue). It enables - on demand from our client - to provide them with the specific CO₂e emissions (cradle to gate) of the APIs they buy from us, which should help them to fine tune the CO₂e emissions of their own products as well as their own company carbon footprint. The PCF methodology has been certified by an external third party (Ecovamed);
- Finally as described in the governance section (5.1.2 "ESG Governance") our CEO is subject to an incentive related to climate change performance.

Business case on one of our APIs, demonstrating a reduction of 70% of the GHG emissions of the product after its improvement.

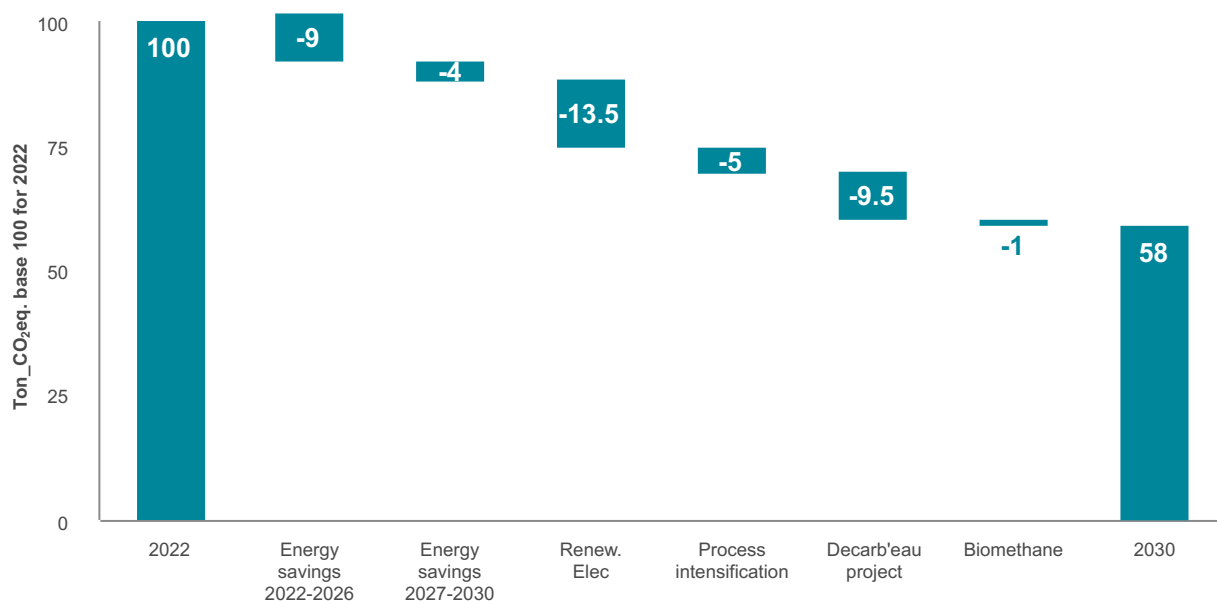


With the aim of being aligned with SBTi 1.5°C trajectory, the Group has decided to set new, more ambitious, decarbonization targets. Previous target was 30% reduction by 2030, with 2020 as a baseline year. The new baseline year is 2022, for which scopes 1+2 emissions are already 20% lower than 2020. 2022 was chosen as a representative year in terms of activity for EUROAPI, and for the pharmaceutical industry in general (vs. 2020, affected by Covid pandemic).

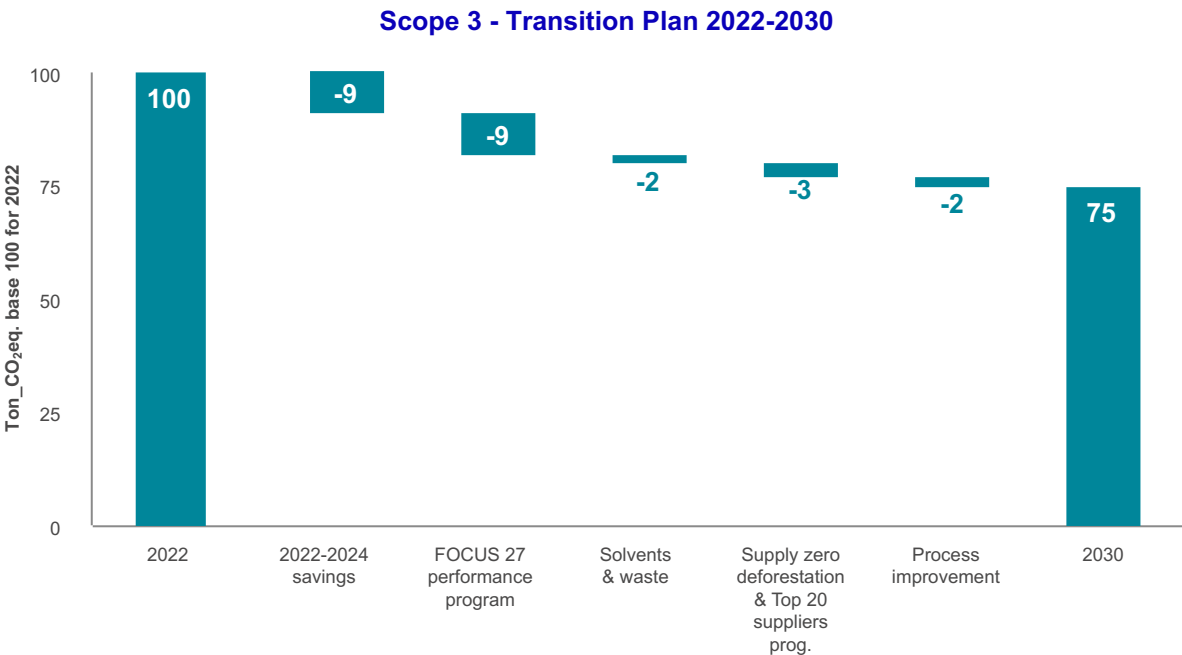
Our revised targets are:

- Scopes 1 and 2: **-42% by 2030** (baseline 2022)

Scopes 1 & 2 - Transition Plan 2022-2030



Scope 3: **-25% by 2030** baseline 2022



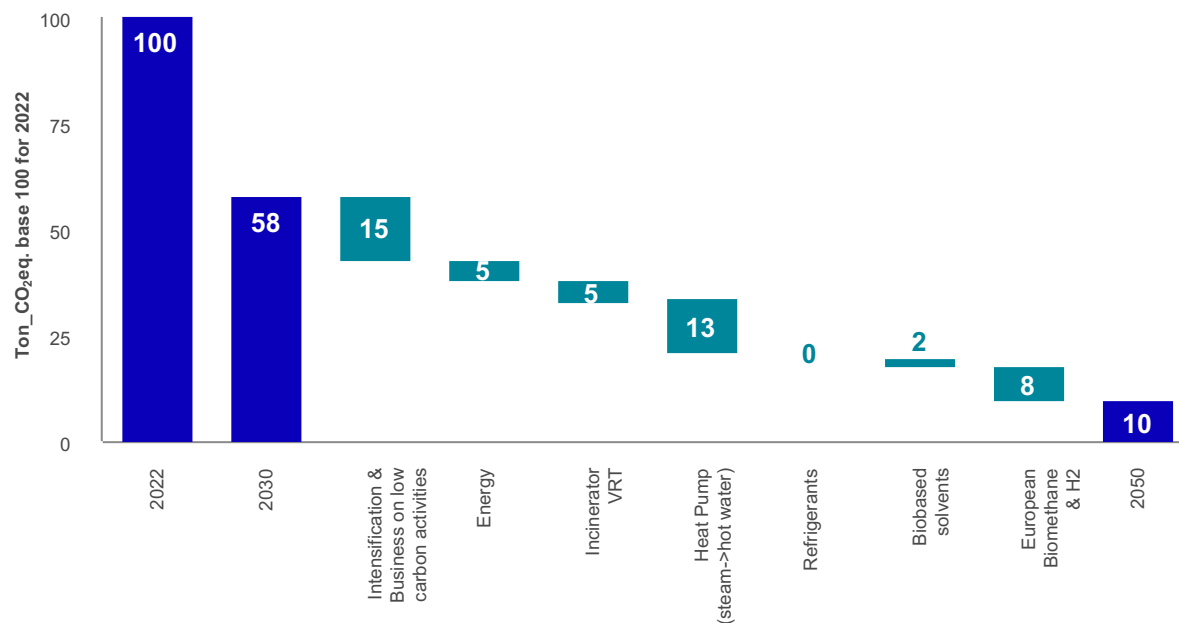
The transition plans are embedded in the business through the SBTi near-term targets 2030 and carbon neutrality by 2050. CapEx and OpEx for the underlying assumptions to reach 2030 targets have been approved by the Board and taken into consideration in the financial planning, as they should represent a global budget of €18 milion. over the period 2025-2030, under current circumstances.

To succeed in our transition plan, the Group invested in 2024 €3,935 K. in CapEx, mostly for energy saving projects and €825 K. in OpEx for renewable electricity.

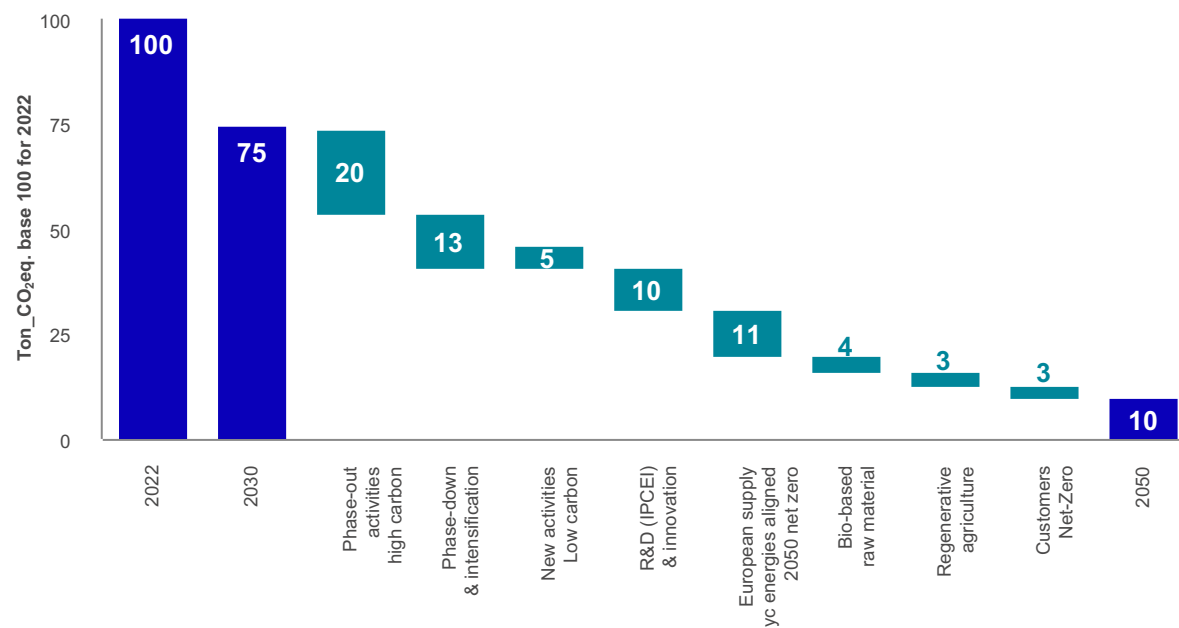
By 2050, EUROAPI forecasts locked-in emissions from non-fossil solvents burning (VOC and waste to energy solvents), fossil fuels for electricity back-up and leaks of refrigerants. These locked-in emissions are taken in consideration in our transition plan and do not jeopardize reaching carbon neutrality for EUROAPI by 2050.

The Group's long-term objective is to achieve carbon neutrality (scopes 1, 2 and 3) by 2050, with a reduction of its own emission by -90% and compensation for the 10% of residual emissions.

Scopes 1 & 2 - Transition Plan 2030-2050



Scope 3 - Transition Plan 2030-2050



Targets related to GHG emissions reduction

GHG emissions reduction targets (in % from baseline year)

(in metric tons of CO ₂ e) or (reduction in %)	Baseline year 2022	Actual year 2024	2030	2035	2040	2045	2050
Total GHG emission/reduction target	809,694	631,870	-27%	-38%	-68%	-81%	-91%
Total GHG Intensity (T CO ₂ /€ M)	829	693					
Scope 1 GHG emission/reduction target	73,318	60,846	-35%	-50%	-80%	-90%	-95%
Scope 1 intensity (T CO ₂ /€ M)	75	67					
Scope 2 GHG emission/reduction target (market based)	37,541	35,626	-55%	-60%	-90%	-92%	-95%
Scope 2 intensity (T CO ₂ /€ M)	38	39					
Scope 3 GHG emission/reduction target	698,835	535,398	-25%	-35%	-66%	-80%	-90%
Scope 3 intensity (T CO ₂ /€ M)	716	587					

The net sales of the Group reached €911.9 million in 2024 (see note 6.1 in “Consolidated financial statements” of the present report). The manufacturing activity of EUROAPI set the company as a high climate impact sector, therefore the whole net sales is taken into account for the calculation of the intensity of the Group.

Actions and resources in relation to climate change

Selection of major projects contributing to our decarbonization roadmap in 2024:

- Energy saving program goes on with new compressed air equipment and chillers.
- Renewable electricity: after a 2 megawatts solar farm at Haverhill, that operationally started at the beginning 2024, a second farm will start at Brindisi with 1.35 megawatts. In parallel, the purchase of Guarantees of Origins has achieved the 100% of renewable electricity purchased on all our manufacturing sites since January 1, 2025.
- Specific decarbonization project (Décarb'eau project): the Elbeuf biomass boiler project initiated in 2023 was replaced by a new project, with more benefits on our environmental impacts, as it is expected not only to decrease our natural gas consumption, but also our water withdrawal. This solution is based on heat recovery and heat pumps reducing the need for natural gas-derived heating, and a hot water loop system that will replace steam. Simultaneously, the heat recovered enables to save cooling water. A first step started in 2024 with heat recovery system;
- Air-to-Sea-Switch program: whenever possible, the supply our APIs by sea freight is proposed rather than by plane, mostly to the United States of America and Japan. This project has reached its goal, for more sustainable supply to our client. An additional project came up end 2024 to explore the possibility of sea transport *via* sailboat.

For a resilient supply of opiates, we are adapting our agriculture to climate change by operating in different regions, working with farms spread all over the French territory, in order to limit the risk related to climate change.

So far EUROAPI does not proceed with any carbon removals nor purchase any carbon credits to improve or counterbalance its CO₂ eq. emissions and does not plan it either for 2025.

The overall budget planned for the climate change actions until 2050 is not estimated yet.

GHG emissions

As mentioned earlier and in introduction of our report regarding GHG emissions: 100% of the data for scope 1 and 2 and 80% of the scope 3 data are based on consumption, see details below.

Scope 1 and 2	Based on MWh and EFs from IEA, DEFRA, European decrees, suppliers, % of carbon for solvents, refrigerant's gwp from IPCC. For scope 2, market-based instruments are Guarantee of Origins (GOO) compliant with European AIB. No energy bundled
Scope 3, category 1	For purchased of goods, method based on weight with emission factors from Ecoinvent and carbon footprints for key raw materials. For services, economical method and emission factors from Exiobase.
Scope 3, category 2	Financial EFs from Exiobase.
Scope 3, category 3	Based on MWh and EFs from DEFRA.
Scope 3, category 4	km for raw material bought and product sold (waste transport in waste cat 05).
Scope 3, category 5	Based on waste volumes and EFs from Ecoinvent.
Scope 3, category 6	From vendor.
Scope 3, category 7	Based on km by individual car per employee. EF from Ecoinvent.
Scope 3, category 10	From global external study and the ratio of carbon coming from the active ingredient and the formulation.
Scope 3, category 12	Volume of packaging and incineration by our customers (drums).

EUROAPI is a manufacturing chemical company, therefore 100% of its net sales is related to high impact sectors and to be considered for the calculation of its intensity.

The Group overall emissions have decreased partly due to a reduction of the Group's activity, reflected by decreasing sales and even more in reduced procurement volumes. However the positive impact of

actions conducted can be highlighted through the rather good performance of our overall intensity (CO₂ eq/€1 M) that decreased by 15% between 2023 and 2024 (from 819 T CO₂eq/€1 M to 693 T CO₂eq/€1 M). The efforts have particularly impacted our scope 3, especially on purchased of goods and services (-25%), that was representing 70% of our scope 3 emissions in 2023 and was reduced to 66% in 2024.

Gross Scopes 1, 2, 3 and Total GHG emissions

GHG emissions - scopes 1, 2 and 3

<i>metric tons of CO₂e</i>	2024	2023*	2022*	Change vs. 2023 (%)	Previous methodology 2023
Total GHG emissions - location-based	637,310	829,352	815,705	-21.9%	N/A
Total GHG emissions - market-based	631,870	823,929	809,694	-22.0%	796,765
Scope 1 GHG emissions	60,846	70,491	73,318	-17.0%	63,086
% from regulated emission trading schemes	62%	60%	63%	-1.6%	N/A
Scope 2 GHG emissions - Location- based	41,066	42,386	43,552	-5.7%	N/A
Scope 2 GHG emissions - Market-based	35,626	36,963	37,541	-5.1%	28,614
Scope 3 GHG emissions	535,398	716,475	698,835	-23.4%	705,065
1. Purchased goods and services	355,896	497,444	475,486	-25.2%	397,812
2. Capital goods	13,522	18,716	14,440	-6.4%	16,086
3. Fuel and energy-related activities	18,393	23,336	24,158	-23.9%	29,648
4. Upstream transportation and distribution	15,665	18,219	19,297	-18.8%	23,719
5. Waste generated in operations	40,770	54,071	59,635	-31.6%	144,505
6. Business travel	464	871	571	-18.7%	996
7. Employee commuting	6,829	7,357	6,903	-1.1%	6,237
8. Upstream leased assets	N/A	N/A	N/A	-%	N/A
9. Downstream transportation and distribution	N/A	N/A	N/A	-%	N/A
10. Processing of sold products	82,900	95,364	97,234	-14.7%	76,235
11. Use of sold products	N/A	N/A	N/A	-%	N/A
12. End-of-life treatment of sold products	960	1,097	1,112	-13.7%	9,828
13. Downstream leased assets	N/A	N/A	N/A	-%	N/A
14. Franchises	N/A	N/A	N/A	-%	N/A
15. Investments	N/A	N/A	N/A	-%	N/A
Total GHG Intensity - location based GES (t CO ₂ / €M)	699	819	835	-16.3%	N/A
Total GHG Intensity - market based GES (t CO ₂ / €M)	693	813	1,545	-55.1%	N/A

* 2022 and 2023 data were updated with the new methodology and the full annual period vs. last year reporting, that disclosed rolling quarter GHG to Q3 2023.
NB: the categories non covered in the scope 3 are explained in the methodology section 5.1.1 - "Methodology note on data reporting".

Internal carbon pricing

For all CapEx and OpEx in Energy sourcing we take into account an internal carbon pricing.

For purchase of goods, waste, upstream energy and upstream transport, we take into account CO₂ cost with internal carbon pricing.

GHG emission volumes covered by carbon pricing schemes and share per scope

GHG emission volumes covered by carbon pricing schemes and share per scope

	2024	
	t CO ₂ eq	% of t CO ₂ eq
GHG emission scope 1 covered by schemes	60,846	100 %
GHG emission scope 2 location-based covered by schemes	41,066	100 %
GHG emission scope 2 market-based covered by schemes	35,626	100 %
GHG emission scope 3 covered by schemes	408,070	76.2 %

EUROAPI used unbundled renewable electricity in 2024, compliant with the European framework AIB as a guarantee of origin.

Energy consumption

Our activity is highly dependent on energy consumption. In order to reduce our GHG emissions and to mitigate the potential impact of volatile energy prices, the Group is constantly working on energy savings, applying an ISO 50001 management system for continuous improvements.

While the energy consumption intensity slightly increased (+1.7% vs. 2023), our overall energy consumption decreased on almost all type of consumption, mainly due to a reduced activity, however efforts still remain to be done on purchased or energy related to fossil fuel. Last year EUROAPI slightly started to benefit from the energy generated by its solar panels installed in 2023. Overall our efforts have enabled to increase our share of renewable energies to 27% vs.26% in 2023.

Energy consumption and mix


Energy consumption by source

(MWh)	2024	2023	2022	Change vs. 2023 (%)
Total energy consumption	506,534	549,278	572,549	-7.8%
Fossil sources energy consumption [37a]	370,160	404,968	427,613	-8.6%
% of fossil fuel consumption [AR34]	73%	74%	75%	-0.9%
Fuel consumption from natural gas [38c]	243,025	279,630	302,499	-13.1%
Fuel consumption from crude oil and petroleum products [38b]	162	167	484	-3.0%
Fuel consumption from coal and coal products [38a]	0	0	0	/
Fuel consumption from other fossil sources [38d]	5,303	6,788	6,775	-21.9%
Purchased or acquired electricity, heat, steam, or cooling from	121,670	118,383	117,855	+2.8%
Nuclear energy consumption (electricity) [37b]	361	370	1,281	/
% energy consumption from nuclear sources / total energy consumption [AR34]	0.07%	0.07%	0.22%	
Renewable energy consumption [37c]	136,014	143,940	143,654	-5.5%
Purchased or acquired electricity, heat, steam, or cooling from	134,380	143,931	143,646	-6.6%
Self generated non-fuel renewable energy (solar panels) [37c iii]	1,634	9	8	+18055.6%
Fuel consumption from renewable sources [37 c i]	0	0	0	
% of renewable energy/total consumption [A34]	27%	26%	25%	+2.5%
Energy intensity (total energy consumption per net revenue) in MWh / € M [40]	555	542	586	+2.5%

Energy production

(MWh)	2024	2023	2022	Change vs.2023 (%)
Non-renewable energy production [39]	/	/	/	/
Renewable energy production [39]	1,634	9	8	+18055.6%

5.2.3 Pollution

 Impacts	Risks	Opportunities
<ul style="list-style-type: none"> Negative impact in case of non-voluntary spill of APIs or chemical raw materials during the processes (supply chain, production, storage, transportation) in air, in water or in soil Possible negative impact on employees and surroundings in case of accident 	<ul style="list-style-type: none"> Financial and operational risks related to future, more stringent regulations impacting our operations, sourcing and/or license to operate (MT) Financial risks linked to fines, insurance costs, prejudice compensation in case of pollution (MT) Reputational risk in case of pollution or exposure of employees and surroundings to emissions of pollutants or substances of very high concern (ST) 	<ul style="list-style-type: none"> Opportunity to develop less impactful Pharmaceutical In the Environment (PIE) products (LT) Competitive advantage derived from recycling of solvents (less costs, more environmentally-friendly process) (MT)

Pollution-related IROs are concentrated on own-operations, though upstream value chain and downstream value chain are also involved. Time-horizons for IROs are indicated as Short-Term (ST), Medium Term (MT) or Long Term (LT).

Our chemical activity implies risks related to pollution that can impact our employees and the neighborhood due to their potential exposition to chemical products in case of accident. Potential impacts are also to be considered on the environment (water, soil and air).

Further risks related to pollution are: the consequences in terms of financial and operational risks pertaining to our license to operate; the risks related to insurance or compensation in case of pollution event; and finally the reputational risk.

