

# SUSTAINABILITY REPORT

Non-Financial Information Statement

EINF 2024



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## About this Report

The Sustainability Report of Medichem for 2024 covers the period from January 1 to December 31, 2024, and corresponds to the Non-Financial Information Statement 2024 of Corporación Medichem, S.L. and its subsidiaries (hereinafter referred to as 'Medichem', 'Medichem Group' or 'Group'). It is part of the Management Report of the company, in line with the requirements established in Law 11/2018, which amends the Commercial Code, the consolidated text of the Capital Companies Act approved by Royal Legislative Decree 1/2010, of July 2, and Law 22/2015, of July 20, on Auditing of Accounts, regarding non-financial information and diversity.

## ABOUT THIS REPORT

Our 2024 Sustainability Report is much more than an exercise in transparency: it is a statement of our strategic vision and a fundamental pillar of our value proposition as a leader in corporate sustainability. This report, which covers the period from January 1 to December 31, 2024, corresponds to the 2024 Non-Financial Information Statement of Corporación Medichem, SL and its subsidiaries (hereinafter "Medichem", "Medichem Group" or "Group"). It is part of the company's Management Report, in line with the requirements established in Law 11/2018, which amends the Commercial Code, the revised text of the Capital Companies Law approved by Royal Legislative Decree 1/2010, of July 2, and Law 22/2015, of July 20, on the Auditing of Accounts, regarding non-financial information and diversity.

In its preparation, the European Commission's guidelines on the presentation of Non-Financial Reports (2017/C 215/01), derived from Directive 2014/95/EU, and what is established by the Global Reporting Initiative (GRI) standards (selected GRI option) have been considered. However, this edition goes a step further, incorporating a revamped structure inspired by the Corporate Sustainability Reporting Directive (CSRD), demonstrating our ability to anticipate future standards, strengthen our commitment to sustainability, and incorporate Environmental, Social, and Governance factors into our value proposition.

In this report, Medichem reflects its commitment to responsible and innovative management, integrating pioneering initiatives into its business strategy that not only meet the expectations of its stakeholders but also enhance our competitiveness in a constantly evolving market. Among the most notable milestones in 2024 in terms of sustainability, the following stand out:



**Climate risk assessment**, based on Task Force on Climate-related Financial Disclosures (TCFD) standards, which allows us to strengthen our resilience to the challenges of climate change.



The **Double Materiality analysis**, which incorporates an integrated view of the financial and non-financial impact on our value chain.



A **comprehensive alignment study with the European Union taxonomy**, demonstrating our firm commitment to the development of sustainable economic activities and investment transparency.

These actions position us as an organization prepared to generate sustainable value and differentiate itself globally.

## A STRATEGIC COMMITMENT TO TRANSPARENCY AND SUSTAINABLE PROGRESS

The 2024 Sustainability Report not only meets regulatory requirements but also reflects our aspiration to establish ourselves as a sustainable and visionary business model. This report highlights the key pillars that underpin our corporate strategy:

**Environmental Management** Adopting solutions that minimize our impact and optimize operational efficiency.

**Social Leadership** Through talent development and active engagement with the communities where we operate.

**Business Ethics and Respect for Human Rights** As unwavering principles in the fight against corruption and the promotion of an upstanding business environment.

### Collaborative Construction, Global Impact

The creation of this report was the result of a collective and cross-functional effort, with the teams in Spain (Corporación Medichem, S.L. and Medichem, S.A.) and Malta (Medichem Malta Ltd. and Combino Pharma Malta Ltd.) playing a pivotal role. This collaborative effort ensures comprehensive analysis and a solid narrative, grounded in the technical knowledge and experience of our employees.

Medichem United States LLC., Medichem Tradex, S.A., Nanjing Medichem Medicinal Products Consulting Co., Ltd. and Medichem Solutions, S.L. have not been included in this report as they are not considered material, as they represent only 0.06% of turnover and 2.05% of employees.





## A FUTURE DEFINED BY LEADERSHIP AND INNOVATION

Addressed to our customers, suppliers, collaborators, shareholders, and local communities, this report not only communicates what we have achieved but also projects our commitment to building a sustainable future. In 2024, we have taken a qualitative leap forward by integrating an advanced strategic vision that prepares Medichem for the demands of the global market and strengthens our contribution to sustainable development.

### Purposeful Leadership

Innovation and Sustainability as Keys to a Better Future

The 2024 Sustainability Report is, in essence, a testament to Medichem's leadership in sustainability. We are proud of our achievements and motivated by the challenges we face with a firm commitment to generating economic, social, and environmental value.

## Medichem, a Company with a Purpose

### Medichem

A Global Company Serving the Pharmaceutical Industry

We are a Barcelona-based company with over five decades of experience, built on family capital that has consolidated our position as a strategic partner in the development and manufacturing of active pharmaceutical ingredients (APIs) and finished dosage forms (FDFs). Since our foundation in the early 1970s, we have demonstrated a strong focus on excellence, innovation, and a commitment to quality, serving the global pharmaceutical industry in its mission to improve global health.

**Our strategic offering is structured into three key areas:**

1. **Active pharmaceutical ingredients (APIs):** We provide APIs that are the basis for pharmaceutical laboratories to develop innovative and effective medicines.
2. **Finished Dosage Forms (FDF):** We produce medicines ready for our partners to market, allowing them to expand their product portfolio with high-quality solutions.
3. **Specialized disinfectants:** We are leaders in the production of chlorhexidine and octenidine, two crucial compounds in the prevention and treatment of infections, used in a wide range of products in the pharmaceutical, cosmetic and veterinary sectors.



## MEDICHEM, A COMPANY WITH A PURPOSE

### A Global Company Serving the Pharmaceutical Industry

With a clear international vision, we combine our capacity for innovation with a solid global infrastructure that allows us to respond quickly and efficiently to the changing needs of the pharmaceutical market. We currently have more than 450 highly qualified employees, spread across strategic locations:

#### **Barcelona (Spain)**

Corporate offices and R&D laboratory, where we define our strategic vision and develop innovative solutions.

#### **Cerlà (Spain)**

API production plant and advanced research and development center.

#### **Malta**

Specialized facilities for the manufacture of APIs and FDFs, which represent a fundamental pillar of our production capacity.

#### **Medichem Solutions (Asturias)**

Plant dedicated to the manufacture of injectable medicines. Currently undergoing refurbishment. This acquisition demonstrates Medichem's firm commitment to the production of generic medicines in Europe.

#### **United States and China**

Commercial offices that strengthen our proximity to key markets and allow us to effectively serve our global customers.

For us, sustainability, quality, and innovation are essential drivers of our growth and differentiation. We position ourselves as a strategic partner for our clients, offering comprehensive solutions that boost competitiveness in an increasingly demanding sector. This approach, backed by our experience and a solid international network, reinforces our commitment to leading with responsibility and excellence in the global pharmaceutical industry.

## BUSINESS MODEL

A Strategic Proposal Based on Innovation and Sustainability



20  
FDFs

45  
APIs

Generic

Clorhexidina  
& other  
antiseptics

At Medichem, our business model is designed to generate sustainable value and build strategic relationships with our partners in the pharmaceutical industry. We have a robust portfolio that includes 45 APIs and 20 FDFs, covering a wide variety of therapeutic areas, and we are a world leader in the manufacture of chlorhexidine, an essential bactericidal disinfectant in the pharmaceutical, cosmetic, and veterinary sectors.

Since our founding more than half a century ago, we have been committed to developing affordable medicines, always prioritizing the highest standards of quality, safety, and sustainability. This strategic approach, based on operational excellence and respect for the environment, allows us not only to meet current market needs but also to anticipate future challenges.

Keys to our strategic success:

- **Trusted relationships:** Our sustained and sustainable growth has been based on building strong and lasting relationships with customers and suppliers, positioning us as a reliable partner in the most demanding regulated markets.
- **Profitable expansion:** We focus on expanding our current business and entering new adjacent areas, always with a strategic approach that prioritizes profitability and innovation.
- **Commitment to sustainability:** We seek to minimize our environmental impact while developing and empowering the people who make up our team, ensuring a balance between economic growth and social responsibility.



## 8 A B2B CUSTOMER-CENTRIC MODEL

Our business approach is based on a strong B2B relationship with pharmaceutical companies of generic drugs operating in regulated markets. These companies rely on Medichem as a strategic supplier of APIs, FDFs and key disinfectants such as chlorhexidine and octenidine.

### Strategic Business Units

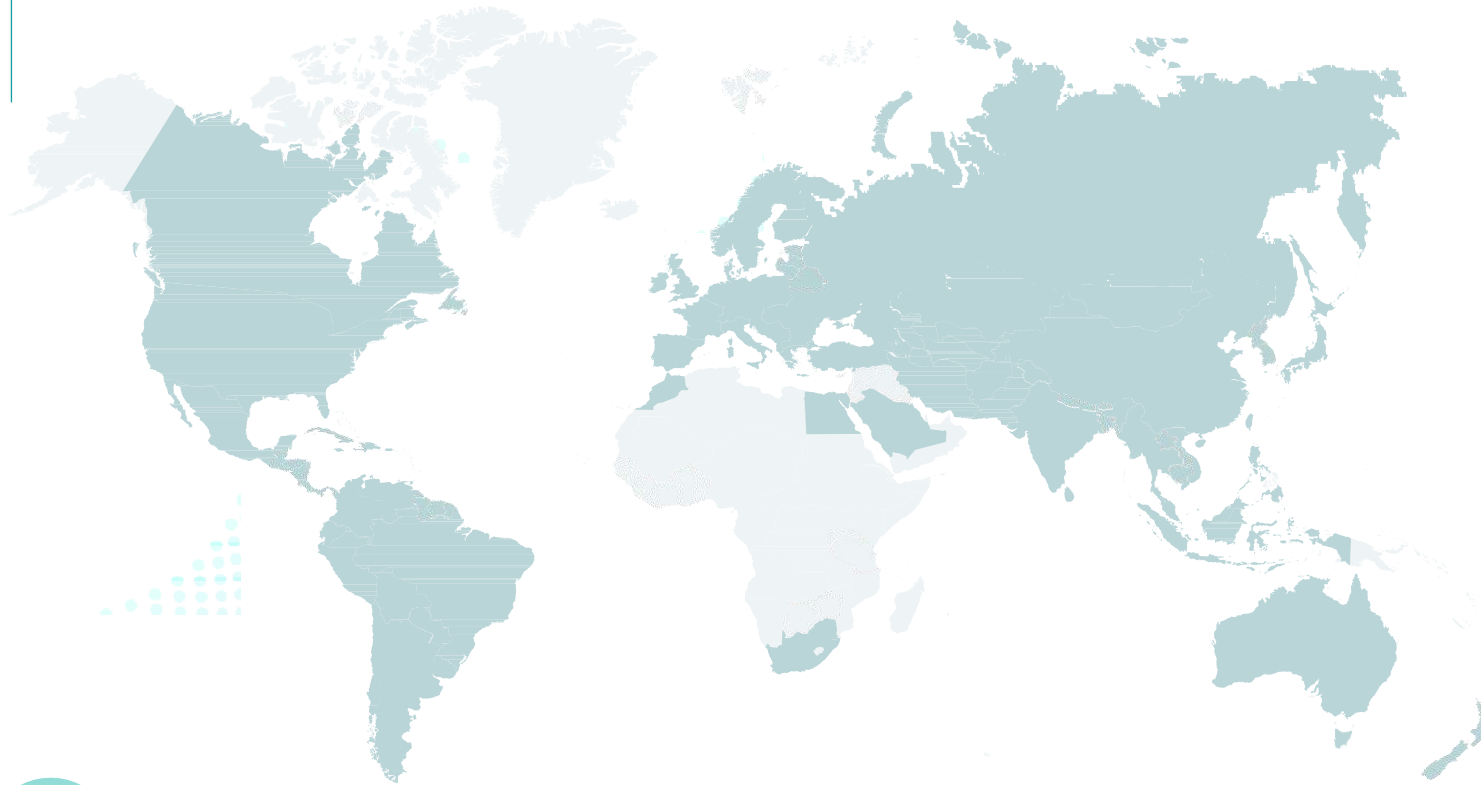
- **APIs and HPAPIs:** Active pharmaceutical ingredients, including high potency APIs (HPAPIs) that meet the highest safety and quality standards.
- **FDFs:** Finished dosage forms designed to meet the specific needs of our partners in regulated markets.
- **Chlorhexidine and Octenidine:** Leading disinfection products, essential for various applications in the pharmaceutical and other industries.

With a business model focused on sustainability, innovation, and strategic relationships, we have established ourselves as a key partner in the global pharmaceutical industry. Our ability to adapt to market needs, develop innovative solutions, and maintain a firm commitment to operational excellence positions us as a leader in the sector.





## MEDICHEM'S GLOBAL PRESENCE AND OPERATING MODEL



**We serve over 600 clients in 60 countries,** with a primary focus on key markets such as the United States, Europe, India (as a supplier for the American market), and China.

Presence



**60**  
Countries



## MEDICHEM'S GLOBAL PRESENCE AND OPERATING MODEL

### Medichem: A Global Vision at the Service of the Pharmaceutical Industry

At Medichem, our business model combines a solid global infrastructure with a strategic vision that positions us as a trusted partner in the pharmaceutical industry. We serve more than 600 customers in 60 countries, with a priority focus on key markets such as the United States, Europe, India (as a supplier to the American market), and China.

Our international presence not only ensures proximity and a swift response to market needs but also strengthens our ability to compete at the highest level in a constantly evolving sector.

### A Global Team Committed to Excellence

The combination of talent, innovation, and commitment defines our global team. With Headquarters in Spain, Medichem has a team of more than 450 highly qualified employees spread across Spain, Malta, the United States, and China, consolidating our ability to offer high-quality, long-term pharmaceutical solutions.



# CORPORATE AND OPERATIONAL STRUCTURE

## A Network Aligned with Strategy

### Corporación Medichem, S.L.

As the group's holding company, Corporación Medichem, S.L. is the cornerstone of our organizational structure. In this role, it manages the actions of the group's operating companies, ensuring sound governance and a strategic focus aligned with our mission.

### Medichem, S.A. (Medichem España)

Medichem Spain leads our operations from its strategic locations in Barcelona and Girona. This unit combines key corporate functions and advanced operational capabilities:

- ☑ – *Headquarters in Sant Joan Despí (Barcelona):* The Management Team and strategic areas such as Administration and Finance, IT, Regulatory Affairs of finished product, Legal, Supply Chain, Market Research, Commercial, Human Resources and Industrial and Intellectual Property operate from here.
- ☑ – *Pharmaceutical R&D Laboratory (Fontsanta, Sant Joan Despí):* Center dedicated to the development of finished dosage forms (FDFs), with a focus on innovation and quality.
- ☑ – *API Production Plant ( Celrà , Girona):* A comprehensive center that includes Production, Quality Control, API R&D, Regulatory Affairs of APIs, Engineering, Environmentally Focused Maintenance, and Quality Assurance.



### Medichem Manufacturing Malta, Ltd. (Medichem Malta)

Medichem Malta represents a strategic pillar of our production capacity. This facility houses an advanced API manufacturing plant.

It integrates key functions such as Production, R&D, Quality Control shared with Combino Pharm Malta Ltd , Engineering and Maintenance, Human Resources and Quality Assurance.

### Combino Pharm Malta, Ltd. (Combino Pharm Malta)

Specializing in the manufacture of finished products (FDFs), this Malta plant focuses on solid oral medicines, designed to meet the most rigorous standards of regulated markets.

### Medichem Solutions, S.L (Medichem Solutions España)

Specializing in the manufacture of injectable medications, this plant, still under construction in the Asturias Technology Park, is expected to be operational by September 2025. Medichem Solutions Spain is part of the group's expansion strategy, leveraging the innovation ecosystem of the Asturias Technology Park.










## CORPORATE AND OPERATIONAL STRUCTURE



The working centers are:

-  **Headquarters**  
Sant Joan Despí (Barcelona)
-  **Pharmaceutical Development laboratory in Font Santa** Sant Joan Despí (Barcelona)
-  **API production plant and R&D and quality control laboratories** Celrà (Girona)
-  **API and FDF production plants and quality control laboratory** Hal Far (Malta)
-  **Injectable drug production plant** Llanera (Asturias)





## A FUTURE-ORIENTED STRATEGY

The combination of our international presence, our state-of-the-art infrastructure, and our strategic vision allows us to operate with excellence in a highly competitive market.

At Medichem, we proactively anticipate current market needs, supported by the strength of our global network and the commitment of our team, ensuring we continue to lead with innovation, responsibility, and operational excellence.

### Our Team

#### Talent, Diversity, and Commitment as the Basis for Success

At Medichem, our team represents one of our main strategic assets. Comprised of 477 highly qualified professionals, our talent is the driving force behind innovation, operational excellence, and our ability to adapt in the dynamic and demanding environment of the global pharmaceutical industry.

#### Key Features of Our Team

- **Focus on innovation:** 13% of our employees are dedicated exclusively to R&D, leading the development of advanced pharmaceutical solutions that strengthen our competitive position and respond to market demands.
- **Highly qualified:** More than 50% of our staff hold a university education, and 11% hold a PhD, ensuring an exceptional level of technical and strategic knowledge.
- **Commitment to diversity:** Gender equity is a fundamental pillar of our corporate culture, reflected in a balanced distribution between men and women that fosters an inclusive, collaborative, and diverse environment.

#### Talent as a Strategic Advantage

Our team is not only prepared to respond to current challenges but also to anticipate future market needs. At Medichem, we are committed to the continuous development of our people, strengthening their capabilities and fostering an environment that boosts creativity, leadership, and excellence at every level of the organization.

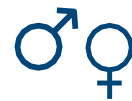
The combination of commitment, diversity, and specialization positions Medichem as an organization prepared to lead, innovate, and generate sustainable value, contributing to the success of our clients.

## OUR TEAMS

Talent, Diversity, and Commitment as the Basis for Success


**+400**  
Professionals

477 high-level committed professionals



Balanced  
distribution  
between men  
and women

At Medichem, we Foster talent to anticipate change, innovate, and generate sustainable value.

**13%**   
I+D

13% dedicated collaborators exclusively focused on R&D

**+50%**  
University Title

**11%**  
PhD

Over 50% of our people hold a university degree, 11% of whom have a PhD.



# SUSTAINABILITY AS A STRATEGY TO REINFORCE MEDICHEM'S PURPOSE AND VALUE PROPOSITION

At Medichem, sustainability is a strategic pillar integrated into our value proposition. We recognize that sustainability, in all its dimensions—environmental, social, and governance (ESG)—defines the future of responsible companies and their ability to lead in an increasingly demanding global market. This approach has led Medichem to take a proactive role in integrating sustainability as a key element of our identity and business model

## Sustainability: The core of our value proposition

Sustainability at Medichem is at the heart of our value proposition, a promise to create lasting value for our customers, employees, partners, and society at large. Our strategy focuses on CSRD principles, reinforced by advanced tools such as:

### 1. Double Materiality

We have identified both the impacts of our activities on the environment and society, as well as the risks and opportunities arising from external factors. This approach allows us to align our priorities with the expectations of our stakeholders.

### 2. Climate Risk Management (TCFD)

We adopt a structured approach to identifying, managing, and reporting climate risks and opportunities, ensuring the resilience of our business to climate change.

### 3. Taxonomy Study

We assess and maximize our contribution to sustainable economic activities in accordance with European Union standards, positioning ourselves as a strategic partner for investors and stakeholders committed to sustainability.

## Caring for the Future: Building a sustainable and competitive model

In 2022, we launched Caring for the Future, a cross-cutting initiative that redefined our corporate strategy from a holistic sustainability perspective. This project, developed in collaboration with external experts and multidisciplinary teams, began with an internal assessment based on B Impact Assessment. This analysis not only assessed our sustainability baseline but also laid the groundwork for a strategic roadmap that articulates our commitment to profitable, inclusive, and sustainable growth.

Through this project, we reviewed our history, purpose, and corporate mission to connect sustainability directly with our value proposition. As a result, we have defined a clear purpose:

***"Caring for people and the planet while developing innovative, accessible, and responsible pharmaceutical solutions that generate a positive and sustainable impact."***







## STRATEGIC INTEGRATION

### Sustainability as a Competitive Advantage

Our sustainability strategy is based on four guiding principles that combine our corporate values with aspects considered in the CSRD, as well as market expectations:

01

#### Putting people at the center

We are committed to improving quality of life through affordable, high-quality pharmaceutical products, prioritizing people's health in every decision we make.

02

#### The team is everything

We recognize that our strength lies in our team. We promote an inclusive, diverse, and collaborative environment that fosters talent and innovation.

03

#### Ethical and responsible conduct

We operate with the highest standards of transparency, honesty, and accountability, building trust and lasting relationships with our customers, partners, and communities.

04

#### Caring for the planet means caring for people

We integrate sustainable practices throughout our value chain, prioritizing reducing environmental impact and combating climate change.

## SUSTAINABLE STRATEGY AND VALUE PROPOSITION

Our corporate strategy has sustainability at its core, structured around four strategic pillars that align our economic, social, environmental, and governance objectives:



- **Sustainable innovation:** We develop innovative and responsible pharmaceutical products that provide added value to our customers and society.



- **Environmental Leadership:** We are committed to minimizing our environmental footprint by implementing solutions aligned with the principles of taxonomy and the TCFD.



- **Operational and ethical excellence:** We prioritize transparency, efficiency, and best practices throughout our value chain, generating trust in a highly regulated market.



- **Social commitment:** We foster talent development, promote an inclusive culture, and contribute to the well-being of the communities where we operate.

### Towards a Resilient and Sustainable Model

At Medichem, we have made sustainability the driving force behind our innovation, competitiveness, and long-term value. This approach allows us to meet the future demands of CSRD standards and strengthens our ability to build trust, differentiate ourselves in a global market, and anticipate the needs of our stakeholders.

At Medichem, we don't see sustainability as a destination, but rather as a continuous journey toward creating a positive and lasting impact on the world. With Caring for the Future as our guide and sustainability at the core of our value proposition, we are committed to leading with vision, responsibility, and innovation, building a future where health, well-being, and care for the planet are priorities.



## OUR STAKEHOLDERS

### The Engine of a Sustainable and High-Impact Corporate Strategy

At Medichem, stakeholders are not only a fundamental pillar of our business model, they represent the foundation upon which we build a strategy aimed at sustainability, resilience, and value creation, long-term. Identifying and proactively responding to our stakeholders' expectations is key to strengthening our value proposition and positioning ourselves as leaders in a globally competitive environment.

### Strategic stakeholders and their relevance to Medichem's value proposition

# 01

## Shareholders

They constitute the most direct economic link to our organization and are essential for financially supporting our strategic objectives. We work to strike a balance between profitability and sustainability, ensuring a solid, long-term return through responsible management.

# 02

## Employeees

Our diverse and highly qualified workforce is the driving force behind our capacity for innovation and operational excellence. We ensure their development, well-being, and engagement through inclusive policies, growth opportunities, and a collaborative work environment.

# 03

## Local communities

We recognize the impact of our operations on the communities where we operate, such as Celrà (Girona, Spain), Hal Far (Malta), Sant Joan Despí (Barcelona, Spain), and Asturias. Our commitment goes beyond regulatory compliance, contributing to the economic, social, and environmental development of these regions.

# 04

## Customers

They represent the core of our value proposition. As strategic partners, pharmaceutical laboratories and commercial entities trust us to offer innovative, affordable, and high-quality products tailored to the needs of the most demanding markets.

# 05

## Suppliers

They are an extension of our global value chain. We establish strategic relationships based on transparency, ethics, and mutual collaboration.

### From Expectations to Strategic Action

At Medichem, we transform our stakeholders' expectations into drivers of innovation and sustainable growth. Recognizing their priorities and needs allows us to align our strategic actions to maximize the positive impact across all dimensions of our business.

## OUR STAKEHOLDERS IN LONG-TERM VALUE CREATION

In 2024, we strengthened our commitment to our stakeholders by working on a double materiality analysis, considering the guidelines established by EFRAG in the context of the CSRD (Corporate Sustainability Reporting Directive). This strategic process allowed us to deeply integrate the expectations and priorities of our stakeholders in Medichem's vision and business model, aligning our value proposition with the challenges and opportunities of a changing global market.

This exercise in double materiality addressed two complementary and critical perspectives:

**Financial Perspective:** How environmental, social, and governance (ESG) factors influence our economic performance, competitiveness, and sustainable value creation.

**Impact Perspective:** How Medichem's activities and decisions affect our stakeholders and the environment in social, environmental, and ethical terms.

This exercise not only strengthened our relationships with stakeholders but also provided a solid foundation for strategic decision-making. Key outcomes included:

- Prioritizing critical issues: We identify the areas of greatest relevance to our stakeholders and their impact on our business, ensuring that our actions are aligned with their expectations and global challenges.
- Identifying strategic opportunities: We identify key areas where we can generate additional value and differentiate our offering in the market, contributing to sustainable development while boosting our competitiveness.
- Strengthening the business model: We align our initiatives with the most relevant issues for our stakeholders, reinforcing sustainability as a strategic pillar for long-term value creation.

This analysis allows us to establish a closer, more transparent, and strategic dialogue with our stakeholders, ensuring that their expectations and concerns are at the heart of our decisions. In this way, the exercise of double materiality not only allows us to proactively anticipate the challenges and opportunities we face as a global organization committed to sustainability, but also strengthens our ability to respond proactively to the challenges and opportunities we face as a global organization committed to sustainability.



## A BUSINESS MODEL FOCUSED ON SUSTAINABILITY AND LONG-TERM VALUE CREATION

Our corporate strategy is based on generating positive synergies with our stakeholders, strengthening trust and ensuring a balanced impact on the economic, social, and environmental dimensions. In this context, Medichem acts as a catalyst for shared value, integrating sustainability as a core element of its business model and establishing strategic relationships that promote shared success.

By placing the needs of our stakeholders at the heart of our strategy, Medichem strengthens its ability to lead with responsibility, differentiation, and excellence in an increasingly competitive global environment. This approach not only ensures the continuity of our organization but also strengthens our position as a key player in the transformation toward a more sustainable and resilient future.



# 8 STRATEGIC SUSTAINABILITY PROJECTS 2024

## Medichem Driving Change

At Medichem, we are now a B Corp. company. For us, sustainability is the strategic axis that defines our value proposition and our ability to differentiate ourselves in the global market. During 2024, we carried out several key projects that reflect our transformative vision, but one of the projects we are most proud of is our B Corp certification. After completing a rigorous evaluation process in 2024, which included analyzing our social and environmental impact, governance practices, and business model, we obtained the B Corp certification in 2025, a recognition that endorses our commitment to sustainability.

With an outstanding score of 98.4 points, well above the minimum required, we demonstrated our excellence in key areas such as corporate governance, sustainable supply chain, and other responsible practices that generate a positive impact on society and the environment.

We have also oriented this report towards the most advanced sustainability standards, including principles inspired by the CSRD (Corporate Sustainability Reporting Directive) and the European Sustainability Reporting Standards (ESRS). These initiatives strengthen our ability to operate responsibly and transparently in the pharmaceutical industry, while also driving our resilience and innovative vision.

Each project carried out during 2024 will be detailed in the corresponding sections of this report, highlighting its scope, results, and strategic contribution to our sustainability and business model. This version focuses on specific achievements and efforts, highlighting the authenticity of our commitment to sustainability.





# STRATEGIC SUSTAINABILITY PROJECTS 2024

## Medichem Driving Change

### 1.

**Climate Risk Report:**  
Strategy and Resilience based on TCFD recommendations

The preparation of our Climate Risk Report, based on the framework of the Task Force on Climate-related Financial Disclosures (TCFD), marks a crucial step forward in our ability to manage and mitigate the risks associated with climate change.

**Strategic Purpose:** To incorporate a structured view of climate risks into our operations, ensuring business continuity and protecting our value chain.

**Applied methodology:** Assessment of physical and transition risks, analysis of climate scenarios, and alignment with corporate and financial strategy.

**Key results:**

- Identification and prioritization of the most critical climate risks, such as extreme events and regulatory changes.
- Implementation of proactive measures to mitigate impacts and take advantage of opportunities related to climate change.
- Strengthening transparency toward investors and stakeholders in a sustainability-regulated environment.

**Strategic impact:** This report strengthens our resilience and competitiveness and our commitment to sustainability.

### 2.

**Double Materiality Study:**  
Aligning Strategic Priorities with CSRD

The Double Materiality Study, conducted in 2024, was designed to anticipate future ESG regulatory requirements and provide a comprehensive view of the most relevant issues for our organization and our stakeholders.

**Strategic Purpose:** Evaluate the impacts of our activities on the environment and how ESG factors affect our economic performance, aligning our actions with stakeholder priorities.

**Key results:**

- Definition of critical areas with the greatest potential to generate long-term sustainable value.
- Creation of a strategic roadmap that strengthens our alignment with the most relevant material themes.
- Identifying opportunities to differentiate our value proposition and strengthen our competitive position.

**Strategic Impact:** This analysis has laid the foundation for a more integrated business strategy aligned with market expectations, consolidating sustainability as a central pillar of our business model.

### 3.

**European Taxonomy Study:**  
Transparency and Sustainable Contribution

In order to comply with the European Taxonomy Regulation, Medichem developed a comprehensive Taxonomy Study that assesses our contribution to the environmental objectives set by the EU.

**Strategic Purpose:** To ensure transparent communication regarding the alignment of our activities with European Union sustainability standards, strengthening our position with responsible investors.

**Key results:**

- Identification and quantification of activities aligned with established sustainability objectives.
- Strategies to optimize our contribution to climate change mitigation and adaptation.
- Improving transparency to attract investors committed to sustainability.

**Strategic impact:** This project reinforces our credibility as a company committed to sustainability and our commitment to improving each year.



## A TRANSFORMATIVE SUSTAINABILITY STRATEGY

These projects not only allow us to anticipate regulatory requirements but also reflect our ability to lead with an integrated sustainability strategy aligned with our value proposition. Each initiative demonstrates our commitment to creating long-term, sustainable value, ensuring that Medichem not only responds to global challenges but also capitalizes on the opportunities presented by an increasingly sustainability-oriented market.

Throughout this report, additional details will be provided on each project, highlighting how they strengthen our resilience, competitiveness, and sustainability leadership. At Medichem, sustainability is not an isolated objective, but rather the core of our strategic vision and the basis of our differentiation in the pharmaceutical sector.







## INTEGRATING SUSTAINABILITY INTO BUSINESS STRATEGY

### Results of the Double Materiality Analysis

At Medichem, we reaffirm our commitment to sustainability by voluntarily undertaking our first Double Materiality exercise in 2024. This strategic decision not only reaffirms the company's position in terms of sustainability but also reinforces our commitment to creating long-term value for all our stakeholders.

By following the guidelines of the European Financial Reporting Advisory Group (EFRAG) and the European Sustainability Reporting Standards (ESRS), this analysis becomes a key tool for integrating ESG principles into our business strategy. The purpose is clear: to align our sustainability goals with our business vision, consolidating our financial resilience and maximizing our positive impact on the environment and society.

***“At Medichem, we understand that sustainability is not only an ethical responsibility, but a strategic pillar that drives our competitiveness and ensures our relevance in a constantly evolving market.”***

## STRATEGIC RESULTS BY KEY AREA



### Climate and Environment

Turning Challenges into Opportunities

In an industry heavily dependent on natural resources, we have identified strategic priorities that reinforce our commitment to the transition toward a sustainable model.

#### Climate change:

- Reducing greenhouse gas (GHG) emissions: We are implementing renewable technologies and optimizing industrial processes to reduce our carbon footprint and meet global decarbonization goals.
- Adaptation to climate change: We are strengthening our operational capacity to respond to climate risks that could affect our production and logistics activities

#### Water and marine resources management:

- Efficient use of water: We have developed recycling and reuse systems that maximize the efficient use of this critical resource for our production.
- Protecting marine ecosystems: We are implementing advanced measures to minimize the discharge of pharmaceutical waste and protect marine biodiversity.

#### Pollution and biodiversity:

- Hazardous waste management: We focus on circular economy models to minimize chemical waste and its environmental impact.
- Industrial emissions: We are investing in innovative technologies that reduce polluting particles and meet the most demanding environmental standards.



### Social

The Human Factor as the Axis of Transformation

At Medichem, we understand that human capital is the engine of innovation and sustainable growth. Therefore, we prioritize well-being and collaboration throughout our entire value chain.

#### Own workforce:

- Workplace Safety: We have implemented advanced programs to ensure a safe and healthy work environment.
- Professional development: We promote the ongoing training of our human talent, ensuring they are prepared for the challenges of the future.

#### Workers in the value chain:

- Supplier working conditions: We conduct periodic audits to ensure our partners meet high social and environmental standards.
- Sustainable partnerships: We work closely with strategic suppliers to promote responsible practices throughout the supply chain.

#### Consumers and end users:

- Access to safe products: We guarantee that all our medicines are developed with the highest standards of quality and sustainability.

## STRATEGIC RESULTS BY KEY AREA



### Governance

Ethics and Transparency as a Competitive Differentiator

Trust is a key asset in the pharmaceutical industry, and Medichem has made business ethics and transparency the fundamental pillars of its corporate governance.

#### Regulatory compliance:

- Leadership in the implementation of governance systems that ensure rigorous compliance with ESG standards.

#### Accountability:

- Publishing detailed and accessible reports that demonstrate progress in sustainability and build the trust of key stakeholders.



## DOUBLE MATERIALITY AS A GUIDE FOR DECISION MAKING

The results of this analysis have outlined a strategic roadmap that allows us to:

- **Align business strategy with market demands:** We anticipate future regulations and respond to the expectations of our stakeholders.
- **Accelerate sustainable innovation:** We invest in processes and products that generate financial value and respond to environmental and social challenges.
- **Strengthen relationships with our stakeholders:** This strategic approach reinforces our position as a key player in the transition to a more sustainable business model.

At Medichem, we are redefining sustainability standards. This Double Materiality analysis not only allows us to identify challenges and opportunities but also reinforces our commitment to being a company that generates a positive impact in all aspects of its operations.



***“For Medichem, sustainability is not just a commitment; it is the foundation on which we build our long-term success and contribute to a more prosperous future for all.”***

## DOUBLE MATERIALITY AS A GUIDE FOR DECISION MAKING

Below is the result of the Double Materiality Analysis: Material topics for each perspective.

### Impact Materiality



- Pollution
- Water and marine resources
- Circular Economy
- Own Workforce
- Value Chain Workers
- Corporate Culture

### Financial Materiality



- Climate Change
- Pollution
- Water and Marine Resources
- Biodiversity in ecosystems
- Own Workforce
- Value Chain Workers
- Affected Communities
- Corporate Behaviour
- Consumers and End Users

## DOUBLE MATERIALITY AS A GUIDE FOR DECISION MAKING

The material subtopics identified for each perspective of the exercise carried out are listed below.

### Impact Materiality



- Climate Change Adaptation
- Impacts on the Extension and Condition of the Ecosystems
- Marine Resources
- Microplastics
- Air Pollution
- Soil Pollution
- Equal Treatment and Opportunities for All
- Other Work-Related Rights
- Working Conditions
- Corruption and Bribery
- Whistleblower Protection
- Waste
- Pollution of Living Organisms and Food Resources

### Financial Materiality



- Climate Change Adaptation
- Climate Change Mitigation
- Energy
- Air Pollution
- Substances of Concern
- Substances of Very High Concern
- Water
- Equal Treatment and Opportunities for All
- Other Work-Related Rights
- Working Conditions
- Corruption and Bribery
- Management of Supplier Relationships, Including Payment Practices
- Whistleblower Protection



# 01

## We Care for the Planet



## WE CARE FOR THE PLANET

### Sustainability as a Strategic Pillar at Medichem

At Medichem, we understand that leadership in a sector as competitive and regulated as the pharmaceutical industry requires more than scientific innovation; it requires **vision, responsibility, and the ability to anticipate** market and societal demands. Our commitment to environmental sustainability is not simply an obligation, but a **strategic decision** that reinforces our purpose as a company and strengthens our market leadership position.

In this spirit, we have structured our environmental management system based on the **most advanced** corporate sustainability **standards**. This approach strengthens our ability to respond to global challenges and transform sustainability into a competitive advantage.

The chapter “*We Care for the Planet*,” included in our 2024 sustainability report, reflects this ambition. Here, we present our environmental initiatives within a **rigorous, transparent, and structured framework**, integrating the results of the **Double Materiality** analysis conducted this year. This analysis has allowed us to prioritize the environmental aspects that are **most relevant to our operations**, reinforcing their connection with our business strategy and our commitment to generating value for all our stakeholders.

*“At Medichem, sustainability is not a goal to be met; it is the driving force behind our purpose, our strategy, and our impact.”*







## ENVIRONMENTAL MANAGEMENT AS THE CORE OF OUR VALUE PROPOSITION

Environmental sustainability is central to Medichem's strategy, not only as an ethical commitment but also as a strategic tool to optimize processes, anticipate regulatory trends, and strengthen our operational resilience. This approach is articulated in three key commitments that guide our actions:

### Optimization of Production Processes

We strive to continuously improve the efficiency of our operations by incorporating innovative technologies that reduce impacts and generate economic and environmental value.

### Green Chemistry

We innovate responsible chemical solutions, minimizing the use of harmful substances and maximizing environmental safety throughout the value chain.

### Climate Change

We are taking a firm stance in the fight against climate change, reducing our carbon footprint and strengthening the resilience of our operations to climate risks.

These commitments not only strengthen our ability to compete in a global marketplace but also position Medichem as a trusted strategic partner for our customers.

## Chapter Structure

### An Orderly and Transparent Approach

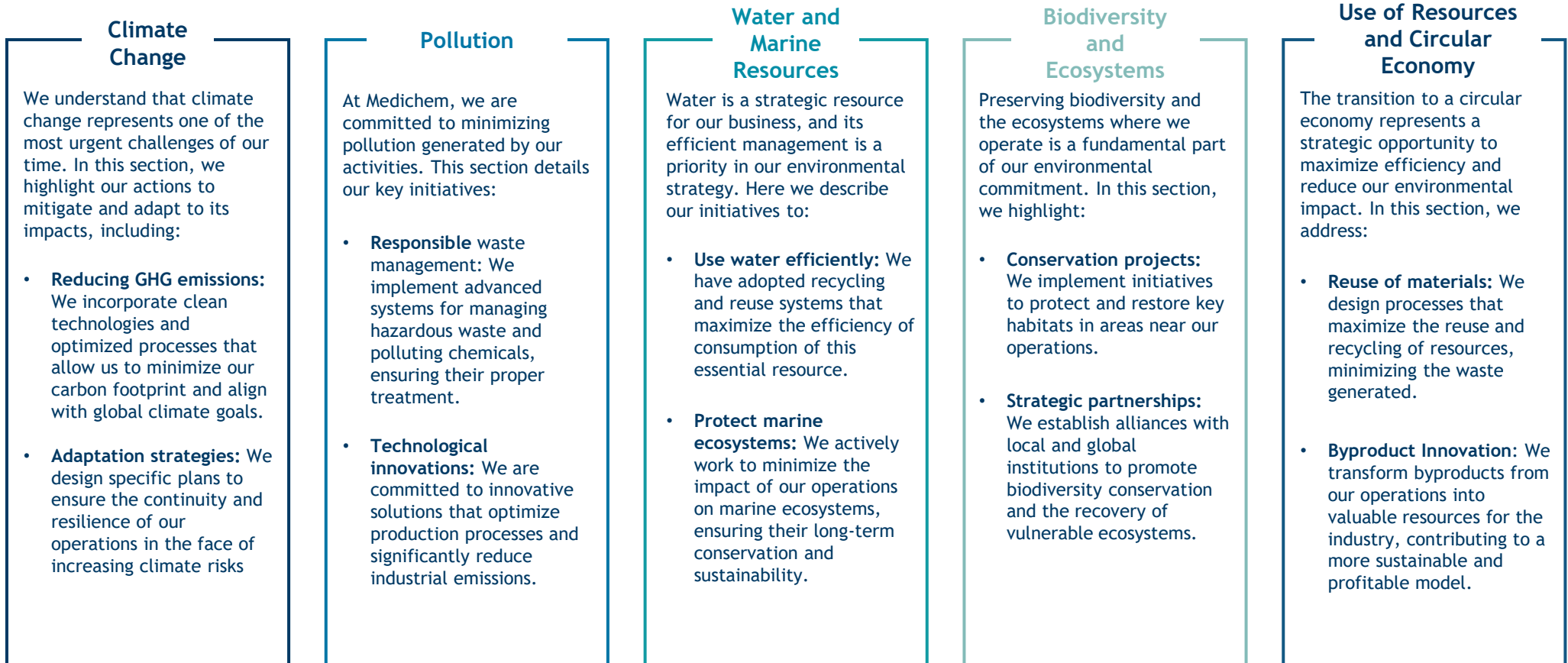
The chapter “*We Care for the Planet*” has been developed with a clear and strategic focus, ensuring a clear, coherent and comprehensive presentation of our environmental sustainability initiatives.

This chapter also reinforces our commitment to transparency, excellence, and information disclosure, essential values in our relationships with key stakeholders



## ENVIRONMENTAL MANAGEMENT BASED ON FIVE KEY AREAS

The chapter is organized into five key sections that reflect our environmental strategy and progress:



The structure of this chapter not only reflects our environmental commitment but also highlights how environmental sustainability is embedded in the core of our business strategy. This approach ensures that every action we take is aligned with regulatory expectations, stakeholder demands, and our long-term vision.

***“At Medichem, environmental management is not just a compliance exercise; it is a strategic tool to consolidate our leadership and generate sustainable value.”***

## Environmental Materiality Matrix

As part of our sustainability strategy and in line with our commitment to excellence, Medichem conducted a Double Materiality analysis in 2024. This exercise, the general results of which are detailed in the previous section, has allowed us to identify those topics and subtopics that have a significant impact on our environment and are critical to the financial sustainability of our company.

In this chapter, environmental issues of relative importance are outlined, differentiating between those that are material from a financial perspective and those from a perspective of impact.

In addition, throughout the chapter the different policies, initiatives and objectives are covered that Medichem implements in the environmental field, which allow the different environmental aspects to be managed and guarantee the transparency and rigor of our report.



## AN ENVIRONMENTAL PERSPECTIVE BASED ON DOUBLE MATERIALITY

The materiality analysis conducted in 2024 identified material environmental issues from both an impact perspective (impact materiality) and a financial perspective (financial materiality).

### Impact Materiality

The material themes identified in this category reflect critical areas where our operations have a significant impact on the environment:



**Pollution:** Waste management, emissions reduction, and mitigation of pollutants are essential to minimize negative impacts on air, soil, and living ecosystems.

**Water and Marine Resources:** The preservation of water and marine resources is crucial to ensuring environmental sustainability in our areas of operation.

**Circular Economy:** The transition to a circular economy represents a strategic opportunity to maximize efficiency and reduce our environmental impact, which is why effective waste management is crucial.

### Financial Materiality

From a financial perspective, the following topics represent risks and opportunities that directly impact Medichem's economic and operational sustainability:



**Climate Change:** Both climate change adaptation and mitigation are priorities to ensure our resilience to extreme weather events and compliance with emerging regulations.

**Pollution:** Proper management of hazardous substances and emissions ensures operational continuity and reduces potential regulatory and reputational risks.

**Water and Marine Resources:** Sustainable use of water resources minimizes operational and financial risks related to water availability.

**Biodiversity and Ecosystems:** Protecting biodiversity not only meets ethical and regulatory requirements, but also strengthens our social license to operate.