However to contain risks of pollution, investments are made to avoid or reduce pollution, such as solvent recycling, that also enables to reduce our dependency to suppliers and decrease our GHG emissions.

Our policy is based on a full compliance with European Best References (BREF CWW and WGC for air and water emissions). To support this ambition, we continuously monitor and strive to reduce our VOC air emissions. From an initial 2,252 tons in 2020, we have already achieved less than 1,000 tons in 2024, though mainly due to reduced activity. Intention is to continue to keep it as low as possible, with continuous monitoring, efforts and projects as detailed here after.

Actions and resources related to pollution of air, water and soil

Our industry is very regulated (esp. the Seveso-class sites) and the Group is ensuring that all normative processes, whether local, national or international, are applied and respected.

Air emissions

Limiting pollution of our activities is mainly related to our own manufacturing process and more especially to air emissions (VOC emissions).

The use of solvent is required for the manufacturing of our products. Solvents are known to be highly volatile, contributing also as GHG. Several projects have been initiated since the creation of EUROAPI to reduce the volatility of those products, resulting from the synthesis of APIs. To achieve that, several initiatives and projects from research to production were conducted to:

- Prioritize clean and the least-toxic solvents by using the guide of solvents (list of solvents banned or undesirable: such as diethyl ether, benzene, propionitrile, etc.) and with which all our industrial facilities comply;

- Use the European Best available Technologies (BREF WGC – Waste Gas Common);
- Integrate the recycling of solvents (see chapter 5.2.6 “Resources and circular economy”); in our CapEx projects thanks to an internal process named “Planet by Design” to ensure an alignment of the CapEx with our long term targets;
- Invest in VOC air treatment (Thermal oxidizer, cryogeny, scrubbers, active carbon);
- Operate VOC assets and monitor air emissions.

In 2024, VOC air emissions were reduced by 24% (924 tons in 2024 *vs.* 1,215 tons in 2023). Despite a significant activity decrease that explains a part of this saving, our Hungarian site has invested to stop leaks, saving in one year 100 tons of VOC.

Wastewater quality

To limit our impact on water, soil and subsoil, the Group is committed to implement the best available technologies for water treatment and monitoring wastewater discharge, at its industrial sites through:

- the reduction of wastewater quantities discharged at source; and
- the use of advanced treatment methods at site level, such as ozone or activated carbon, where appropriate.

Our actions to reduce wastewater discharge and to improve the quality of wastewater are described in the section 5.2.4 “Water Stewardship”.

Soil pollution

Regarding soil pollution, remediation actions are ongoing, through clean up of soil from contamination. The installation of three treatment systems for the water discharged has enabled to improve the overall quality of soils around one of our manufacturing sites. These actions are fully compliant with the regulatory requirements, defined by the Environmental Protection Authority.

A hydraulic barrier replacement (for containment of historic contaminated soil and associated ground water) is on test on one of our site.

A soil remediation action took place in 2024 with the cleaning of historical pollution. The Group spent €7.3 million of OpEx in 2024 and the forecasted expenditure 2025+ is €48 million of OpEx.

In 2024, an innovative bio-treatment of soil was tested in Hungary. It will replace, time to time, the hydraulic barrier with an active carbon treatment. The equipment will be implemented in 2025.

Actions regarding our value chain engagements

Regarding our upstream value chain, please refer to our section G1-Corporate governance, regarding supplier management. So far no strong policy has been applied on our upstream and downstream value chain regarding pollution mitigation, but we are improving our supplier selection and management process with our responsible purchasing screening tool. (see section 5.4.4 “Relationship with suppliers”)

Our impacts on our downstream value chain are mainly related to patients and communities. The management of that type of pollution mainly relies on our clients who manufacture and market the drugs. Addressing the issue of downstream pollution is complex as there are limited possibilities of direct interactions: the pharmaceutical industry is very strictly regulated regarding communication with healthcare professionals and patients.

Indicators

EUROAPI overall works on improving its potential impact on pollution, beyond strict compliance with local applicable and European regulations as listed below. The company proceeds with regulatory analysis to ensure its compliance in terms of pollution:

- Non-methane VOC (NMVOC), dichloromethane, Trichloromethane. Measurement and regulated target: directive 2010/75/EU Annex VII.
- Hydrofluorocarbons (HFCs), measurement: mass balance defined in F-Gas Regulation 2024/573/EU.
- Pollution of water: measurement methodologies and targets.

Measurement and regulated target: BATAEL conclusions on Decision (EU) 2016/902 on BAT conclusions.

- Dichloromethane, trichloromethane, total organic carbon (TOC) (as total C or COD/3), total nitrogen, total phosphorus, nickel, zinc, phenols, cyanides. Methodology PER (measurement method already prescribed by the competent authority within the framework of a license or operating permit for the establishment concerned) and target mandatory by the permit.

No inferior methodology to quantify emissions.

Pollutants Emissions (air, water)

<i>(in tons)</i>	2024
Non-methane VOC (NMVOC)	924.0
Dichloromethane (DCM)	184
Trichloromethane	59
PCDD+PCDF	0.0
Total organic carbon (TOC) (or COD/3)	173.0
Total nitrogen	143.0
Total phosphorus	16.6
Halogenated organic compounds	0.0
Arsenic and compounds	0.0
Mercury and compounds	0
Nickel and compounds	0.038
Zinc and compounds	0.9
Phenols	0.1
Chlorides	0.0
Cyanides	0.1
Fluorides	0.0

Non significant pollution in soil according to the EU regulation E-PRTR.

Hydro-fluorocarbons (HFCs) are not followed here as they are counted within the GHG emissions.

The pollutants emissions levels listed in the table above are compliant with applicable norms and regulations, at local and national level.

VOCs have significantly decreased vs. 2023 (from 1,219), which can be explained by the new methodology applied to evaluate the quantity of incinerated waste, that was including water and salts and now removed from the calculation.

Substances of Concern and Very High Concern

EUROAPI manages Substances of Concerns (SOC) of substances bought, of products sold and of pollutions emitted. The identified volumes of substances of very high concern are also integrated in Substance of Concern class 1. Hazard class are determined according to CLP categorization - Classification, Labelling and Packaging (CLP) Regulation ((EC) No 1272/2008).

Substances of Concern

<i>(tons)</i>	2024
Substances of concern generated, used or procured	18,006
Hazard class 1	11,547
Hazard class 2	6,093
Hazard class 3	361
Hazard class 4	4
Substances of very high concern generated or used or procured (class 1 of SOC)	2,445
Total amount of substances of concern that leave facilities as emissions, as products, or as part of product or services	2,954
Substances of concern leaving facilities as emissions	244
Hazard class 1	1
Hazard class 2	243
Substances of concern leaving facilities as products	2,710
Hazard class 1	563
Hazard class 2	1,997
Hazard class 3	150
Substances of concern leaving facilities as part of the products	0
Substances of concern leaving facilities as services	0

Operating expenditures in conjunction with major incidents and deposits (pollution)

<i>Euros</i>	2024
CapEx	0
OpEx	0

No material incidents and deposits (pollution) in 2024.

5.2.4 Water stewardship

	Impacts	Risks	Opportunities
	<ul style="list-style-type: none"> Negative impact as some API production processes are water-dependent and might be in hydric-stress areas 	<ul style="list-style-type: none"> Financial and Operational risks in case of change in regulations on fresh water supply and waste water treatment (increased taxes ou costlier treatment, usage restriction...) (ST-MT) 	<ul style="list-style-type: none"> Investment in reduction, reuse and/or recycling of water on site might be an opportunity to mitigate risks (MT-LT)

Water-related IROs are concentrated on own-operations. Time-horizons for IROs are indicated as Short-Term (ST), Medium Term (MT) or Long Term (LT).

The Group's industrial activity requires significant use of water, an essential element in the production of APIs and necessary for the operation of industrial sites and equipment.

Water usage is necessary at three different steps of the manufacturing processes: for the synthesis of APIs, for heating or cooling some processes and for the cleaning of the production unit.

Mindful of the water-dependent nature of API production and in line with its Environmental Factsheet, the Group has encouraged its sites to set up a water efficiency program, such as recycling methods, in a continuous effort to reduce water usage. For example, in 2024, Vertolaye and Frankfurt sites have implemented new closed water loop systems on specific manufacturing facilities, in order to reuse recycled water.

Alliance For Water Stewardship defines water stewardship as the use of water that is socially and culturally equitable, environmentally sustainable and economically beneficial, achieved through a stakeholder-inclusive process that includes both site- and catchment-based actions.

In terms of Risk management, water stewardship sticks to three ESG material risks:

- Environmental footprint of production:
 - Sobriety in water withdrawal or consumption,
 - Quality of water release, zero impact from chemical, pharmaceutical, antibiotic residuals,
 - Performance of Wastewater Treatment Plants;
- Fight against climate change:
 - Water scarcity and Business continuity plan;
- Shared value and stakeholders' engagement:
 - Local/regional requirements to reduce our withdrawal,
 - Industrial eco-system: links with companies linked by the supply or the Wastewater treatment plant,
 - Customers demand CDP Water assessment,
 - Customers ask on water consumption per product.

Two sites are under water scarcity: one in France (Vertolaye), one in Italy (Brindisi). Local authorities define specific thresholds in terms of water consumption and/or water withdrawal to be respected by our sites. Depending on weather and seasonal conditions, local authorities will require our sites to adjust to the defined thresholds.

No specific actions were conducted in Brindisi in 2024 due to its shutdown during the first half of the year. The priority on the site was to restart the production (see section 5.3.8 "Consumers and end-users").

Actions and resources related to water stewardship

EUROAPI's water stewardship roadmap developed in 2024 prioritized the industrial sites with higher water-related risks and was based on:

- Water quality management: increase water quality, released from our Wastewater Treatment Plants (WWTP), though the implementation of a quaternary treatment by ozone in Elbeuf. In 2024, EUROAPI invested ,€9 million to remove the particles from wastewater and to treat the main chemical and pharmaceutical residuals from our operations. The WWTP can treat with ozone up to 200m³/hour (the equivalent of two Olympic swimming pools per day). This project is expected to reach full operations in Q1 2025.
- Water use sobriety:
 - Vertolaye site is under water scarcity. End of 2023 a €3 million CAPEX for new chillers has enabled to deliver 0.3 million m³/year saving;
 - In 2024, every new CapEx project complies with our long-term targets (internal process named

"PLANET by Design") to be sure we mitigate water consumption for new activities. Example of water efficiency programs:

- Installation of 3 treatment systems (see 5.2.3 "Water and soil pollution");
- Biospargin pilot test is ongoing and could enable to stop using water extraction wells in case of favorable water quality results;
- ELLA Project to save at least 10% of water withdrawal in partnership with local institution;
- internal development of a product water footprint finalized in Q3 2024 and that can be provided on demand to clients.

The Group submitted its CDP water membership in September 2024 to further improve its actions and reduce its dependency to water (reduce water scarcity risks). A B- score was obtained beginning February 2025.

Metrics

Water usage

At EUROAPI, water is used for two main usages: process water for the manufacturing and cleaning (11%), water for cooling and heating (89%).

Water consumption follows CSRD definition.

Disclosure of contextual information regarding water consumption


Water consumption

(in thousand m ³)	2024	2023	2022	Change vs. 2023 (%)
Total water consumption	553	650	669	-14.9%
Water consumption in areas at water risk (incl. areas of high-water stress)	306	379	410	-19.3%
Water recycled / reused on site	4,807	4,532	4,436	6.1%
Water stored	0	0	0	/
Water intensity	0.60	0.64	0.68	-6.2%

Water withdrawal by source

(in thousand m ³)	2024	2023	2022	Change vs. 2023 (%)
Total water withdrawal	17,181	18,312	17,561	-6.2%
Public supply	1,110	1,233	1,411	-10.0%
Other supplier	21	15	19	40.0%
Surface water	3,665	4,292	4,216	-14.6%
Groundwater	12,385	12,772	11,915	-3.0%

5.2.5 Biodiversity

	Impacts	Risks	Opportunities
	<ul style="list-style-type: none"> Negative impact on biodiversity as EUROAPI contributes to climate change, consumes natural resources and presents risks of pollution Plant-based APIs can lead to land conversion for agricultural purposes that may result in the loss of natural ecosystems and their biodiversity 	<ul style="list-style-type: none"> Financial and operational risks for plant-based APIs raw material availability as biodiversity decreases (LT) Global risk of supply disruption and price increase on specific raw materials (soy, palm oil...) as global regulation on deforestation enters into force (ST-MT) 	<ul style="list-style-type: none"> Commercial opportunity in the field of plant-based API extraction that might develop in the future (vs. chemical synthesis API) (LT)

Biodiversity IROs are concentrated on upstream value chain, while own-operations are also involved. Time-horizons for IROs are indicated as Short-Term (ST), Medium Term (MT) or Long Term (LT).

The biodiversity program encompasses:

- Impact from six manufacturing sites: one site in France (Elbeuf) lies within less than 5 km distance from a protected area (UICN class IV-V-VI). With local authorities, mitigation plans are in place to preserve trees, animals and plants;
- Impact of our upstream value chain:
 - Zero deforestation tracking with suppliers of soy and glycerin,
 - Natural Products program for key raw materials including poppy agriculture operated by the affiliate Francopia.

Transition plan and consideration of biodiversity and ecosystems

As part of our business as industrial manufacturer, sites are submitted to rules as part of the HSE policy. EUROAPI strictly complies with all applicable regulations pertaining to preservation of biodiversity based on directive 2009/147/CE on the conservation of wild birds, Council Directive 92/43/EU on the conservation of natural habitats and of wild fauna and flora.

However, no further investigation was conducted so far and therefore no policy or transition plan on biodiversity was defined.

The Group owns six sites with manufacturing activities in five European countries and an R&D site based in Germany, where biodiversity can potentially be impacted. Only one site (Elbeuf) lies within the 5 km distance from sensitive areas such as natural parks or natural areas (ZNIEFF Iles and Berges Seine, Boucles de la Seine amont, Coteaux d'Orival, Forêt Londe-Rouvray - 0.4 to 5 km), with specific biodiversity (e.g. specific bird species). Elbeuf site represents a total surface of 18 hectares.

Actions and resources related to biodiversity and ecosystems

In 2024, the main actions undertaken were:

- A four-season study at Elbeuf;
- Zero deforestation: tracking of our supplier's sourcing. End of 2024, almost all of our soy and palm oil derivatives were deforestation-free;
- Assessment of our land use for our natural products: In 2024, we used 10,400 hectares for our business (equivalent to Paris intra-muros area). Our land use is mainly for growing poppies, representing 77% of total land use.

The Group started to implement projects in 2024 related to:

- Biodiversity for each of our site;
- Biodiversity sourcing program:
 - with the objective to get supplied with zero deforestation product by end of 2025: only two of our sourced products have a deforestation potential (soybean meal and glycerin). Our suppliers of these resources have committed to become deforestation free by 2025,
 - also an analysis of our natural and bio-based products has been initiated in order to assess the land use.


Regarding our other sites, not considered within sensitive areas for the biodiversity: one has received certification for bird protection and another one proceeds with regular trees and species inventory and has a tree planting program.

Metrics

Some indicators are internally set and followed to evaluate internal performance:

- Percentage of deforestation-free raw material (soy and palm-oil derivatives);
- Land-use for natural products.

5.2.6 Resources and circular economy

 Impacts	Risks	Opportunities
<ul style="list-style-type: none"> Negative impact as some API production processes involve rare natural resources Negative impact as API production generates both hazardous and non-hazardous waste that can lead to environmental degradation, climate change contribution, harm to biodiversity Positive impact when developing circular business model <p>Innovation and technology</p> <ul style="list-style-type: none"> Positive impact as innovation plays a key role in maintaining the Group's competitiveness and the product quality/safety in the API industry Green chemistry and sustainable innovation investments contributes to the decarbonization of the pharmaceutical value chain 	<ul style="list-style-type: none"> Financial or business interruption risks linked to access constraint to some rare materials resources. (MT-LT) Reputational, operational and financial risks (fines, limitations to operate...) linked to inappropriate hazardous waste treatment or discharge, and increase of waste treatment costs (MT-LT) <p>Innovation and technology</p> <ul style="list-style-type: none"> Commercial risk if incapacity to invest in innovation and new technology as it may affect EUROAPI's competitiveness in the marketplace as it will not meet clients and patients needs (MT-LT) Incapacity to invest in academic and industrial cooperation/eco-system could lead to lack of innovation and technology development (MT-LT) 	<p>Financial and Operational opportunities: reducing the Group's reliance on virgin resources and rare materials</p> <ul style="list-style-type: none"> Improve cost base by implementing processes that enable the reduction, recycling and reuse of resources (MT) Decrease dependencies on quotas and regulations (LT) Creation of local eco-systems enabling EUROAPI to recycle or reuse the resources around the production sites could increase resilience and decrease costs (LT) Innovation and technology <p>Commercial, social and financial opportunities:</p> <ul style="list-style-type: none"> Optimization and efficient use of resources, reduce waste generation and therefore lower waste treatment costs (ST-MT) Ability to increase the performance of the production process to enhance productivity (ST-MT) Ability to strengthen relationships with key industrial and academic stakeholders to innovate and implement at industrial level new technologies or products (MT-LT) Improving the production process to create innovative products or improve current EUROAPI products (LT)

Resources- and circular economy-related IROs are concentrated on upstream value chain and own-operations.

Innovation and Technology-related IROs are concentrated on own-operations. Time-horizons for IROs are indicated as Short-Term (ST), Medium Term (MT) or Long Term (LT).

The synthesis of APIs is dependent on chemical and bio-fermentation processes. The Group generates, through its industrial activity, hazardous and non-hazardous waste classified according to the legislation in force (Directive 2008/98/EU). For 1 kg of API, 32 kg of raw materials are necessary on average. The circular economy and waste management is key for environmental benefits and for economics.

EUROAPI set a Reduce, Reuse, Recycle (3R) policy and a reduction of waste arising from its operations, especially through greener chemistry, that is one of the Group's environmental focus, since emissions related to waste has accounted for 8% of the Group's total scope 3 emissions.

Actions

The actions integrated in our 3R program:

- **Reduce:** for product improvements and new molecules, the Group assesses different internal indicators as for example the Process Mass Index, the Waste Index and the use of virgin organic solvents and the recycling rate of solvents. The company emphasizes continuous improvement by reducing hazardous waste year on year. In 2024, significant waste reduction was achieved, mostly due to the decrease in our production but also triggered by continuous improvement efforts on our processes (e.g. Frankfurt with less solvent used for the major API fexofenadine);
- **Reuse:** the company drives internal actions on solvents recycling, enabling the company to reuse these solvents.(see section 5.2.3 "Pollution");
- **Recycle:** the levers are focusing on wastewater treatment plants, on aqueous wastes (water with traces of toxics) and inorganic salts. In addition, the company specifically focuses on minimizing hazardous waste to landfill.

Resources inflows

Regarding resources inflow, a material risk has been identified in terms of financial or business interruption risks linked to access constraint to some rare materials.

Within this framework, cobalt - used for the manufacturing of one of our APIs - has been identified as relevant. Cobalt is subject to availability concerns on a worldwide scale, and therefore, on a longer term, subject to potential price fluctuation.

As a consequence, the Ella project was launched beginning of 2023 (press release on our website), with the objective to significantly reduce the use of that critical raw material by at least 50% kg of API produced. ELLA project represents €40million investments. The validation batches are expected to be realized in 2025.

Weight of product; technical and biological materials used

(tons)	2024
Total weight of product; technical and biological materials used (tons)	206,063
% of biological materials (incl. Biofuels used for manufacturing of the undertaking's products and services)	19%
Weight of secondary reused, recycled components, secondary intermediary products and secondary materials used to manufacture the undertaking's products and services (Solvents)	47,623
% of secondary reused, recycled components, secondary intermediary products and secondary materials used to manufacture the undertaking's products and services	23%

Circular technology development

In order to improve our product circularity, projects were developed to decrease the impact of our products on their ecosystem, especially on the environment.

Green process development

Several internal innovation projects launched in 2023, concluded by the end of 2024, with a significant emphasis on maximizing their value, especially for project about reducing solvent usage and/or adopting greener alternatives. Additionally, projects utilizing Data Science capabilities, such as the development of the Bayesian optimization method, are in progress to modernize our methodologies.

Another major innovation program at EUROAPI consists in developing greener and more sustainable methods to extract, purify and isolate alkaloids. This project is currently in R&D phase, focusing on selecting the best technologies to achieve both technical and environmental performance.

Product lifecycle management

Our participation in the IPCEI project enables EUROAPI to conduct research on nanoparticles, in Vertolaye. The goal is to enhance the bioavailability of molecules and discover new therapeutic uses for existing and new active pharmaceutical ingredients. This project aims to improve the lifecycle management and circularity of APIs by developing advanced technology, expanding their medical applications, enhancing their performance (balance benefit/risk) and sustainability.

Resources outflows

Our business model consists in API manufacturing (further information to be found on section 1.3.2 of the URD), that is usually produced on demand. Very few products that we manufacture end-up as waste.

APIs have a determined durability (shelf life from 2 to 5 years). In the eventual case of a remaining stock of products reaching end of shelf-life it is still possible with an adapted treatment to reintroduce them in the manufacturing process. On clients' request, it is possible to re-qualify and proceed with adapted quality test to increase the shelf-life of an API.

However, given the industry in which we are working (pharmaceutical chemistry), our products are being consumed at the end of the value chain by patients, the opportunity for recyclability is limited to non-used drug products and according to the legislation, drug products are not recyclable, yet. APIs have a determined durability, however some of them may be remanufactured. Regarding the recyclability of our packaging, further internal investigations are necessary.

Our waste is mainly related to products used for manufacturing of our APIs or for cleaning our equipments. Our activity generates hazardous waste that requires very specific treatments, however we do not manipulate or generate radioactive waste.

A waste mapping is updated at least once a year based on real consumption. Around 40% of our waste comes alone from our bio-fermentation activities.

Solvent waste management

The Solvent Program that the Group has initiated since 2022 has brought additional results in 2024. One of the larger projects implemented this year was focusing on the capacity increase of an existing acetone recovery system, making sure that all yearly volumes of waste generated in one of the intermediates of olmesartan-medoxomil can be processed.

Solvent Consumption and Recycling (Voluntary)

(in metric tons)	2024	2023	2022	Change vs. 2023 (%)
Solvents consumed	70,564	86,656	82,429	-18.6%
Rate of solvent recycling	74%	73%	69%	+1.8%

Apart from executing and implementing previously initiated projects, the program is continuously exploring other possibilities. In Vertolaye, an on-going study carried out through academic collaboration brings an in-depth evaluation of the solvent waste

streams identifying new potentials to act on. In Frankfurt, the recovery process of a large waste stream is being defined, the execution of the investment project and final implementation is set to start in 2025.

Other waste generated and treated

Type of waste produced

(in metric tons)	2024	2023	2022	Change vs. 2023 (%)
Total waste produced	60,384	84,115	88,321	-28.2%
Non-hazardous waste	31,196	41,269	42,142	-24.4%
Hazardous waste	29,188	42,846	46,179	-31.9%
Radioactive waste	0.0	0.0	0.0	

Waste treatment

(in metric tons)	2024	2023	2022	Change vs. 2023 (%)
Total waste produced	60,384	84,115	88,321	-28.2%
Total recycled waste	36,198	43,870	45,163	-17.5%
Total non-recycled waste	24,186	40,245	43,158	-39.9%
% non-recycled waste	40%	48%	49%	-16.3%

Treatments per type of waste

<i>(in metric tons)</i>	2024	2023	2022	Change vs. 2023 (%)
Hazardous waste diverted from disposal	13,254	18,735	18,122	-29.3%
Recycled	5,067	8,494	7,886	-40.3%
Recovery operation	8,187	10,241	10,236	-20.1%
Hazardous waste to disposal	15,934	24,112	28,058	-33.9%
Hazardous waste Incineration	14,667	22,684	26,525	-35.3%
Hazardous waste sent to landfill	1,267	1,428	1,533	-11.3%
Hazardous waste treated with other methods	0	0	0	/
Non-hazardous waste diverted from disposal	22,943	25,136	27,041	-8.7%
Preparation for reuse	0	0	0	/
Recycled	22,380	24,462	25,106	-8.5%
Recovery operation	564	675	1,935	-16.4%
Non-hazardous waste to disposal	8,253	16,133	15,101	-48.8%
Non hazardous waste incineration	4,399	9,017	11,407	-51.2%
Non hazardous waste sent to landfill	3,853	7,116	3,694	-45.8%
Non hazardous waste treated with other methods	0	0	0	/

5.2.7 European Union Taxonomy Report

The European Union (EU) has adopted European Regulation 2020/852 of June 18, 2020 (the "Taxonomy Regulation") establishing a framework to promote and facilitate sustainable investment in the EU.

Evaluation and methodology

To comply with the Taxonomy Regulation, EUROAPI is required to publish indicators highlighting the proportion of its taxonomy-eligible and taxonomy-aligned turnover, capital expenditure (CapEx) and operating expenditure (OpEx) resulting from products and/or services associated with its economic activities defined as sustainable in the annexes to the delegated acts.

For disclosure on 2024 exercise, the Group, along with the Taxonomy with the EUROAPI experts and the support of external consultants, analyzed the technical screening criteria to determine whether its taxonomy-eligible activities are aligned with the Taxonomy.

The criterion used by EUROAPI for the environmentally sustainable economic activities and alignment follows:

- Eligibility: an activity is selected as eligible when it has substantial contribution to one or more of the six environmental objectives below in accordance with Articles 10 to 16 of Chapter II of the Taxonomy Regulation:

- 1) Climate change mitigation;
- 2) Climate change adaptation;
- 3) Sustainable use and protection of aquatic and marine resources;
- 4) Transition to a circular economy;
- 5) Pollution prevention and reduction;
- 6) Protection and restoration of biodiversity and ecosystems.

An activity is selected as eligible when it complies to one of the three criteria:

- 1) substantially contribute to the achievement of an environmental objective through its own performance; or
- 2) directly enable the exercise of other sustainable activities the activity is enabling; or

- 3) cannot be replaced by low-carbon alternatives, but can promote the transition to a carbon-neutral economy.

- Alignment: an eligible activity is identified as aligned when it complies with the following restrictions:

- 1) Complies with technical screening criteria that have been established in Article 19 of the Taxonomy Regulation;
- 2) Does not significantly harm (DNSH) any of the environmental objectives, in accordance with the Delegated Regulation 2023/2486 annex III section 1.1 "Manufacture of active pharmaceutical ingredients (API) or active substances";
- 3) Is carried out in compliance with the minimum safeguards and show alignment with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labor Organization on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

In this new regulatory context, EUROAPI's approach may need to evolve as regulations stabilize and data becomes more available, particularly with regard to technical criteria.

In the light of the regulatory framework described above, the Group has identified the taxonomy-eligible activities within the Group for all environmental objectives and has then analyzed the taxonomy-alignment of the activities described in the six environmental objectives (climate change mitigation and adaptation, water, pollution, biodiversity and circular economy).

The Group does not have any eligible activities under the activities listed in Delegated Act 2022/1214 related to gas and nuclear activities.

The financial information used to establish the eligibility and alignment indicators comes from EUROAPI's information systems that track the Group's revenue, OpEx and investments and which have enabled the consolidation of the Group's figures at the end of the 2024 financial year. An internal Reporting Framework documents the information systems characteristics and data collection flow.







Indicators have been analyzed jointly by the local and central teams, in order to ensure their consistency with the consolidated revenue, CapEx and OpEx for the 2024 financial year and to avoid any double counting of eligible activities in the numerator of the Taxonomy indicators.

Analysis of taxonomy-eligible and taxonomy-aligned activities:

EUROAPI's activities (net sales and investments (CapEx / OpEx), including individual investments) were analyzed to determine their eligibility under the activities set out in the Taxonomy Regulation as described above.

The analysis was conducted jointly by the Group's sustainability, operations and finance teams, based on the Group's financial elements and information systems.

The taxonomy-eligible activities identified in 2024 relate to the following activities:

Environmental Objective	Taxonomic activity
 Climate Change Mitigation	a) 4.25 Heat/cold production by using waste heat b) 6.5 Transport by motorcycles, passenger cars and light commercial vehicles c) 7.3 Installation, maintenance and repair of energy efficiency equipment d) 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings e) 7.6 Installation, maintenance and repair of renewable energy technologies f) 7.7 Acquisition and ownership of buildings
 Adaptation to climate change	-
 Sustainable use and protection of aquatic and marine resources	a) 1.1 Manufacturing, installation, and associated services for leak control technologies to reduce and prevent leaks in water supply systems
 Transition to a circular economy	a) 2.2 Production of new water resources for purposes other than human consumption b) 2.4 Hazardous Waste Treatment
 Pollution Prevention and Control	a) 1.1 Manufacture of Active Pharmaceutical Ingredients (APIs) or Active Substances
 Protection and restoration of biodiversity and ecosystems	-

For the climate change mitigation objective, a detailed analysis of the investments was carried out in order to assess the compliance with the technical criteria and the DNSH (Does not significantly harm) in order to qualify the alignment of the activities.

Only individual investments have been identified as eligible for the environmental objectives and the technical and DNSH criteria have therefore been reviewed on a project-by-project basis:

- a) Activity 6.5. Transport by motorcycles, passenger cars and light commercial vehicles: the entire EUROAPI fleet was analyzed against the technical criteria, and only investments in vehicles meeting the technical criteria and the DNSH in Europe were qualified as aligned;
- b) Activity 7.3. Installation, maintenance and repair of equipment to promote energy efficiency: the Group has carried out several projects at its sites in Europe to insulate and install new equipment (compressors, traps, lighting) to reduce energy consumption;
- c) Activity 7.5. Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings: the Group has carried out several projects at its sites in Europe for the installation of energy consumption monitoring, meters and leak detectors to optimize consumption;
- d) Activity 7.6. Installation, maintenance and repair of renewable energy technologies: the Group has carried out projects at its sites in Europe for the maintenance and repair of photovoltaic panels;
- e) Activity 7.7. Acquisition and ownership of buildings: only EUROAPI's headquarters located in Paris were considered aligned, as the rest of the Group's real estate portfolio did not meet all the alignment criteria.

Regarding climate change adaptation (annex A), EUROAPI's approach to climate change adaptation consists of several local initiatives in terms of site resilience, several of which have already committed preventive investments to secure assets and adapt production processes.

Analysis of Aligned Activities – Minimum Safeguards

As defined in article 3 of the Taxonomy Regulation, an activity can only qualify as environmentally sustainable if it is carried out in compliance with the specific minimum safeguards detailed in the Regulation.

The assessment of compliance with the minimum safeguards was carried out on a Group-wide basis.

EUROAPI's ESG strategy is aligned with and complies with the United Nations Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the principles and rights set out in the eight fundamental conventions mentioned in the International Labour Organization declaration. The Group has put in place the Code of Ethics and Human Rights Policies which are set out in section 5.4.2 "Human rights policy", of this statement.

Regarding the procedures in place to fight corruption, the Group has deployed an Ethics and Compliance program in accordance with the eight pillars of the Sapin II law in France. EUROAPI is also subject to the Bribery Act of 2010 in the United Kingdom and the Foreign Corrupt Practices Act (FCPA) in the United States. With regards to taxation, the Group respects the letter and spirit of tax legislation responsibly and aligns its tax strategy with its business strategy.

A mapping of compliance and ethical risks is drawn up by the Group, which includes legal and corruption risks. EUROAPI's teams undergo training on ethical and compliance standards, in order to promote compliance with legal frameworks.

Revenue key performance indicators

The consolidated revenue, which constitutes the denominator in the Taxonomy calculation framework, amounts to €911.9 million (see section 4.2.1 "Analysis of the Group's income statement"), the eligibility ratio amounts to 94%.

The eligible turnover (€853 million) corresponds in its entirety to activity 1.1 Manufacture of active pharmaceutical ingredients (APIs) or active substances, which is part of annex 3 – Pollution prevention and control. This eligible turnover corresponds to the manufacture of active pharmaceutical ingredients or active substances for human and veterinary use, while our "API trading" activity was not considered eligible.

Eligible activity has been further analyzed against alignment criterion. As it relates solely on our API manufacturing, a thorough analysis has been performed on a representative and material sample of APIs, demonstrating no alignment for none of these APIs, individually assessed.

Indeed, alignment criteria 1.1 of substantial contribution to pollution prevention requires molecules to be easily biodegradable, which has not been demonstrated for APIs, since molecules need to act within the body and on specific organs.

Furthermore, criteria 1.2 requires a public document demonstrating that a new API aligned on criteria 1.1 replaces an API not aligned on criteria 1.1 - None of EUROAPI's manufactured APIs benefits from such conditions.

As a conclusion, aligned turnover has been deemed as 0.

CapEx key performance indicators

In accordance with the Taxonomy Regulation, the denominator of CapEx includes the acquisition of property, plant and equipment (IAS 16) and intangible assets (IAS 38), the acquisition of right-of-use (in accordance with IFRS 16, the right-of-use being recognized at the beginning of the lease). In 2024, the denominator amounts to €105 million.

In 2024, the amount of eligible activities amounts to €105 million, i.e. 100% of CapEx, in connection with individual investments identified as eligible for the environmental objectives and CapEx related to the activity of manufacturing active pharmaceutical ingredients. Subsequently, a thorough analysis of each investment identified as eligible was performed, in order to determine its alignment. For the purpose of this assessment, a materiality threshold of €0.2 million per investment was used.

The result of this analysis is that the amount of CapEx related to aligned activities amounted to €2.1 million in 2024.

Scope of eligible activities CapEx (€ million)	December 31, 2024
Aligned	2.1
Transport by motorbikes, passenger cars and light commercial vehicles	0.4
Installation, maintenance and repair of equipment promoting energy efficiency	0.5
Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	–
Installation, maintenance and repair of renewable energy technologies	0.8
Acquisition and ownership of buildings	–
Production of heat/cool using waste heat	0.4
Non-aligned	102.9
Production of heat/cool using waste heat	–
Transport by motorbikes, passenger cars and light commercial vehicles	1.0
Installation, maintenance and repair of equipment promoting energy efficiency	–
Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	–
Installation, maintenance and repair of renewable energy technologies	–
Acquisition and ownership of buildings	1.8
Manufacture of active pharmaceutical ingredients (API) or active substances	99.9
Production of alternative water resources, for other use than human consumption	–
Treatment of hazardous waste	0.2
Manufacture, installation and associated services for leakage control technologies enabling leakage reduction and prevention in water supply systems	–
Grand total	105.0

OpEx key performance indicators

In accordance with the Taxonomy Regulation, the denominator of OpEx is composed of direct non-capitalizable R&D costs as well as equipment maintenance and servicing costs, building renovation costs, repair costs, rents presented in the income statement and any other expenses related to the daily maintenance of assets.

This OpEx denominator represents an absolute amount of €78.2 million.

The eligible Opex (€71.1 million, *i.e.* 91% of OpEx) relates directly to activity 1.1 Manufacture of active pharmaceutical ingredients (APIs) or active substances, which is part of annex 3 – Pollution prevention and control and has been established by reference to the eligible turnover of the sites or directly to the R&D project to which they relate.

Scope of eligible activities OpEx (€ million)	December 31, 2024
Manufacture of active pharmaceutical ingredients (API) or active substances	71.1
Grand total	71.1

Eligibility and alignment results for 2024

The results of the Taxonomy KPIs for 2024 are summarized below. More details can be found in the Taxonomy tables at the end of the sections.

In 2024, Taxonomy-eligible CapEx amounted to €105 million, or 100% of total CapEx in the denominator.

Investments related to (€ million)	December 31, 2024
Eligible and aligned investments	2.1
Share of aligned investments in TOTAL CapEx	0.0
Eligible and non-aligned investments	102.9
Eligible investments	105.0
Share of eligible investments	100%
Non-eligible investments	—%
Total CapEx Denominator	105.0

Taxonomy-eligible OpEx amounted to €71.1 million or 91% of the total OpEx in the denominator

Operating expenses related to (€ million)	December 31, 2024
Taxonomy-eligible and Taxonomy-aligned OpEx	0
Taxonomy-aligned OpEx as a proportion of total OpEx	—%
Taxonomy-aligned OpEx as a proportion of Taxonomy-eligible OpEx	—%
Taxonomy-eligible but not Taxonomy-aligned OpEx	71.1
Taxonomy-eligible OpEx	71.1
Proportion of Taxonomy-eligible OpEx	91%
Taxonomy non-eligible OpEx	7.1
Total OpEx Denominator	78.2

Regulatory Tables

Economic activities Table	Codes	Rotation M€	Proportion of turnover %	Substantial contribution criteria						DNSH criteria						Minimum safeguards	Taxonomy-aligned proportion of turnover year 2023 %	Category (enabling) E/T	Category (transitional)
				Climate change mitigation %	Climate change adaptation %	Water %	Pollution %	Circular economy %	Biodiversity %	Climate change mitigation Y/ N	Climate change adaptation Y/ N	Water Y/ N	Pollution Y/ N	Circular economy Y/ N	Biodiversity Y/ N				
A.TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned activities) (A.1)		—	0%													0%			
Of which enabling		—	0%														—%		
Of which transitional		—	0%															—%	
A.2. Taxonomy-Eligible but not environmental sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of active pharmaceutical ingredients (API) or active substances	PPC 1.1	853.0	94%	N/EL*	N/EL	N/EL	EL	N/EL	N/EL							0%			
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		853.0	94%	0%	0%	0%	94%	0%	0.0							0%			
A.Turnover of Taxonomy eligible activities (A.1+A.2)		853.0	94%	0%	0%	0%	94%	0%	0.0							0%			
B. Taxonomy non-eligible activities																			
Turnover of taxonomy non-eligible activities (B)		58.9	6%																
Total A + B		911.9	100%																

	Proportion of Turnover / Total turnover	
	Taxonomy aligned per objective	Taxonomy eligible per objective
Climate Change Mitigation (CCM)	0%	0%
Climate Change Adaptation (CCA)	0%	0%
Water (WTR)	0%	0%
Circular economy (CE)	0%	0%
Pollution (PPC)	0%	94%
(Biodiversity) BIO	0%	0%

N/EL: Non-eligible

CapEx Table

CapEx Table

				Substantial contribution criteria						DNSH criteria									
	Codes	CapEx	CapEx proportion	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Taxonomy-aligned proportion of turnover year 2023	Category (enabling)	Category (transitional)
		in M€	%	%	%	%	%	%	%	O/N	O/N	O/N	O/N	O/N	O/N	O/N	%	E/T	
A.TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1.Environmentally sustainable activities (Taxonomy-aligned)																			
Production of heat/cool using waste heat	CCM 4.25	0.4	0.3%	Y	N	N/EL	N/EL	N/EL	N/EL	N	O	O	O	O	O	O	0%	E	
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0.4	0.4%	Y	N	N/EL	N/EL	N/EL	N/EL	N	O	O	O	O	O	O	0%		T
Installation, maintenance and repair of equipment promoting energy efficiency	CCM 7.3	0.5	0.5%	Y	N	N/EL	N/EL	N/EL	N/EL	N	O	O	O	O	O	O	0%	E	
Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	CCM 7.5	–	0%	Y	N	N/EL	N/EL	N/EL	N/EL	N	O	O	O	O	O	O	0%	E	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.8	0.8%	Y	N	N/EL	N/EL	N/EL	N/EL	N	O	O	O	O	O	O	0%	E	
Acquisition and ownership of buildings	CCM 7.7	–	0%	Y	N	N/EL	N/EL	N/EL	N/EL	N	O	O	O	O	O	O	0%		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	N/A	2.1	2%	2%	0%	0%	0%	0%	0%	N	O	O	O	O	O	O	0%		
Of which Enabling		1.7	1.6%	0.0	0%	0%	0%	0%	0%	N	O	O	O	O	O	O	0%	E	
Of which Transitional		0.4	0.4%	0.0						N	O	O	O	O	O	O	0%		T

A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																		
Production of heat/cool using waste heat	CCM 4.25	–	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	1.0	0.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Installation, maintenance and repair of equipment promoting energy efficiency	CCM 7.3	–	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	CCM 7.5	–	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	–	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Acquisition and ownership of buildings	CCM 7.7	1.8	1.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Manufacture of active pharmaceutical ingredients (API) or active substances	PPC 1.1	99.9	95.2%	N/EL	N/EL	N/EL	EL	N/EL	N/EL									
Production of alternative water resources, for other use than human consumption	CE 2.2	–	0.0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL									
Treatment of hazardous waste	CE 2.4	0.2	0.2%	N/EL	N/EL	N/EL	N/EL	EL	N/EL									
Manufacture, installation and associated services for leakage control technologies enabling leakage reduction and prevention in water supply systems	WTR 1.1	–	0.0%	N/EL	N/EL	EL	N/EL	N/EL	N/EL									
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		102.9	98%	3%	0%	0%	95%	0%	0%									
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		105.0	100%	5%	0%	0%	95%	0%	0%									
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																		
CapEx of taxonomy-non-eligible activities		–	0%															
TOTAL		105.0	100%															

N/EL: Non-eligible.

	Proportion of CapEx / Total CapEx	
	Taxonomy aligned per objective	Taxonomy eligible per objective
Climate Change Mitigation (CCM)	2%	5%
Climate Change Adaptation (CCA)	0%	0%
Water (WTR)	0%	0%
Circular economy (CE)	0%	0%
Pollution (PPC)	0%	95%
(Biodiversity) BIO	0%	0%

OpEx Table

	Codes	Absolute OpEx	Proportion of OpEx	Substantial contribution criteria						DNSH criteria						Minimum safeguards	Taxonomy-aligned proportion of turnover year 2023	Category (enabling)	Category (transitional)
				Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity				
Economic activities		In M€	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E/T	
A.TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		—	0%																
Of which enabling		—	0%																
Of which transitional		—	0%																
A.2 Taxonomy-Eligible but not environmental sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of active pharmaceutical ingredients (API) or active substances	PPC 1.1	71.1	91%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		71.1	91%	0%	0%	0%	65%	0%	0%								1%		
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		71.1	91%	0%	0%	0%	65%	0%	0%								1%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of taxonomy-non-eligible activities (B)		7.1	9%																
Total A + B		78.2	100%																

	Proportion of OpEx / Total OpEx	
	Taxonomy aligned per objective	Taxonomy eligible per objective
Climate Change Mitigation (CCM)	0%	0%
Climate Change Adaptation (CCA)	0%	0%
Water (WTR)	0%	0%
Circular economy (CE)	0%	0%
Pollution (PPC)	0%	91%
(Biodiversity) BIO	0%	0%

N/EL: Non-eligible.

Nuclear energy related activities

- | | | |
|---|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|
| 1 | The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle. | NO |
| 2 | The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies. | NO |
| 3 | The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades. | NO |


Fossil gas related activities

- | | | |
|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|
| 4 | The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels. | NO |
| 5 | The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels. | NO |
| 6 | The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels. | NO |

5.3 SOCIAL

In this chapter we have chosen to distinguish the social (employees and workers on sites that are covered in the sections 5.3.1 to 5.3.5) from the societal questions related to workforce in the value chain (workforce among suppliers, section 5.3.6), affected communities (population around our manufacturing sites, section 5.3.7) and consumers and end-users who are mainly patients (section 5.3.8).

5.3.1 Human capital

 Impacts	Risks	Opportunities
<p>Impact on Employees' well-being (work-life balance) and engagement</p> <p>Impact on employees capacity to evolve in the company</p> <ul style="list-style-type: none"> • Employees' wellbeing (inclusion) and satisfaction <p>Impact on personal development</p> <ul style="list-style-type: none"> • Career growth • Compensation • Work-life balance due to good retention plans <p>Impact on the Group's attractiveness</p> <ul style="list-style-type: none"> • Also deriving from innovation & technology 	<p>The Group's recent creation and strategy requires employee transformation with new skills at the right place at the right time (ST-MT)</p> <ul style="list-style-type: none"> • Competition for talent attraction and retention in locally tense labor market and/or some sites located in areas with a lack of attractiveness • High turnover cost to attract and not retain employee • Loss of intellectual capital and knowledge • Disruption of projects, teams and corporate culture leading to put at risk the Group strategy execution <p>Operational and Reputational risks (ST-MT)</p> <ul style="list-style-type: none"> • Talent drain and difficulties with recruitment • High staff churn 	<p>Operational opportunities (MT-LT)</p> <ul style="list-style-type: none"> • Employee retention - decrease in costs related to turnover and loss of knowledge • Employee commitment with the company to deliver the strategy/improved productivity <p>Reputational opportunities (MT-LT)</p> <ul style="list-style-type: none"> • Attracting and retaining talent • Reduction in staff churn • Reduction in work stoppage • Enhancing the Group's overall reputation <p>Innovation & technology</p> <ul style="list-style-type: none"> • Commercial, social and financial opportunities (MT-LT) • Improving the production process to create innovative products or improve current EUROAPI products • Attractiveness and talent retention

Human capital-related IROs are concentrated on own-operations. Time-horizons for IROs are indicated as Short-Term (ST), Medium Term (MT) or Long Term (LT).

With more than 3,400 employees worldwide, including sales and production sites in some ten countries, EUROAPI is unveiling its four core values:

- Taking ownership;
- Achieving together;
- Driven by our clients;
- Caring for all.

These values help to define EUROAPI actions and behaviors in its daily decisions, actions, interactions and communication. They contribute to structure the way employees work together.

These values are communicated to all employees through a range of communication campaigns and have been promoted at site level through several workshops. The Group's values have been broken down into behaviors, enabling it to reinforce the organization's new culture.