## KEY FINDINGS

### Priority Sub-themes Regarding the Environment

The Double Materiality analysis has identified key sub-themes within the environmental aspects which guide our environmental strategy:

#### Impact Materiality

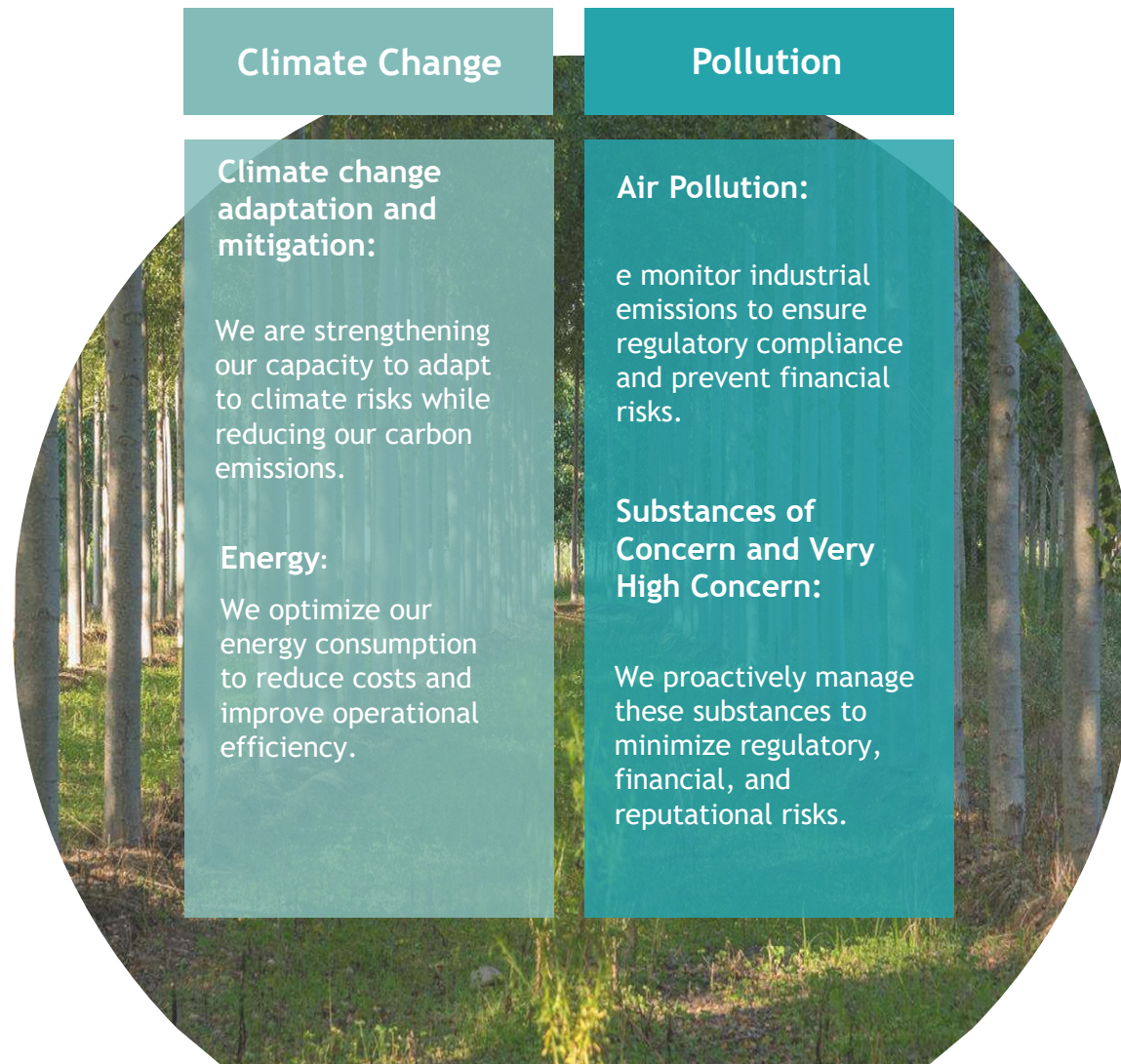
Climate Change	Pollution	Water and Marine Resources	Biodiversity and Ecosystems	Use of Resources and Circular Economy
<p><b>Climate Change Adaptation:</b></p> <p>We implement strategies to strengthen the resilience of our operations to climate risks.</p>	<p><b>Microplastics:</b></p> <p>We reduce the use of microplastics to prevent their accumulation in the environment.</p> <p><b>Pollution of Air, Soil and Living Organisms:</b></p> <p>We mitigate emissions and waste that affect air, soil, and ecosystem quality.</p> <p><b>Pollution of food resources and living organisms:</b></p> <p>We prevent pollution that affects food chains and organisms.</p>	<p><b>Marine Resources:</b></p> <p>We prioritize the conservation of marine resources through protection measures and efficient use.</p>	<p><b>Impacts on the Extent and Condition of Ecosystems:</b></p> <p>Minimizing impacts on ecosystems is essential to protecting biodiversity and ensuring sustainable operations.</p>	<p><b>Waste:</b></p> <p>We promote efficient management based on circular economy principles.</p>



## KEY FINDINGS

### Priority Sub-themes Regarding the Environment

#### Financial Materiality



## Data Analysis from the Double Materiality Study

### A Strategic Vision for Environmental Sustainability

At Medichem, we are committed to leading a sustainable transition in the pharmaceutical sector. As part of our corporate strategy, we conducted a Double Materiality analysis in 2024. This analysis was designed to identify and prioritize the most relevant Impacts, Risks, and Opportunities (IROs) for our organization, ensuring that our actions not only respond to regulatory demands but also drive long-term value creation.

This strategic approach has allowed us to identify a total of 252 IROs, which have undergone an exhaustive evaluation process to determine which are relevant to the company. This analysis reinforces our commitment to transparency and consolidates Medichem as a company that anticipates market demands and leads with purpose.

## The Environmental Dimension

### A Corporate Priority

Among the 252 IROs identified, 52% belong to the environmental category, representing a total of 131 IROs directly related to the following topics:

- Climate Change
- Biodiversity and Ecosystems
- Pollution
- Use of Resources and Circular Economy
- Water and Marine Resources

This ratio reflects the strategic importance of environmental sustainability for Medichem, both for its operational impact and its ability to generate resilience and competitive advantages in a highly regulated and demanding sector.

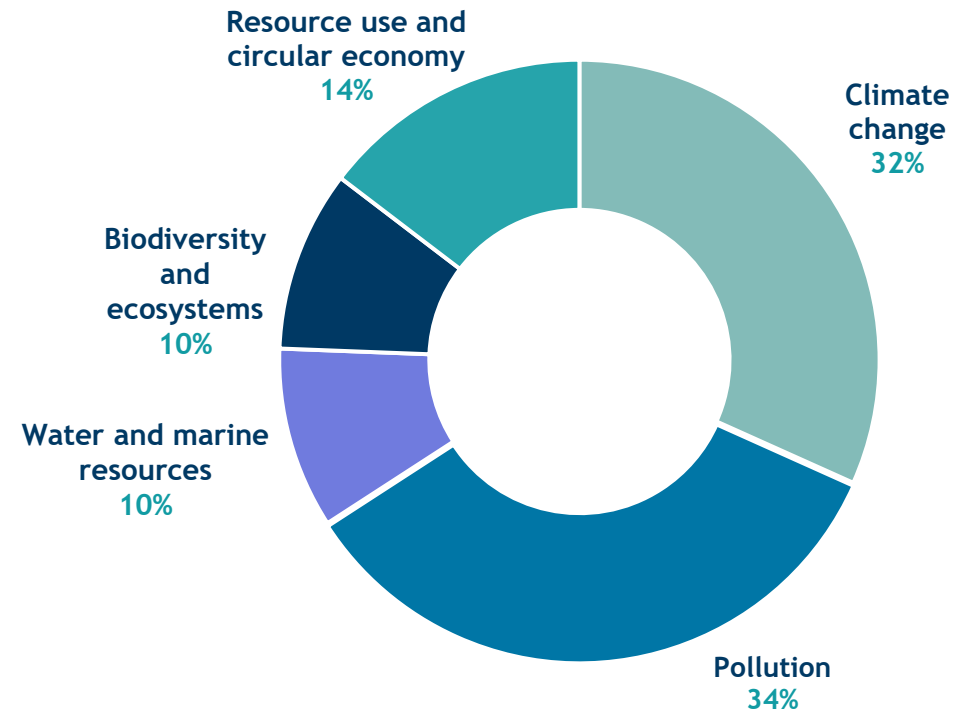


# DATA ANALYSIS FROM THE DOUBLE MATERIALITY STUDY

## A Strategic Vision for Environmental Sustainability

### Distribution of Material Environmental IROS by Category

Of these 131 environmental IROs, 32% have been classified as material, that is, they have exceeded the defined materiality threshold, for one or both perspectives. This is equivalent to 42 material IROS, strategically distributed according to the following environmental aspects:







# 1.1

## Climate Change



# CLIMATE CHANGE

Summary of climate risks based on TCFD recommendations. Key findings

## The TCFD and Medichem's Commitment to Climate Change Mitigation

In the context of a global environment increasingly affected by climate change, Medichem, a global pharmaceutical company, has taken a crucial step in 2024 by incorporating the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). This body, promoted by the Financial Stability Board aims to provide a standardized framework for disclosing climate-related financial risks and opportunities, promoting transparency and helping companies effectively identify and manage risks and opportunities associated with climate change.

In parallel, Medichem has considered in this analysis the regulatory requirements of Delegated Regulation 2021/2139/EU and the guidelines of European Union Taxonomy. This effort responds to its commitment to contribute to the objectives of the Paris Agreement, particularly with regard to limiting the global temperature increase to 1.5°C. Medichem not only seeks to mitigate the risks arising from climate change, but also seeks to maximize the opportunities arising from the transition to a low-carbon economy.

## Strengthening Corporate Resilience



The year 2024 marks a turning point in Medichem's climate strategy. Growing regulatory pressure, coupled with the increased frequency and intensity of extreme weather events, has led the company to prioritize a detailed assessment of climate risks and opportunities. This initiative aligns with the growing demands of investors, customers, and other stakeholders, who are demanding that companies be more transparent and proactive in managing their climate impact.

The primary objective of this analysis is to ensure Medichem's sustainability and operational continuity and protect its supply chain. Furthermore, the initiative reinforces the company's commitment to data-driven decision-making, integrating advanced climate scenarios and financial projection models into its corporate strategy.

# 1. Applied Methodology

## A Structured, Rigorous, Scenario-based Approach

To ensure a comprehensive assessment of climate risks and opportunities, Medichem adopted a structured, scientific methodology that included the following steps:

### Risk Identification





Both physical and transition risks were identified that could directly or indirectly impact Medichem's global operations:

#### Physical Risks

These include acute events (hurricanes, floods, heat waves) and chronic events (sea level rise, heat stress).

#### Transition Risks

These arise from regulatory, technological, market, and reputational changes in the context of the transition to a low-carbon economy.

Risk Group	Acute Climatic Event	Chronic Climatic Event
 Related to Temperature	<ul style="list-style-type: none"> <li>Heatwave</li> <li>Cold wave / Frost</li> <li>Wildfire</li> </ul>	<ul style="list-style-type: none"> <li>Temperature variations</li> <li>Thermal stress</li> <li>Temperature variability</li> <li>Permafrost thawing</li> </ul>
 Related to Wind	<ul style="list-style-type: none"> <li>Cyclone, hurricane, typhoon</li> <li>Storm (snow, dust or sand)</li> <li>Tornado</li> </ul>	<ul style="list-style-type: none"> <li>Changes in wind patterns</li> </ul>
 Related to Water	<ul style="list-style-type: none"> <li>Drought</li> <li>Heavy precipitation (rain, hail, snow, or ice)</li> <li>Floods</li> <li>Glacial lake outburst</li> </ul>	<ul style="list-style-type: none"> <li>Changes in precipitation type and patterns</li> <li>Ocean acidification</li> <li>Saltwater intrusion</li> <li>Sea level rise</li> <li>Water stress</li> </ul>
 Related to Solid Mass	<ul style="list-style-type: none"> <li>Avalanche</li> <li>Landslide</li> <li>Land subsidence</li> </ul>	<ul style="list-style-type: none"> <li>Coastal erosion</li> <li>Soil degradation</li> <li>Soil erosion</li> <li>Solifluction</li> </ul>

## RISK ASSESSMENT METHODOLOGY

A model based on three key variables was used to calculate the risk associated with each climate event:

- 1. Danger:** Probability of an extreme or chronic weather event (such as cyclones, heat waves, droughts) occurring.
- 2. Vulnerability:** Fragility or susceptibility of operations, facilities, and communities to these events. This included analysis of infrastructure, operating systems, and supply chains.
- 3. Exposure:** The extent to which assets, facilities, and operations are geographically exposed to the identified hazards.

### Using Advanced Climate Scenario Models

Medichem adopted the IPCC's RCP 8.5 scenario, which projects significant temperature increases and extreme changes in climatic patterns towards 2050 and 2100. This scenario allowed for the analysis of:

This analysis was complemented with financial modeling tools, evaluating impacts on revenue, operating costs, asset investments, and financing structure.



The impact of climatic phenomena on different time horizons (short, medium and long term).



Geographic projections to identify the most vulnerable regions.

## RISK PRIORITIZATION

The identified risks were prioritized based on their financial, operational, and strategic impact. This allowed for the development of risk-specific mitigation plans tailored to the local conditions of facilities, suppliers, and customers.

Once identified and assessed, the risks were classified according to their potential impact and probability:

- 1. Financial Impact:** Risks with the greatest potential to increase operating costs, such as heat stress and the need for additional cooling, were prioritized.
- 2. Impact on operations:** Risks that affect operational continuity, such as disruptions to supply chains due to flooding or extreme weather events.
- 3. Strategic risks:** Factors such as rising carbon prices and changing market preferences were prioritized due to their impact on long-term competitiveness.

This prioritization allowed Medichem to develop mitigation plans specific to each risk, ensuring efficient use of resources.



# Analysis Results

## Main Findings and Impacts

### Physical Risks

Medichem identified 26 main physical climate risks, distributed across its facilities and supply chains:

- **Floods and hurricanes:** These will significantly impact facilities in China and India, with possible prolonged disruptions to operations.
- **Rising sea levels:** Coastal regions like Malta face increasing risk, requiring investments in resilient infrastructure.
- **Heat stress:** Plants in the United States are highly exposed, which will increase energy costs for cooling.

### Transition Risks

- **Stricter regulations:** Projected increases in carbon pricing in Europe and the United States could increase operating costs by 15-20% over the next 10 years.
- **Clean technologies:** The transition to more sustainable processes will require significant investments, although these are expected to generate long-term savings.
- **Market expectations:** Medichem anticipates increased demand for sustainable products, representing a key opportunity for differentiation.

## Emerging Opportunities

Despite the risks, Medichem identified several opportunities related to climate change:



**Green Chemistry:** Innovations in more sustainable products that comply with future regulations.



**Energy efficiency:** Improving production processes to reduce operating costs and emissions.



**Strategic positioning:** Strengthening the company's reputation as a leader in sustainability within the pharmaceutical sector.

# MEDICHEM'S STRATEGIC POSITIONING AND VALUE PROPOSITION IN THE FACE OF CLIMATE RISKS

Medichem's 2024 climate risk analysis is a strategic pillar of its commitment to leading the pharmaceutical sector in terms of sustainability, innovation and resilience in the face of global challenges. Beyond being a reactive tool for risk mitigation, this analysis establishes a proactive approach that enables the company to transition toward a low-carbon economy.

## A Strategic Roadmap Towards Sustainability

The analysis provides a comprehensive view of climate risks and opportunities, allowing Medichem to structure a roadmap aligned with its strategic objectives and its commitment to stakeholders. This roadmap not only seeks to mitigate the negative impacts of climate change, but also to identify areas where Medichem can generate value and strengthen its competitive position.

## Resilience as a Competitive Advantage

Medichem believes that resilience to climate change is not just a necessity, but a competitive advantage that can differentiate it in an increasingly demanding market. By anticipating climate challenges and adapting its operations to these risks, the company not only protects its operational continuity but also positions its brand as a reliable and sustainable partner.

Ensuring operational continuity: Investments in resilient infrastructure and supply chain diversification ensure Medichem can continue operating even in the face of extreme weather events.







# STRATEGIC OPTIMIZATION OF PRODUCTION PROCESSES

## Driving Sustainability and Leadership in the Pharmaceutical Industry

At Medichem, we turn every production process into a competitive advantage. Our manufacturing centers, strategically located in Malta and Spain, integrate innovation, operational excellence, and environmental sustainability to create a differential value that transcends every stage of our products' life cycle.

### A Comprehensive and Transformative Vision of the Life Cycle

#### From Origin to Final Disposal:

We take a holistic approach that encompasses the sourcing of raw material and packaging, efficient transportation, high-performance production, waste management, and final destruction.

Each link in the chain is an opportunity to optimize processes, guarantee traceability, and ensure that every resource is used responsibly, consolidating our commitment to the environment.

#### Innovation as a Driver of Competitiveness:

By implementing cutting-edge technology and adopting international best practices, we optimize every process, raising our standards of quality and environmental responsibility.

This investment in innovation allows us to overcome regulations and position ourselves strategically, driving efficiency and generating a positive impact on the pharmaceutical industry.

### Excellence in Compliance and Certifications: The Basis of Our Trust

**Spain (Celrà, Girona):** We operate under Environmental Authorization G1RP140107 in accordance with Directive 2010/75/EU, validated by high-rigor inspections (the last in June 2024 by Dekra). This recognition certifies our commitment to regulatory compliance and reinforces the confidence of our customers and partners in the solidity of our production processes.

**Malta:** Medichem Malta and Combino Pharm Malta hold IP permit IP0002/05/E granted by the Malta Environmental Resources Authority. Full compliance with local regulations ensures transparency and operational excellence, underscoring our global commitment to sustainability and respect for the environment.

**Transparency and Legal Management:** In Spain, the ecomundis.com platform allows us to identify, evaluate, and monitor legal and voluntary requirements, while in Malta, control is ensured through direct supervision by the competent authority.

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## CERTIFIED ENVIRONMENTAL MANAGEMENT SYSTEM

Guarantee of Continuous Improvement

Our Environmental Management System, **certified under the UNE-EN ISO 14001** standard (2001 in Spain and 2009 in Malta), is the cornerstone of our sustainability strategy.



*“With periodic audits – the last in May 2024, we ensure the constant evolution of our practices, allowing us to anticipate and exceed market expectations in environmental matters”.*





# Strategic Environmental Policy

## Eleven Pillars of Action



*A Differentiated Value Proposition: At Medichem, every action and process is designed to enhance sustainability, innovation, and excellence. Our commitment not only complies with environmental regulations but also translates into a value proposition that drives competitiveness and profitability.*



# Environmental Risk Management

## A Proactive and Guaranteed Approach

At Medichem, the identification, assessment, and control of environmental risks is an essential pillar of our sustainability and corporate responsibility strategy. With a meticulous and systematic approach, we protect our environment and strengthen the trust of our customers and partners.

### Comprehensive Identification, Evaluation and Control Procedure

#### Comprehensive Identification, Evaluation and Control Procedure:

We use a rigorous Environmental Identification, Evaluation and Control Procedure to detect and analyze potential risk scenarios, even under emergency conditions.

### Quantitative Assessment and Mitigation Objectives

#### Quantitative Analysis of Environmental Impact:

Through detailed assessments, we quantify the potential environmental impact and establish strategic objectives for its reduction, always prioritizing those aspects with the greatest risk.

### Financial Guarantee for Environmental Protection

#### Risk Analysis and Financial Coverage:

In 2019, we conducted a comprehensive environmental risk analysis at Medichem Spain, which included the evaluation of critical scenarios such as the infiltration of substances due to a ruptured manhole.

#### Commitment to Security and Resilience:

Based on the analysis, a financial guarantee of €10 million was contracted for Medichem Spain, Medichem Malta, and Combino Pharm Malta.





# ENVIRONMENTAL TRAINING AND COMMUNICATION

## Promoting a Culture of Sustainability

At Medichem, we understand that the key to excellent environmental management lies in ongoing training and effective communication. Our commitment translates into comprehensive initiatives that inform and train both our internal team and our external collaborators, reinforcing a corporate culture focused on sustainability.

### Environmental Communication and Training Strategies

#### Environmental Communication Procedure (Internal and External)

We establish formal and structured channels to disseminate environmental practices, ensuring that our employees, partners, and clients are aware of our sustainability initiatives and achievements.

#### Regular Training for All Staff

We provide ongoing training on critical topics such as wastewater treatment, waste management, environmental indicators (KPIs), air emissions, soil and groundwater monitoring, accidental spills, solvent recovery, and environmental objectives, strengthening the team's environmental competency and commitment.

#### Environmental Training for New Hires

Each new member receives specialized training that allows them to quickly integrate into our sustainability culture, ensuring that environmental values and practices are an essential part of their daily work.

#### Environmental Tips Through the *WellWo* Platform

We use digital tools to share recommendations and best practices, facilitating access to up-to-date and relevant information that drives responsible decision-making at all levels of the organization.

#### Environmental Information on Our Website and Social Channels

Through our digital portals, we disseminate our environmental actions and achievements, strengthening transparency and building a corporate image committed to sustainable development.

#### Information for Subcontracted Personnel

We extend our training initiatives to external collaborators, encouraging all stakeholders in our value chain to adopt and promote responsible environmental practices.

#### Internal Communication of Environmental Indicators and Objectives

We keep our teams informed about the progress and results of our environmental indicators, and we communicate annual objectives, fostering an environment of continuous improvement and collaboration.



## 1. SPECIFIC INITIATIVES AT MEDICHEM SPAIN

### Awareness-Raising Action on World Environment Day

In collaboration with Associació La Sorellona and through the Escanyagats project, we carry out volunteer activities that include monitoring the stickleback fish (*Gasterosteus aculeatus*) in the pond of the New Cemetery of Girona, underlining our practical commitment to the protection of biodiversity.

### Celebrations and Communications on Key Dates

During World Environment Day, World Water Day, and European Sustainable Energy Week, we launched internal communications (such as posters on our bulletin board) that raised awareness and motivated our teams, strengthening their sense of belonging and environmental commitment.

### Waste Management, Water and Climate Change Programs

We continuously publicize our environmental programs and strategies among our employees at Medichem Spain, Malta, and Combino Pharm, ensuring consistent adoption of best practices throughout the organization.

### Roundtables in Support of European Waste Prevention Week

We host roundtable discussions at our sites focused on addressing food waste, highlighting alarming figures and proposing practical solutions that minimize economic and environmental impacts, promoting a collaborative, results-oriented approach.



## SPECIFIC INITIATIVES AT MEDICHEM MALTA AND COMBINO PHARM

### Internal Campaigns During the European Waste Prevention Week

We promote awareness about food waste through internal communications aligned with European initiatives, reinforcing environmental responsibility at each of our centers.

### Motto “*Let’s Clean Up Europe*” and Waste Collection in Marsaxlokk

We promote specific actions to clean and improve the environment, organizing waste collection activities that demonstrate our active commitment to sustainability and the continuous improvement of our operational spaces.





# ECONOMIC RESOURCES DESTINED FOR THE ENVIRONMENT

## Strategic Investment for Sustainability

At Medichem, we allocate significant financial resources to ensure compliance with legal requirements, optimize environmental management, and promote continuous improvement through strategic investments. Our investment not only guarantees environmental protection but also drives competitiveness and innovation across all our operations.



## Investment in Environmental Management

### A Measurable Commitment

#### A Measurable Commitment

**In 2024** Approximately €300,000 was allocated to environmental management, with 80% invested in the Medichem Spain plant and 20% in Medichem Malta. This allocation reflects our commitment to maintaining and improving environmental standards at all our facilities.