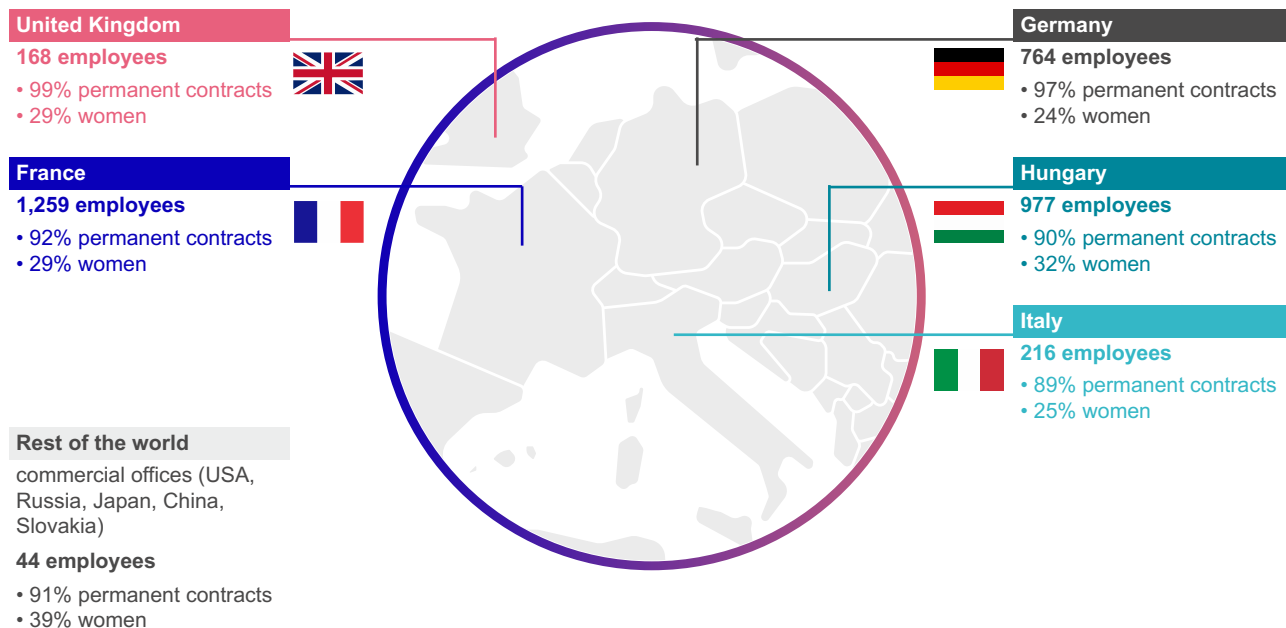
At EUROAPI the workforce is one of the most important sources for generating added value. Human capital is recognized as one of the primary components of the company.

A specific coverage is to be noted for the H&S indicators reported by EUROAPI, as they include not only employees, but also all workers on sites (interim workers and subcontractors), but only for our major major manufacturing sites (therefore excluding Bianco, that is a R&D center).

In 2025, EUROAPI will set up a dedicated reporting concerning the temporary workers (around 100 headcount).

Number and distribution of employees

As of December 31, 2024, EUROAPI employed some 3,428 people (excluding temporary workers), of which approximately 1,260 were based in France.



Our Russian office is based in Moscow, therefore EUROAPI's employees are not located in a conflict zone.

Human Resources function is in charge to oversee and manage employees' lifecycle in the company. Under the leadership of the new Chief People Officer appointed in 2024, Corporate HR teams (Compensation and Benefits, Talent and Organization development) and HR sites teams, define and deploy

EUROAPI People strategy. Based on consolidation data management, EUROAPI employees cover permanent contracts, fixed-term contracts and apprentices. A special mention shall be made whenever the scope is different from the general scope described in the methodology section (5.1.1 "Methodology note on data reporting"), as for example it is the case for the health and safety workforce questions.

Characteristics of the employees

Characteristics of the undertaking's employees

Number of employees by headcount, gender per country

Country	2024			2023			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Total	985	2,443	3,428	1,050	2,619	3,669	973	2,476	3,449
France	367	892	1,259	379	923	1,302	341	894	1,235
Hungary	313	664	977	342	702	1,044	319	616	935
Germany	186	578	764	193	646	839	169	602	771
United Kingdom	48	120	168	64	155	219	79	177	256
Italy	54	162	216	53	167	220	47	161	208
Other	17	27	44	19	26	45	18	26	44

Breakdown by headcount by type of contract

	2024			2023		
	Women	Men	Total	Women	Men	Total
Total	985	2,443	3,428	1,050	2,619	3,669
Permanent contracts	883	2,304	3,187	917	2,385	3,302
Fixed-term contracts	102	139	241	133	234	367
Non-guaranteed hours employees	0	0	0	0	0	0

Breakdown in % of employees by type of contracts

	2024			2023			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Total	29.0%	71.0%	100.0%	29.0%	71.0%	100.0%	28.0%	72.0%	100.0%
Permanent contracts	26.0%	67.0%	93.0%	25.0%	65.0%	90.0%	24.0%	66.0%	90.0%
Fixed-term contracts	3.0%	4.0%	7.0%	4.0%	6.0%	10.0%	4.0%	6.0%	10.0%
Non-guaranteed hours employees	—%	—%	—%	—%	—%	—%	—%	—%	—%

Distribution of employees (headcount) by age group

Distribution of employees (headcount) by age group

	2024		2023		2022	
	Headcount	%	Headcount	%	Headcount	%
Total	3,428	100.0 %	3,669	100.0%	3,449	100.0%
<30	428	12.0 %	530	14.4%	489	14.2%
30 to 50	1,842	54.0 %	1,966	53.6%	1,841	53.4%
>50	1,158	34.0 %	1,173	32.0%	1,119	32.4%

Company's employee turnover

Departures (in nb) and departure rate of employees per type of contract

Country	Departures in 2024			Departures in 2023			Departures in 2022		
	Permanent contract	Fixed-term contract	%	Permanent contract	Fixed-term contract	%	Permanent contract	Fixed-term contract	%
Total	355	143	100.0%	257	141	100.0%	227	129	100.0%
France	99	64	32.7%	79	47	31.7%	71	43	32.0%
Hungary	92	60	30.5%	84	53	34.4%	73	46	33.4%
Germany	83	4	17.5%	33	22	13.8%	41	11	14.6%
United Kingdom	61	5	13.3%	39	15	13.6%	23	19	11.8%
Italy	11	10	4.2%	16	4	5.0%	12	8	5.6%
Other	9	0	1.8%	6	0	1.5%	7	2	2.5%

	Departures per motives		
	2024	2023	2022
Total departures	498	398	356
Voluntary resignation (fixed-term contracts)	35	33	38
Voluntary resignation (permanent contracts)	165	140	102
Mutual agreement	71	51	48
Involuntary dismissal	41	27	19
Expiration of fixed-term contracts	77	75	76
Retirement	85	43	43
Other	24	29	30

Turnover rate						
Country	Number of hires	Number of terminations	Headcount Jan. 1	Turnover in 2024	Turnover in 2023	Turnover in 2022
Total	258	498	3,652	10.4%	14.7%	12.9%
France	115	163	1,300	10.7%	12.9%	12.4%
Hungary	76	152	1,049	10.9%	20.9%	14.5%
Germany	26	87	821	6.9%	10.7%	9.9%
United Kingdom	13	66	218	18.1%	14.6%	18.9%
Italy	20	21	219	9.4%	12.9%	9.2%
Other	8	9	45	18.9%	13.6%	26.2%

The absenteeism rate is calculated as follow: total number of absences for sickness/total number of hours worked. The absenteeism rates are presented by country and are in line with the best practices in the labor market.

	Absenteeism rate	
	2024	2023
Total	4.8%	4.9%
France	4.6%	4.5%
Hungary	6.0%	5.5%
Germany	5.2%	5.6%
United Kingdom	1.9%	2.2%
Italy	1.8%	2.8%

Policies related to own workforce

Major HR processes are defined, monitored and promoted at Group level (such as performance, compensation, development...).

The Group policies are put in place for all workers of the company whatever their status. Everyone in the past year was potentially impacted with well being questions, all employees and managers were concerned with risks of turnover, potentially impacting the operations of the services.

No further impact identified in 2024 due to an effort of mitigating risks in a context of headcount reduction to meet FOCUS 2027 objectives.

In this perspective, the HR Roadmap set at the arrival of the new Chief People Officer (CPO) mid-2024 is targeting four key dimensions aligned with our impacts, risks and opportunities:

- Attractiveness and Retention of talents: Attracting and retaining talent, to align the Group's human resources with its future needs. This includes offering development opportunities to our employees, creating a continuous learning culture, identifying and supporting talents and fostering performance;
- Diversity and equal opportunity: embracing diversity, equity and inclusion, in our workforce, ensuring that the Group's HR processes comply with the principles of non-discrimination and equal opportunity;
- Quality of worklife and compensation: supporting employee's well-being, health and safety and creating a safe and engaging work environment, aligned with compensation policy described in the section 5.3.4 "Quality of life and compensation".

On top of the Group Policies, several existing local policies contribute to these objectives and shall be presented in the next sections. Our ambition is to align existing policies at the highest standards and define Group policies on DEI in 2025.

As mentioned in our Corporate section (5.4.2 - "Human rights policy") all our workers are entitled with human rights, including labor rights and child labour. All our workforce (either employees or subcontractors) can anonymously use our whistleblowing system, may they need to. Therefore the Group thanks to its overall approach and effort towards DEI actions (section 5.3.2 "Diversity and equal opportunity") and its Human right policy (see section 5.4.1 "Human right policy"), has not had any proven discrimination case during the reporting period (one alert was raised, but the investigation did not demonstrate a discrimination).

No material impact on the workforce is to highlight due to the transition plan. A new organization was set up end 2023 to absorb a major part of the work related to environmental questions and help the company to reach climate neutral objectives. All the other functions (mainly operational and R&D) have been able to adapt to the change regarding these topics and are still in a learning position regarding environmental questions.

5.3.2 Diversity and equal opportunity

The diversity, inclusion and talent development function is endorsed at the central function by the Head of Talent Management & Transformation. Her role is to define EUROAPI Group Strategy in diversity and inclusion fields as well as in the talent and organization development, and to ensure the deployment of these approaches within the different sites of the Group. Developing our DEI policy has for objective to increase the inclusion sentiment of our employees (whatever their origins, religion, gender, sexual orientation...), to demonstrate the Group seriously considers these topics and to increase the potential number of candidates that could apply to a job offer at EUROAPI.

Policies

Diversity, equity and inclusion (DEI) is one of our strengths and convictions. It is both a source of motivation for employees and a source of innovation.

Our workforce is made up of employees from 47 different nationalities, across ten countries.

We are committed to promoting diversity as a strength and asset, to taking action on inclusion, and to combating all forms of discrimination. We define, lead and coordinate initiatives and implement training and awareness-raising actions centrally and in relation with local DEI leaders.

All diversity policies and initiatives are approved, sponsored and monitored by both the Board of Directors and the Executive Committee. Within the Human Resources team, the Head of Talent Management coordinates the diversity and inclusion policy, reporting to the Chief People Officer.

Actions

In 2024, DEI actions were initiated and implemented through training and awareness-raising actions at central level through various channels including Digital Learning contents and live webinars offered to employees across the organization. We highlighted our four priorities:

- Fighting unconscious biases;
- Promoting gender diversity;
- Being inclusive regarding all forms of disabilities;
- Embracing multigeneration workforce.

Each of these topics was discussed between an expert and employees from our various sites during a one hours webinar per topic. The sessions, gathering on average 50 employees, were recorded and made available on our learning portal.

Employees were invited to deepen their knowledge and explore these topics *via* digital learning contents.

The Diversity, Equity and Inclusion Committee set up in 2023, formed of representatives from across the organization (Group and sites) pursued its action and met three times over 2024 to elaborate common actions such as disability awareness (*Duo Days* in France on Vertolaye site to be replicated in Germany and Hungary), reflect on possible common targets around disabilities, monitor our KPIs and define action plans.

In 2024, most senior leaders were trained to unconscious biases *via* open enrollment webinars and targeted digital learning, supporting the main steps of our HR processes (annual appraisal, mentoring...). The objective was to raise manager's awareness on inclusive culture in an engaging, positive and non-mandatory approach.

Gender balance indicators

In our recruitment process, we encourage talented women to apply for positions and take proactive steps to appeal to women, particularly female engineering students, through regular attendance at school and college events.

We encourage recruitment managers and any recruitment agencies we work with to consider diversity in their recruitment practices and to ensure women make up at least 50% of shortlisted candidates.

The Group has set itself the goal of boosting the recruitment and internal promotion of women in order to increase representation at all levels of the Group. EUROAPI already reached the objective set to have 30% of women in the extended leadership position by 2025, with a current rate to 34%.

Proportion of women	Share of women among employees at Dec 31, 2024		
	2024	2023	2022
Proportion of women in the Group's salaried workforce	28.7%	28.8%	28.2%

Turnover within the Extended Leadership Team (ELT) triggered a slight decrease of representation of women. In 2024, 34% of its members were women. They were representing 36% in 2023 and 30% in 2022.

Similarly, at Executive Committee level, the representation of women decreased from 36% in 2023 to 33% in 2024.

	Gender distribution at top management level			
	2024			
	Women	Men	Total	% women
Board of Directors	5	6	11	45.0%
Executive Committee	2	4	6	33.3%
Extended Leadership Team*	13	25	38	34.2%
Senior leadership position**	68	117	185	36.8%

* Extended Leadership Team (ELT): Top 40+ Key people in the company, heading functions, areas, sites or with a significant role and impact in the Company.

** Senior Leadership Team (SLT): Members of the Leadership Group - Local heads of functions.

In addition, EUROAPI works to reduce the pay gap between male and female employees in equivalent roles. On average the gender pay gap shows that men earn -7.5% of annual gross salary than women. The gap is explained by the fact that the proportion of women is above company average in the higher paid roles, when male employees are over-represented in workers positions (ie. with lower remuneration standards).

	2024
Gender pay gap	-7.5%

Multigeneration

Valuing and taking into consideration people of all ages and generations is important to the Group and is valued as a source of performance and productivity, bringing together people with complementary abilities, skills, information and networks. This should lead to better decision-making, productive collaboration and *in fine*, improved overall performance.

At EUROAPI, every employee has its place, regardless of age or experience. We achieve this by aligning key talent management processes across all sites, including recruitment to learning and development and our leadership framework.

To meet these objectives, the Talent Management Group offered awareness-raising sessions on the topic in June 2024 as well as a dedicated digital pathway reinforcing the topic.

Disability

On most of the Group's sites, employees with disabilities are offered the support of a number of internal and external professionals to ensure job suitability and workplace adaptations when necessary.

All disability initiatives are overseen at site level by designated Disability Committee.

Awareness campaigns targeting all employees at site-level ensure people with disabilities are well integrated and successful in their job function.

Haverhill site in the United Kingdom has signed up to the government's Disability Confident scheme and are at stage 1 - disability committed.

Internal metrics are followed especially in France as part of the employees with disability employed in the company.

5.3.3 Attractiveness and retention of talents

Policies

Learning and development

At EUROAPI we are committed to supporting our employees in their learning and development. Like most scientific and pharmaceutical companies, our future success relies on hiring, developing and retaining committed, highly skilled people.

The Group develops our employees' skills through challenging position and development opportunities. Our development policy is based on the 70/20/10 model (70% challenging experiences and assignments, 20% informal learning and exposure, 10% coursework and training) and is employee-led, with support from both the Human Resources department and the line manager.

In the context of a rapid and ambitious transformation, the aim of our learning and development policy is to reflect our strategic priorities, anticipate future skill requirements, address skills gaps and generally support the development of employees and managers through trainings and workshops. It is also designed to adapt in the event of future organizational or operational changes.

Managers are responsible for identifying the needs of their teams, sharing learning opportunities and implementing their learning and development plans with the support of the Group's Human Resources network.

Training offer is overseen both at central and country level, with a significant input from Heads of Department.

In 2024, a focus was put on financial acumen, cross functional collaboration and customer centricity.

Customized Group programs were offered to employees via virtual sessions. A new customer centricity program was specifically designed for EUROAPI and will be rolled out until end of 2025.

Leadership competencies model

As a driver to our retention policy, in order to impact our employees' personal development, limit risks of turnover and increase the commitment of our employees, talent management is key to remain at our best. Our ambition is to anticipate human capital requirements, strengthen key competencies and develop the leaders of the future while ensuring our employees reach their full potential and employability.

In keeping with our Group's transformation strategy, we developed a management competency framework to promote agile, inspiring and inclusive leadership. It sets out standard competencies and behaviors aimed at embedding a consistent management culture across the organization. The leadership competency model will be cascaded in 2025.

Actions and Indicators

Annual performance appraisal

Annual performance reviews are held to assess performance against objectives and set new ones for the coming year in accordance with strategic priorities.

In 2024, 100% of employees eligible to short-term incentive had appraisals.

Performance and Career Development Reviews

Country	2024			2023		
	Women	Men	Total	Women	Men	Total
France	100%	100%	100%	96%	98%	97%
Hungary	100%	100%	100%	100%	100%	100%
Germany	100%	100%	100%	98%	100%	100%
United Kingdom	100%	100%	100%	100%	99%	100%
Italy	100%	100%	100%	100%	100%	100%
Other	100%	100%	100%	100%	100%	100%
Total	100%	100%	100%	99%	99%	99%

N.B: Bianco employees are excluded from this report as they are not yet integrated in our HRIS system and non significant.

Annual talent review

Each year the Group conducts annual reviews ("Talent Review") at all levels: sites, functions and Group. Talent reviews are a core feature of talent management.

Aligned with our strategy it implies to identify skills gaps by anticipating business continuity, robust succession planning, identifying future leaders and build collective and individual action plans.

- The Executive Committee conducts an annual talent review in order to identify high-potential employees, with a particular focus on potential executive managers;
- Once a year, Executives' succession plan is presented to the Board of Directors.

After each Talent Review, personal development plans are drawn up for high-potential employees.

In 2024, all HR were trained to support managers and teams to create individual development plans for all identified talents - and potentially for all employees. This contributes to create a learning culture and ultimately a learning organization, where all managers commit to the development of their team members through development conversations.

In a context of rapid transformation, we engaged our senior management teams (ExCom & ELT members) into a mentoring program of our Group potentials. This program allowed both to engage senior leaders to provide guidance and clarity on the Company's orientations and challenges, but also to grow our Group's potential by exposing them to senior team leaders and share with them on the Group's challenges, coming closer to this level of responsibility. 18 potentials were engaged into the program, supported by 18 senior leaders.

Learning offer

In 2023, the Group's digital learning platform "iLearn" was rolled out to all employees. It contains over 10,000 courses on a range of topics from job-specific skills to leadership and management, and diversity, equity and inclusion.

We also offer employees to improve their language skills – particularly English – so they gain confidence in working in an international environment.

In addition to company-wide trainings, each site offers its own catalogue courses (digital, face-to-face or blended).

Through these different approaches we aim to provide our workforce, particularly managers, with the skills that are vital to the Group's transformation:

- successfully adopting its values and culture;
- reinforcing the importance of diversity, equity and inclusion;
- developing management and leadership skills;
- developing new skills.

The Group will continue developing its learning and development provision and catalog of courses aimed at embedding our culture and fueling our transformation.

In 2024 we reached an average of 12.5 hours of training per employee.

For 2025, as we develop the usage of our digital platform and tend to focus on transformative topics for the Group, we set the target of 14 h/employee per year.

To reflect our general skills development policy and in keeping with our commitment to develop our workforce and support our transformation, in 2024, we have placed an emphasis on change management. We provided dedicated support to transformation leaders on each site to manage all aspects of transformation including people. Some workshops were held for transformation leaders and HR teams on "managing uncertainty". In addition, all managers at the headquarters and all HR had to follow a half day training on psycho-social risks in a context of transformation in order to ensure the right level of attention was provided to these very exposed employees and equip them to support their teams and identify potential risks.

Trainings by gender

	2024			2023		
	Women	Men	Total	Women	Men	Total
% employees trained	94%	96%	95%	93%	96%	95%
Average number of hours per person trained	8.9	14.1	12.5	10.2	9.4	9.6

N.B: Biano employees (n=21) are excluded from the report below as they are not yet integrated in our HRIS system and learning management system.

5.3.4 Quality of life and compensation

Engaging with own workers

As a major international company, and in line with its purpose of providing “active solutions for health”, the Group has a duty of care towards its employees. Providing them with attractive compensation and a good working environment helps to improve the Group’s employer brand. It also helps to attract and retain employees more effectively.

Our last employee survey was conducted in 2022, based on which, the Group measured the level of employee engagement through a global index of several criteria:

- whether respondents would recommend the Group as a good place to work;
- whether respondents have the means to do their jobs effectively;
- respondents’ level of energy;
- respondents’ sense of personal accomplishment.

Next employee survey will be launched in 2025. It will be held in Q3 and will be led by the Group Talent Management in relation with all local HR teams.

No survey was launched in 2024 due to a turnover in the HR central team. Priority was given to local actions in favor of employees’ well-being (such as the access to a psychological wellness line or work-life balance actions such as Wellness4 All mentioned after).

Collective bargaining and social dialogue

The Groups aims to uphold local legislation at all times in every country where the Group operates, and to develop the highest labor standards for its employees.

Social dialogue is overseen at country level by local and Human Resources managers working alongside employee representative bodies and trade unions. Most of our manufacturing sites belong to the European Works Council (EWC), a transnational representative information and consultation body with its own powers and a remit that is separate from, but complementary to that of the national representative bodies.

Ordinary plenary meetings are held twice a year.

The European Works Council is informed and, if necessary, consulted on all cross-border issues that have an impact on the Group employees. The Council met five times in 2024.

The EWC is composed of members from Germany, France, Hungary and Italy. The United Kingdom is represented as a permanent guest member.

Employees covered by bargaining agreement and representatives in the most important countries*						
Coverage Rate	2024			2023		
	Collective bargaining coverage		Social dialogue	Collective bargaining coverage		Social dialogue
	Employees - EEA c	Employees - Non-EEA	Workplace representation (EEA only)	Employees - EEA	Employees - Non-EEA	Workplace representation (EEA only)
0-19%	/	/	/	/	/	/
20-39%	/	/	/	/	/	/
40-59%	/	/	/	/	/	/
60-79%	Germany	/	/	Germany	/	/
80-100%	France and Hungary	/	France, Hungary and Germany	France and Hungary	/	France, Hungary and Germany

* for countries with > 50 employees and representing > 10% of total employees

% of total employees covered by collective bargaining agreement

	2024
% of total employees covered by collective bargaining agreements	86%

So far the workforce representatives do not take part in setting targets, tracking performance or even in identifying improvements. In Q2 2024 the French representatives had a presentation by the Head of ESG on these topics at their requests, showing a level of interest and possibly in the future to engage more into ESG actions and follow-up.

In France, 9 ordinary and extraordinary Central Works Council meetings were held in addition to a number of collective bargaining meetings, which testifies to active social dialogue. The first expertise of strategic orientation was carried out and contributed to constitute a regulatory and documentary basis.

Since EUROAPI's creation, 40 collective agreements were renegotiated. In 2024 11 agreements were signed including 10 unanimously and 1 was not signed.

The reporting period saw positive social dialogue within the Group which is laying the foundations of a robust company with a strong social conscience.

In the United Kingdom, employee engagement is through an Employee Forum made up of a group of elected employee representatives from each division. The forum meets every three months to share information, news and company announcements, to discuss topical issues and promote open dialogue on matters such as:

- Employee engagement;
- Wellness4All;
- Compensation & benefits;
- Community and social, health & safety;
- Improvement programs;
- Site facilities and policies.

Group members discuss issues they wish to raise and submit to the management team.

As mentioned above, a representative of the Forum attends the European Works Council meetings as a guest, to promote inclusion throughout the company.

In Germany, the works council chairman, managing director and human resources manager meet regularly, while the Human Resources department organizes monthly meetings with works council representatives, during which company agreements are reviewed, amended and reformulated. The Works Council held four meetings (it is required to organize at least one per quarter), attended by around 300 employees.