**In 2023** Investment reached €1.02 million, with 78% allocated to the Medichem España plant and 22% to the Combino Pharm Malta plant. The 72% decrease from 2024 to 2023 compared to the previous year (2023) is mainly due to the fact that in 2023, the majority of the budget was allocated to the installation of solar panels at Celrà and Combino Pharm Malta and other investments in air emissions issues.

## Promoting Continuous Improvement and Legal Compliance



**Regulatory Compliance Guarantee:** The allocation of resources ensures compliance with all legal requirements and the proper management of environmental aspects, protecting our environment and strengthening the trust of our stakeholders.

**Boosting New Investments:** Investment in environmental management translates into the implementation of new technologies and processes that optimize our resources and minimize environmental impact, ensuring long-term sustainable growth.



## COMMITMENT 2025

### Strategic Investments for Environmental Impact Mitigation

At Medichem, we are committed to minimizing the environmental impact of our activities and placing environmental protection at the core of our strategy. As part of this commitment, in 2025 we plan to invest in mitigating the impact of the following environmental aspects:

Waste Management and Optimization	Responsible Use and Treatment of Water	Innovation in Production Processes	Management of Hazardous Substances and Emergency Protocol	Environmental Training and Awareness
We will allocate resources to the implementation of advanced recycling technologies and circular economy processes, ensuring a significant reduction in waste and promoting the reuse of materials in all our operations.	We will adopt technological solutions to optimize water use, improve treatment processes, and ensure the quality of effluents, protecting this vital resource and reducing the impact on surrounding ecosystems.	We will promote the incorporation of new technologies that minimize the environmental impact at every stage of our processes, from raw material procurement to final waste management, ensuring a more sustainable product lifecycle.	We will strengthen our security systems by investing in advanced emergency response protocols and technologies for the safe handling of hazardous substances, ensuring rapid and effective response to any environmental risk situation.	We will strengthen internal and external training and communication programs, strengthening a culture of sustainability and ensuring that every employee, both internal and subcontracted, is actively committed to our environmental goals.

## EMISSIONS MANAGEMENT

### Control, Measurement and Continuous Reduction

At Medichem, we manage our emissions with a strategic vision, integrating technological innovation and rigorous regulatory oversight to ensure sustainable and responsible operations.

#### Advanced Technological Solutions

##### Implementation of Gas Absorption Scrubbers

At all our plants, both in Medichem Spain and Medichem Malta, we have invested in state-of-the-art equipment that effectively captures and neutralizes the emissions generated during our production processes. These scrubbers, designed to absorb and treat polluting gases, are an integral part of our environmental control system and ensure that our operations remain at the forefront of technology and efficiency.

*“The incorporation of these technological solutions not only meets regulatory requirements but also significantly reduces environmental impact, allowing us to transform challenges into opportunities for innovation.”*



## EMISSIONS MANAGEMENT

Control, Measurement and Continuous Reduction

### Transparency and Regulatory Compliance

Emissions Reporting and Registration

Transparency is a fundamental pillar of our strategy. Through the European Register of Emissions and Pollutant Sources (PRTR), we annually report all emissions from our manufacturing and combustion processes. This practice allows us to maintain exhaustive control over emissions to air and water, as well as waste transfers, ensuring that we comply with the most demanding environmental regulations.

*“ This reporting system not only ensures legal compliance but also reinforces our corporate image as a company committed to sustainability and social responsibility, generating trust among all our stakeholders.”*



# MEASURABLE RESULTS AND CLEAR OBJECTIVES

Pollutant Emisiones (tons)	2023	2024
TVOC (Total Volatile Organic Compounds)	3,57	5,48
CO (Carbon Monoxide)	0,21	0,21
NOx (Nitrogen Oxides)	1,26	1,25



**TVOC**  
(Total Volatile Organic Compounds)

At Medichem Spain, the amount of TVOCs was determined from an actual value measured in October 2024. At Medichem Malta, measurements were taken during 2024, providing accurate data that allows for an assessment of the environmental performance of each plant.

**CO and NOx**

Carbon monoxide (CO) and nitrogen oxide (NOx) emissions are calculated using emission factors established in the Guide for the notification of emissions for the Chemical Sector (EPER CAT), based on the consumption of natural gas and LPG (Liquefied Petroleum Gas). This methodology guarantees a uniform assessment in accordance with international standards, allowing us to compare and analyze our results in a transparent and accurate manner.

## STRATEGIC INITIATIVES FOR EMISSION REDUCTION

### Reduction of Specific TVOC (Methylene Chloride)

At Medichem Spain, we have taken decisive action to reduce and, where possible, eliminate methylene chloride from our processes.

- Process Concentration: Processes that still require the use of methylene chloride have been concentrated in the Pilot Plant.
- Improved Capture: Three activated charcoal filters have been installed before the scrubber, which has allowed for optimal capture of dichloromethane.
- Results: Measurements taken in 2024 show a 99% reduction in dichloromethane emissions compared to 2021 levels.



### Regenerative Thermal Oxidation (RTO) Project

Since late 2022, Medichem Spain has been collaborating with a specialized consultancy to develop the technical project for the installation of a Regenerative Thermal Oxidizer unit at Medichem Spain. The emission sources at the production plants will be connected to a single unit to reduce VOC emissions using one of the Best Available Techniques, described in the Common Waste Gases BREF for the chemical industry. This equipment is expected to reduce volatile organic compounds emitted into the atmosphere by more than 75%. It is also energy-efficient, as it uses the heat generated during oxidation to heat the gases being treated.







# STRATEGIC COMMITMENT TO REDUCING GREENHOUSE GAS (GHG) EMISSIONS

At Medichem, we are fully aware of the impact that greenhouse gas emissions have on climate change. Therefore, we reaffirm our unwavering commitment to mitigating these effects and leading the transition toward a lower-emission economy.

## Mitigation of Climate Impacts:

We implement innovative technologies and processes that reduce our emissions and minimize our carbon footprint, actively contributing to the fight against climate change.

## GHG Reduction:

Our strategic objective is to move the company's economy toward zero emissions by integrating sustainable solutions that promote energy efficiency and the use of renewable energy in all our operations.

### SCOPE 1

**DIRECT EMISSIONS:** Emissions generated due to the consumption of natural gas, liquefied petroleum diesel gas and the leakage of refrigerant gases.

### SCOPE 2

**INDIRECT EMISSIONS:** Emissions generated by electricity consumption

### SCOPE 3

**INDIRECT EMISSIONS:** Purchase of goods and services, capital goods, fuel and energy-related activities (not included in the calculations of scope 1 and 2 scopes), upstream transportation and distribution, waste generated in operations, business travel, employee travel, and downstream transportation and distribution

## STRATEGIC COMMITMENT TO REDUCING GREENHOUSE GAS (GHG) EMISSIONS

The greenhouse gas emissions of Medichem Spain and Malta and Combino Pharm Malta in 2024 were:

CO2eq emissions (tons)	2023	2024
Scope 1 Emissions	1.235	1.092
Scope 2 Emissions ( <i>Location Based</i> )	2.273	2.136
Scope 2 Emissions ( <i>Market Based</i> )	1.803	1.817
Scope 3 Emissions	39.363	26.834
Total ( <i>Market Based</i> )	42.401	29.743



Our commitment to sustainability is reflected in a robust methodology for calculating and managing our carbon footprint. Through standardized processes and certified tools, we measure our facilities' greenhouse gas emissions, from direct (Scope 1) and indirect (Scope 2) emissions to those derived from our value chain (Scope 3), allowing us to set ambitious and realistic reduction targets.

# MEASUREMENT AND ANALYSIS METHODOLOGY

## Scope 1 and 2 Calculation in Medichem Spain:



We use the "GHG Emissions Calculator" provided by the Catalan Climate Change Office of the Generalitat de Catalunya (Catalan Government). Two methodologies are employed:

- **Location Based:** Based on the production mix coefficient of the Spanish Electricity Grid, which in 2024 stands at 0.103 kg CO<sub>2</sub>/kWh.
- **Market Based:** Based on our marketing mix, which reflects a commitment to 100% renewable energy (0 kg CO<sub>2</sub>/kWh).

## Measurement in Malta:



For CO<sub>2</sub> emissions from electricity consumption in Malta, the most up-to-date "Fuel Mix for Energy" by Enemalta plc. is used (96 kg CO<sub>2</sub>/kWh in 2023). Furthermore, the conversion from m<sup>3</sup> to GJ for gas is performed using data from Liquigas Malta, complementing the measurement with the Ministry for Ecological Transition and Demographic Challenge's Carbon Footprint Calculator.

## Scope 3 Integration:



For 2024, we have incorporated indirect emissions from the value chain, covering the purchase of goods and services, capital goods, fuel and energy-related activities (not included in Scope 1 and 2 emissions), transportation and distribution (upstream and downstream), operational waste, business travel, and employee commuting.

## Results and Evolution of Emissions

### Scope 1 Reduction

A 12% reduction has been achieved compared to 2023, equivalent to 143 tons less CO<sub>2</sub>, attributable to the reduction in refrigerant gas leaks.

### Scope 2 Adjustment

Indirect emissions have seen a marginal increase of 1% (14 additional tons of CO<sub>2</sub>) in 2024, due to an increase in the production mix coefficient at Medichem Malta and Combino Pharm.

### Combined Impact and Scope 3

Considering Scopes 1 and 2, global emissions have been reduced by 4% compared to 2023 and by 27% compared to 2022. In addition, Scope 3 shows a 32% decrease (12,529 tons less CO<sub>2</sub>) compared to 2023, a result of the acquisition of goods and services adjusted to the set of products manufactured.



## Strategic Actions and Corrective Measures

To drive continued reductions in our emissions, we have implemented several key initiatives:

Fleet Optimization and Renewal	Green Energy and Own Consumption	Promoting Teleworking and Virtual Meetings	Supply Chain Sustainability	Supply Chain Sustainability
We are gradually replacing our fleet of leased vehicles with zero-emission vehicles.	At the Celrà plant, we contract 100% green electricity and have an own-consumption capacity of 2,831 m <sup>2</sup> of solar panels. At Combino Pharm Malta, 1,827 m <sup>2</sup> of solar installations have been set up to optimize clean energy generation.	We've improved our communications infrastructure to enhance virtual meetings and increase the number of remote-work days, thereby reducing our employees' travel needs.	We evaluate our suppliers to ensure their processes are sustainable, certifying them whenever technologically and economically feasible, without compromising the quality of our products.	Looking ahead to 2025, we have designed a comprehensive plan to reduce emissions from our employees' mobility, establishing goals and actions that promote clean and efficient transportation alternatives.

# ADAPTATION TO CLIMATE CHANGE

## Transition to a Low-Carbon Future

Committed to transparency and disclosure, climate risks have been incorporated into the Financial Impact Assessment Report, considering the recommendations of the Financial Stability Board (FSB)'s Task Force on Climate-Related Financial Disclosures (TCFD) and adhering to the guidelines in Appendix A of Delegated Regulation 2021/2139/EU of the EU Taxonomy for climate change adaptation, as well as the European Sustainability Reporting Standards (ESRS). This report reflects a firm commitment to sustainable development and adaptation to the challenges posed by climate change, while emphasizing the need for a transparent and evidence-based approach to financial decision-making

The objective of this report is to highlight Medichem's exposure to climate risks and how they affect the group financially, covering both the risks of the transition to a greener economy and the resulting financial impact.

Medichem has conducted a detailed study of its facilities, as well as those of its collaborators, to assess the impact of physical risks associated with climate change, considering their importance in the value chain. This analysis examined both long-term and immediate risks, considering different future periods (2031, 2050, and 2100), and covering geographic areas in Europe, the United States, China, and India. The results indicate that physical risks arising from climate change will be more pronounced in the medium and long term, suggesting that Medichem's vulnerability to these risks will increase over time. Transition risks present a constant variability that can have a significant impact on business operations. Through scenario analysis, we seek to gain a deeper understanding of how these risks (current or future) could influence operations in the short, medium, and long term.





## ADAPTATION TO CLIMATE CHANGE

### Transition to a Low-Carbon Future

In order to optimize the climate risk management strategy, a critical infrastructure analysis was developed, integrating advanced model-based projections to anticipate extreme weather events through 2050 and 2100. This analysis identified heat waves and droughts as the main climate risks, highlighting their high vulnerability. The assessment revealed:

**Projected increases in temperatures and worsening droughts**

These significant events highlight the urgent need to adapt operations and infrastructure, as well as develop robust management strategies.

**Strengthening infrastructure, innovating operational processes, and strategic resilience planning**

Adapting production facilities and developing a comprehensive plan that includes diversifying raw material sources will ensure that climate risk management not only seeks to ensure operational continuity and efficiency, but also positions the company as a leader in sustainability and corporate responsibility.







## CLIMATE CHANGE INITIATIVES AND PROGRAM

### Climate Change Program 2024:

We have developed a Climate Change Program that defines a corporate strategy to significantly reduce greenhouse gas emissions. This program establishes short- and medium-term goals and actions for energy efficiency, emissions management, and sustainable processes.

### Commitments for 2025:

We are committed to assessing our participation in the SBT initiative (Science Based Targets), to continue monitoring the reduction in energy consumption and to implement new energy efficiency practices in all our facilities, with annual reviews that allow us to accurately measure progress.



## RENEWABLE ENERGY AND RESOURCE OPTIMIZATION

### Green Energy at Medichem Spain and Combino Pharm:

At our Celrà plant, we already contract 100% renewable energy, and we have boosted our own generation through the installation of solar panels. In 2024, the installation of solar panels at Combino Pharm was launched, reaching 45% of the electricity consumed at our facilities from low-impact sources. By 2025, we aim to reach 50%, progressively improving this indicator.

### Diversification and Efficiency in the Use of Resources:

Additionally, 29% of the total energy consumed in 2024 came from renewable sources. We complement these efforts by evaluating the supply of local raw materials, diversifying our resources, and using more efficient irrigation systems, which strengthens our capacity to adapt to climate change.



# ENERGY CONSUMPTION

## Efficiency and Sustainability in Action

At Medichem, we are committed to the sustainable use of our resources, driving continuous improvement in the energy efficiency of our facilities. We firmly believe that optimizing energy consumption is essential to achieving our carbon emissions reduction goal, and to this end, we implement a series of strategic and operational actions that, while individually insignificant, have a significant impact overall.

### Energy Sources at Medichem Spain:



Energy consumption consists of electricity, natural gas, and diesel, which requires comprehensive management to maximize efficiency and reduce the environmental impact.

### Energy Sources at Medichem Malta and Combino Pharm Malta:



At these facilities, consumption is based on electricity and LPG (Liquefied Petroleum Gas), and they are managed with the same commitment to sustainability and efficiency.

### 2024 Results:

During 2024, we measured our energy consumption in gigajoules (GJ) to evaluate the performance and effectiveness of our initiatives. This data allows us to identify opportunities for improvement and ensure that every action contributes to reducing emissions.

Energy Consumption (GJ)	Source Type	2023	2024
Electricity	Non-Renewable	16.731	16.515
Electricity	Renewable	14.092	13.713
Natural Gas	Non-Renewable	10.981	10.237
LPG	Non-Renewable	5.862	6.244
Diesel	Non-Renewable	391	301
Total		48.057	47.010

**Renewable Energy:** Twenty-nine percent of global energy consumption comes from renewable sources. This is due to Medichem Spain's procurement of 100% certified renewable electricity, along with the installation of solar panels at our Medichem Spain and Combino Pharm plants. This strategy reinforces our commitment to a clean and sustainable energy mix.

**Reduction in Energy Consumption:** In 2024, we managed to reduce our energy consumption by 2% compared to 2023, as a result of multiple energy efficiency initiatives implemented at our facilities.

## ENERGY EFFICIENCY ACTION

### Medichem Spain

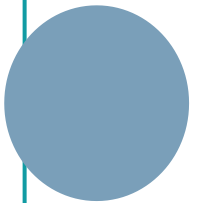
- Complete replacement of exterior lighting with LED technology, achieving 100% exterior LED lighting. This measure not only reduces electricity consumption, but also it also improves the quality of lighting and security on our perimeters.
- Condensates from physical treatments are recovered into the boiler feed tank to reduce natural gas consumption.

### Medichem Malta

- Upgrading lighting to LED, optimizing energy consumption and extending the lifespan of our lighting systems.
- This action contributes to a significant reduction in energy consumption, aligning with our sustainability goals.

### Combino Pharm Malta

- The solar panels installed on the roof are being put into operation, allowing solar energy to be harnessed for own-consumption of electricity.



## Measurement Methodology

Energy consumption is evaluated through real data:

1. **Electricity:** The measurements, obtained in kWh and converted to GJ using conversion factors from the Chemical Sector Emissions Reporting Guide, ensure accurate monitoring of electricity consumption at our facilities.
2. **Natural Gas in Medichem Spain:** Actual measurements are recorded in m<sup>3</sup>N and converted to GJ, using the conversion factors stipulated in the same Guide, ensuring an accurate assessment of our consumption.
3. **LPG at Medichem Malta and Combino Pharm Malta:** LPG consumption is measured in m<sup>3</sup> for Medichem Malta and Combino Pharm Malta and converted to GJ according to the gas supplier's guidelines, allowing for consistent integration of data into our energy tracking system.

# ENERGY EFFICIENCY ASSESSMENT

Comparing the energy efficiency of our plants in 2024 with the previous year, positive progress is shown thanks to the actions implemented. This achievement is a testament to our ongoing commitment to achieving sustainability, reducing our carbon footprint, and moving Medichem toward a more sustainable future.

	2023	2024
Total energy consumption relative to annual production (GJ/t) <sup>12</sup>	166	161
Medichem Spain	Thanks to a 6% reduction in energy consumption combined with a 6% increase in production, we have achieved an 11% increase in energy efficiency. This result underscores the effectiveness of our initiatives to maximize productivity through energy resource optimization.	
Medichem Malta and Combino Pharm	At these facilities, the amount of product produced has decreased more significantly than the increase in energy consumption, demonstrating a strategy focused on operational efficiency and waste reduction.	

1 Medichem Spain's production represents the quantity of solid finished product, plus the intermediate product sent to Medichem Malta, plus the quantity of liquid finished product (Chlorhexidine Digluconate) multiplied by a correction factor corresponding to the percentage of Chlorhexidine Digluconate manufacturing hours relative to the total manufacturing hours. In the case of Medichem Malta, we have calculated production as the quantity of finished product plus intermediate product manufactured. Combino Pharm Malta's production has been calculated as the quantity of capsules and tablets manufactured.

2 Total energy consumption (electricity + natural gas + LPG + diesel) / Annual production of the organization (GJ/tonne).



# 1.2

## Pollution

## WASTE MANAGEMENT

At Medichem, we understand that operational excellence and sustainability are two sides of the same coin. In this sense, our waste management strategy stands as a fundamental pillar for achieving our ambitious environmental goals. With a comprehensive and cutting-edge approach, we have implemented initiatives that have not only reduced waste generation but also optimized its recovery and minimized the environmental impact of our operations.

Below are quantitative data on waste generation and recovery in 2024, detailed in tables, to accurately demonstrate our achievements and progress.

### Quantitative Results of Waste Management 2024



#### Global Waste Reduction

An 18% global reduction in waste generation has been achieved in 2024 compared to 2023, for both hazardous and non-hazardous waste.

#### Valorization

Waste recovery remains at high levels, with consistent figures for both hazardous and non-hazardous waste. Likewise, in terms of efficiency, waste intensity (tons of waste per ton of product manufactured) has seen significant improvements.

### Waste Management Program and Implemented Actions

In 2024, an ambitious Waste Management Program was drafted and implemented, based on the 5Rs: refuse, reduce, reuse, recover, and recycle. This program, which forms the backbone of our environmental strategy, establishes clear goals and a detailed action plan to:



1. Reduce waste generation by optimizing processes and continuously improving our operations.
2. Optimize the use of resources and maximize the recovery of each type of waste.
3. Minimize the environmental impact associated with waste management by adopting cutting-edge technologies and circular economy practices.

## FEATURED INITIATIVES



### Medichem Malta and Combino Pharm

Container return systems (BCRS) have been implemented for cans and plastic bottles. Each returned container generates a credit that goes to non-profit organizations, thus promoting the circular economy and strengthening our social commitment.



### Medichem España

The use of single-use gowns has been replaced with reusable cloth gowns, contributing to a significant reduction in waste.

Type of Waste	2023		2024	
	Waste Generated	% of Waste Destined for Recovery	Waste Generated	% of Waste Destined for Recovery
Non-hazardous Waste	355	39%	316	39%
Hazardous Waste	4.185	77 %	3.445	77 %
By-products	26	100 %	5	100 %
<b>Total (tonnes)</b>	<b>4.566</b>		<b>3.766</b>	

Type of Waste	2023 Waste Generated	2024 Waste Generated
Non-hazardous waste intensity (Tn waste/ Tn product)	1,22	1,09
Hazardous waste intensity (Tn waste/ Tn product)	12,07	9,93
Byproduct intensity (Tn byproduct/ Tn product)	0,08	0,02
<b>Total (tonnes)<sup>3</sup></b>	<b>13,37</b>	<b>11,04</b>

<sup>3</sup> Medichem Spain's production represents the quantity of solid finished product, plus the intermediate product sent to Medichem Malta, plus the quantity of liquid finished product (Chlorhexidine Digluconate ) multiplied by a correction factor corresponding to the percentage of Chlorhexidine Digluconate manufacturing hours relative to the total manufacturing hours. In the case of Medichem Malta, we have calculated production as the quantity of finished product plus intermediate product manufactured. Combino Pharm Malta's production has been calculated as the quantity of capsules and tablets manufactured.



# COMPREHENSIVE COMMITMENT TO WATER QUALITY

## Advanced Strategies in Wastewater Treatment

Responsible wastewater management is a central pillar of our environmental strategy and a key differentiator of our corporate commitment. Aware of the importance of protecting our water resources, we have implemented state-of-the-art treatment processes to ensure the highest quality in our wastewater and reduce the environmental impact. Our approach centers on two strategic lines of action: improving the quality of discharged water and reducing the volume discharged, while always strictly complying with environmental authorizations.

### Comprehensive Approach to Wastewater Treatment

#### Improving Discharge Quality



At Medichem Spain, wastewater undergoes a treatment process that includes:

**Homogenization and Neutralization:** Ensuring optimal pH and uniform conditions for subsequent treatment.

**Physicochemical Treatment:** Which efficiently reduces the pollutant load.

**Chemical Oxidation with Hydrogen Peroxide:** Considered the Best Available Technique (BAT) and has contributed to the development of the BREF for the chemical sector, raising our treatment standards.

**Sludge Drying:** Using a filter press, which allows the solid waste generated to be separated and treated responsibly.



At Medichem Malta, a similar treatment is applied with homogenization, neutralization, and physicochemical treatment, complemented by specialized sludge filtration to remove wastewater, thus ensuring quality in the discharge.

#### Reduction of Discharged Volume

Medichem complies with the requirements established in its wastewater discharge permits at all its facilities. Wastewater is managed internally at internal wastewater treatment plants and discharged to another municipal treatment plant before being discharged into the river, at Medichem Spain, or into the sea, at Medichem Malta. These practices not only ensure compliance with regulations but also improve the quality of the discharge.



## KEY DISCHARGE INDICATORS 2024

To measure the effectiveness of our processes, we periodically monitor key discharge parameters. The most critical indicator is Chemical Oxygen Demand (COD), which measures the amount of oxygen needed to oxidize organic matter, along with other key contaminants such as phosphorus, nitrogen (Kjeldahl), suspended matter, and chlorides. Below are the values obtained in 2024 compared to 2023.

These data reflect significant improvements in COD reduction and nitrogen and suspended matter levels, demonstrating the effectiveness of our treatment processes. Phosphorus and chloride levels remain within the optimal parameters, underlining our commitment to operational excellence.

Amount of pollutant (in tonnes)	2023	2024
COD	35,28	25,68
Total Phosphorus	0,10	0,25
Kjeldahl Nitrogen	2,15	1,95
Suspended Matter	3,79	3,50
Chlorides	43,90	43,90

### Advanced Monitoring and Reduction of Contaminants in Wastewater Discharges



The amounts of contaminants were determined through actual periodic analyses carried out throughout 2024, in conjunction with measurements of the amount of water discharged. At Medichem Spain, the volume of water discharged is estimated at 80% of the total consumed, while at Medichem Malta and Combino Pharm Malta, it is measured directly using flow meters, as both plants share a common treatment plant that jointly manages all wastewater.

Thanks to the implementation of robust improvement measures, we have managed to reduce the amount of COD discharged by 27% compared to the previous year, consolidating our environmental commitment.

During 2024, experimental testing was carried out in an electrochemical oxidation pilot plant at our Medichem Spain and Malta facilities, focusing on the internal treatment of wastewater currently treated externally. This experimental effort will continue at Medichem Malta during 2025.

Also, a comprehensive analysis of the concentration of priority APIs in the discharge water will be conducted in 2025, to ensure compliance with a risk coefficient (RQ) of less than 1 for all manufactured APIs. The RQ is defined as the relation between the predicted environmental concentration (PEC) to the predicted no-effect concentration (PNEC), i.e.,  $RQ = PEC/PNEC$ .

This advanced monitoring and contaminant reduction strategy reaffirms our commitment to sustainability and continuous improvement, positioning Medichem as a benchmark in responsible and transparent wastewater management.

# LIGHT AND NOISE POLLUTION MANAGEMENT

## Operational Excellence and Environmental Commitment

At Medichem, we reinforce our commitment to sustainability by adopting advanced measures to manage light and noise pollution, ensuring that our operations remain at the forefront of environmental excellence. Although the assessment of our light and noise impacts has shown that they currently do not pose a material risk to the environment, our commitment to innovation and continuous improvement drives us to optimize these aspects, exceeding regulatory requirements and generating sustainable value.

### Optimization of Light Pollution

#### LED Lighting Strategy:

In all our facilities, we strictly comply with light pollution regulations and are committed to energy efficiency.

- **Medichem Spain:** In 2021, a strategic study was designed that established a complete transition to LED lighting within a three-year period. For 2024, this objective has been met, positioning us as a leader in the use of clean and efficient technologies.
- **Medichem Malta:** The phased replacement of outdoor lighting with LEDs is underway, reaffirming our commitment to standardizing high-efficiency solutions across all our sites.



### Optimization of Noise Pollution

#### Equipment Renewal and Noise Control

We are constantly updating our equipment to minimize noise emissions, replacing those that generate high levels with quieter alternatives.

- **Medichem Malta and Combino Pharm:** Measurements carried out in August 2021 indicated that acoustic emissions did not exceed 5 dB above background noise, complying with current regulations; the next monitoring is scheduled for 2026.
- **Medichem Spain:** A study conducted by Dekra Industrial, SAU in November 2024 confirmed that our facilities meet all noise pollution requirements, reflecting our commitment to operational excellence.



## SOIL AND UNDERGROUND WATER POLLUTION

### Comprehensive Strategy and Continuous Monitoring

Our commitment to sustainability extends to all aspects of our environmental impact. We strive to reduce the footprint of our operations by implementing specific actions to protect soil and underground water, which are critical to environmental health. Our strategy is based on periodic assessments and the use of cutting-edge technologies that allow us to monitor and ensure environmental quality at our sites.

#### Evaluation and Monitoring at Medichem Spain

##### Base Study and Piezometer System

In 2015, a soil baseline survey was conducted by eSolve, which included a comprehensive study of the soil and underground water status of the entire site. As a result, four fixed piezometers, measuring devices highly sensitive to pressure and submersible, were installed to periodically monitor underground water quality and soil contamination.

In 2023, a new fixed piezometer was installed, motivated by the closure of the underground water supply well, thus strengthening our monitoring system.

##### Controlled Parameters

At Medichem Spain, these piezometers are used exclusively to measure volatile organic compounds (VOCs), soil temperature and moisture, and to monitor the phreatic level. They also analyze total petroleum hydrocarbons (TPH), other volatile organic compounds, and various underground water parameters, allowing us to ensure the environmental integrity of our operations.

##### Control Protocols

Since the initial installation, soil monitoring has been carried out every six months and underground water assessments every five years, ensuring that there is no contamination that could affect the environment. In December 2024, a comprehensive underground water sampling was conducted, measuring phreatic levels, physicochemical parameters, VOCs, and other gases from the existing and new piezometers. The results met all established requirements, reaffirming the effectiveness of our preventive and corrective measures.

#### Evaluation at Medichem Malta

At Medichem Malta, soil and underground water contamination management is also treated with high priority. In January 2017, the company En-sure Monitoring conducted a risk assessment to determine potential soil and underground water contamination. This assessment concluded that the risk was very low, so it was not deemed necessary to prepare a soil baseline report or implement an intensive underground water monitoring system.





# 1.3

## Water and Marine Resources

## WATER CONSUMPTION

At Medichem, we recognize that water and marine resources are fundamental to the sustainability and continuity of our operations. Aware of the scarcity and the importance of protecting both freshwater and marine ecosystems, we have developed a comprehensive strategy aimed at optimizing water use and minimizing its environmental impact.

Our corporate commitment translates into actions that improve consumption efficiency, promote technological innovation, and strengthen the responsible management of this vital resource. Each measure implemented reinforces our leadership position in sustainability, ensuring that our operations contribute to the protection of aquatic and marine ecosystems, generating sustainable value for all our stakeholders.

### Comprehensive Strategy for Water Resources Management

#### Optimizing Water Consumption:

All water consumed at Medichem comes from the drinking water network, ensuring quality and traceability. In 2024, we achieved a 4% overall reduction in water consumption compared to 2023, while at Medichem Spain, we achieved a 15% reduction thanks to specific efficiency measures.

Efficiency and Savings Measures: We implement cutting-edge initiatives that include:

- Condensate Recovery: Reuse of condensate in the boiler feed tank.
- Leak Monitoring and Detection: Weekly data collection allows us to respond immediately to any anomaly.
- Dry Urinal Installation: Incorporating low-consumption technology in our offices.
- Installation of flow reducers on office taps.
- Awareness Campaigns: Awareness programs aimed at all our employees at Medichem Malta and Combino Pharm to encourage responsible water use.

	2023	2024
Network water consumption (m <sup>3</sup> )	75.040	71.732
Well water consumption (m <sup>3</sup> )	-	-
<b>Total (m<sup>3</sup>)</b>	<b>75.040</b>	<b>71.732</b>

	2023	2024
Water consumption intensity (m <sup>3</sup> /t) <sup>4</sup>	259	246

<sup>4</sup> Medichem Spain's production represents the quantity of solid finished product, plus the intermediate product sent to Medichem Malta, plus the quantity of liquid finished product (Chlorhexidine Digluconate) multiplied by a correction factor corresponding to the percentage of Chlorhexidine Digluconate manufacturing hours with respect to the total manufacturing hours. In the case of Medichem Malta, we have calculated production as the quantity of finished product plus intermediate product manufactured. Combino Pharm Malta's production has been calculated as the quantity of capsules and tablets manufactured.

## COMMITMENT TO THE PROTECTION OF MARINE ECOSYSTEMS

Our commitment extends to the protection of marine ecosystems. Optimizing water use and reducing consumption indirectly contribute to preserving the quality of the water resources that flow into our oceans. By reducing the demand for drinking water and minimizing the volume of wastewater generated, we help reduce the pressure on wastewater treatment systems and, consequently, on marine ecosystems.

### Water Management Program and Future Actions

By 2024, a Water Management Program has been implemented that defines a strategic roadmap for:

- 1.** Optimizing the use of water resources in all production phases.
- 2.** Reducing the environmental impact associated with water consumption.
- 3.** Implementing advanced technologies and innovative operating practices.





## WASTEWATER DISCHARGE QUALITY

### Corporate Commitment and Excellence in Sustainability



Responsible wastewater management is essential to preserving environmental quality and maintaining the integrity of our water resources. With a corporate approach that integrates innovation, regulatory compliance, and continuous improvement, we have established two fundamental strategic lines for wastewater treatment: improving the quality of discharged water and reducing the volume discharged.



Wastewater discharge quality is a strategic focus for Medichem, which integrates high technical standards, regulatory compliance, and a proactive approach to continuous improvement. Our commitment to reducing COD by 27%, along with innovative initiatives in wastewater treatment.



This comprehensive strategy not only ensures that our operations meet established requirements but also reinforces our corporate value proposition: generating a positive impact on the environment, optimizing our processes, and ensuring a sustainable and profitable future for our customers, partners, and society at large. At Medichem, operational excellence and environmental responsibility become synonymous with innovation and leadership in sustainability.





# 1.4

## Biodiversity and Ecosystems

## BIODIVERSITY

### Our Commitment to Sustainable Coexistence and Environmental Protection

At Medichem, we firmly believe that preserving biological diversity is essential to safeguarding the vital cycles of water, nutrients, and soil, and minimizing our environmental impact. Our strategy focuses on integrating operational excellence and sustainability practices, ensuring a harmonious coexistence between industry and the natural environment.



### Context and Strategic Location



#### API plant in Medichem Spain:

Our API manufacturing plant is strategically located. Although it is not located in a protected natural area, it is only 2 kilometers from two important environmental protection areas:

- **Riberes del Baix Ter:** Located to the north that has been part of the Special Protection Plan (PEIN) since 2014.
- **Les Gavarres:** Located in the southwest, it is also included in the PEIN. In an accidental scenario, neither natural area would be affected, as concluded by the Environmental Risk Analysis report prepared in October 2019 by the environmental consulting and engineering firm eSolve.



#### Plantas en Medichem Malta y Combino Pharm Malta:

These facilities are located on adjacent plots within the Hal Far Industrial Estate in Birzebuggia. The cliffs in the area are designated as a Special Environmental Protection Area (SEPA), a Special Area of Conservation (SAC) under Natura 2000, and listed as an Area of Ecological Importance (AEI). In January 2017, a risk analysis conducted by En-sure Monitoring concluded that the activity at Medichem Malta has no significant adverse effect on the natural environment.

## COMPREHENSIVE CONSERVATION STRATEGY

At Medichem, we work tirelessly to ensure sustainable coexistence between industry and the environment, through actions that include:

### Periodic Monitoring

We conduct ongoing assessments of air, soil, wastewater and underground water emissions to ensure our operations do not have negative impacts on biodiversity.



### Collaboration and Environmental Education

- **Escanyagats Project:** In collaboration with the naturalist association La Sorellona, we participate in the monitoring of the stickleback fish (*Gasterosteus aculeatus*) in the pond of the new cemetery in Girona, actively contributing to the monitoring of local biodiversity.
- **Support for the Naturalist Community:** We have provided financial support to the Girona Naturalists Association to promote environmental education activities and habitat restoration, fostering greater awareness and participation in environmental conservation.



# 1.5

## Use of Resources and Circular Economy

# USE OF RESOURCES AND CIRCULAR ECONOMY

## A Comprehensive Corporate Strategy

At Medichem, we firmly believe in a responsible production and consumption model, which places the Circular Economy at the heart of our Environmental Management System. Our strategic vision is based on integrating prevention, reuse, and recycling into every phase of our operations, generating a sustainable competitive advantage and a positive impact on the environment.

Our commitment extends to all levels of the organization: at every stage of the production process, in every department, and in all our plants, we promote knowledge and awareness of the waste hierarchy. This approach allows us to always prioritize the prevention of waste generation and, when its production cannot be avoided, to systematically assess its reuse and recycling potential.

### Strategic Areas of Action for Circular Economy

To effectively implement the Circular Economy model, we have developed procedures and actions structured into seven strategic areas:

#### Design:

1.
  - **Responsible Innovation in R&D:** In the design of our production processes, we incorporate environmental criteria based on green chemistry, ensuring that innovation aligns with sustainability goals.
  - **Equipment Selection:** The acquisition of new equipment is carried out with strict consideration of environmental criteria, maximizing efficiency from the investment phase.

#### Production and re-transformation:

2.
  - **Water Consumption Optimization:** We implement recirculation systems that optimize the use of water resources and reduce the demand for new water.
  - **Process Review:** We are re-examining our production processes to minimize the consumption of resources and raw materials, encouraging the reuse of these consumables.
  - **Improved Packaging Management:** We replaced 120-liter plastic drums with big bags, which reduces waste generation and improves logistical efficiency.
  - **Digitalization and Efficiency Meetings:** The implementation of the ERP (SAP) and the digitalization process of the manufacturing sheets (Electronic Batch Record) in Medichem Spain, Medichem Malta and Combino Pharm optimizes productivity and minimizes environmental impact.

#### Transportation and Distribution

3.
  - **Packaging Optimization:** We prioritize the use of large-sized packaging and recycled materials, reducing the waste generated during transportation and distribution.
  - **Efficient Logistics:** We improve waste transportation through optimized routes and methods, reducing the carbon footprint associated with the distribution chain.



## STRATEGIC AREAS OF ACTION FOR CIRCULAR ECONOMY

To effectively implement the Circular Economy model, we have developed procedures and actions structured into seven strategic areas:

### Consumption, Use, Reuse and Repair

4.
  - **Internal Reuse of Consumables:** We promote the reuse of solvents and raw materials, ensuring their reincorporation into the production process.
  - **Document Maintenance and Digitization:** We implement corrective and preventive maintenance programs and digitalize documentation using a document management system (DMS) to improve traceability and operational efficiency.
  - **Wastewater Management and Reuse of Aqueous Phases:** Medichem Spain implements internal wastewater treatment, reusing aqueous phase residues to neutralize the purification process.
  - **Use of Recycled Containers:** We purchase recycled IBC containers and reuse raw material packaging to minimize waste.

### 5. Collection

- **Local and Separate Collection Operators:** We work with local operators for selective collection to promote recycling and ensure the correct classification of waste.

### 6. Recycling and End-of-Life Treatment

- **Material Recovery and Recycling:** We develop energy recovery and recycling processes for solvents and raw materials, complemented by a system for cleaning and returning IBC containers for reuse.

### 7. Acquisition of Raw Materials

- **Sustainable Supplier Certification:** We evaluate and certify our suppliers and transporters under strict environmental criteria, ensuring that the entire supply chain is aligned with our Circular Economy objectives.

### Proactive Approach to Waste Minimization

From the initial phase of developing new R&D processes, at Medichem we focus our efforts on minimizing waste generation. We study each manufacturing process individually to optimize raw material consumption and re-use or recover solvents and other consumables. If reuse is not possible, we analyze alternatives for the recovery and re-use of such waste; only as a last resort is it treated or disposed of.



## OPTIMIZATION OF RAW MATERIAL CONSUMPTION IN API MANUFACTURING

At Medichem, we understand that raw material consumption in API manufacturing is a critical factor, both from an operational and environmental perspective, given that the amount of consumables used far exceeds the amount of product obtained. Aware of this challenge inherent to our sector, we have developed a comprehensive strategy to optimize our chemical processes and reduce the environmental impact associated with raw material consumption and waste generation.

Our strategic approach is centered on two fundamental pillars:

### Process Optimization

We continuously review and improve our production processes to minimize the use of consumables, ensuring manufacturing efficiency.



### Use of Renewable Raw Materials

We actively promote the replacement of non-renewable raw materials with renewable alternatives whenever possible, thereby reducing the environmental footprint of our operations

Within the API manufacturing value chain, solvents (mainly non-halogenated ones) represent one of the critical components, as they are used in large volumes to facilitate chemical reactions.

At Medichem, special attention is paid to solvent waste: approximately 50 tons are reused internally annually, while more than 700 tons are recovered and reused externally each year, reflecting the success of our optimization efforts.

## OPTIMIZATION OF RAW MATERIAL CONSUMPTION IN API MANUFACTURING

		2023	2024
Inorganic compounds	Non-Renewable	374,27	322,16
	 Renewable	0,03	0,06
Organic compounds	Non-Renewable	620,22	497,54
	 Renewable	8,55	4,86
Halogenated solvents	Non-Renewable	18,43	10,15
	 Renewable	0,00	0,00
Non-halogenated solvents	Non-Renewable	1.829,80	1.468,37
	 Renewable	874,54	747,69
Purification reagents	Non-Renewable	316,72	247,96
Nitrogen	No Renovable	1.014,98	1.252,77
Packaging	Non-Renewable	470,43	326,77
	 Renewable	12,60	12,81
Brine	Non-Renewable	50,00	40,00
	 Renewable	44,66	47,28
Other	No Renovable	1,91	4,69
Active pharmaceutical ingredients	No Renovable	1,90	1,26
Dye	No Renovable	2,58	1,60
Excipients	No Renovable	67,21	28,45
Total consumption of raw materials		5.708,83	5.014,42

Globally, the use of materials has been reduced by 12%.

Overall, a 12% reduction in the use of materials has been achieved. Of note is that Medichem Spain has seen a 20% reduction in the consumption of non-halogenated solvents and a 20% reduction in the consumption of non-renewable organic compounds, as a result of our rigorous optimization efforts.

## EFFICIENCY IN THE CONSUMPTION OF RAW MATERIALS

The efficiency of raw material use is measured as consumption intensity (tons of raw materials per ton of manufactured product), which allows us to evaluate the optimization of our processes:

These indicators reflect a 13% improvement in the efficiency of consumption of materials, demonstrating the optimization of our processes and our commitment to reducing our environmental impact.

At Medichem, optimizing raw material consumption in API manufacturing is a strategic priority that generates a significant impact on sustainability and operational efficiency. The 12% overall reduction in the use of materials, along with significant improvements in consumption efficiency—particularly at Medichem Spain—underscores our commitment to the transformation toward a Circular Economy model.

This comprehensive approach not only reduces our environmental impact but also reinforces our corporate value proposition: a highly efficient and sustainable operation that generates competitive advantages and adds value to our customers and society. At Medichem, we are committed to continuing to innovate and perfect our processes, ensuring that industry and sustainability coexist to build a cleaner, more efficient, and profitable future.

	2023	2024
<b>Intensity of non-renewable raw materials</b> (t raw material/t <sup>5</sup> product)	16,46	14,39
<b>Intensity of renewable raw materials</b> (t raw material/t product)	3,25	2,78
<b>Raw material intensity</b> (t raw material/t product)	19,71	17,17

### Food Waste

Given the nature of the company's business, food waste is not considered a material issue for Medichem.

### Packaging

Packaging material is also an important part of the product, with its associated environmental impact. That is why at Medichem we work to reduce this impact of packaging material.

At Medichem Spain:

- The number of pallets used has been reduced by 40% in 2024 compared to 2023.
- Replacing the 30-micron plastic used to strap shipped products with a more elastic 12-micron plastic has reduced consumption of this plastic by 68%.

<sup>5</sup> Medichem Spain's production represents the quantity of solid finished product, plus the intermediate product sent to Medichem Malta, plus the quantity of liquid finished product (Chlorhexidine Digluconate ) multiplied by a correction factor corresponding to the percentage of Chlorhexidine Digluconate manufacturing hours relative to the total manufacturing hours. In the case of Medichem Malta, we have calculated production as the quantity of finished product plus intermediate product manufactured. Combino Pharm Malta's production has been calculated as the quantity of capsules and tablets manufactured.

## ECONOMIC RESOURCES DESTINED FOR THE ENVIRONMENT

### Promoting Sustainable Excellence





At Medichem, we understand that our commitment to the environment is an essential pillar of our corporate strategy. Therefore, we allocate part of our budget to ensuring compliance with all legal requirements, optimally managing environmental aspects, and driving continuous improvement through strategic investments that reinforce our sustainable value proposition. These investments translate into tangible improvements in efficiency, reduced impacts, and the strengthening of our image as a sustainable company.

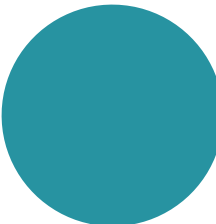
At Medichem, we allocate part of our budget to ensure compliance with all legal requirements, proper management of all environmental aspects, the achievement of these environmental objectives, and continuous improvement through the implementation of new investments.

In 2024, we allocated approximately €300,000 to environmental management, of which 80% was invested in the Medichem Spain plant and 20% in Medichem Malta. In 2023, €1.02 million was allocated to environmental management, of which 78% was invested in the Medichem Spain plant and 22% in the Combino Pharm Malta plant.