Regular meetings are held between the Managing Director, the Human Resources Director and exempted or senior employee representatives.

In Italy, the period under review was marked by discussions with employee representatives, punctuated by several works council meetings, around half of which were convened to discuss weak sales.

In Italy, the company's Board of Directors held several meetings to maintain good relations with the social partners, despite the difficult economic climate.

Some meetings were attended by national union representatives due to the regional significance of the Brindisi site and the influence exerted by trade unions.

Relations remain positive as confirmed by agreements on the following topics:

- Headcount Redundancy management and voluntary redundancy plan;
- Flexibility on employment contracts;
- Smart working practices;
- Company benefits and budget;
- Collective production bonus.

During this period, the Group relied on the support of CONFINDUSTRIA. The Italian employers' association represented EUROAPI at national level in social dialogue and the resolution of several procedural issues with various public bodies. With the association's help, the Group was able to conclude agreements with the trade unions.

In Hungary, the site manager organized monthly meetings with union representatives to discuss strategy, the company's future, workload, working conditions and topical issues.

Working hours

Working hours are organized to meet the needs of the Group's clients taking into account the production capacity of our industrial sites. Employees are working in shifts in the production area. In France, some collective agreements about the working time organization are in place.

Promote wellness at work

Since 2022 the Group has set the Wellness4All program aiming at positively impacting employees through a better work-life balance. The wellness program is managed at site level by the Health and Safety manager and teams.

Events and initiatives are organized and aim at preventing chronic illness and promoting mental health across the organization under Wellness4All, a company scheme that has been rolled out at all operational, administrative and commercial levels.

They are usually communicated through our intranet and employees are free to attend if they wish to.

This scheme promotes:

- physical activity such as small lifestyle changes aimed at increasing activity levels, enjoying the outdoors and socializing with others;
- prevention and actions that can be taken to reduce the likelihood of lifestyle-related diseases, such as lung cancer due to smoking or type-2 diabetes;
- strategies to boost mental health and advice on maintaining work-life-balance;
- good nutrition through healthy choices, such as incorporating vitamin-rich foods into the diet.

To promote fitness, some sites offer employees access to gyms and sport facilities.

Examples of wellness initiatives offered by our sites in the past year:

- all of our major sites offered free flu vaccinations to all their employees (France, Germany, Italy, Hungary, United Kingdom);
- cardiovascular risk assessment proposed to employees (Brindisi, 02/26/ and Haverill 03/05);
- discussions on how to say "no", to contribute to mental health safety, good sleeping (Frankfurt);
- how to adopt a good posture at the desk office (France 03/05);
- stress management workshop in Brindisi (09/02);
- bike competition (Germany 04/24);
- invisible disability information day (04/25);
- running day in Frankfurt (06/05);
- Healthy Eating Week in Haverhill (06/10-14);
- 100 squat Day Challenge for Cancer Research UK (07/29);
- Altruism month in Budapest (07/08);
- football and walking sessions organized at Elbeuf site (09/23);
- Pink October – cancer conference, Elbeuf (10/04);
- Site Health Day in Frankfurt (10/30-31), promoting physical activity;
- World Diabetes Day , Budapest (11/14);
- Rescue safety training - PSC1, Paris (09/24 and 25) - 2 groups.

Most of the events takes place over one day, but can be planned over several days as for example vaccination was possible to be done over several weeks in Paris office.

Equal parental leave

Since January 1, 2022, any employee welcoming a new child has been entitled to 14 weeks of parental leave, providing they are recognized as the child's parent on the basis of local legislation or practice.

Country	Family-related leave											
	2024						2023					
	% of employees entitled to take family-related leave			% of entitled employees that took family-related leave			% of employees entitled to take family-related leave			employees that took family-related leave		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Total	100%	100%	100%	1.63%	2.42%	4.05%	100.0%	100.0%	100.0%	1.55%	2.26%	3.82%
France	100%	100%	100%	0.73%	0.79%	1.52%	100.0%	100.0%	100.0%	0.44%	1.06%	1.50%
Hungary	100%	100%	100%	0.29%	0.79%	1.08%	100.0%	100.0%	100.0%	0.63%	0.35%	0.98%
Germany	100%	100%	100%	0.35%	0.38%	0.73%	100.0%	100.0%	100.0%	0.33%	0.60%	0.93%
UK	100%	100%	100%	0.15%	0.32%	0.47%	100.0%	100.0%	100.0%	0.11%	0.16%	0.27%
Italy	100%	100%	100%	0.09%	0.15%	0.23%	100.0%	100.0%	100.0%	0.03%	0.08%	0.11%
Other	100%	100%	100%	0.03%	—%	0.03%	100.0%	100.0%	100.0%	0.03%	—%	0.03%

Compensation and benefits

The overall goals of our compensation policy are to boost employee engagement, reward skills acquisition and incentivize individual and collective performance, that should contribute to a better retention of our employees and attraction of talents.

Compensation policy

Our compensation policy is based on principles of competitiveness in local markets, fairness within the organization and differentiating compensation based on performance to attract, motivate and develop the skills of our employees. By regularly consulting compensation surveys and taking into account the Group's financial resources and local market trends in each country, the policy is intended to ensure that our entities offer fair and competitive compensation packages and effectively define salary increases. The policy is adapted in every country where the Group operates, in line with local legislation (collective bargaining, application of industry-wide collective agreements on compensation).

As a group, we have opted to use the WTW's Global Grading System.

In accordance with the Group's policy, the compensation structure may include fixed and variable components.

The Group has implemented short-term variable compensation (for managerial and specialist staff) based on performance against personal and company objectives. See section 2.3. of the Universal Registration Document, "Remuneration and benefits".

Individual pay rises are based on a set budget and benchmarked against both the market and in-house practices. They also take into account assessments of employees' actual and potential performance as well as the skills they have acquired and demonstrated.

Total payroll and changes in payroll information is available in the statutory financial statements (wages and salaries) presented in section 4.7 "Statutory financial statements" of the Universal Registration Document.

In each country a minimum salary, that the Group considers to be an adequate wage, is defined either by law or by local standards (France, UK, Italy, Hungary and Germany). Our employees in Europe represents 99% (we cannot disclose with 100% certainty the cases of a few workers based in Russia, China and Slovakia, an action plan will be set to ensure the level of information for 2025 data) of our workforce and are paid above these minimums:

- France: Minimum defined by chemical collective agreements;
- UK: minimum wages defined in the United Kingdom;
- Germany: minimum defined at country level;
- Italy: minimum defined in the National collective agreements;
- Hungary: guaranteed minimum wage defined at country level;

	2024
Annual total remuneration ratio	11.3

2024 was an exceptional year in terms of governance, triggering an atypical salary for the role of CEO (as the highest-paid position in the company) and a non-representative remuneration ratio. See explanation of the methodology in section 5.1.1.

Our long-term compensation policy is aligned with our three-year strategic objectives. It is based on the attribution of performance shares, the vesting and payment of which are contingent on the Group's share performance and financial performance as well as on the introduction of free share and/or stock option plans, the characteristics of which are determined by the shareholders' meeting and by the Board of Directors of the Company. In this context, on the occasion of the admission of its shares to trading on the regulated market of Euronext Paris, the Company granted free shares of the Company, in the form of an exceptional allocation, and is planning to establish recurring performance share plans. Further information in section 2.3. "Remuneration and benefits" of the Universal Registration Document.

Employee benefits

Employee benefits are an essential component of the Group's compensation system.

Employee benefit plans can significantly vary from one country to the next, as the Group tailors its employee benefits programs to each country to take into account the different levels of legal and tax regulations.

All compensation and employee benefit policies comply with local regulations and collective agreements. They also include employee savings plans (see "Group savings plans and similar plans" hereafter).

Profit-sharing plans

In France, the Group has set up a profit-sharing agreement to collectively associate eligible employees with the results of the Group. The profit-sharing agreement is calculated on the basis of performance indicators (related to the employees' activities), under the conditions provided for by law or negotiated between employees and management in 2024.

Group and other savings plans

In France, under an agreement dated February 25, 2022, a Group Savings Plan (*plan d'épargne groupe* or PEG) was set up allowing eligible employees to participate, if necessary with the help of the Company or its participating subsidiaries, in the constitution of a collective portfolio of securities benefiting from tax and social advantages attached to this form of collective savings, in return for the temporary unavailability of the amounts invested. This scheme also allows eligible employees to participate in any employee stock ownership opportunities offered by the Company. The Group's foreign subsidiaries may also participate, under the conditions provided for by the Group Savings Plan (PEG).

In France, the Group set up:


- a Time Savings Account;
- a collective retirement savings plan (*plan d'épargne retraite d'entreprise collectif*, or PERCOL), which allows eligible employees to invest, including through payments from the equity-interest agreement and the incentive agreement for their retirement. This scheme offers eligible employees the option of benefiting from certain tax and other benefits in return for a lock-up period ending when retiring.

Employee stock ownership plans

In 2024, the free share plan issued in 2022 for French employees vested in June and each beneficiary was offered the possibility of reinvesting these shares in the Group Savings Plan.

Due to the particular context for the company, it has been decided not to launch a shareholding plan in 2024.

5.3.5 Health and safety

 Impacts	Risks	Opportunities
Impact on the health and safety of the Group's employees	Operational risk (ST-MT) <ul style="list-style-type: none"> Increase in work-related accidents and stoppages Reputational risks (MT-LT) <ul style="list-style-type: none"> Talent drain and difficulties with recruitment 	Reputational opportunities (MT-LT) Enhancing the Group's reputation: attracting and retaining talent. Operational opportunities (ST-MT) High productivity without any accidents

Health & Safety-related IROs are concentrated on own-operations. Time-horizons for IROs are indicated as Short-Term (ST), Medium Term (MT) or Long Term (LT).

As a chemical company with multiple Seveso-classified sites, the safety of our on-site workers is a priority, therefore 87% of our workforce are covered by our health and safety management system (whether employees, interim workers or subcontractors, focussing on our manufacturing sites, whilst employees working at HQ or commercial offices are not tracked within this system, as less exposed to health and safety risks). Our activity and the social context of the company can impact on one side the health and safety of our workers (employees and subcontractors) and on the other side the well being and the attractiveness of the company.

Own workforce covered by H&S management system	2024
% of own workforce	87%

Health and safety culture and prevention play a critical role in reducing the incidence of injuries and diseases.

The HSE Team is overseen by the Head of HSE, who directly reports to the Chief Operation Officer (COO).

The Head of HSE's role is to implement robust occupational health and safety culture and programs designed to meet or exceed the latest health and safety regulatory requirements. The team works closely with shop-floor staff to monitor their exposure to hazardous substances. A network of 50 full-time, in-house HSE specialists continuously monitors the effectiveness of risk control procedures on the plant premises.

Every site holds a regulars HSE governance meeting attended by on-site experts (environment, health and safety officers, etc.) to identify any improvement action plans and any new regulatory standards to be implemented. In parallel, the Executive Committee also receives a monthly briefing and proposed actions to inform their decision-making on a timely manner.

Policies and audits

Our HSE Policy was updated in 2024 with a view to further reducing and eliminating occupational health, safety and environmental risks, strengthening governance and securing increased buy-in from Site Heads in terms of the implementation of HSE priorities. It has for objective to increase the focus on health and safety topics in order to avoid work-related accident and stoppage, as well as high staff churn, and contribute to improve our attractiveness and reputation, while improving our productivity.

In addition, external stakeholders are auditing our sites, to ensure compliance with health and safety and fire safety standards:

- Insurance companies (such as AXA Insurance): each of our manufacturing site was inspected 2024;
- Clients;
- National authorities regularly inspect our five Seveso facilities.

EUROAPI is compliant with Regulation (EC) 1907/2006 of the European Parliament and of the Council of December 18, 2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals ("REACH Regulation"). Under REACH any company manufacturing or importing chemicals in excess of 1 MT/Yr are required to register the substances. Regardless of volume, they must also assess their potential impact on human health and the environment, and implement procedures to minimize risk including limiting exposure to such chemicals.

The Group is a member of the national chemical industry associations in France, Italy and the United Kingdom. In 2022 it signed up to the Responsible Care® Global Charter. The members make a commitment to safely manage chemicals throughout their lifecycle, particularly in 6 key areas including continuous improvement with respect to workplace health and safety, public safety, process safety, environmental performance and the security of the company's facilities and products (see the RCGC website).

Two of our sites, Brindisi and Budapest, are ISO 45001-certified, attesting to their health and safety standards.

In 2023 was launched of the Lifesaving Rule process which included an annual audit program focusing on two rules per year. In 2024 the audit process continued and all sites had by end of year been audited for a total of four rules, with the remaining two rules to be audited in 2025 after which the audit cycle will start again.

Actions

In order to reinforce among all our workers of the importance of taking into account health and safety at work, our CEO shared his will to further focus on H&S topics in an internal communication on the World Day of Safety at Work (04/26).

To achieve our goal of zero accident across EUROAPI's sites, our HSE experts and management continuously work on workplace accidents prevention and injuries, raising awareness among our own workers of health and safety issues and promote healthy habits.

Risk-based safety management system

Our approach to health and safety is using a risk-based safety management system to effectively identify and prevent risk. Risk assessments are carried out at site-level and reviewed by local Health and Safety Committees on a regular basis as well as in response to operational changes.

The approach involves a number of steps:

- identifying workplace hazards stemming from jobs, tasks and working conditions;
- reviewing workplace prevention practices and regulations;
- identifying residual risk; and
- implementing risk control measures factoring in all scenarios, processes and activities.

In order to better target the types of actions to be implemented, potential events are classified based on international standards according to their severity. Using this classification, potentially serious events (PSE) are targeted as a priority, and human and organizational factors are factored into the in-depth analysis. In 2024 the HSE event communication process was revised to ensure that all sites alerts are reported within 48 hours after the event. The in-depth investigation is also shared to enable sites to review their own working practices and take preventative improvement actions.

Risk minimization methods can include minimizing exposure to chemicals, radiation and biological agents, as well as physical and ergonomic constraints.

Occupational hygiene programs are also run by the HSE departments in order to maintain good knowledge of all potential exposure to agents hazardous for employees' health.

Health and safety scenarios are included in the Business Continuity Plans and crisis management framework to allow operations to promptly return to business as usual in the event of business disruption.

Increase safety awareness

Training aims to promote the HSE safety culture among all employees, together with the Human Resources department and managers. EUROAPI seeks to raise safety awareness and responsibility to each and every employee, therefore regular training programs on prevention and protection are organized on a regular basis.

Mandatory legal training is routinely provided to all where required, and refresher training is provided in line with the legal framework. A total of 30 modules are available online.

Managers at all levels of the organization are responsible for promoting a safety culture through both statutory and non-statutory measures. To encourage the inclusion of safety topics in routine exchanges with managers, the MSV (Managerial Safety Visits) program, consisting in “shop-floor” visits, has become mandatory for most managers, including ExCom members, visiting the sites. All managers trained must have at least eight MSV per year. An additional training was set up in 2023 about life saving rules.

In order to learn from experience and reap the rewards of continuous improvement, HSE investigations are held when potential serious events occur. The people involved analyze the events, what went wrong and what can be learned for further improvement. The root cause and action plans are shared between sites.

Each new employee receives initial health and safety training appropriate for their job profile so that they can perform their work in strict compliance with the rules.

Regular awareness initiatives are conducted throughout the year. The “One Hour Stop for Safety” event was held on June 4, 2024 on all plants at the exception of Brindisi that was closed at the time. Production was stopped for a focused health and safety session with the staff.

Each site has a weak signal tool in use enabling employees to give early warning of potential danger to property and people that could lead to an incident or accident. It can cover safety issues relating to our office activities, our technical installations and, more generally, our working environment.

These signals can be of a material, human or environmental nature and can be observed at all levels of the organisation.

Weak signals are tracked globally and improvements are planned to ensure the good quality of reports.

Healthcare follow-up

Medical surveillance is made available to all employees at the Group sites by a designated clinician or physician. All personnel are monitored under medical surveillance programs that are based on the results of occupational risk assessments linked to their duties. Designated clinicians or physicians also evaluate occupational injuries or illnesses.

Indicators

Despite EUROAPI's effort to limit injuries among its workers, an increase in the number of minor accidents was observed in 2024. Overall, these accidents could be qualified as minor, but still resulted in conditions where the employee was unable to return to physical activity for a longer period than in 2023. This situation is reflected in higher accident rate and also severity rate.

		Recordable work-related accidents			
<i>Per 1,000,000 hours worked</i>		2024	2023	2022	Change vs. 2023 (%)
Lost Time Injury frequency rate (LTI)	Total workforce	3.1	2.1	1.8	+47.6%
	Employees	2.9	1.7	1.6	+70.6%
	Temporary workers (non-employees)	0.0	3.0	2.9	-100.0%
	Contractors	4.3	3.3	2.2	+30.3%
Number of recordable LTI	Total workforce	22.0	16.0		
	Employees+non employees)	15.0	/	/	/
Recordable work-related accident frequency rate (TRI)	Total workforce	4.6	2.8	2.9	+64.3%
	Employees	4.1	2.4	2.5	+70.8%
	Temporary workers (non-employees)	8.9	3.0	5.7	+196.7%
	Contractors	5.5	3.9	3.3	+41.0%
Number of recordable TRI	Total workforce	32.0	21.0	/	+52.4%
	Employees	21.0	/	/	
	Temporary workers (non-employees)	2.0	/	/	
	Contractors	9.0	/	/	

Number of fatalities as a result of work-related injuries and work-related ill health			
	2024	2023	2022
Total workforce	0	0	0
Employees	0	0	0
Temporary workers (non-employees)	0	0	0
Contractors	0	0	0


Work-related ill health and days lost of work among employees	2024
Number of cases of recordable work related ill health (employees)	0.0
Number of days lost to work related injuries and fatalities (from work-related accidents, work-related ill health and fatalities from ill health) related to employees.	374.0

Accident severity rate* (V)				
<i>Per 1,000 000 hours worked</i>	2024	2023	2022	Change vs. 2023 (%)
Total workforce	65.7	39.9	15.7	+64.7%
Employees	72.4	42.3	16.5	+71.2%
Temporary workers (non-employees)	0.0	116.1	37.1	-100.0%
Contractors	53.5	18.7	9.3	+186.1%

*Number of lost days for the reference period x 1,000,000/ number hours worked for the reference period.

As consequence of these accidents, the Group launched a new Accident Prevention plan in 2024, that has started with a survey. The analysis of this survey will enable the H&S team to build an adapted prevention plan (short and long terms) site by site for 2025.

5.3.6 Workforce in the value chain

 Impacts	Risks	Opportunities
<ul style="list-style-type: none"> Positive impact by developing fair and ethical business locally and abroad 	Commercial risk (MT-LT) <ul style="list-style-type: none"> Brand image and reputation linked to non-ethics (for example with employees or local communities) or environmental issues in the value chain workers (particularly direct suppliers) 	Operational opportunity (MT-LT) <ul style="list-style-type: none"> Prevent supply disruption and reinforce resilience with supply chain transparency to identify issues early

Above-listed IROs are concentrated on the upstream value chain. Time-horizons for IROs are indicated as Short-Term (ST), Medium Term (MT) or Long Term (LT).

Engaging with value chain workers

Taking into account our workers in the value chain (especially manual workers) ensures that our products are manufactured in an ethical manner in addition to considering our environmental impact. Not only are our clients demanding about how we are considering our value chain, but they also challenge us on this topic and encourage us to continuously improve the way we are working with our suppliers.

EUROAPI's manufacturing activities are only Europe based and 79% of our raw material procurement expenses were to suppliers based in Europe in 2024 (vs. 71% in 2023), a region where regulations are extensive on human rights, health & safety, and with low risks, in particular in the highly watched out chemical and pharmaceutical sector. Still, the Group has a number of suppliers from other regions of the world, especially from Asia, with China and India being important raw material producers. The risk of workers being impacted through our sourcing is analysed through the international Transparency Index.

Our ethic and compliance officer receives, on a daily basis, alerts (through the screening tool operated by Dow Jones) on events regarding our suppliers, including human rights violations, labor law regulations infringement, bribery situations, sanctions, and no alert has come up as very critical. No incident was identified in 2024.

Work is still in progress to better identify and assess our impacts on our value chain workers (either social or environmental).

Policy

As mentioned in the Governance section (chap.5.4.1 "Corporate culture and governance policy"), EUROAPI expects its suppliers to abide by its supplier code of conduct (section 5.4.4 "Relationship with suppliers"), including on the aspects of human rights that EUROAPI expects them to respect, esp. in regard to child labor, forced or compulsory labor, as described in our human rights policy (section 5.4.2). Even though our human rights policy and channels for raising concerns are publicly available on our website and can be used by all external stakeholders including the workers in our value chain, many of them may not be aware of that. In any case they may use that channel to highlight a case and EUROAPI considers they can benefit from the same protection rights than their own employees and should make sure that the identity of the workers in the value chain remain anonymous from the general public/employees.

EUROAPI has not put in place a process to assess the effectiveness of existing process, but is aware that such measure should positively impact the working conditions of the workers in its value chain. Our new chief procurement officer, who joined EUROAPI in 2024 has implemented the analysis of our suppliers through the EcoVadis questionnaire since June 2024, as described in the supplier relationship section (5.4.4-Relationship with suppliers). The EcoVadis tool enables to analyse 21 criteria (governance, environment, ethics and labor and social rights) to get an understanding of the risks associated to the suppliers, via the analysis of materiality assessments, intensity factors and risks observed. A focus can specifically be done on labor conditions and human rights for our value chain workers.

In addition, the number of suppliers has significantly decreased since the launch of EUROAPI from 10,000 to 5,000 dividing by two the number of suppliers, which contributes to reduce the risk associated to human rights. By end of 2024, 4,500 of our suppliers had been evaluated in terms of ESG Risks, representing about 9/10 of our suppliers. This overview is helping to develop our roadmap, with the intention to prioritize our actions based on the risk level linked to our suppliers. The current assessment of our supplier has enabled to identify 41 “high risk” suppliers, and no “very high risk” supplier. Actions will be undertaken on those suppliers first.

The head of supply chain is also involved in the projects related to risks and opportunities within our value chain. The objective is to secure the delivery of our products to our clients and to propose alternative and sustainable transportation solutions, which should contribute to reinforce the partnership with our customers.

Actions and targets

As the purchasing department is still being reorganized, action plans and further targets have not been set. EUROAPI needs to further investigate the potential of the most critical issues related to its value chain workers.


However, a new responsible purchasing roadmap was validated end of 2024 by the ESG Committee and contributes to reinforce our engagement within our value chain especially on the environmental pillar. It also raises the opportunity for EUROAPI to capitalize on better control of its suppliers on ESG topics, a potentially differentiating factor for its own clients. It should also contribute to prevent supply disruption and therefore increase our supply chain resilience.

EUROAPI's membership to PSCI (Pharmaceutical Supply Chain Initiative) was accepted in 2024. PSCI is the leading association of pharmaceutical and healthcare companies driving responsible supply chains, and enabling to pool sustainable activities and audits on their supply chain. This membership will enable the Group to better control its suppliers and risks of supply disruption from its own suppliers and potentially gaining in higher trust from its own clients.