Not all of the investments planned for 2024 have been met for various reasons, including the fact that approval is not solely dependent on Medichem. In these cases, it has been postponed until 2025. In order to reduce our environmental impact and fulfill our social commitment while respecting the environment, we have invested in the following environmental aspects:

	Investment details	Environmental Aspect
Medichem España	Replacement of EF1 asbestos	Waste
Medichem España	Additional electric vehicle charging station	Atmospheric emissions
Medichem España	Investments in ENVIRONMENTAL actions	Water
Medichem España	RTO Installation	Atmospheric emissions
Medichem España	Chiller F-100	Energy efficiency
Medichem España	Extractor arm in the washing room PB22	Atmospheric emissions
Medichem Malta	Micronizer Feeder Motor Upgrade	Energy efficiency
Medichem Malta	Warehouse temperature monitoring system	Energy efficiency

% Investment	Waste	Atmospheric Emissions	Energy Efficiency	Water
ODS				
2023	19%	73%	5%	3%
2024	5%	68%	21%	6%









## ECONOMIC RESOURCES DESTINED FOR THE ENVIRONMENT

### Promoting Sustainable Excellence

At Medichem, we strive to minimize as much as possible the impact of our activities and prioritize environmental protection. That's why, by 2025, we plan to invest in mitigating the impact of the following environmental aspects:

	Investment Details	Environmental Aspect
Medichem España	2nd phase RTO Installation	Atmospheric emissions
Medichem España	Investments in ENVIRONMENTAL actions '25	Water
Medichem España	Increase in capacity of the Celrà WWTP	Water
Medichem España	FTS air conditioning renovation	Energy Efficiency
Medichem España	Solvent dispenser installation	Waste

The investments will be aimed at reducing the environmental impact of the following environmental aspects:

% Investment in 2025	Waste	Water	Atmospheric Emissions		Energy Efficiency	
ODS						
Medichem Spain	1%	18%	79%		2%	
Medichem Malta	-	-	-		-	
Combino Pharm Malta	-	-	-		-	

## Human Resources Destined for the Environment

At Medichem, we have Environmental departments in Spain and Malta, responsible for comprehensively managing and controlling the risks and impacts associated with our activities. These teams ensure compliance with the company's global policies, guaranteeing that all operations are carried out with the highest environmental standards.

The Environment Department in Spain coordinates activities in the offices and laboratory in Sant Joan Despí, ensuring consistency and alignment of priorities and actions across the organization. Furthermore, all employees in the environmental area receive specialized training to perform their responsibilities, complemented by an Annual Training Plan that promotes the continuous updating and development of their skills.



## GREEN CHEMISTRY

### Integrating Sustainability and Innovation into Our Processes

At Medichem, the integration of Green Chemistry into our production processes is a strategic pillar that drives innovation and strengthens our sustainable value proposition. We adopt an eco-design approach to our product design, focusing on resource optimization and waste minimization, which allows us to significantly reduce our environmental impact throughout the entire manufacturing chain.

During the research phase, we thoroughly evaluate each process in terms of safety and sustainability to anticipate and mitigate any environmental impacts. During the development phase, we systematically apply nine of the twelve principles of Green Chemistry, including:

- **Waste Prevention:** We promote the design of processes that prevent waste generation, prioritizing prevention over subsequent treatment.
- **Toxicity Minimization:** We design synthetic methods that minimize or eliminate toxicity, protecting both human health and the environment.
- **Maintaining Efficiency:** We seek to maintain process efficiency without compromising safety by integrating fewer toxic solutions.
- **Reduction of Auxiliary Substances:** We limit the use of solvents and other auxiliary products, opting for safer alternatives.
- **Energy Optimization:** We prioritize processes at ambient pressure and temperature to maximize energy efficiency.
- **Prioritizing Renewable Materials:** We incorporate renewable raw materials whenever possible to reduce dependence on non-renewable resources.
- **Use of Catalysts:** We replace stoichiometric reagents with catalytic ones, optimizing the efficiency of chemical reactions.
- **Rigorous Monitoring:** We continuously monitor our processes to prevent the formation of hazardous substances.
- **Accident Risk Reduction:** We select processes and substances with lower risks, reinforcing operational safety.

This approach is not limited to R&D; during 2024, at Medichem, we have implemented environmental improvements in six manufacturing processes. Specifically, at Medichem Spain, we have achieved a 20% reduction in dimethylformamide consumption and optimized four other processes, achieving reductions of between 10% and 80% in raw material consumption, thanks to increased yield. At Medichem Malta, we have identified the process with the highest methanol consumption and a study is planned to evaluate its reuse, thus reinforcing our commitment to the circular economy.

With this strategy, Medichem not only optimizes resource use and minimizes waste generation but also generates tangible added value for our customers and partners. Our corporate vision of sustainable innovation drives every decision, ensuring that operational excellence and environmental protection work in synergy to build a cleaner, more responsible future.







# 02

We Care for  
People

# WE CARE FOR THE PEOPLE

## The People as a Pillar

### Strategic in Medichem

At Medichem, we foster an environment where personal and professional development is essential, convinced that scientific excellence and commitment to people are the pillars of the pharmaceutical sector. Social sustainability is at the heart of everything we do, guiding our decisions and strengthening the positive impact we generate in society and in the market.

With this commitment, we have structured our social management in alignment with the highest sustainability standards, ensuring that we not only comply with legal requirements but also go beyond to generate a positive impact on the communities we interact with. This approach strengthens our ability to anticipate global social challenges and make social sustainability a key pillar of our corporate strategy. By integrating sustainability into all our processes, we are not only fulfilling our social responsibility but also strengthening our competitiveness and consolidating our position as a benchmark in the pharmaceutical sector.

The “We Care for People” chapter, included in our 2024 Sustainability Report, reflects this conviction. We present our social initiatives within a robust and transparent framework, integrating the results of the Double Materiality analysis conducted this year. This analysis has allowed us to identify and prioritize the most relevant social aspects for our operations, ensuring their alignment with our organization and strengthening our commitment to generating sustainable value for all our stakeholders.



***“At Medichem, our commitment to people’s development and well-being strengthens the bond that unites us and sustains our mutual growth and success.”***

# WE CARE FOR THE PEOPLE

## The People as a Pillar

Social sustainability is an essential component of Medichem's strategy, acting as a driving force to enhance the development of our organization, build strong relationships within our teams, and create a flexible work environment prepared to face current and future social challenges. This approach is articulated in three key commitments that guide our actions:

- **Talent:** At Medichem, we look for people who share our passion and commitment. We want everyone to feel part of a team where they can grow, contribute their talents, and develop in an environment of trust and respect.
- **Development:** We are committed to continuous learning, offering opportunities that allow each person to advance their career and discover new capabilities. We believe in the potential of our people and in their growth as part of our own advancement.
- **Well-being:** We promote the comprehensive well-being of our people, ensuring a balance between personal and professional life and fostering safe, inclusive, and motivating work environments.

These commitments not only strengthen the personal and professional growth of those who are part of Medichem, but also consolidate our organizational culture, creating an environment where people feel acknowledged for their impact, supported in their ongoing development, and essential to driving a culture of long-term growth and sustainability.

## Chapter Structure

### An Orderly and Transparent Approach

The “*We Care for People*” chapter was developed to clearly and transparently present the range of social initiatives carried out at Medichem.

It also reinforces our commitment to transparency, excellence, and information disclosure, essential values in our relationships with key *stakeholders*.





## SOCIAL MANAGEMENT BASED ON FOUR KEY AREAS

The chapter is organized into four key sections that reflect our strategy and progress in social matters:

### 1. Own Workforce

At Medichem, we understand that our human capital is the cornerstone of our organization and the engine that drives our sustainable growth. Their well-being, development, and commitment are essential to achieving our goals. In this section, we highlight our actions to create an environment where every person feels valued, respected, and inspired, including:

- **Decent working conditions:** We care about the comprehensive well-being of our team, promoting a safe, healthy, and motivating work environment. We guarantee fair working conditions that respect the fundamental rights of every person, prioritizing safety and health at work.
- **Equal Opportunities:** We believe in the potential of every individual, which is why we promote diversity, inclusion, and gender equality. We foster a culture that celebrates differences and promotes equity, ensuring that all voices are heard and valued.
- **Professional and personal development:** We support our team's growth by offering ongoing training and skills development opportunities. We invest in our people's talent, enhancing their capabilities so they can grow alongside Medichem and successfully face future challenges.
- **Labor relations based on respect:** We promote an environment of open dialogue, active participation, and collaboration. We value the ideas, commitment, and dedication of each person, building relationships based on trust, mutual respect, and recognition for a job well done.

### 2. Value Chain Workers

At Medichem, we are committed to well-being and fair working conditions throughout our value chain. This section details our key initiatives:

- **Responsible working conditions:** We work closely with our suppliers to ensure compliance with fair labor standards, promoting safe and dignified work environments.



## SOCIAL MANAGEMENT BASED ON FOUR KEY AREAS

### 3. Affected Groups

The groups that have been or may be affected include local communities, vulnerable groups, social organizations, and anyone who may experience a direct or indirect impact, whether near or far, as a result of our operations or through the upstream and downstream stages of our value chain. We recognize that our activities can impact their well-being, so we strategically manage these impacts to minimize risks and generate a positive impact. This proactive management is essential to strengthening our business resilience and contributing to sustainable development.

- **Commitment to communities:** We establish relations of open and transparent dialogue with the communities near our operations, listening to their concerns and collaborating on initiatives that contribute to their social and economic development.
- **Prevention of environmental and social impacts:** We adopt responsible practices to minimize negative effects on the environment and people's quality of life, ensuring that our business decisions consider the impact on health, the environment, and the social fabric.

### 4. End Users

End consumers are key players in our value chain, as their trust and well-being are directly linked to the quality, safety, and sustainability of our products and services. We understand that their satisfaction goes beyond the user experience, which is why we adopt a strategic approach to ensuring high standards of responsibility at every stage of the process. This proactive management allows us to strengthen our relationship with our consumers and contribute to more sustainable and ethical development.

- **Product Quality and Safety:** We implement strict quality and safety controls to ensure our products meet the highest standards, protecting the health and well-being of consumers.
- **Transparency and responsible communication:** We promote clear, truthful, and accessible communication about the features of our products and services, facilitating informed and responsible consumer decisions.
- **Sustainability throughout the product lifecycle:** We incorporate sustainability criteria into design, production, and distribution, minimizing environmental impact and promoting more conscious consumption.
- **Active listening and continuous improvement:** We establish channels of dialogue with consumers to understand their needs, concerns, and expectations, allowing us to continuously improve and strengthen relationships of trust.

***“At Medichem, people are not just part of our organization; they are the engine that drives our sustainable growth and the foundation of our commitment to a positive impact on society.”***

## SOCIAL MATERIALITY MATRIX

As part of our sustainability strategy and in line with our commitment to excellence, Medichem conducted its first Double Materiality exercise in 2024 based on the EFRAG and ESRS guidelines. This exercise, the general results of which are detailed in the previous sections, has allowed us to identify those topics and subtopics that have a significant impact on our environment and are critical to the financial sustainability of our company.

In this chapter, we discuss the social issues that have been found to be of relative importance as a result of the double materiality exercise, differentiating between those that are material from an impact perspective and those from a financial perspective.

Furthermore, the chapter highlights our internal priorities and evolving demands in this area, thus ensuring the transparency and rigor of the report.

### A Social Perspective Based on Double Materiality

The materiality analysis conducted in 2024 identified material social issues from both an impact perspective (impact materiality) and a financial perspective (financial materiality).



## A SOCIAL PERSPECTIVE BASED ON DOUBLE MATERIALITY

### Impact Materiality

Los temas materiales identificados en esta categoría reflejan áreas críticas donde nuestras operaciones generan un impacto social significativo:



**Own Workforce:** We promote a safe, inclusive, and fair work environment, prioritizing health, safety, professional development, and equal opportunities for our team.

**Value Chain Workers:** To align our procurement practices with our commitment to sustainability, in 2022 we selected Ecovadis to conduct individual sustainability performance assessments of our main suppliers. To do this, we conducted Supplier Mapping and contacted the suppliers with the greatest economic impact on our business, whom we have requested to be evaluated through the Ecovadis platform.

### Financial Materiality

From a financial perspective, the following topics represent risks and opportunities that directly impact Medichem's economic and operational sustainability.



**Own Workforce:** The well-being and development of our team are essential to ensuring a strong and sustainable organization. Investing in safe, inclusive, and equitable working conditions allows us to reduce turnover, absenteeism, and costs associated with workplace accidents, while strengthening engagement and productivity.

**Value Chain Workers:** The people in our supply chain are critical to business continuity. Ensuring fair and safe working conditions helps us minimize financial risks arising from operational disruptions, sanctions, and potential reputational impacts.





## KEY RESULTS

### Priority Social Sub-themes

The Double Materiality analysis has identified key sub-themes within the social aspects, which guide our social strategy:

#### Materiality by Impact

##### Own Workforce:

- **Equal Treatment and Opportunities for All:** We foster an inclusive environment where equity, diversity, and respect for the rights of all are guaranteed.
- **Other Work-related Rights:** We promote well-being at work by respecting work-life balance, job security, and the protection of fundamental rights at work.
- **Working Conditions:** We guarantee a safe and healthy work environment, with policies that prioritize the physical and mental well-being of our workforce.

##### Value Chain Workers:

- At Medichem, we have relied on Ecovadis since 2021 to help us assess potential risks in our value chain related to workers' rights and other aspects of sustainability.

#### Financial Materiality

##### Own Workforce:

- **Equal treatment and opportunities for all:** We reduce the risk of talent loss and improve competitiveness through equity, diversity, and inclusion policies.
- **Other work-related rights:** We mitigate the financial impact of staff turnover and absenteeism by ensuring stable working conditions that respect fundamental rights.
- **Working conditions:** We reduce costs associated with workplace accidents and sick leave by implementing safe and healthy work environments.

##### Value Chain Workers:

- Ecovadis is the platform we use to assess sustainability aspects linked to workers' rights and environmental issues throughout the value chain.

# DATA ANALYSIS OF THE DOUBLE MATERIALITY STUDY

## A Strategic Vision for Social Sustainability

At Medichem, we are committed to leading a sustainable transition in the pharmaceutical sector. As part of our corporate strategy, we conducted a Double Materiality analysis in 2024. This analysis was designed to identify and prioritize the most relevant impacts, risks, and opportunities (IROs) for our organization, ensuring that our actions not only respond to regulatory demands but also drive long-term value creation.

This strategic approach has allowed us to identify a total of 252 IROs, all of which were subjected to a rigorous evaluation process to determine which ones are relevant to the company. This analysis reinforces our commitment to transparency and consolidates Medichem as a company that anticipates market demands and leads with purpose.

## The Social Dimension

### A Corporate Priority

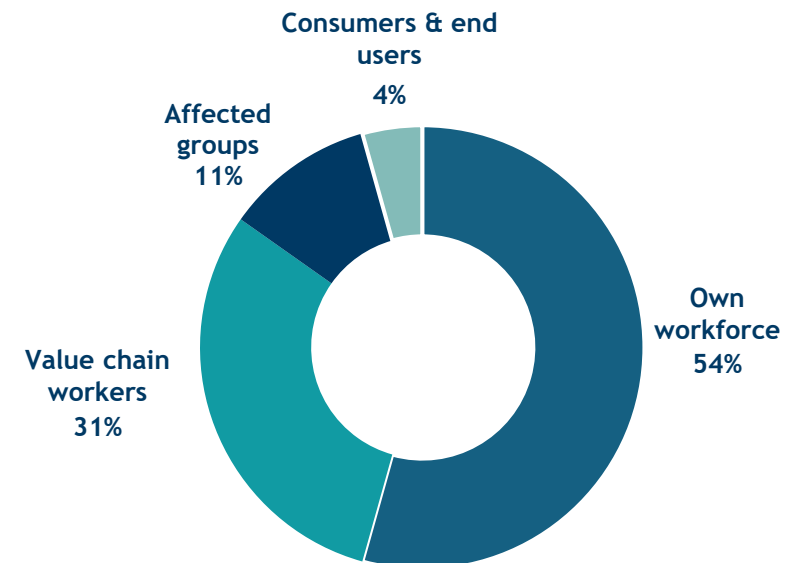
Among the 252 IROs identified, 29% belong to the social category, representing a total of 74 IROs directly related to the following topics:

- Own workforce
- Value chain workers
- Affected groups
- Consumers and end users

This ratio reflects the strategic importance of social sustainability for Medichem, both for its operational impact and its ability to generate resilience and competitive advantages in a highly regulated and demanding sector.

Of these 74 social IROs, 62% have been classified as material, meaning those with a significant impact on the environment or the organization's financial sustainability. This equates to 46 material IROs, strategically distributed according to the following social aspects:

Distribution of Social Material IROs by Category





# 2.1

## Own Workforce



# TALENT ATTRACTION AND RETENTION MEASURES

## Driving Corporate Success and Innovation

At Medichem, human talent is the foundation of our corporate strategy and the engine that drives our ability to innovate and grow sustainably. We recognize that attracting and retaining the best professionals is essential to maintaining our competitiveness in a constantly evolving global market. Therefore, we have implemented a comprehensive talent attraction and retention strategy, which strengthens our value proposition.

Our strategy is based on two fundamental pillars: talent attraction and talent retention. Each of these pillars is articulated through a series of measures and practices that guarantee an exceptional work environment, professional development opportunities, and a culture of transparency and fairness.

### Talent Attraction Strategies

- 1. Promoting a Good Work Environment:** At Medichem, we foster a work environment where collaboration, innovation, and employee well-being are priorities.
- 2. Presence and Visibility on Social Networks:** Our communications strategy seeks to strengthen our position as an employer in Spain and Malta.
- 3. Transparent Talent Mobility Management:** We implement clear and transparent processes that include exit interviews for employees who decide to leave voluntarily and personal communication of cases of involuntary termination.

### Talent Retention Strategies

- 1. Continuous Evaluation and Feedback:** We conduct annual evaluations that include two interviews with the immediate supervisor, providing constant and constructive feedback.
- 2. Personalized Onboarding and Follow-up for New Hires:** We conduct follow-up surveys for new hires, allowing us to quickly adapt our onboarding processes and ensure successful incorporation into the team.
- 3. Establishing Clear and Measurable Objectives:** We facilitate dialogue about annual objectives, establishing precise, achievable goals aligned with the corporate strategy.
- 4. Effective Internal Communication and Collaboration:** We hold regular department meetings to share progress, priorities, and challenges, fostering collaboration and a culture of transparency.
- 5. Internal Promotion with a Gender and Diversity Perspective:** We have a structured internal promotion process that incorporates a gender perspective, ensuring equity and promoting diversity at all levels of the organization.

## STRATEGIC IMPACT AND VALUE PROPOSITION

Medichem's strategy for attracting and retaining talent is a key differentiator that drives our corporate success. By investing in an inspiring work environment, continuous professional development processes, and transparent internal communication, we not only attract the best professionals but also maximize their potential to generate value for the organization.

### Drive Innovation

By having motivated and committed teams, we are capable of transforming challenges into opportunities, promoting R&D projects and optimizing processes.

### Promote Operational Excellence

Constant feedback and clear goal setting enable each employee to contribute meaningfully to the company's overall success.

### Strengthen Corporate Culture

Open communication and equitable talent management strengthen our reputation as an employer of choice, creating an environment that fosters personal and professional growth.

### Strengthen Corporate Culture

Retaining and developing talent is essential to maintaining our competitiveness and capacity for innovation, which translates into long-term, sustainable benefits for our customers, partners, and society.

Medichem's talent attraction and retention strategy is an essential component of our value proposition. By creating an exceptional work environment and offering continuous development opportunities, with each measure implemented we reinforce our commitment to building a future in which operational excellence and sustainability become synonymous with success, ensuring that each member of our team contributes decisively to achieving our corporate objectives.






## INTEGRATED PEOPLE MANAGEMENT

### Our Workforce as Proof of Progress, Stability, and Sustainability

At Medichem, we understand that our corporate success is based on human talent. Therefore, we have designed an integrated people management strategy aimed at attracting, developing, and retaining the best professionals, which allows us to drive innovation, efficiency, and competitiveness in a sustainable environment. Below, we present the progress made in people management as of December 31, 2023, and 2024, covering the distribution of the workforce by country, gender, professional category, age, and contract modalities, as well as key indicators of turnover and voluntary departures.

#### Distribution of the Workforce by Country

**Global Talent Growth:** Total headcount has increased by more than 4% in 2024 compared to 2023, driven by significant growth at Combino Pharm Malta to meet the increased demand for our products.

		2023	2024
	Medichem Spain	298	299
	Medichem Malta	51	50
	Combino Pharm Malta	97	117
	TOTAL	446	466

*The expansion at Combino Pharm Malta is a clear sign of our ability to strategically respond to growing market demand.*

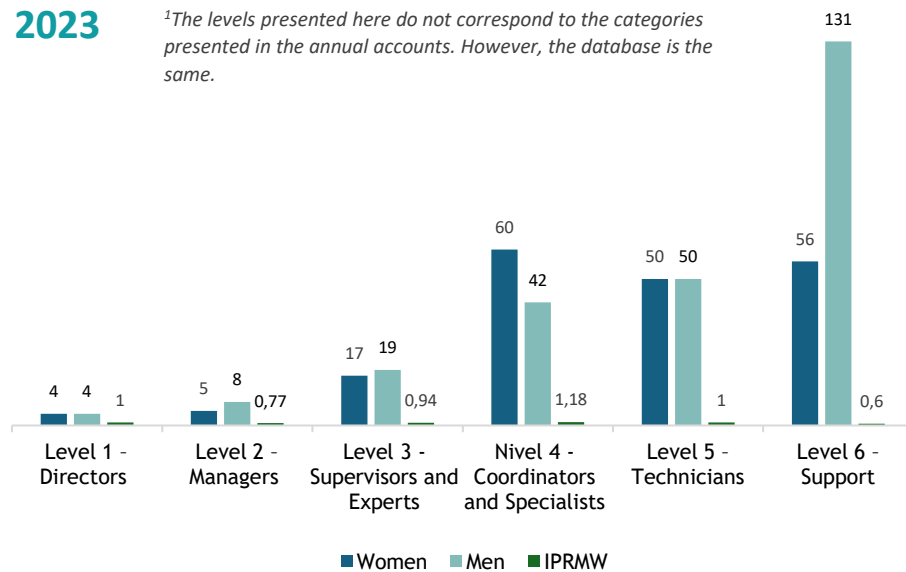
## DISTRIBUTION OF THE WORKFORCE BY GENDER AND PROFESSIONAL CATEGORY

The 466-person workforce is composed of 41.63% women and 58.37% men, reflecting a gender gap of -16.74 percentage points and a Relative Presence Index (RPIMW) of 0.83, within the limits of balanced representation.

The formula for calculating the Relative Presence Index (RPI) is as follows:  $((\text{Women} - \text{Men}) / (\text{Women} + \text{Men})) + 1$

### 2023

<sup>1</sup>The levels presented here do not correspond to the categories presented in the annual accounts. However, the database is the same.

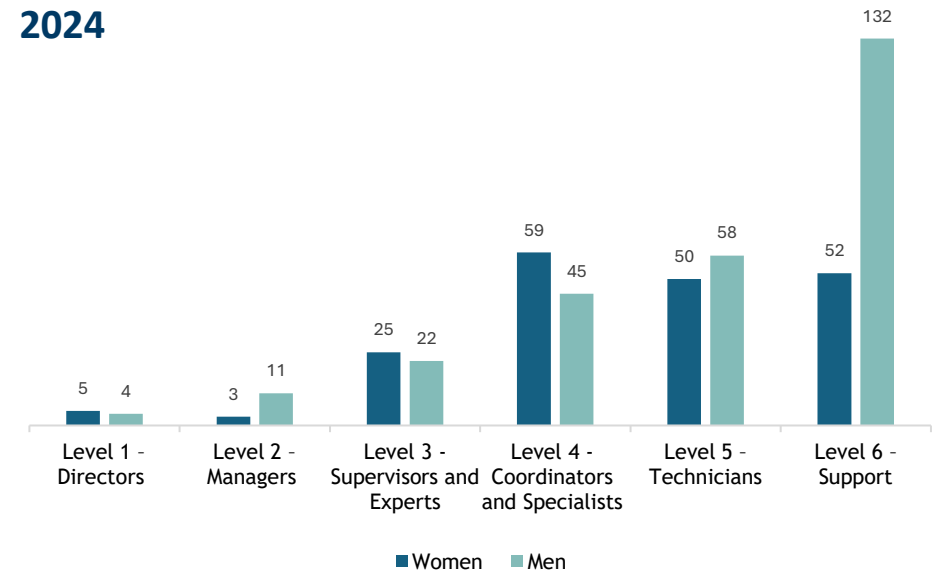


**TOTAL WOMEN: 192**

**TOTAL IPRMW: 0,86**

**TOTAL MEN: 254**

### 2024



**TOTAL WOMEN: 194**

**TOTAL IPRMW: 0,83**

**TOTAL MEN: 272**

The largest increase in staff has occurred at level 3 (31%) due to the high level of professionalism required by Medichem to be competitive and respond to the demands of customers and legal authorities.

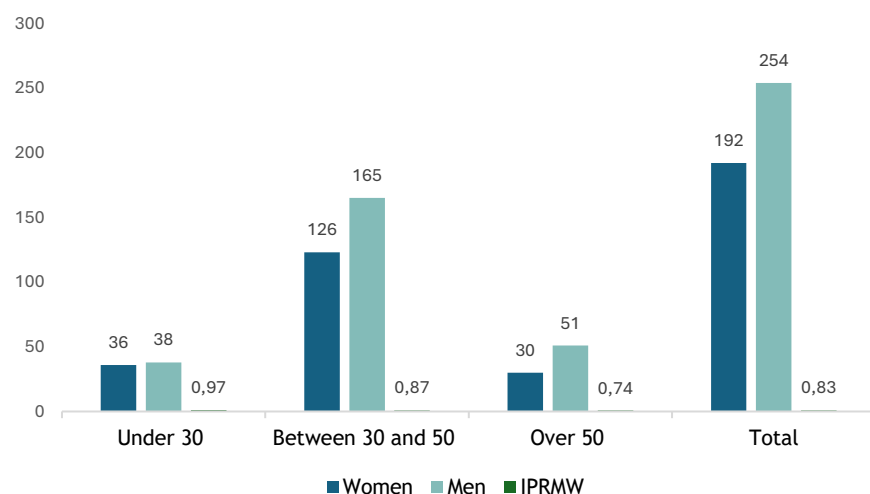
At level 1, the two positions that were vacant at December 31, 2023 (CEO and Chief Scientific Officer) have been filled, although that of the *Chief Commercial Officer of Generics* remains vacant.



## DISTRIBUTION OF THE WORKFORCE BY GENDER AND AGE

The 30- to 50-year-old age group is the most concentrated, with a relative presence index close to parity, while the over-50 age group has seen a 16% increase.

### 2023

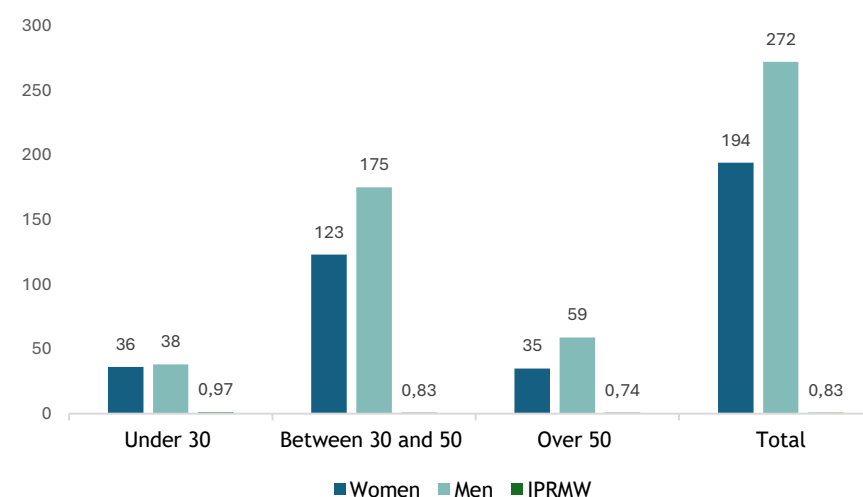


TOTAL WOMEN: 192

TOTAL IPRMW: 0,86

TOTAL MEN: 254

### 2024



TOTAL WOMEN: 194

TOTAL IPRMW: 0,83

TOTAL MEN: 272

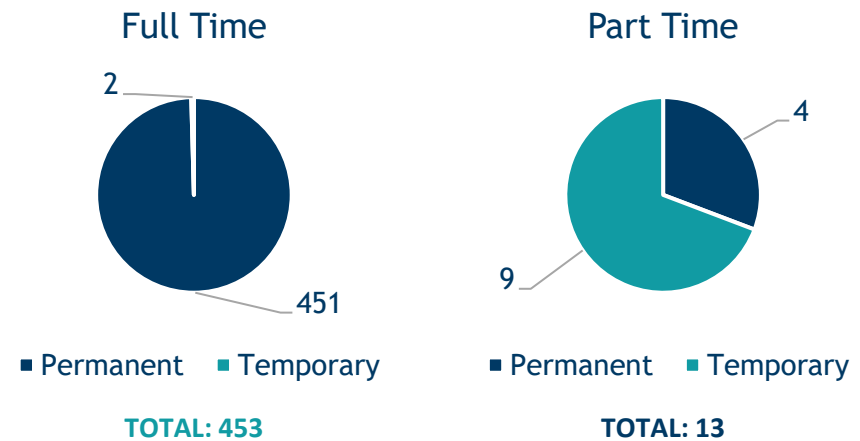
*“The 16% increase in the over-50 age group demonstrates the strength and experience of our team, providing stability and critical knowledge.”*

## CONTRACTING METHOD

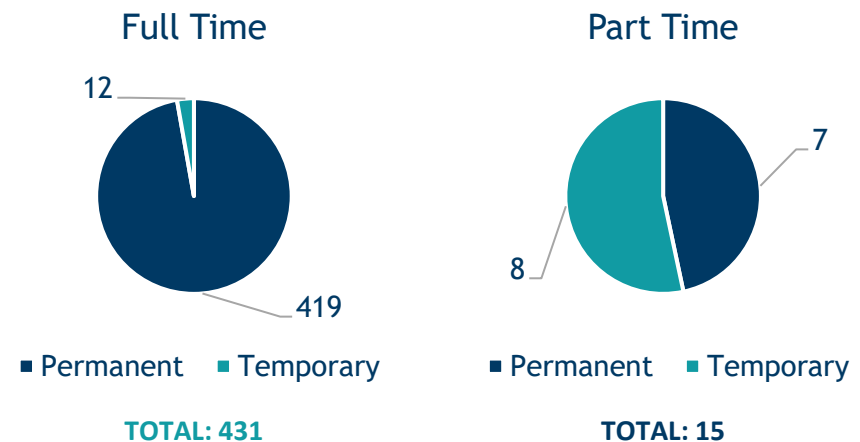
Full-time, permanent contracts represent over 96% of our workforce, highlighting our commitment to job security. In 2024, permanent contracts (both full-time and part-time) remained above 97%, underscoring our focus on long-term talent retention.

*“The high proportion of permanent contracts reaffirms our commitment to stability and talent retention, serving as the foundation for our sustainable growth.”*

2024



2023



2.1

AVERAGE CONTRACTS BY GENDER, AGE

In the annual average, for both men and women, the trend is clearly defined towards full-time, permanent contracts, representing 97.52% for women and 95.13% for men, with no gender gap. These percentages place permanent contracts as the main system of stability in the company.

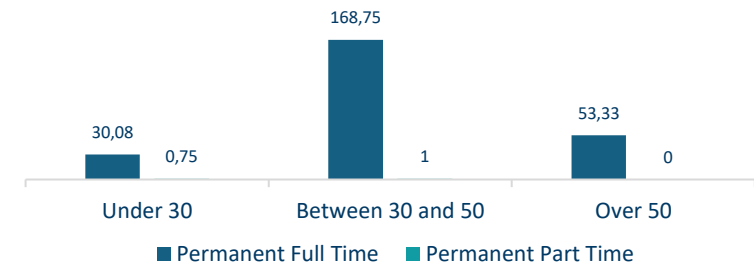
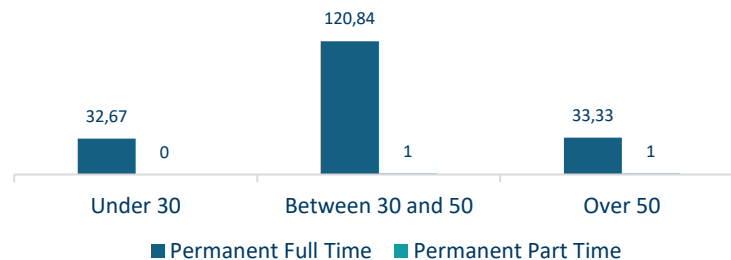
2024

Women

Men

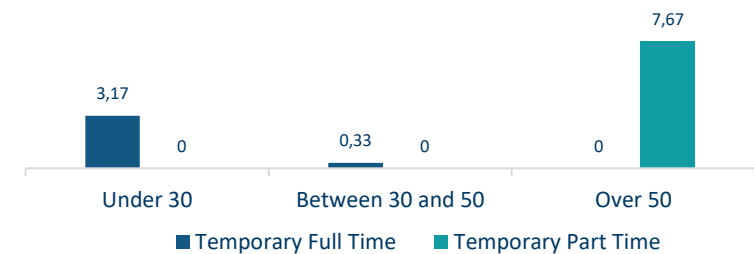
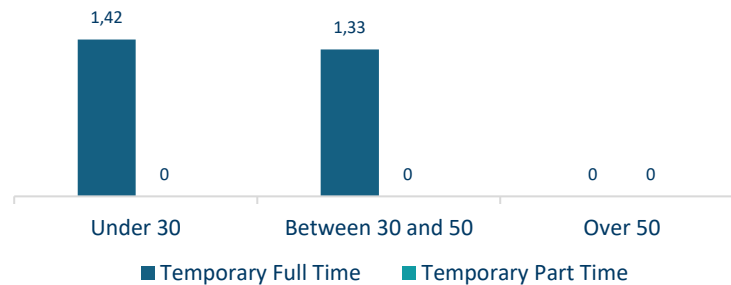
Permanent Contracts

Permanent Contracts



Temporary Contracts

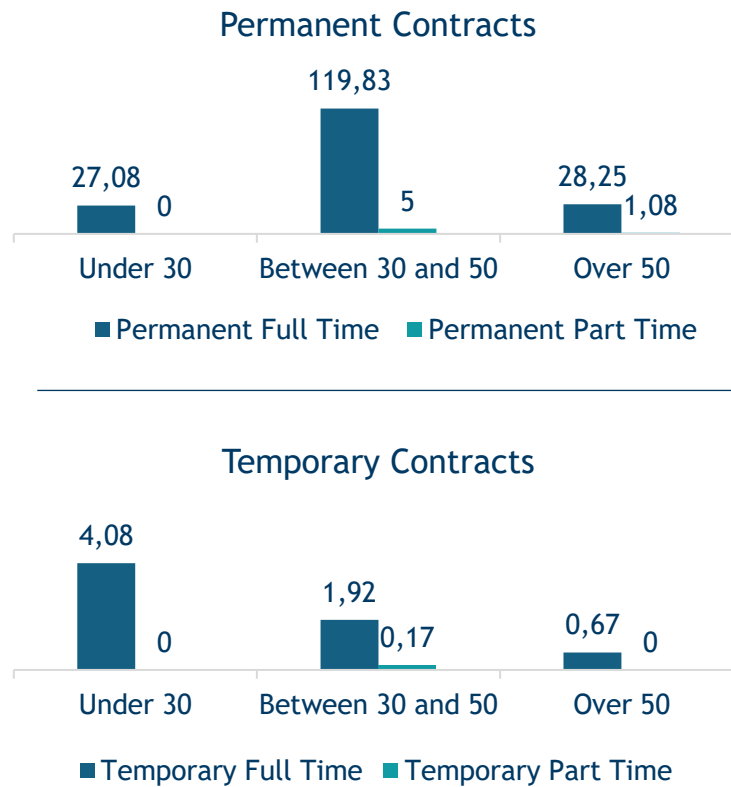
Temporary Contracts



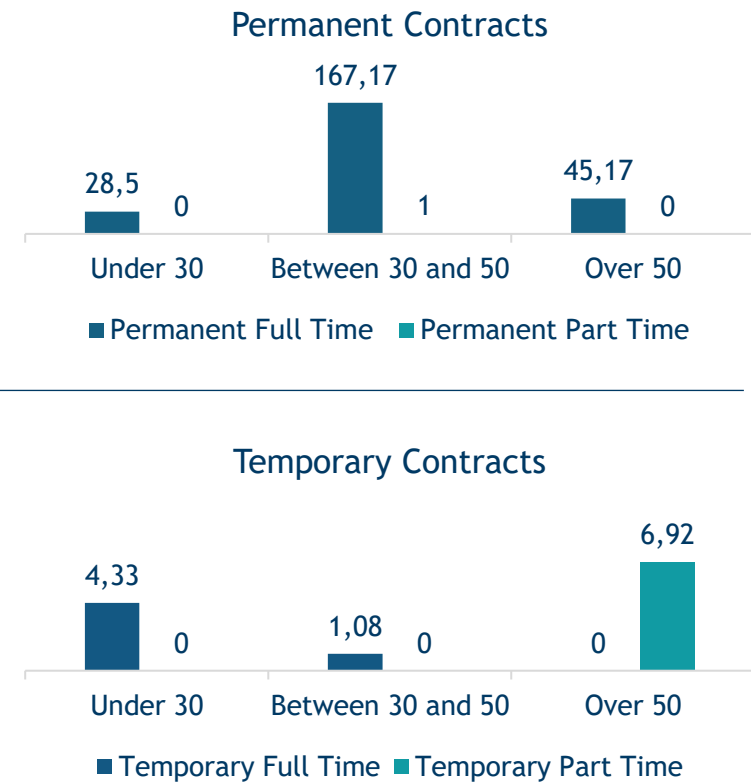
## AVERAGE CONTRACTS BY GENDER, AGE

2023

### Women



### Men



## AVERAGE CONTRACTS BY PROFESSIONAL LEVEL

2024

At levels 1 and 2, no temporary or part-time contracts were recorded. However, at level 6, a higher proportion of both types of contracts was observed. This is because, at this level, early retirement contracts are applied up to the ordinary retirement age and part-time contracts of 20% are applied, with the remainder of the working day covered by a replacement worker with a contract.

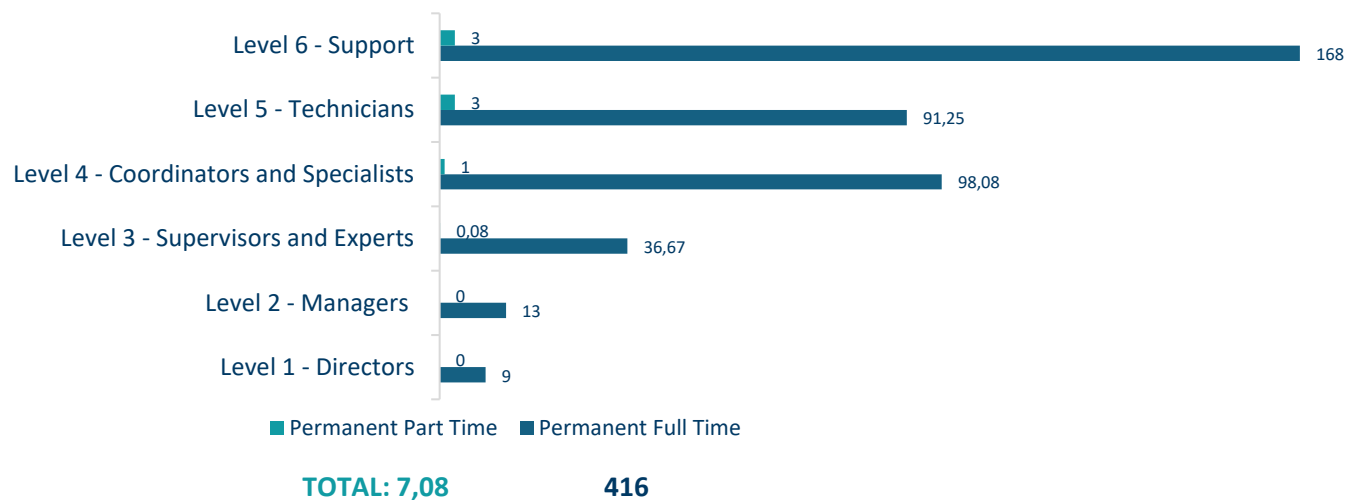
*“Consistency in permanent hiring is a key indicator of our strategy to retain talent and foster long-term development.”*



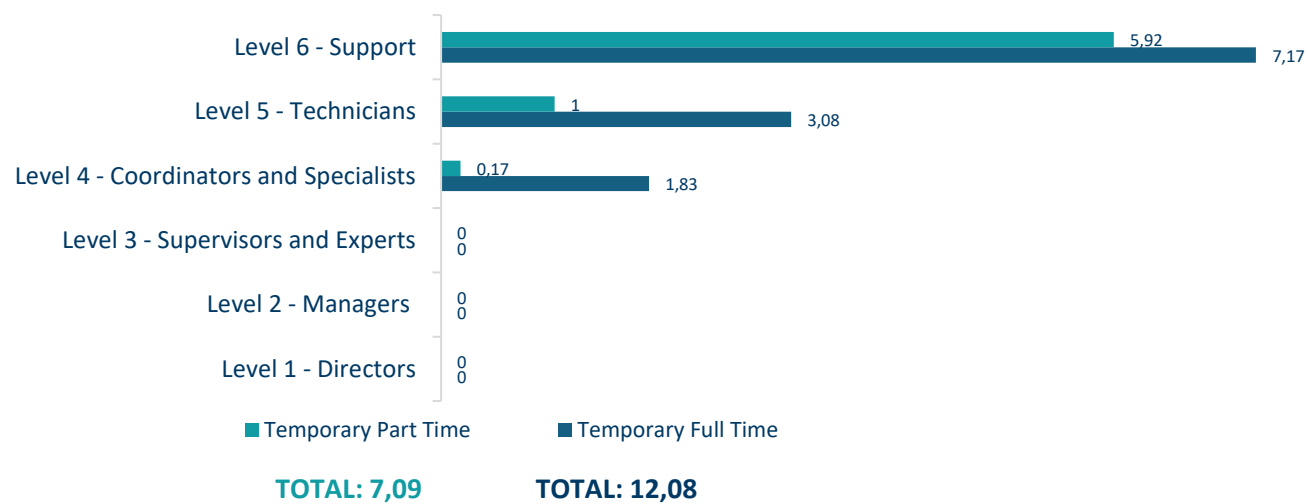
## AVERAGE CONTRACTS BY PROFESSIONAL LEVEL

**2023**

### Permanent Contracts



### Temporary Contracts



## DISMISSALS AND STAFF TURNOVER

Below, we present the number of dismissals that occurred throughout 2023 and 2024, broken down by professional level, age, and gender.

In Malta there has been one dismissal: 1 man, and in Spain there have been a total of 10 dismissals in 2024: 8 women and 2 men.

The number of dismissals in 2024 increased compared to the previous year due to organizational reasons, which required new profiles in certain positions.

The cumulative turnover rate for 2024 was 4.1%, with 3% in Spain and 6.4% in Malta.

The number of voluntary departures during 2024 was as follows:

Spain: 9 voluntary departures

Malta: 10 voluntary departures

Professional Category		2023	2024
Level 1 - Directors	Women	-	1
	Men	2	1
Level 2 - Managers	Women	-	2
	Men	-	-
Level 3 - Supervisors and Experts	Women	-	1
	Men	-	-
Level 4 - Coordinators and Specialists	Women	1	1
	Men	-	-
Level 5 - Technicians	Women	-	-
	Men	-	-
Level 6 - Support	Women	-	3
	Men	1	2
TOTAL	Women	1	8
	Men	3	3

Age		2023	2024
Under 30	Women	-	-
	Men	-	-
Between 30 and 50	Women	1	5
	Men	2	2
Over 50	Women	-	3
	Men	1	1
TOTAL	Women	1	8
	Men	3	3







## REMUNERATION: SALARY STRATEGY AND ADDITIONAL BENEFITS

### Driving Excellence and Talent Attraction

At Medichem, our salary strategy is based on two key pillars: internal equity and external competitiveness. This approach allows us not only to attract and retain the best professionals, but also to reward their performance and foster a culture of innovation and responsibility.

### Salary Strategy by Country and Modality

#### Spain

The salary structure is defined by elements of internal equity and external competitiveness, considering the General Agreement of the Chemical Industry and performance criteria determined by Management.

***“Annual increases are based on individual performance, ensuring fairness and transparency.”***

#### Malta

For non-managerial employees, a collective bargaining agreement establishes variable salary scales, defined by years of experience and qualifications. Collaborators are promoted after two years or upon reaching specific qualifications and are granted an annual increase. For those outside the collective bargaining agreement, salaries are determined through market surveys, ensuring competitive compensation.

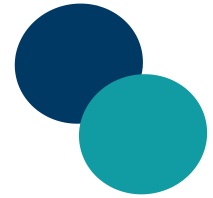
***“Adaptation to local conditions and a focus on professional development ensure fair and market-aligned remuneration.”***

### Variable Remuneration

In both regions, variable compensation represents a percentage of gross annual salary, linked to both corporate and personal goals. Company goals are those defined by Management and are the same for all employees at Medichem. Personal goals are those defined between employees and their supervisors and are aligned with the company's corporate projects.