Another objective is to train our purchasing team to use the EcoVadis tool, with the aim to evaluate all potential new suppliers, before deciding to contract with them, and therefore to better ensure its own supply.

Since 2023, EUROAPI has been asking all new suppliers of raw materials to sign our supplier code of conduct, which 100% of them did in 2024 (43/43). From 2025 this request will be extended to all our new suppliers (not only the raw material suppliers).

5.3.7 Affected communities

 Impacts	Risks	Opportunities
<ul style="list-style-type: none"> • Negative impact as activities can have an impact (noise, pollution...) on surroundings and potential physical risks • Positive impact as contributes to economic growth and employment 	<ul style="list-style-type: none"> • EUROAPI sites present risks of pollution or accident (ST-MT) 	<ul style="list-style-type: none"> • Reputational and operational opportunities for developing local eco-systems around the sites for research and technical knowledge (academic, industrial), waste management, energy supply, cost reductions (MT-LT)

Above listed IROs are concentrated on own-operations. Time-horizons for IROs are indicated as Short-Term (ST), Medium Term (MT) or Long Term (LT).

Policy

EUROAPI has not adopted any central policy regarding the potential communities that could be affected by our activity. Still, EUROAPI pays significant attention to the affected communities in the vicinity of its industrial sites, described as “local communities” (inhabitants, local administrations). Indeed, 5 out of 6 of our manufacturing sites are Seveso, meaning they have to follow specific rules in regards to the health and safety risks associated, especially on local communities. Additional local rules can be applied by local authorities, therefore each site must respect the norms or requests coming from international, national and also local levels such as “prefecture” in France (regional government authority). Some local authorities have the power, for example, to regulate water consumption and/or withdrawal depending on the geography and climate context. For instance, our site in Vertolaye under local authority request, found a solution to better manage its water consumption in a context of water scarcity management, while minimizing the impact on its production. Another reason for this local governance is that each site manufactures different types of APIs, requiring different specificities in terms of product process, storage, etc. (for example pure chemical product vs. fermentation).

In any case, any community affected with our activity is considered and handled when it is highlighted to the Group. They are important stakeholders as neighbors and potential workforce for the company, EUROAPI makes its best to provide them with the rights they are entitled to as citizens or institutions. Also, when a serious concern, as for example odor, noise or pollution, on surroundings or physical risks linked to the activity, is raised by a local community or administration, the Group is usually involved in the discussions to assist the site in finding the best solution. In general, the site director,

the HSE, the external communication manager, media manager and the public affair manager at group level are involved when necessary to support the remediation plan. A crisis unit can be deployed in case of a major event (POI). Further resources can be allocated to put in place the required action.

The topic of indigenous people would eventually be related to the affected communities in our upstream supply chain. EUROAPI has not yet elaborated a policy regarding the potential impacts of its value chain activity on these communities.

In addition to our whistleblowing system (available on our website) is accessible to any stakeholder by phone, email or web. The memberships and contacts with local associations (at least once a year in France for example) and local authorities also enable the sites to share and receive feedback about (potential) impacts on the local communities. For example, in 2024 one of our French sites was occasionally generating cumbersome odors, though not dangerous for the local population. Discussions with stakeholders (such as municipality, regional administration, institution for industrial information) have enabled to engage EUROAPI into a remediation plan in two steps (increasing the aeration of the basin, that limits odor generation and the introduction of photosynthetic bacteria to totally remove odors generation), within an agreed timeframe and ensure a back to normal situation. It was due to an issue linked to our wastewater treatment plant and the situation went back to normal within 15 days. Close relationships with the neighborhood population enable as well to evaluate the effectiveness of the measures taken when relevant. As per our Alert management system described in the section 5.4.3 “Corruption, bribery and alert management”, all stakeholders (internal or external) benefit from protection against retaliation.

EUROAPI, by following international, national and local rules, is already well in line with the international standards regarding respect for human rights of the communities. Communities in the neighborhood of our sites are enabled to raise concerns through our communication channels available to our external stakeholders as mentioned in the section 5.4.2 “Human right policy”, as part of our corporate governance.

Actions and mitigations

To mitigate the potential impacts and risks of pollution, noise or incidents that can impact the local population, sites comply with all applicable regulations and instructions from local authorities. The proximity of a Seveso manufacturing site with a population requires, for example, specific evacuation exercises to be done on regular basis. Regular meetings enable to keep the local population aware of potential non-dangerous but impacting situations in case of specific works or maintenance operations at the manufacturing site. Membership to local associations and regular interactions with local representatives (at least once per year, and on *ad-hoc* opportunities for elected representatives’ site visits - e.g. mayor, MP...) also help to maintain close relationships and information with the neighborhood on potential risks and adequate behaviors in case of incident. No severe human right issues or incidents within the scope of our operations and connected to local communities around our industrial sites were identified in 2024.

The group also has an impact in terms of economic growth in the area, as an employer it enables families to get revenues and benefits (e.g. health insurance) by working for EUROAPI. Furthermore, local population is also important to EUROAPI’s activity as specific know-how and skills are needed on our manufacturing sites, therefore the majority of our sites promote the professions required for API manufacturing, in order to attract new talents.

Partnerships with universities (in R&D projects for example), student and school visits are organized on our sites. Site communication and HR teams are locally involved in promoting the pharmaceutical chemical activities. For example our Vertolaye site was awarded with the “employer of firefighters” label. This label is designed to recognize employers that support the civic commitment of volunteer firefighters.

The implication of EUROAPI’s site with local communities (populations and institutions) can be illustrated with the following actions that took place in 2024:

- Blood donation (France, Hungary,...);
- Participation in local charity and sporting events;
- Local environment-related events (e.g. Frankfurt “cycling together for climate”);
- Employees collected toys for donation to charities.

Targets

The primary target is to ensure that no significant incident or negative impact occurs towards local communities, as expressed during the interactions with local associations or representatives.

An additional goal is to constantly maintain an open communication channel with local communities, enabling to take into consideration eventual concerns expressed. Example described earlier regarding a cumbersome odors on one of our sites (see “Policy” section) demonstrate how such situations are monitored and followed-up by site management.

In terms of attractiveness and retention, the HR Group team follows the hiring indicators as well as the departures, enabling to measure the attractiveness of the company, including at local level with support of local HR managers, whether during recruitment process or with attendance to local recruitment fairs.

5.3.8 Consumers and end-users

 Impacts	Risks	Opportunities
<ul style="list-style-type: none"> • Positive impact on global health improvement, as EUROAPI contributes to access to safe and qualitative API and medicines. • Possible negative indirect impact as some side effects can occur for medicines (opioids, antibiotics...) 	<p>Financial risk and commercial risk in case of quality issue (ST-MT)</p> <ul style="list-style-type: none"> • Company's performance and sustainability over time • Customer dissatisfaction with potential associated claims • Decrease in competitive advantages <p>Operational and reputational risk (MT-LT)</p> <ul style="list-style-type: none"> • Risk to lose license to operate • Brand image and reputation • Risks of increasing regulation on veterinary products leading to increased costs 	<p>Commercial and Reputational opportunities for differentiation vs. competition and customer value proposal (MT-LT)</p>

Consumer & end-users-related IROs are concentrated on downstream value chain and on own operations. Time-horizons for IROs are indicated as Short-Term (ST), Medium Term (MT) or Long Term (LT)

As an API manufacturer for the drug manufacturing industry, API quality is key to meet the health needs of populations and more specifically of patients to be cured or relieved, contributing to improve their quality of life.

Our activity impacts prescribed patients (mainly), OTC products consumers and, for a limited range of our products, animals. Our products have the objective to cure and therefore they contribute to global health improvement since EUROAPI has worldwide clients. However, taking a health product (either on prescription or OTC) is not harmless, which explains the strong regulation around the drug manufacturing process and commercialization, starting with the API, at the very beginning of the drug value chain until the launch of the final product on the market. Therefore, our mission is to guarantee the safety of the APIs we produce and distribute. We aim to prevent any unforeseen toxicity that could result in product recalls or negatively impact our patients' treatment or health. Side effects are gathered by the owner of Marketing Authorization through the pharmacovigilance process (at least in France) and supervised by national health authorities.

Engaging with end-consumers

EUROAPI has no direct contact with the end consumers (direct communication with patients about drugs and substances are strictly regulated in many countries and not always possible). However our Alert Management policy as described in section 5.4.3 enables any patient or relatives to reach us if needed.

Furthermore, our APIs are part of the composition of medicinal products and, depending on the galenic form, are associated with certain excipients. It is the Marketing Authorization holder that has the responsibility to get the feedback from healthcare professionals and end-users through the pharmacovigilance process, put in place by the pharmaceutical company in relation to applicable regulations and coordination with local Health Authorities. To ensure the safety of our APIs, EUROAPI is following all Good Manufacturing Practices (GMP) required for API manufacturing and extensive Quality Assurance policies, as described later in this chapter.

In case of pharmacovigilance alert potentially linked to an API, the pharmaceutical company would contact EUROAPI for further information and investigation. No case has come up to EUROAPI in the past years.

Regarding the possible impact linked to our opioid activity, EUROAPI would like to highlight that it has voluntarily decided not to market in the USA opioids based product for narcotics drugs (leading to a risk of addiction). It only markets an antidote in case of opioid overdose by a patient.

As specified in the section 5.4 “Corporate Governance – our Human Rights Policy” is applicable to our all stakeholders including our consumers. No severe human rights issues or incidents related to our APIs consumers have been identified.

To avoid any adverse impacts on patients, the company is complying with stringent manufacturing rules and quality controls, and is subject to periodic audits and inspections - internal, by customers or by supervisory authorities, as described below.

In addition, every time one of our APIs is being delivered to a client - *ie.* a drug product manufacturer - APIs, they proceed themselves to additional quality controls before integrating our products into their drug manufacturing process, and again, after having manufactured the drug, which highly limits potential negative impacts for our consumers. In case a patient needs to raise a concern with one of our products, it will go through the pharmacovigilance process or through the final product manufacturer consumer assistance, before being eventually raised to us, in case it is linked to one of our APIs. The pharmacovigilance process is to be set for every drug product by the market authorisation holder and it provides a number that can be reached 24/7. Health authorities in some countries would also propose an alert system that can be used by any relevant stakeholders (healthcare professionals, patients).

In 2024, EUROAPI has not been alerted by its clients on products manufactured with its APIs or components.

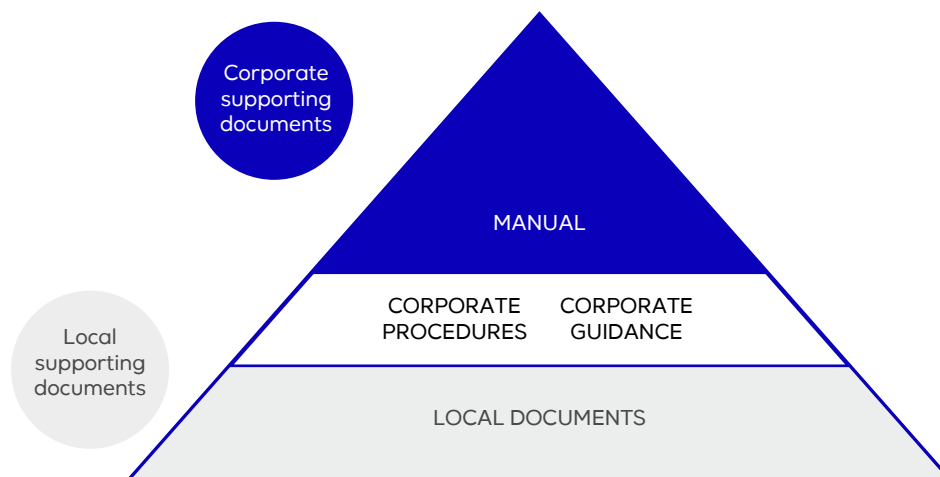
Policies

As an API manufacturer for the pharmaceutical industry, we are subject to stringent regulations designed to protect patient and employee health. With the aim of fully complying with these regulations, and to absolutely minimize risks related to quality issues and reputation, EUROAPI has formalized its own quality policy (available on our website), operates in accordance with applicable laws and regulation requirements requested by international manufacturing standards on quality assurance processes including:

- GMP and GDP and other international standards;
- FDA, MHRA, EMA, EDQM and other national guidelines;
- Guidelines published by the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH) which set out standards for pharmaceutical industry associations and authorities in the United States (FDA and PhRMA), Europe (EC and EFPIA), Japan (MHLW/PMDA and JPMA), Switzerland, China, Brazil and Mexico;
- WHO Guidelines.

The Group also has its own policies in order to maintain good practice documentation and to ensure that quality standards are applied consistently across the organization, and by every person involved in the process. The documentation is aligned with regulations and Good Practice Guidelines (GxP) applicable to manufacturing processes. They are categorized according to the relevant quality process and incorporate GxP regulated activities as well as other health regulations.

The quality management system was updated in Q3 2024, with the objective to better merge the standards with the corporate procedures.



The process to establish, review, approve and distribute internal corporate procedures as well as any supporting documents is detailed in the “Document Lifecycle Management” Procedure.

There is also a specific process to ensure compliance with national regulations in respect of pharmacopoeia, the standards governing products intended for medicinal human or veterinary usage.

At the top of the pyramid, the Group’s quality policy represents the cornerstone of our commitment to regulatory compliance and our clients. This policy sets out our aims and direction in terms of quality assurance. Our quality policy is overseen by the Chief Quality Officer, reporting to the Chief Executive Officer. It is communicated to employees across the organization.

In terms of quality EUROAPI has not put in place any direct patient-oriented policy for the reasons mentioned above.

Quality governance

To ensure up-to-date quality corporate documentation and regulatory compliance, Good Manufacturing Practices (GMP) regulations, pharmacopoeia, and other regulatory matters are closely monitored both centrally and locally. Reporting to the Chief Quality Officer, the Heads of Quality assist local quality assurance managers and sales teams across the network in communicating and delivering the Group’s quality assurance process and oversee its implementation. An estimated 12% to 15% of our workforce are employed in quality assurance depending on the sites.

When a risk occurs in the management process, regular meetings are planned under the leadership of corporate quality: they can be set at very short and regular intervals such as weekly meetings up to bi-annually meetings (depending on the situation). These meetings would usually include the Chief Quality Officer and key members of site management. At least once a year the CEO gets a summary of the risks related to quality matters and the milestones associated to the risk management of the event.

At the beginning of 2024 EUROAPI had to face the temporary pause of API production at the Brindisi site, following an internal audit (press release available on our website). The deviation was not highlighted by clients or authorities but was the internal decision to review and remediate to the proven deviation, in order to confirm the absence of any patient risk. Following this event, a remediation plan was implemented and the Italian Health Authorities inspected our site, leading to no critical observation. Consequently, the Health Authorities renewed the GMP certificate of the Brindisi site.

Regular inspections and audits

Regular inspections of the Group’s sites are conducted by both internal and external auditors, including government health inspection agencies, clients and suppliers. 5 of our 6 sites were audited this year by the EMA, no critical findings were highlighted, more details on sites audited at the end of this section.

Outcomes of the audits generally fall under two main categories:

- critical that requires immediate action and immediate CAPAs (Corrective And Preventive Actions). These are observations representing:
 - 1) A situation of serious violation of the applicable legislation, guidelines or quality documents;
 - 2) A situation that may make the product unfit for use or likely to present a risk for patient health, a missing quality system, an occurrence of fraud e.g. falsification of a product or of a piece of information;
- other, including major or minor observations requiring the implementation of corrective actions within a specific time-frame.

Actions

Avoiding a sanitary issue

The major decision to put on hold the manufacturing activity following the deviation in Brindisi, impacted our client's operation/business, but without triggering any product recall. The Brindisi site produces 11 APIs and intermediates, mostly anti-infectives (including spiramycin, rifaximin, rifampicin and teicoplanin). Following the identification of the Data Integrity issue, a full mapping of the gaps was performed, allowing as a first priority the assessment demonstrating that all products potentially on the market, were still safe for their intended use with no risk for the patient. The implementation of an appropriate remediation was to rolled out (Corrective and Preventive actions). The investigation report, product impact assessment and remediation plan was reviewed by the AIFA (Italian Health Authorities) in June 2024 and it fully approved the GMP re-certification delivered to the site on July 12, 2024.

Improving our quality management system to ensure delivery of safe APIs

In addition, the Group is continuously working on improving its quality management system (QMS), with the implementation of the new system Quartz, in replacement of Phenix Quality Management System developed by Sanofi at the time but no longer adapted to EUROAPI's needs to support essential quality processes such as deviations, change controls, CAPAs, customers complaints, third parties and audits.

Quartz is a fully digitalized system, with a user-friendly interface, facilitating tracking and reporting.

Health sovereignty

Our activity in the healthcare value chain offers the ability to contribute to reinforce the sovereignty in terms of drug supply to patients. Having a strong European industrial footprint, and thus contributing directly to EU health sovereignty could constitute a business opportunity, as an important differentiation factor from competition.

Promoting health sovereignty is a key CSR mission. The initiatives to improve the security and the capacity of supply of essential medicines to France and Europe represents a major component of this. As part of our FOCUS-27 plan, investments planned are still on the agenda. From 2025, we expect to commit €70 million in investments, of which approximately 15% on R&D and 85% on CapEx as part of our opiates program. This will be partially funded through the French state's recovery plan, France 2030 (press release available on our website).

- €18 million in capital spending should be committed at St-Aubin-lès-Elbeuf site between 2024 and 2027. As the only Western supplier of vitamin B12, boosting our manufacturing capabilities is vital and will go a long way to reducing our environmental impact;
- €31 million considered in capital investment at our Budapest facility between 2024 and 2027, thereby doubling our prostaglandin production capacity along with more environmentally friendly process.

EUROAPI is the unique supplier of prostaglandins in Europe, ensuring a certain level of sovereignty for these type of molecules in the EU region.

One of our major projects is the "IPCEI Med4Cure" project: EUROAPI has been officially selected as one of the 13 EU companies eligible to share €1 billion to ensure, in particular, sustainable, competitive and integrated production of active pharmaceutical ingredients that are essential for public health, and which has become possible with the support of that public funding program (press release available on our website).

Our proposals were about delivering innovative health infrastructure projects aiming at ensuring security of supply of critical medicines like macrolide antibiotics and corticosteroids.







In addition the Group keeps paying attention to the sourcing of its raw materials, through the follow-up of its suppliers' location and privileging local based suppliers. In 2024, the share of our expenses to raw material suppliers based in Europe amounted to 79% vs. 21% based outside Europe (compared to 71% in 2023)

Indicators

For reasons explained earlier in this section (contact to patients is strictly limited or even prohibited in certain geographies), EUROAPI has not defined any specific target, and does not plan to do so in the future. However, the main goal for EUROAPI is to be subject to zero critical comment during authority

inspections or concerns raised by one of our clients related to an API quality-related incident on a patient. EUROAPI is proud to have delivered on that goal: a testimony to the quality level of our internal processes and a direct contribution to the company's reputation regarding the quality of its products. Below an update of the EMA inspection in 2024 and client audits, with no critical findings. Since 2019, Mutual Recognition Agreement applies between FDA and local European Health Authority. All our sites have Japan FMA accreditation.

EUROAPI products were not used in any of the products recalled from the market by the authorities in 2024.

	Last EMA ⁽¹⁾ inspection		Client audits
	Date	# of critical findings	# of audits 2024
 Vertolaye	2024	0	10
 Saint-Aubin-lès-Elbeuf	2024	0	6
 Frankfurt	2024	0	10
 Budapest	2024	0	17
 Brindisi	2024	0	7
 Haverhill	2022 ⁽²⁾	0	3

(1) EMA inspections are performed by local agencies (ANSM, AIFA, RP Darmstadt, OGYEII & NEBIH)

(2) MHRA for the United Kingdom

5.4 CORPORATE GOVERNANCE

 Impacts	Risks	Opportunities
Corporate culture positively impacts <ul style="list-style-type: none"> • Ethics • Operations • Health & Safety • Business performance • Company attractiveness 	Operational risk, for a newly formed Group with the challenge to create a unique and cohesive Group culture that includes ESG values (MT) <ul style="list-style-type: none"> • Strategy and plan's execution • Non-compliance issues • Ethical issues 	Developing a strong and distinctive Group culture, including ESG values, would yield benefits in (MT-LT) <ul style="list-style-type: none"> • Executing the strategic plan effectively • Enhancing employee engagement • Increasing attractiveness for newcomers and employer branding • Retaining current talents Protection of whistleblowers (MT) <ul style="list-style-type: none"> • Early detection: spot problems early, stopping from getting worse -> saves money, avoids legal trouble, protects the company's reputation • Boosting morale: a good whistleblower program makes employees feel heard and builds trust, making them happier and more productive at work

Corporate Governance-related IROs are concentrated on own-operations. Time-horizons for IROs are indicated as Short-Term (ST), Medium Term (MT) or Long Term (LT)

The Ethics and Compliance Department's core mission is to embed integrity in our corporate culture at every level of the organization.

Its role is to partner with the functional teams and employees to drive progress towards our business objectives while ensuring compliance with laws, regulations and industry codes of practice, as well as with the Group's ethics, values and policies. The Ethics and Compliance department is led by the Chief Legal, Compliance and IP Officer, overseen by the CFO and supported by the Head of Ethics, Compliance and Data Privacy. In July 2024, the Group strengthened its Ethics and Compliance governance by revising the composition of its Ethics Committee with representatives of the Executive Committee, Audit, Risk and Legal departments, and on an *ad-hoc* basis other functions depending on the type of alert. This Committee is aimed at ensuring that the Group Ethics and Compliance program meets the applicable standards (for instance the Committee approved the new version of the Code of Ethics) and enables a proper and timely reporting of all compliance matters to the senior management. The Ethics and Compliance Committee is entitled to manage all types

of matters whether they come from internal (employees) or from external (clients or suppliers), who can have access to our whistleblowing system.

The Ethics and Compliance department leads a global network of around 40 coordinators – "Compliance Champions" – who support all functions including corporate teams, sales sites and manufacturing facilities. These coordinators are represented across all the required departments within the Group, in order to ensure that compliance is embedded across the organization especially in the most exposed departments. The team benefit from dedicated training sessions (and meetings during on-site visits) by the Head of Compliance and Ethics.

Beside this Ethics and Compliance team stands the Data Protection Officer and local coordinators are responsible for handling questions and complaints concerning the processing of personal data by the Group. They may be assisted, as necessary, by the Legal department, the IT department (cybersecurity) or any other relevant department within the Group, in the evaluation and management of any incidents concerning personal data.

5.4.1 Corporate culture and business conduct policies

We are committed to upholding high ethical standards and behaving with integrity in our business dealings. We understand that ethical values must be embedded in all our interactions, everywhere in order to maintain the trust of our stakeholders, safeguarding our image and reputation, and protecting our employees. The success of the Ethics and Compliance program is facilitated by a cross functional organization gathering the HR department, Quality department, the HSE department, the Internal Audit department and the Procurement department.

Within our corporate culture, personal Data Protection is a key part of our Ethics and Compliance program.

A Data Protection Team (made of members belonging to other departments), whose role is to support employees and functional teams in understanding and applying corporate data protection policies to ensure compliance with all data protection regulations applicable to the Group.

Policies and standards

The rules of conduct and compliance with the Group's values and principles are set out in the Group's Code of Ethics, which serves as a guideline for taking appropriate decisions that helps to establish trustful relationships and to achieve sustainable growth. The Code of Ethics applies to all employees and contractors (including suppliers) of the Group and anyone conducting business on its behalf. Every new employee in his/her onboarding process acknowledges receipt of our Code of Ethics. The Code was enriched in 2024 to reflect the evolution of the Group and for employees to have a better view of the expectations and good practices in terms of Ethics and Compliance. The Code of Ethics followed a review process by key stakeholders (which include the Ethics Committee) and was approved as per our internal quality standards (author, reviewer and approver). In addition to the Code of Ethics, other procedures and policies on other topics related to business ethics such as data protection, anti-bribery,

conflicts of interest, gifts and invitations, donations and contributions to organizations, responsible lobbying and whistleblowers alert management have been put in place at EUROAPI.

These policies and standards are reviewed at least every three years, updated and supplemented if necessary, on a context, major events and need basis, in order to ensure they reflect applicable laws and regulations, as well as with the risks associated with the Group's activities.

To ensure compliance with the European General Data Protection Regulation (GDPR), the Global Data Privacy Policy sets standards for the processing of personal data. The policy covers all Personal Data, all Data Subjects (regardless of their citizenship, residence or location). The Policy applies to all entities or affiliates of the EUROAPI Group when the legislation requires it, and, all of their employees. The policy has been approved by the Company's General Counsel.

A Data Protection team (made of members belonging to other departments), whose role is to support employees and functional teams in understanding and applying corporate data protection policies to ensure compliance with all data protection regulations applicable to the Group.

Regarding standards related to animal welfare, EUROAPI as an API manufacturer is not involved with animal welfare in its manufacturing process and does not conduct clinical research. No objective or policy is planned yet regarding our clients involved with animal welfare.

To comfort our ability to conduct our business in consideration of the existing exposures, a bribery risk mapping exercise was carried out in 2024 with the purpose of identifying, assessing and prioritizing any corruption risks to which the Group may be exposed. This mapping identified various bribery risks scenarios and the associated cross functional action plans.

Spreading our culture, ethic and compliance behaviors

EUROAPI has developed and implemented a comprehensive Ethics and Compliance program in line with the requirements of the Sapin II law requirement. It includes procedures and policies (notably Code of Ethics, anti-bribery, gifts), the implementation of different alert channels (email address, phone line, online website) allowing internal and all external stakeholders (clients, suppliers, communities, value chain workers) to raise a concern when necessary. It also includes the design of processes to ensure that our business partners are in line with the applicable ethics and compliance training. Finally, and to help our teams to properly understand the rules and expectations of the Group in terms of Ethics and Compliance, we have built a training program covering different topics (bribery, conflict of interests, gifts and invitations). Over 9/10 employees have done those trainings, out of which 96.7% of the functions at risks.

To ensure that all applicable standards and rules are easily accessible, a dedicated intranet site is available and on which employees can find relevant corporate resources to familiarize themselves with ethics, compliance and data privacy rules that apply to the Group as well as related procedures to follow in case of any data privacy concerns.

Every year, communication events are held around specific awareness days, enabling to remind to the employees of the importance of particular topics, such as:

- International Whistleblowing Day (June 23);
- Global Ethics Day (October 17);
- Global Anti-corruption day (December 9).

In 2025, a new indicator will enable to better follow that all new employees have well received the Code of Ethics.

Following our performance

Finally, to reinforce the effectiveness of the Group's policies and standards and to ensure their application, the Ethics and Compliance department runs a dedicated training program. The Group's employees are required to complete mandatory training sessions that address fundamental topics in the areas of ethics and compliance on an annual basis. These e-learning cover anti-bribery, gifts and invitations, conflict of interests, data privacy and allow employees to familiarize themselves with the way to act in certain circumstances. To better engage and acculturate the employees, the Ethics and Compliance officer also delivers in person awareness sessions on prioritized topics (speak-up, bribery) to targeted populations, such as the population potentially most at risk of exposure to bribery.

The Group has maintained until 2024 its ambitious objective to have 100% employees trained to ethics and compliance issues on an annual basis. All current and new employees are asked to (re)view the training with the objective to reach the highest level of awareness possible across the whole organization in order building a strong culture and maintaining a high level of compliance.

Despite an ambitious objective of 100% e-learning completion by employees and its quarterly monitoring, EUROAPI's training performance on Code of Ethics and Compliance improved by about 1point in percentage vs. 2023 with 96% of employees trained, while anti-corruption training gained 3 points in percentage with 98%% employees having done the training.

The Group's employees have been doing these trainings for 3 years since its creation, with rather high performance rates. For 2025 a new approach will be proposed by our Ethics and Compliance department in order to better adapt to the employees needs and exposure, always with the final objective to avoid any Ethics and Compliance issues in the company and to increase the awareness on the most strategic and exposed functions, when necessary.

Corruption/bribery training programs	2024	2023	2022
% of employees in functions at risk having done the anti-bribery/anti-corruption	97%	/	/
Employees trained on Code of Ethics and Compliance (%)	96%	95%	95%
Employees trained on Anti-Corruption (%)	98%	95%	/

The functions the most at risk identified at EUROAPI are: Executive Committee and their direct reports, the Site Leadership Team, Sales department, Procurement and Maintenance department, Employees with Power of Attorney.

Thanks to the policies and Ethic and Compliance program the Group has so far been preserved from incidents related to corruption and bribery. No convictions and fines are to be declared for the past year.

Incidents for violation of anti-corruption and anti-bribery laws	2024
Nb of convictions related to corruption/bribery	0
Amount of fines €	0

5.4.2 Human right policy

Since its creation, the Group has committed to upholding the principles of the United Nations Global Compact and other international standards concerning human rights for all its employees and stakeholders through its manufacturing process up to the consumers. With employees, suppliers and subcontractors on several continents, the Group understands and assumes its responsibility to conduct its business ethically (see section 5.4.1 “Corporate culture and business conduct policies”) and uphold human rights for all workers across its value chain, including those employed by third parties (such as subcontractors and suppliers, as mentioned in section 5.4.4 “Relationship with suppliers”) and within its own operations and supply chain.

Policies

EUROAPI is committed to following international standards:

- UN Guiding Principles on Business and Human Rights;
- UN Global Compact;
- Children's Rights and Business Principles;
- Universal Declaration of Human Rights;
- OECD Guidelines for Multinational Enterprises;
- ILO Declaration on Fundamental Principles and Rights at Work.

EUROAPI's human rights commitments are detailed in our Code of Ethics and Supplier Code of Conduct, available on our website and therefore available to all at any time.

These policies set out the human rights responsibilities for all internal and external stakeholders and partners. More specifically, we expect our suppliers to meet the basic standards set out in EUROAPI's Supplier Code of Conduct (as described in the section 5.3.6 “Workers in the value chain”):

- human rights and labor practices;
- worker health and safety;

- protecting the population from environmental pollution;
- upholding ethical standards by combating corruption, fraud and bribery; and
- privacy and data protection.

The Group upholds and promotes, notably through its Code of Ethics and Supplier Code of Conduct, the five principles and rights outlined in the 2022 International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. These include freedom of association and the effective recognition of the right to collective bargaining, elimination of all forms of forced or compulsory labor, effective abolition of child labor, elimination of discrimination in respect of employment and occupation, and a safe and healthy working environment.

To ensure human rights are upheld across our operations, we have taken a structured approach that includes:


- general Group policies and dedicated specific policies;
- due diligence procedures (enabling to detect infringement from first tier vendors);
- grievance mechanisms;
- monitoring of policy implementation; and
- education and training

Regarding the human rights related to our end users, as described in the section 5.3.8 “Consumers and end-users”, we are aware that our end-users are fully entitled to be guaranteed to consume safe and health impacting product to improve their quality of life, as part of our mission. Therefore, EUROAPI considers that delivering safe, healthy oriented and ethically manufactured products is part of the human right of end-users.

Governance

At EUROAPI, the human rights questions are lead and supported at the top management, with the support of several key functions: the Human Resources; Procurement; Ethics and Compliance; HSE team and ESG (Environmental, Social, and Governance) departments.

5.4.3 Corruption, bribery and alert management

 Impacts	Risks	Opportunities
Impact or indirect influence on <ul style="list-style-type: none"> • Accessibility • Public health outcomes • Medication affordability 	Financial, operational and reputational risks (ST) <ul style="list-style-type: none"> • Fines from the AFA (Agence française anticorruption) can be up to 4% of sales followed by business disruption due to remediation plan in case of non compliance 	Commercial and Reputational opportunities for differentiating vs. competition (MT-LT)

Above-listed IROs are concentrated on own-operations. Time-horizons for IROs are indicated as Short-Term (ST), Medium Term (MT) or Long Term (LT)

Anti-bribery standards and processes

The Group has implemented a comprehensive program in line with the Sapin 2 law requirements.

Our standards include procedures (fighting bribery, anti-bribery due diligence and restricted party screening) and e-learning dedicated to anti-bribery, and consistent with United Nations Convention against Corruption. Trainings are annually assigned to all employees for a proper understanding and application of the rules defined. All the training courses include a questionnaire validating that the employee properly understood the notions developed in the training module.

Regarding the supporting processes, they are firstly based on the screening and due diligence mechanisms that help to detect potential corruption risks. Secondly, the fight against bribery benefits from the different available reporting channels (see paragraph "Alert Management") that allow internal and external stakeholders to raise their concern when they face or suspect a corruption situation. Finally, the Group has defined accounting controls in order to verify the high-risk transactions that could be used to cover corruption acts.

The Group conducted a bribery risk mapping in 2024, updating the one performed in 2022 and following the AFA methodology. The results of the mapping were shared and validated with the Executive Committee.

Alert management

The Group has introduced an alert management system to allow employees and external stakeholders to report their concerns since the beginning of the company. If employees or external stakeholders have a concern or believe in good faith that there has been or is about to be a breach of a law, a regulation, an industry code, company policy or standard or any of the principles in the Group's Code of Ethics, they have the duty to report it through one of the channels available.

Stakeholders (employees or external stakeholders) who raise concerns will not be subject to disciplinary action, provided they act in good faith and without malicious intent, even if the facts reported turn out to be inaccurate and no further action is taken. The procedure for raising a concern and the protection afforded to employee whistleblowers are set out in the Group's Code of Ethics which is accessible to all employees and contractors (suppliers) as well as anyone conducting business on behalf of the Group. Employees can also consult the Group's global alert management procedure which describes the steps to be followed when reporting a concern.

The Group's Ethics Line is a secured helpline that is open 24/7 accompanied by a dedicated web page and toll-free numbers. The helpline allows users to raise concerns anonymously should they choose to do so. A link to the Group's Ethics Line is available on our intranet site. External stakeholders are also able to report any information that might constitute a breach of the Code of Ethics or of applicable rules or regulations. Ethics and Compliance team will review the alert and provide support and protection to the whistleblower as per the applicable legal standards.

The EUROAPI Ethics Line and telephone numbers can be accessed *via* the Company website. Ethics & Compliance Department acknowledge receipt of alert within maximum 7 days. Pre-analysis is made by Alert Committee to determine whether the alert is receivable. In the latter case, an investigation is launched.

In case of effective violation, it is reviewed and investigated under the supervision of the Alert Committee (which includes representatives of the Executive Committee). The Group will address it with corrective or disciplinary action, and if appropriate, legal proceedings.

Due diligence process

In compliance with the applicable regulations and to secure the integrity of its transactions, the Group has implemented a process assessing the direct commercial partners with which it interacts.

Such process involves the functions in direct relation with our clients, suppliers, banks, insurers and who follow a documented due diligence process consisting of a screening (through a tool) of all our first-tier partners to verify if there is any adverse event that could compromise the contemplated transactions

(example: client under sanction, supplier sentenced for violating human rights). For high risk countries, the screening is completed by an anti-bribery due diligence questionnaire filled by our commercial partners in order to collect additional information with regard to specific topics (ownership, links with government officials, use of third parties).

The due diligence process is described in a published global procedure “Restricted Party Screening” available to our employees and dedicated training sessions were delivered by Head of Ethics & Compliance to targeted population (notably Sales and Procurement teams). The procedure includes dedicated governance with an Arbitration Committee (with permanent members from Executive Committee, ESG and Compliance) who decides on escalated situations. When required and based on the screening findings, reinforced due diligence may be conducted and remediation actions may be required from the concerned third party.

Finally, in order to ensure the declarations of our suppliers are aligned with their commitments, the Group plans to perform in 2025 audits (as part of its PSCI membership) among our suppliers on a risk basis.

5.4.4 Relationship with suppliers

	Impacts	Risks	Opportunities
Positive impact <ul style="list-style-type: none">• By increasing ESG topics integration in the supply chain to impact positively the whole ecosystem• By developing fair and ethical business locally and abroad	Commercial risk (ST-MT) <ul style="list-style-type: none">• Increasing clients pressure on their suppliers to control their supply chain on ESG commitments lead to loss of business opportunities Financial and operational risks (ST-MT) <ul style="list-style-type: none">• Supply chain disruption due to natural disasters, geopolitical events, or unexpected crises• Regulatory issues/fines/product recalls due to lack of ESG compliance by suppliers• Reputation risks associated to non-ethical situations or environmental issues in the value chain or affected communities	Commercial opportunity (MT-LT) <ul style="list-style-type: none">• Capitalise on control of suppliers on ESG topics to differentiate• Prevent supply disruption and reinforce resilience with supply chain transparency to identify issues early	

Above-listed IROs are concentrated on own-operations and downstream value chain. Time-horizons for IROs are indicated as Short-Term (ST), Medium Term (MT) or Long Term (LT)

Governance

Procurement practices are a key factor in supply chain security and to improve our environmental impact. Supplier selection and cooperation are vital to remain a partner of choice within the pharmaceutical value chain and achieve future success as a company.

The Procurement department is overseen by our new Chief Procurement Officer (CPO) appointed in spring 2024, bringing with him background in responsible procurement practices. The team works both out of head office and at local sites; and is responsible for performing due diligence checks and ensuring the new suppliers of raw material have signed all documents requested for the qualification process.

Given our large portfolio of APIs, we rely on a wide range of suppliers. To ensure operational continuity, we source raw materials, products and services from some +/- 5,000 suppliers (*ie.*, suppliers with business relationships in the last 18 months), either through a process of direct procurement (raw materials such as solvents, organic intermediates, natural resources, mineral products, acids and bases, etc.) or indirect procurement (IT, professional services, consultancy, CapEx, maintenance and repair, etc.).

Supply chain continuity

A new risk mapping was conducted in 2024, categorizing suppliers based on two levels:

- Criticality level: the criticality of a supplier was evaluated based on its supply of resources directly involved in our key strategic APIs production, the mono-sourcing status, direct or indirect procurement;
- Spending level: > €3 M/ between €1 M and €3 M / between €100 K and €1 M.

EUROAPI is still putting efforts on ensuring supply continuity from its suppliers with also the objective to maintain supply to our clients.

- As part of that we make our best effort to maintain our sourcing in Europe: European suppliers accounted for over 79% of our total raw material expenditure (*vs.* suppliers from China and India: 16% *vs.* other countries in the world 5%).

- We pursue our Mono-Sourcing Exit Program (MSEP). A key project at EUROAPI initiated in 2022, involving Operational teams and the Purchasing team to ensure back-up suppliers, when possible, in order to avoid any production disruption. For our ten biggest supply of raw materials, that account for 26% of our total raw material expenditure; 51% of them have at least a dual sourcing.

Our Procurement department also plays a key role in delivering our Mono-Sourcing Exit Program (MSEP), collaborating with our operational teams on business continuity planning.

Partnership requirements

Procurement team has adopted a new responsible procurement roadmap, approved by the ESG Committee in December 2024. It relies on three majors drivers:

- 1) ESG risk assessment of our suppliers through EcoVadis partnership and remediation plan for suppliers with poor scoring;
- 2) New suppliers to formally sign up our Supplier Code of Conduct and Supplier Relationships Charter;
- 3) Integration of Environmental Sustainability Program with suppliers and within procurement action plan.

Of course, the above-mentioned programs with a focus on supply chain continuity are continued, as part of this roadmap.

Two fundamental documents to be shared with its suppliers to be sure they understand and take into account the Group expectation in terms of business relationships:

- 1) Our Supplier Code of Conduct sets out the basic principles we expect our suppliers to follow, including respect of human rights (as described in the section 5.4.2 "Human rights policy"), working conditions, environmental protection and anti-corruption measures and as published on our website. Our suppliers are also required to sign up to our Code of Ethics. Both of these policies are a mandatory part for the onboarding process for all new suppliers of raw material. To date 100% of new raw material suppliers have signed our Supplier Code of Conduct (43/43).
- 2) Furthermore our Supplier Relationships Charter (available on our website) sets out the rules of conduct to be observed by all employees in their deals with suppliers. The Charter is intended to

raise awareness of our ethical standards, promote respectful relationships with our suppliers and discourage unethical conduct.

In addition to that, EUROAPI is moving from its own questionnaire to the EcoVadis platform to finetune its supplier qualification process. The questionnaire includes topics related to human rights (about salary, trade-unions, child labor, equal treatment, health and safety, local community rights). Further information in the section 5.3.6 "Workforce in the value chain" (policy).

Qualification process

The new responsible procurement roadmaps to be deployed over the next 3 years with the aim to improve our supplier qualification process. A screening of our suppliers (> 80% of them) was performed with the EcoVadis platform in order to better identify our most at risk suppliers. EcoVadis enables to get an overview of the supplier's performance on environmental, labor and human rights, ethics and sustainable procurement aspects.

In case a supplier is deemed at risk, procurement ask the supplier to share its EcoVadis Scorecard. For those not having an EcoVadis Scorecard, they are asked to answer the EcoVadis Vitals questionnaire.

Once the Procurement department has identified a potential supplier, when relevant the Quality Assurance department carries out compound screening on the requested product.

Audits, third-party assessment and GMP validation may also be used to assess our suppliers' compliance and maturity of our suppliers on sustainability criteria.

To further strengthen the sustainability approach in our value chain, EUROAPI received, in June 2024, a positive feedback to become a member of the Pharmaceutical Supply Chain Initiative (PSCI), a non-profit membership organization bringing together pharmaceutical companies and contract manufacturers, with the aim of promoting responsible supply chain practices and joint supplier audits. Our engagement with PSCI will be signed in 2025. This membership will help the Group to get better awareness about effective practices of our suppliers, as mutualized audit will be performed for and available to the other members of the association. EUROAPI as a subcontractor of the pharmaceutical industry got all its sites audited by PSCI: Budapest, Frankfurt, Vertolaye in 2022; Haverhill in 2023; and Brindisi and Elbeuf in 2024.

Payment practices

At EUROAPI payments are processed in a three-way match (PO-GR-IR)⁽¹⁾ for each invoice (or a DOA⁽²⁾ approval for non-PO invoices). Once the three steps are achieved the invoices are in posted status. The Company's usual payment terms is 60 days, except with local and legal restrictions. In addition, agreement with some suppliers can stipulate different terms according to the contract negotiated with the procurement. The purchasing team enters into the system the payment terms for each supplier.

Then the payment will occur on a due date payment automatically calculated in the system based on payment terms fixed with/by the procurement. Differences exists according to the supplier (e.g. 60 days, 30 days), depending on the contract type (payment terms, some of the companies (such as Amex) benefit from a direct debit process). There is no specific payment terms for SMEs. The process is the same for all our suppliers, no difference is to be made.

Payments are ordered on a weekly basis through an AP (authorization process). The AP automatically includes all invoices that are due on the payment day +7 days (all invoices due in the 7 following days of the payment day), which ensures that the invoices are paid before the due date. Usually, this process should not meet any payment delay, due to the automated process. When delays occurred, it is mostly related to a "human" factor within the approval process.

However, delays can also occur when the process upwards is not respected properly, as for example the three-way match or approval (either deliberate or accidental). In this situation, the different validators will be sent/receiving regular reminders to ensure they complete all their workflows related to the incomplete three-way match or approval). Although there is no specific policy to avoid late payments, therefore reminders are useful to detect blocking points and to resume the payment process.

In 2024, 57% of our payments were aligned with standard payment terms. The overall average duration of payment was 44 days in 2024. No legal proceeding for outstanding late payments occurred in the past year.

Payment practices*

	2024
Average number of days to pay an invoice	44
% of payments aligned with standard payment terms	57%
Number of legal proceedings outstanding for late payments on Dec.31	0

* effective data calculation based on 100% invoices processed in 2024

Our performance in terms of percentage aligned with standard payment terms is the consequence of lacks within the process (from EUROAPI's side or vendors' sides). In 2024 a certain number of vendors (40-50) were requiring from EUROAPI a reduced terms of payment and in most cases pre-payments, leading to that gap in the alignment. Therefore, that indicator should improve through 2025 as an agreement was set with the Procurement team, for the payment terms to be updated as of January 2025, following negotiations to get payment terms back to a standard of 60 days as before 2024.

The Company has not set specific targets for payment aligned with the terms, though it is determined to see results improve significantly, relying on different possible actions, such as:


- improving its internal process;
- communicating with vendors on adequate invoices.

In case of effective late payment, the Company is making its best to maintain good relationships with its vendors by handling those files in priority. It ensures supply chain continuity, and avoid operations to be impacted due to payment issues. Key accounts are particularly looked at. In case a dunning letter is received, a process ensures immediate payment.

⁽¹⁾ Purchase order-good receipt-invoice receipt.

⁽²⁾ DOA: Delegation of authority.

5.4.5 Lobbying

 Impacts	Risks	Opportunities
Impact or influence on <ul style="list-style-type: none"> • Accessibility • Public health outcomes • Medication affordability 	<ul style="list-style-type: none"> • Reputational risk in case of lack of transparency (MT-LT) • Financial impact if not able to highlight implication of laws and regulations (MT-LT) 	<ul style="list-style-type: none"> • Lobbying can create business opportunities specially on strategic API or medicine (state/ Europe financing) (ST-MT) • Financing or subsidies for the industry (energy, transformation) at national level and European level to guarantee health sovereignty (ST-MT) • IPCEI project (ST)

Lobbying-related IROs are concentrated on own-operations. Time-horizons for IROs are indicated as Short-Term (ST), Medium Term (MT) or Long Term (LT)

Our lobbying activities are aimed at promoting the manufacture of active ingredients and pharmaceutical intermediates at facilities in France and Europe. The lobbying activities are playing an increasing and important role not only for the company but for our stakeholders at a time when API sovereignty is being increasingly weakened in Europe and price competition from Asian players is intensifying. These actions are essential to guarantee or sustain access to medications, thereby meeting public health requirements.

The lobbying activities of the Group follow national, European and international legislation and its own stringent standards, as set out in its responsible lobbying charter (available on its website). EUROAPI reports on an annual basis its interactions with the relevant third parties as requested by the High Authority for Transparency in Public Life (<https://www.hatvp.fr/en>) in France. As part of its participation in the critical medicines alliance, EUROAPI has made a declaration on the EU transparency register.

In 2024, the lobbying activity at EUROAPI fell under the responsibility of the Strategy department, led by the Chief Strategy Officer, member of the Executive Committee and under the responsibility of the CEO.

At site level, each site manages its lobbying interactions, in line with the responsible lobbying charter, and with the possibility support of Group Public Affairs manager on more significant topics. Usually two to three persons would be responsible for lobbying interaction at local level: site director, site HR manager and site corporate affairs manager. None of the company's public affairs employees has been working in a public administration in the past two years. Examples of interactions or visits with local and national authorities or institutions:

- Prefect, mayor of Brindisi (province) - IT;
- Wiesmann, member of parliament (CDU) - DE;
- Armand Zorn (SPD) visit - DE;
- State secretary of ministry - DE;
- German ministry of health;
- French senators of Puy de Dôme visit / sub-prefect of Ambert visit of Vertolaye- FR EUROAPI is member of different professional associations such as France Chimie and SICOS in France and EFCG at EU level, contributing for example to develop, and roll out at French and European scale, a product carbon footprint methodology in cooperation with French authorities or working on the Critical Medicine Alliance. Examples of association EUROAPI partners with:
 - Aschimfarma/Federchimica, quarterly meetings - IT,
 - Association Make UK (for legal advices, round tables) - UK,
 - MKE (Hungarian Chemist's Association),
 - Business council for sustainable development in Hungary (BCSDH) - HU,
 - KÖVET Association (Association for a Sustainable Economy) - HU,
 - France Chimie (AURA & Normandie) / Union for industrial synergy and economic development (UPSIDE)/GIMRA/MEDEF -FR,
 - Chemical Industry Association (VCI) - DE.

In 2024, within the framework of Important Project of Common European Interest (IPCEI) dedicated to the pharmaceutical sector, "IPCEI Med4Cure" EUROAPI has received official notification from the European Commission that the Company has been selected as one of the 13 companies eligible to share up to € 1 billion in total public funding.

EUROAPI will develop three innovative programs and sustainable production processes in Europe, with the aim to help meeting the demand for critical medicines that are currently imported and offer new drug delivery solutions, by 2030.

The Critical Medicines Alliance was launched by the Health Emergency Preparedness and Response Authority (HERA) in collaboration with the Belgian Presidency of the Council of the EU in January 2024.

EUROAPI is part of the Critical Medicines Alliance, a collaborative initiative aimed at ensuring the availability and accessibility of essential medicines. By joining this alliance, EUROAPI participates in discussions under the auspices of the EFCA (European fine chemicals group), leveraging its expertise in pharmaceutical manufacturing and supply chain management to identify solutions to be implemented at the European level. Our participation underscores our commitment to addressing health sovereignty issues in Europe and contributing to the resilience of the production chain in Europe.

No political or in-kind contributions were made to political parties, elected representatives or related institutions in 2024.

5.5 APPENDICES

5.5.1 Legislation and disclosure requirements

Disclosure Requirement and related datapoint	SFDR (23) reference	Pillar 3 (24) reference	Benchmark Regulation (25) reference	EU Climate Law (26) reference	Page
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 (27) , Annex II		11
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		11
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				12
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (28) Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		40
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		2
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 (29) , Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		N/A
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		2
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	33
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		33
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		37

Disclosure Requirement and related datapoint	SFDR (23) reference	Pillar 3 (24) reference	Benchmark Regulation (25) reference	EU Climate Law (26) reference	Page
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				40
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				40
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				40
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5 (1), 6 and 8(1)		39
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		39
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	37
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		N/A
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)		Article 449a Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			N/A
ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)					N/A
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			N/A

Disclosure Requirement and related datapoint	SFDR (23) reference	Pillar 3 (24) reference	Benchmark Regulation (25) reference	EU Climate Law (26) reference	Page
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		N/A
ESRS E2-4 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, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				43
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				44
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table #2 of Annex 1				44
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				N/A
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				45
ESRS E3-4 Total water consumption in m ³ per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				45
ESRS 2- SBM 3 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				46
ESRS 2- SBM 3 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				46
ESRS 2- SBM 3 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				N/A
ESRS E4-2 Sustainable land/agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				46
ESRS E4-2 Sustainable oceans/seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				N/A
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				46
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				50
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				50
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				83

Disclosure Requirement and related datapoint	SFDR (23) reference	Pillar 3 (24) reference	Benchmark Regulation (25) reference	EU Climate Law (26) reference	Page
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				83
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				96
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		96
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				96
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				79
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				67
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		82
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				82
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		69
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				78
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				67
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		96
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				83
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex I				96

Disclosure Requirement and related datapoint	SFDR (23) reference	Pillar 3 (24) reference	Benchmark Regulation (25) reference	EU Climate Law (26) reference	Page
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				83
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		96
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		96
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				96
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				86
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		96
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				86
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				87
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		96
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				88
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				97
ESRS G1-1 Protection of whistle-blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				97

Disclosure Requirement and related datapoint	SFDR (23) reference	Pillar 3 (24) reference	Benchmark Regulation (25) reference	EU Climate Law (26) reference	Page
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		101
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				97

ESRS Disclosure requirement

ESRS	DR	Topics	Section	Page	Partially or non-disclosed
BP	BP1	General basis for preparation of sustainability statements	5.1.1-General information	2	
BP	BP2	Disclosures in relation to specific circumstances	5.1.1-General information	2	
GOV	GOV1	The role of the administrative, management and supervisory bodies	5.1.2-ESG Governance	10	
GOV	GOV2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	5.1.2-ESG Governance	11	
GOV	GOV3	Incentive schemes	5.1.2-ESG Governance	11	
GOV	GOV4	Statement on due diligence	5.1.2-ESG Governance	12	
GOV	GOV5	Risk management and internal controls	5.1.2-ESG Governance	12	
SBM	SBM-1	Strategy, business model and value chain	5.1.3-Strategy	14	
SBM	SBM-2	Interests and views of stakeholders	5.1.3-Strategy	20	
SBM	SBM-3	Impacts, risks, opportunities	5.1.3-Strategy	23	S1.SBM-3 14e (o) / 14fi (o) / 14gi (o) / S1-6 50f (o) / S2.SBM-3 11a,e /12/13 / S4.SBM-3 09
IRO	IRO-1	Process to identify and assess material impacts, risks and opportunities	5.1.3-Strategy	23	E1.IRO-1 16d
IRO	IRO-2	ESRS covered by the undertaking's sustainability statement	5.1.3-Strategy	110	
E1	E1-1	Transition plan for Climate Change mitigation	5.2.2-Climate change	37	
E1	E1-2	Policies	5.2.1-Environmental policy and governance	29	
E1	E1-3	Actions and resources	5.2.2-Climate change	37	
E1	E1-4	Target related to climate change	5.2.2-Climate change	37	
E1	E1-5	Energy consumption	5.2.2-Climate change	40	
E1	E1-6	GHG emissions	5.2.2-Climate change	39	
E1	E1-7	GHG removals	5.2.2-Climate change	37	DR 56, 58 - No GHG removals in our activity
E1	E1-8	Internal carbon pricing	5.2.2-Climate change	39	
E2	E2-1	Policies related to pollution	5.2.1-Environmental policy and governance 5.2.3-Pollution	29	
E2	E2-2	Actions and resources	5.2.3-Pollution	41	
E2	E2-3	Targets related to pollution	No target set	9	E2-3 MDR-T
E2	E2-4	Pollution of air, water and soil	5.2.3-Pollution	29	E2-4 28a
E2	E2-5	Substances of concerns	5.2.3-Pollution	43	
E2	E2-6	Expenditures	5.2.3-Pollution	43	
E3	E3-1	Policies related to water	5.2.1-Environmental policy and governance	29	E3-1 12a à 12c
E3	E3-2	Actions and resources in relation to areas at water risk	5.2.4-Water stewardship	45	
E3	E3-3	Target in relation to water	No target set	9	E3-3 23a-c
E3	E3-4	Water usage	5.2.4-Water stewardship	45	
E4	E4-1	Transition plan for biodiversity mitigation	5.2.5 -Biodiversity	46	

ESRS	DR	Topics	Section	Page	Partially or non-disclosed
E4	E4-2	Policy related to biodiversity	5.2.1-Environmental policy and governance	29	
E4	E4-3	Biodiversity offset	Not responded		DR 28
E4	E4-4	Ecological thresholds	Not responded		DR 32
E4	E4-5	Areas at risks	5.2.5 -Biodiversity	46	DR 38 (no other relevant metrics)
E5	E5-1	Policies related to circular economy	5.2.6 -Circular economy	29	E5-1 15a/15b
E5	E5-2	Actions and resources	5.2.6 -Circular economy	49	
E5	E5-3	Targets related to circular economy	No target set	9	E5-3
E5	E5-4	Resources inflows	5.2.6 -Circular economy	49	
E5	E5-5	Resources outflows	5.2.6 -Circular economy	50	
S1	S1-1	Policies related to the workforce	5.3.1-Human capital	67	
S1	S1-2	Engaging with own workers	5.3.4-Quality of life and compensation	74	
S1	S1-3	Whistleblowing system	5.4.2-Human rights management	97	See section G1 related to Human rights management
S1	S1-4	Actions 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	5.3.2-Diversity and equal opportunity	68	
			5.3.3-Attractiveness and retention of talents	71	
			5.3.4-Quality of life and compensation	74	
S1	S1-5	Targets	5.3.2-Diversity and equal opportunity	69	
S1	S1-6	Characteristics of the undertaking employess	5.3.1-Human capital	65	S1-6 50f (o)
S1	S1-8	Collective bargaining and social dialogue	5.3.4-Quality of life and compensation	74	
S1	S1-9	Gender, age and top management disclosure	5.3.1-Human capital	69	
S1	S1-10	Adequate wages	5.3.4-Quality of life and compensation	77	
S1	S1-12	Diversity metrics	5.3.2-Diversity and equal opportunity	68	
S1	S1-13	Training and skills development metrics	5.3.3-Attractiveness and retention of talents	71	
S1-14-V	S1-14-V	Policy and actions	5.3.5-Health and safety	79	
S1-14	S1-14	Health and safety metrics	5.3.5-Health and safety	82	
S1	S1-15	Work life balance metrics	5.3.4-Quality of life and compensation	77	
S1	S1-16	Compensation metrics	5.3.4-Quality of life and compensation	78	
S1	S1-17	Discrimination metrics	5.3.2-Diversity ans equal opportunity	67	
S2	S2-1	Policies related to value chain	5.3.6-Workforce in the value chain	83	
S3	DR 17, 18, 19	Human rights	5.4.2-Human rights management	96	
S2	S2-2	Engaging with value chain workers about impacts	5.3.6-Workforce in the value chain	83	
S2	S2-3	Remediation process	5.3.6-Workforce in the value chain	97	

ESRS	DR	Topics	Section	Page	Partially or non-disclosed
S2	S2-4	Actions	5.3.6-Workforce in the value chain	84	
S2	S2-5	Targets	No target set	9	
S3	S3-1	Policies related to affected communities	5.3.7-Affected communities	85	
S4	DR 16 -17	Human rights	5.4.2-Human rights management	96	
S3	S3-2	Engaging with communities	5.3.7-Affected communities	85	
S3	S3-3	Remediation process	5.3.7-Affected communities	97	
S3	S3-4	Actions	5.3.7-Affected communities	86	
S3	S3-5	Targets	No quantitative target set	9	
S4	S4-1	Policies related to consumers/patients	5.3.8-Consumers	88	S4-1 15
S4	DR 16 -17	Human rights	5.4.2-Human rights management	96	
S4	S4-2	Engaging with consumers	5.3.8-Consumers	87	
S4	S4-3	Remediation process	5.3.8-Consumers	97	
S4	S4-4	Actions	5.3.8-Consumers	90	
S4	S4-5	Targets	5.3.8-Consumers	91	
G1	G1-1	Corporate culture and business conduct	5.4.1-Corporate culture and business conduct	93	G1-1: 7 G1-4 MDR partial
G1	G1-2	Relationship with suppliers	5.4.4-Relationship with suppliers	99	
G1	G1-3	Corruption and bribery management	5.4.3-Corruption, bribery and alert management	97	
G1	G1-4	Convictions and fines	5.4.3-Corruption, bribery and alert management	101	
G1	G1-5	Financial contributions	5.4.5-Lobbying	103	
G1	G1-6	Payment practices	5.4.4-Relationship with suppliers	100	

5.6 SUSTAINABILITY AND TAXONOMY INFORMATION CERTIFICATION REPORT

Report on the certification of sustainability information and verification of the disclosure requirements under Article 8 of Regulation (EU) 2020/852, relating to the year ended December 31, 2024

This is a free translation into English of the statutory auditor's report on the certification of sustainability information and verification of the disclosure requirements under Article 8 of Regulation (EU) 2020/852 of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This report should be read in conjunction with, and construed in accordance with, French law and the H2A guidelines on Limited assurance engagement - Certification of sustainability reporting and verification of disclosure requirements set out in Article 8 of Regulation (EU) 2020/852.

To the Annual General Meeting of Euroapi,

This report is issued in our capacity as statutory auditor of Euroapi. It covers the sustainability information and the information required by Article 8 of Regulation (EU) 2020/852, relating to the year ended December 31, 2024 and included in the management report and presented in section 5 entitled "Sustainability" of the Universal Registration Document (hereafter the "Sustainability statement").

Pursuant to Article L. 233-28-4 of the French Commercial Code, Euroapi is required to include the above-mentioned information in a separate section of its management report. This information has been prepared in the context of the first-time application of the aforementioned Articles, a context characterized by uncertainties regarding the interpretation of the laws and regulations, the use of significant estimates, the absence of established practices and frameworks in particular for the double-materiality assessment, and an evolving internal control system. This information enables an understanding of the impact of the activity of the Group on sustainability matters, as well as the way in which these matters influence the development of the business of the Group, its performance and position. Sustainability matters include environmental, social and corporate governance matters.

Pursuant to Article L. 821-54 paragraph II of the aforementioned Code, our responsibility is to carry out the procedures necessary to issue a conclusion, expressing limited assurance, on:

- compliance with the sustainability reporting standards adopted pursuant to Article 29 b of Directive (EU) 2013/34 of the European Parliament and of the Council of 14 December 2022 (hereinafter ESRS for European Sustainability Reporting Standards) of the process implemented by Euroapi to determine the information reported, and compliance with the requirement to consult the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labor Code;
- compliance of the sustainability information included in the Sustainability statement with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS; and
- compliance with the reporting requirements set out in Article 8 of Regulation (EU) 2020/852.

This engagement is carried out in compliance with the ethical rules, including independence, and quality control rules prescribed by the French Commercial Code.

It is also governed by the H2A guidelines on Limited assurance engagement - Certification of sustainability reporting and verification of disclosure requirements set out in Article 8 of Regulation (EU) 2020/852.

In the three separate sections of the report that follow, we present, for each of the sections of our engagement, the nature of the procedures that we carried out, the conclusions that we drew from these procedures and, in support of these conclusions, the elements to which we paid particular attention and the procedures that we carried out with regard to these elements. We draw your attention to the fact that we do not express a conclusion on any of these elements taken individually and that the procedures described should be considered in the overall context of the formation of the conclusions issued in respect of each of the three sections of our engagement.

Finally, where deemed necessary to draw your attention to one or more disclosures of sustainability information provided by Euroapi in its Sustainability statement, we have included an emphasis of matter(s) paragraph hereafter.

Limits of our engagement

As the purpose of our engagement is to express limited assurance, the nature (choice of techniques), extent (scope) and timing of the procedures are less than those required to obtain reasonable assurance.

Furthermore, this engagement does not provide guarantee regarding the viability or the quality of the management of Euroapi, in particular it does not provide an assessment of the relevance of the choices made by Euroapi in terms of action plans, targets, policies, scenario analyses and transition plans, which would go beyond compliance with the ESRS reporting requirements.

It does, however, allow us to express conclusions regarding the Entity's process for determining the sustainability information to be reported, the sustainability information itself, and the information reported pursuant to Article 8 of Regulation (EU) 2020/852, as to the absence of identification or, on the contrary, the identification of errors, omissions or inconsistencies of such importance that they would be likely to influence the decisions that readers of the information subject to this engagement might make.

Any comparative information that would be included in the Sustainability statement is not covered by our engagement.

Compliance with the ESRS of the process implemented by Euroapi to determine the information reported, and compliance with the requirement to consult the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labor Code

Nature of procedures carried out

Our procedures consisted in verifying that:

- the process defined and implemented by Euroapi has enabled it, in accordance with the ESRS, to identify and assess its impacts, risks and opportunities related to sustainability matters, and to identify the material impacts, risks and opportunities, that led to the publication of sustainability information disclosed in the Sustainability statement; and
- the information provided on this process also complies with the ESRS.

We also checked the compliance with the requirement to consult the social and economic committee.

Conclusion of the procedures carried out

On the basis of the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies regarding the compliance of the process implemented by Euroapi with the ESRS.

We inform you that the requirement to consult the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labor Code has been complied with.

Elements that received particular attention

We present hereafter the elements that received particular attention on our part regarding the compliance of Euroapi's disclosure process with the ESRS.

Concerning the identification of stakeholders

Information on stakeholder identification is provided in the “Interests and views of stakeholders” paragraph of section 5.1.3 of the Sustainability statement.

We obtained an understanding of the analysis conducted by Euroapi to identify:

- the stakeholders who can affect or be affected by the entities within the scope of the information, through their activities and direct or indirect business relationships in the value chain;
- the main users of sustainability statements (including the main users of the financial statements).

We interviewed the ESG department and the persons we deemed appropriate and examined the available documentation.

Our work consisted primarily in assessing the consistency of the main stakeholders identified by Euroapi with the nature of its activities and its geographical location, taking into account its business relationships and value chain.

Concerning the identification of impacts, risks and opportunities

Information on the identification of impacts, risks and opportunities is provided in section 5.1.4 “Impact, risk and opportunities” of the Sustainability statement.

- We particularly obtained an understanding of the process implemented by Euroapi regarding the identification of actual and potential (negative or positive) impacts, risks and opportunities, in relation to the sustainability matters set out in paragraph AR 16 of the “Application requirements” of ESRS 1.

In particular, we assessed the approach set by Euroapi to determine its impacts and dependencies, which may be a source of risks or opportunities.

- We obtained an understanding of Euroapi’s mapping of the identified IROs, including a description of their distribution within Euroapi’s own operations and value chain, as well as their time horizon (short, medium or long-term), and we assessed the consistency of this mapping with our knowledge of the Group.

Concerning the assessment of impact materiality and financial materiality

Through interviews with the ESG department and the examination of the available documentation, we obtained an understanding of the process implemented by Euroapi to assess impact materiality and financial materiality, and assessed its compliance with the criteria defined in ESRS 1.

We assessed the way in which Euroapi has established and applied the materiality criteria defined by ESRS 1, including the setting of thresholds, to determine the material information disclosed under the metrics relating to the identified material IROs in accordance with the relevant ESRS subjects.

Compliance of the sustainability information included in the Sustainability statement with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS

Nature of procedures carried out

Our procedures consisted in verifying that, in accordance with legal and regulatory requirements, including the ESRS:

- the information provided enables the understanding of the general basis for the preparation and governance of the sustainability information included in the Sustainability statement, including the basis for determining the information relating to the value chain and the exemptions from disclosures used;
- the presentation of this information ensures its readability and understandability;
- the scope chosen by Euroapi for providing this information is appropriate; and
- on the basis of a selection, based on our analysis of the risks of non-compliance of the information provided and the expectations of users, this information does not contain any material errors, omissions or inconsistencies, i.e. that are likely to influence the judgement or decisions of users of this information.

Conclusion of the procedures carried out

Based on the procedures we have carried out, we have not identified material errors, omissions or inconsistencies regarding the compliance of the sustainability information included in the Sustainability statement, with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS.

Emphasis of matter

Without qualifying the conclusion expressed above, we draw your attention to the information provided in the “General basis for preparation of sustainability statements” paragraph, presented in section 5.1.1 of the Sustainability statement, which highlights the uncertainties and limitations characterizing the first application of the CSRD.

Elements that received particular attention

We describe hereafter the elements to which we paid particular attention concerning the compliance of the sustainability information included in the Sustainability statement with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS.

Information provided in application of environmental standards (ESRS E1 to E5)

Information reported in relation to climate change and, in particular, greenhouse gas emissions (ESRS E1) is mentioned in sections 5.2.1. and 5.2.2 of the Sustainability statement and information on pollution (ESRS E2) in sections 5.2.1 and 5.2.3.

Our work consisted primarily in:

- conducting interviews with the ESG department, to inquire about the process adopted by Euroapi to produce this information and assess it, in particular the description of the policies, actions and targets put in place by Euroapi;
- defining and implementing appropriate analytical procedures, based on this information and our knowledge of Euroapi.

With respect to Euroapi's disclosures for its greenhouse gas (GHG) emissions, we also:

- obtained an understanding of Euroapi's GHG emissions assessment procedure, in particular:
 - assessed the consistency of the scope considered for the assessment of GHG emissions with the scope of the consolidated financial statements, and the upstream and downstream value chain;
 - obtained an understanding of the calculation method used for the estimated data and the sources of information used in the development of the estimates that we considered critical and which Euroapi used to prepare its GHG emissions;
 - with regard to scope 3 emissions, assessed the justification for the inclusions and exclusions of the various categories and the transparency of the disclosures provided in this respect.
- carried out certain specific tests:
 - assessed, on the basis of tests, the emission factors used and the calculation of the related conversions as well as the calculation and extrapolation assumptions, taking into account the uncertainty inherent in the state of scientific or economic knowledge and the quality of the external data used;
 - reconciled, for directly measurable data, such as energy consumption related to scopes 1 and 2 emissions, on the basis of tests, the underlying data used for the assessment of GHG emissions with supporting documentation.

With regard to the transition plan for climate change mitigation, our work also consisted in:

- examining the information set out in section 5.2.2 of the Sustainability statement as part of this transition plan approval by the corporate governance bodies referred to therein;
- assessing whether the information presented under the climate transition plan meets the requirements of ESRS E1 and appropriately describes the structuring assumptions underlying this plan, it being specified that we do not have to report on the appropriateness or the ambition level of the objectives of this transition plan.

With regard to the information published under water, soil and air pollution, and substances of concern and very high concern, we also obtained an understanding of the procedures used by Euroapi for the assessment of pollutant-related indicators, in particular:

- assessed the consistency of the scope considered for the evaluation of the indicators associated with pollutants with the scope of the consolidated financial statements;
- obtained an understanding of the calculation method of the data and the source information used in the evaluation of these indicators, in particular emissions of volatile organic compounds (VOCs) into the air and substances of very high concern generated, used or procured.

Compliance with the reporting requirements set out in Article 8 of Regulation (EU) 2020/852

Nature of procedures carried out

Our procedures consisted in verifying the process implemented by Euroapi to determine the eligible and aligned nature of the activities of the entities included in the consolidation.

They also involved verifying the information reported pursuant to Article 8 of Regulation (EU) 2020/852, which involves checking:

- the compliance with the rules applicable to the presentation of this information to ensure that it is readable and understandable;
- on the basis of a selection, the absence of material errors, omissions or inconsistencies in the information provided, i.e. information likely to influence the judgement or decisions of users of this information.

Conclusion of the procedures carried out

Based on the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies relating to compliance with the requirements of Article 8 of Regulation (EU) 2020/852.

Elements that received particular attention

We have concluded that there are no such matters to be disclosed in our report.

Paris-La Défense, 28 March 2025

The Statutory Auditor
French original *signed by*
ERNST & YOUNG Audit
Pierre Chassagne