***“By 2024, 99% of our male and female employees have a variable share that includes a new ESG objective, which reinforces the transversal integration of sustainability in the company..”***

## OBJECTIVES AND PERFORMANCE EVALUATION



Our system of objectives is divided into three categories:

- 1. Cross-cutting Objectives:** Shared by teams and projects, defined by management to encourage collaboration.
- 2. Cascading Objectives:** Derived from the overall strategy and tailored to each department, ensuring consistency in achieving goals.
- 3. Employee-Proposed Objectives:** These allow for active participation and self-assessment, aligning with corporate projects. Depending on the employee's role, responsibilities, and position, these objectives include some related to social, environmental, or good corporate governance performance.

### Additional Benefits

A Comprehensive Package of Advantages

At Medichem, we understand that compensation goes beyond the base salary. Therefore, we offer a wide range of additional benefits designed to improve our employees' quality of life, thus strengthening their commitment to the company:





In Spain, our benefits include:

- **Restaurant Checks and Sandwich Assistance:** Daily support at the workplace.
- **Marriage, Civil Unions, and Birth Assistance:** Assistance at key moments in your personal life.
- **Daycare Assistance and Death Benefits:** Support for families and comprehensive care.
- **Additional Week of Rest for New Parents:** Incentive to balance personal and professional life.
- **Recognition Programs and Accident Policies:** Performance and safety assessment.
- **Flexible Compensation and Benefits Plan for Electric Vehicles:** Innovation in compensation and sustainability.
- **Parking Zone, Flexible Hours, and Intensive Friday Workdays:** Working conditions that promote well-being.
- **Travel Time Compensation and Business Travel Health Insurance:** Mobility and safety benefits.
- **Teleworking, Wellness Plan, and Mental Health and Emotional Well-being Programs:** Comprehensive support for health and well-being.
- **Fun & Health Activities, Christmas Hamper, Communication and Training Platforms, Advantageous Advances and Loans:** An environment that promotes personal and professional development.

In Malta, our benefits include:

- **Childbirth Assistance, Recognition Programs, and Health Insurance:** Social support and performance recognition.
- **Wellness and Mental Health Plans:** An integrated approach to well-being.
- **Communication and Training Platforms, Teleworking, and Recreational Activities:** Tools for development and work flexibility.
- **Christmas Hamper and Flexible Hours:** Additional incentives that improve quality of life.

## AVERAGE SALARIES FOR MEDICHEM IN 2023 AND 2024

	2023			2024		
	Average remuneration (€)			Average remuneration (€)		
			Total			Total
Level 1 – Directors	162.937	232.947	<b>201.124</b>	163.686	245.934	<b>197.956</b>
Level 2 – Managers	111.847	89.861	<b>97.713</b>	120.250	132.629	<b>128.761</b>
Level 3 - Supervisors and experts	77.134	82.076	<b>79.669</b>	76.903	79.043	<b>77.952</b>
Level 4 - Coordinators and specialists	53.285	57.726	<b>55.045</b>	54.733	59.234	<b>56.668</b>
Level 5 – Technicians	35.571	41.248	<b>38.359</b>	36.889	40.499	<b>38.856</b>
Level 6 – Support	38.651	42.648	<b>41.512</b>	40.585	43.786	<b>42.860</b>
<b>Total</b>	<b>50.611</b>	<b>53.154</b>	<b>52.061</b>	<b>54.090</b>	<b>55.255</b>	<b>54.764</b>

### Note remuneration

1. To calculate the averages, the fixed and variable salaries and bonuses such as night shifts, shifts, weekends, etc., of all employees who have been hired have been taken into account, even if they have not been hired at December 31, 2023/2024. The result may be distorted by including bonuses that are not part of the fixed salary for the job. These bonuses are paid exclusively when a specific situation occurs, such as night shifts.
2. To correctly calculate the wage gap, salaries have been annualized and equated to full-time.
3. *The classification system corresponds to the company's job evaluation system, which meets the criteria of adequacy, completeness, and objectivity, thus ensuring the absence of direct or indirect discrimination between women and men and the correct application of the principle of equal pay for work of equal value.*



The salary increase for men at level 2 is a result of a one-time payment made to two people at the Malta plant.



## AVERAGE REMUNERATION DURING 2023 IN MEDICHEM



### Medichem Spain

Average Remuneration (€)

			Total
Level 1 – Directors	162.937	254.125	208.531
Level 2 – Managers	111.847	116.063	113.428
Level 3 - Supervisors and experts	81.839	88.473	85.263
Level 4 - Coordinators and specialists	53.975	61.287	56.438
Level 5 – Technicians	49.499	50.641	50.018
Level 6 – Support	40.120	46.941	44.740
<b>Total</b>	<b>57.232</b>	<b>60.836</b>	<b>59.157</b>

### Medichem Malta

Average Remuneration (€)


			Total
Level 1 – Directors	-	-	-
Level 2 – Managers	-	-	-
Level 3 - Supervisors and experts	59.491	53.367	56.866
Level 4 - Coordinators and specialists		48.270	48.270
Level 5 – Technicians	33.076	40.073	37.041
Level 6 – Support		28.844	28.844
<b>Total</b>	<b>39.291</b>	<b>42.115</b>	<b>41.315</b>

#### Note Remuneration 2023:

1. Due to data confidentiality, records with a number of people equal to or less than 2 have been eliminated.
2. To calculate the averages, the fixed and variable salaries and bonuses such as night shifts, shifts, weekends, etc., of all employed workers, even if they are not registered at December 31, 2023, were taken into account. The resulting gap may be distorted by including bonuses that are not part of the fixed salary for the job. These bonuses are paid exclusively when a specific situation occurs, such as night shifts.
3. To correctly calculate the wage gap, salaries have been annualized and equated to full-time employment.
4. The classification system corresponds to the company's job evaluation system, which meets the criteria of adequacy, completeness, and objectivity, thus ensuring the absence of direct or indirect discrimination between women and men and the correct application of the principle of equal pay for work of equal value.

### Combino Pharm Malta



Average Remuneration (€)

			Total
Level 1 – Directors	-	-	-
Level 2 – Managers	-	73.007	73.007
Level 3 - Supervisors and experts	-	-	-
Level 4 - Coordinators and specialists	42.415	48.198	46.095
Level 5 – Technicians	31.362	38.606	34.742
Level 6 – Support	27.947	32.136	31.190
<b>Total</b>	<b>31.834</b>	<b>39.805</b>	<b>36.602</b>

## AVERAGE REMUNERATION DURING 2024 IN MEDICHEM



### Medichem Spain

Average Remuneration (€)

			Total
Level 1 – Directors	163.686	253.153	196.220
Level 2 – Managers	120.250	127.928	124.089
Level 3 - Supervisors and experts	79.044	87.450	82.735
Level 4 - Coordinators and specialists	55.586	62.991	58.453
Level 5 – Technicians	51.502	51.119	51.311
Level 6 – Support	42.694	48.626	46.689
<b>Total</b>	<b>61.848</b>	<b>62.767</b>	<b>62.338</b>

### Medichem Malta

Average Remuneration (€)


			Total
Level 1 – Directors	-	-	-
Level 2 – Managers	-	171.878	-
Level 3 - Supervisors and experts	60.490	56.107	57.751
Level 4 - Coordinators and specialists	-	49.018	-
Level 5 – Technicians	33.587	41.771	39.043
Level 6 – Support	-	32.023	-
<b>Total</b>	<b>39.328</b>	<b>54.477</b>	<b>50.625</b>

### NOTE REMUNERATION 2024





1. Due to data confidentiality, records with a number of people equal to or less than 2 have been eliminated.
2. To calculate the averages, the fixed and variable salaries and bonuses such as night shifts, shifts, weekends, and so on, of all employed workers, even if they are not registered at December 31, 2024, were taken into account. The resulting gap may be distorted by including bonuses that are not part of the fixed salary of the job. These bonuses are paid exclusively when a specific situation occurs, such as night shifts.
3. In order to correctly calculate the wage gap, salaries have been annualized and equated to full-time employment.
4. The classification system corresponds to the company's job evaluation system, which meets the criteria of adequacy, completeness, and objectivity, thus ensuring the absence of direct or indirect discrimination between women and men and the correct application of the principle of equal pay for work of equal value.

### Combino Pharm Malta

Average Remuneration (€)

			Total
Level 1 – Directors	-	-	-
Level 2 – Managers	-	101.214	-
Level 3 - Supervisors and experts	-	-	-
Level 4 - Coordinators and specialists	48.515	48.748	48.646
Level 5 – Technicians	32.703	36.131	34.442
Level 6 – Support	30.139	32.126	31.708
<b>Total</b>	<b>34.543</b>	<b>39.142</b>	<b>37.381</b>

## AVERAGE REMUNERATION BY GENDER AND AGE



	2023			2024		
	Average Remuneration (€)			Average Remuneration (€)		
			Total			Total
Under 30	34.508	36.246	35.398	36.861	35.441	<b>36.110</b>
Between 30 and 50	49.325	50.428	49.954	51.456	53.466	<b>52.619</b>
Over 50	78.150	76.604	77.175	82.173	75.058	<b>77.735</b>
Total	<b>50.611</b>	<b>53.154</b>	<b>52.061</b>	<b>54.090</b>	<b>55.255</b>	<b>54.764</b>



## AVERAGE REMUNERATION BY GENDER AND AGE 2023



### Medichem Spain

Average remuneration (€)

			Total
Under 30	38.787	42.016	40.401
Between 30 and 50	54.405	56.186	55.304
Over 50	80.806	78.852	79.572
<b>Total</b>	<b>57.232</b>	<b>60.836</b>	<b>59.157</b>



### Medichem Malta

Average remuneration (€)

			Total
Under 30	31.683	30.800	31.065
Between 30 and 50	39.163	45.675	44.000
Over 50	-	64.065	-
<b>Total</b>	<b>39.291</b>	<b>42.115</b>	<b>41.315</b>

### Combino Pharm Malta

Average remuneration (€)

			Total
Under 30	30.219	32.333	31.032
Between 30 and 50	32.717	41.178	38.358
Over 50	-	-	-
<b>Total</b>	<b>31.834</b>	<b>39.805</b>	<b>36.602</b>





For data confidentiality reasons, records in which the number of people is equal to or less than 2 have been eliminated



## AVERAGE REMUNERATION BY GENDER AND AGE 2024

### Medichem Spain



Average Remuneration (€)

			Total
Under 30	43.993	42.288	<b>43.166</b>
Between 30 and 50	56.870	58.378	<b>57.639</b>
Over 50	83.966	76.943	<b>79.721</b>
<b>Total</b>	<b>61.848</b>	<b>62.767</b>	<b>62.338</b>





### Medichem Malta

Average Remuneration (€)

			Total
Under 30	31.715	34.457	<b>33.726</b>
Between 30 and 50	39.836	57.922	<b>53.285</b>
Over 50	-	84.550	-
<b>Total</b>	<b>39.328</b>	<b>54.477</b>	<b>50.625</b>

### Combino Pharm Malta

Average Remuneration (€)

			Total
Under 30	31.828	30.245	<b>31.057</b>
Between 30 and 50	36.464	42.124	<b>40.237</b>
Over 50	-	39.649	-
<b>Total</b>	<b>34.543</b>	<b>39.142</b>	<b>37.381</b>

*For data confidentiality reasons, records in which the number of people is equal to or less than 2 have been eliminated*

## WAGE GAP

### Commitment to Equity and Transparency

At Medichem, we measure the wage gap as the indicator that reflects the difference between the average remuneration of men and women. A result above zero indicates that, on average, women are paid less than men. We use the following formula for this calculation:

$$\text{Wage Gap} = \frac{\text{Average Remuneration (Men - Women)}}{\text{Average Male Remuneration}}$$

*“In our remuneration structure, the application of the collective bargaining agreement guarantees equal treatment in terms of remuneration, without direct or indirect discrimination.”*

Currently, the pay gap is highest at Medichem Malta, reaching 27.81%, meaning women's average pay is lower than men's.

This indicator is a key tool we use to continue improving our practices and promoting a culture of fairness and transparency at all levels of the organization.

At Medichem, we are committed to continually working to close this gap, ensuring that every employee feels valued and fairly compensated for their contribution to the company's success.

	2023	2024	Formula =
Wage Gap	0,05	0,02	$\frac{\text{Average Remuneration (Men - Women)}}{\text{Average Male Remuneration}}$

*\*\*To calculate the gap, fixed and variable salaries and various bonuses have been used as the calculation basis.*

## WAGE GAP

### Commitment to Equity and Transparency

	Medichem Spain	Medichem Malta	Combino Pharm Malta
<b>2023</b>	0,06	0,07	0,20
<b>2024</b>	0,01	0,28	0,12

Formula = 
$$\frac{\text{Average Male Remuneration} - \text{Average Female Remuneration}}{\text{Average Male Remuneration}}$$

Professional Category	2023	2024
Level 1 – Directors	0,30	0,33
Level 2 – Managers	-0,24	0,09
Level 3 - Supervisors and experts	0,06	0,03
Level 4 - Coordinators and specialists	0,08	0,08
Level 5 – Technicians	0,14	0,09
Level 6 – Support	0,09	0,07



## WAGE GAP

### Commitment to Equity and Transparency

Categoría Profesional	2023			2024		
	Medichem Spain	Medichem Malta	Combino Pharm Malta	Medichem Spain	Medichem Malta	Combino Pharm Malta
Level 1 – Directors	0,36	-	-	0,35	-	-
Level 2 – Managers	0,04	-	-	0,06	-	-
Level 3 - Supervisors and experts	0,07	-0,11	-	0,10	-0,08	-
Level 4 - Coordinators and specialists	0,12	-	0,12	0,12	-	-
Level 5 – Technicians	0,02	0,17	0,19	-0,01	0,20	0,09
Level 6 – Support	0,15	-	0,13	0,12	-	0,06

\*\*To calculate the gap, fixed and variable salaries and various bonuses have been used as the calculation basis.

## TALENT DEVELOPMENT

At Medichem, the development and training of employees is key, which is why the company aims to offer motivating career projects and diverse opportunities. Keeping with our commitment to employee management, Medichem has a Performance Evaluation System and an annual Training Plan.

The Performance Evaluation System is the system the company uses to increase collective efficiency and guide individual performance toward the company's individual and common objectives.

The objectives pursued by the Performance Evaluation System are the following:

- Guide the professional development of collaborators.
- Manage commitment by tracking company values and competencies in individual behaviors.
- Promote a culture of feedback by holding regular performance monitoring meetings.
- Improve company results based on the individual contributions of team members.



Likewise, each year a Training Plan is drawn up that includes the training needs of all departments, whether technical, to better develop the job position, or soft skills, a series of social competencies, personal attributes, qualities and attitudes that allow people to perform adequately in their environment.

In both Spain and Malta, the various departmental training needs required for the following year are determined each year, included in the annual budget, and appropriately planned. Once the training is completed, its effectiveness and usefulness in the position are evaluated, and the content of some of these training courses is also encouraged to be shared within departments.

Likewise, within our training plan we seek to provide educational opportunities by subsidizing, in most cases, courses, conferences, master's degrees, etc.

At Medichem, we have a platform for implementing and managing training plans. This platform offers the ability to upload materials and create courses and training sessions for everyone in the company.



Based on our experience with the platform, many different types of training materials can be prepared and uploaded to the system, such as:

- Reading materials, such as articles, books in PDF format.
- Videos, prepared by Medichem or uploaded from other platforms (YouTube).
- Courses purchased from external sources and uploaded to Medichem Lead (such as GoodHabitZ).

The platform also allows you to prepare training itineraries, a virtual plan where all the materials (PDFs, videos, courses) are compiled and assigned to the employee.

## TALENT DEVELOPMENT

Below is the total number of training hours by gender and professional category, as well as the average number of hours per employee:

2023					2024		
Gender	Professional Category	Number of Employees	Total Number of Training Hours	Average Hours per Employee/Professional Category	Number of Employees	Total Number of Training Hours	Average Hours per Employee/Professional Category
	Directors	4	132	33	5	35	7,00
	Managers	5	157	31,4	3	81	27,00
	Supervisors and experts	17	455	26,76	25	255	10,20
	Coordinators and specialists	60	1.434	23,9	59	3.560	60,34
	Technicians	50	916	18,32	50	1.034	20,68
	Support	56	1.240	22,14	52	610	11,73
	Directors	4	78	19,5	4	26	6,50
	Managers	8	132	16,5	11	177	16,09
	Supervisors and experts	19	432	22,74	22	284	12,91
	Coordinators and specialists	42	6.039	143,79	45	1.350	30,00
	Technicians	50	885	17,7	58	995	17,16
	Support	131	2.744	20,95	132	1.363	10,33
Total		446	14.644	32,83	466	9.770	20,97

As can be seen in the comparative table for the years 2023 and 2024, the average training hours per employee has been reduced by 36.14% compared to 2023. This reduction is mainly due to the fact that in 2023, SAP training was provided due to systems migration and training in leadership and cybersecurity that was not carried out in 2024 but will be done again during 2025.

## WELL-BEING AND WORK ORGANIZATION

### Corporate Strategy for Excellence and Work-life balance

The well-being of our employees is a strategic pillar that drives our corporate success and our ability to innovate in a highly competitive environment. Our work time management and work-disconnection measures are designed to offer flexibility, promote work-life balance, and ensure an optimal professional-personal balance, consolidating our commitment to operational excellence and sustainability.

#### Work Time Organization Strategy

- **Model Based on Trust and Responsibility:**

At Medichem, we empower our employees by offering multiple work options so they can customize their schedule based on their priorities and objectives. This approach not only improves productivity and work-life balance but also fosters an environment where innovation and decision-making are carried out responsibly.

- **Personalized Work Schedules and Transparency:**

Each employee has a detailed work schedule that includes official holidays, days of closure and free disposal, as well as preferred vacation dates. These schedules, available at all work centers, ensure planning and respect for personal time.

- **Flexible Schedules and Block Time:**

We have implemented the Block Time system for split-shift workers, allowing for accrued hours on a quarterly basis. Furthermore, shifts in Spain and Malta are organized to optimize the balance between operational demand and personal flexibility, with appropriate authorization for extended shifts being compensated with rest time.



## Teleworking and Digital Disconnection Policy



### Permanent and Reversible Teleworking:

Our teleworking policy, implemented indefinitely and reversibly, allows employees to work one day of teleworking per week<sup>6</sup>, with the option to relocate it to another day for justified reasons. Additionally, two additional days of teleworking are available per month, tailored to individual needs. During the summer period, from June 15 to September 15, an additional full week of teleworking is available.



### Special Measures for Pregnant Women and Summer Periods:

- Pregnant women can choose to telework every day of the week starting from the 35th week of gestation.



### Digital Disconnection Policy:

- Recognizing the impact of technology on workplace relationships, we have implemented a digital disconnection policy that protects our employees' right to disconnect outside of working hours. This policy ensures that, once the workday is over, rest time, leave, and vacation time are respected, protecting personal and family privacy.

## Strategic Impact and Value Proposition

Our well-being and work organization strategy is based on:



### Comprehensive Work-Life Balance:

We promote a balance that improves the quality of life of our employees, which translates into greater motivation and performance.



### Innovation and Flexibility:

- The adoption of flexible work arrangements, combined with teleworking and digital disconnection policies, guarantees a balance between work and personal and family life, and contributes to optimizing the occupational health of all workers.



### Transparency and Communication:

- Distributing work schedules and holding department meetings ensures fluid communication, strengthening cohesion and alignment with corporate objectives.



### Health and Wellness:

- By implementing measures that promote mental and physical health, such as wellness programs, mental health plans, and recreational activities, we ensure a work environment where everyone feels valued and supported.

***“These initiatives not only raise the bar for well-being at Medichem, but also positively impact productivity, innovation, and talent retention—all essential elements of our long-term success.”***

6 All jobs that do not necessarily require the worker's continuous presence at the workplace, such as operators, will be included.



## WORK-LIFE BALANCE

### Corporate Strategy for Integrated Well-being

At Medichem, we are committed to the well-being of our employees and recognize that work-life balance is essential to boosting our team's performance and satisfaction. Therefore, we have implemented policies and measures aimed at facilitating an optimal balance, allowing our employees to enjoy a fulfilling family life without compromising their professional development.

#### Noteworthy Measures for Work-Life Balance

##### Flexible Schedules:

**Flexible Schedule:** Employees with a Block Time schedule enjoy flexible start and finish times, with a flexible lunch period tailored to their needs, and reduced hours on Fridays.

- **Fractioned vacations:** Possibility of dividing vacation days into hours, and the option of enjoying the vacation until April 30 of the following year.
- **Modification of Mandatory Working Hours:** Flexibility to adjust working hours for justified reasons up to a maximum of 5 days per month and 3 hours per day, as well as the possibility of changing the workday to a weekend for those who work shifts.

##### Permits and Compensation:

- **Agreement-Based Leave and Paid Leave:** Paid leave is granted under the Agreement to protect employees in special circumstances, and paid leave is granted for temporary illness without the need for sick leave, ensuring the care and health of our employees.
- **Travel Compensation:** Specific compensation is provided for travel, recognizing the extra effort involved in travelling.

- **Special Supplements:** These include a 100% supplement during maternity leave and childcare leave, along with an additional week of rest in the case of birth or adoption, and condensed breastfeeding.

##### Teleworking and Reduction/Adaption of Working Hours:

- **Teleworking:** Our teleworking policy makes it easy to organize work from home, ensuring flexibility and the ability to balance work and family obligations.
- **Reduction and Adaptation of Working Hours:** We offer options for adjusting working hours temporarily or permanently, based on the specific needs of each employee.



## ABSENTEEISM MANAGEMENT

### Corporate Strategy for Well-being and Productivity

Tracking and managing absenteeism hours is critical to ensuring a healthy work environment and maximizing productivity. We recognize that work-related, family-related, and personal factors can influence our employees' attendance. Therefore, all absenteeism hours are meticulously justified and recorded, allowing us to act proactively to improve working conditions and the overall well-being of our team.

#### Absenteeism Indicators (December 31)

In 2024, 23,222 hours of absenteeism were recorded, representing 2.7% of the total in Spain and Malta. The distribution by location is as follows:

Site	2023	2024
Medichem Spain (h)	10.712	10.746
Medichem Malta (h)	3.691	4.350
Combino Pharm Malta (h)	5.572	8.126
<b>Total (h)</b>	<b>19.975</b>	<b>23.222</b>

The absenteeism rate is calculated according to the terms set forth in the Collective Bargaining Agreement, which excludes for the calculation, among other things, leave for marriage, childbirth, and moving. For more information, see the Collective Bargaining Agreement:

[https://www.boe.es/eli/es/res/2025/02/06/\(1\)](https://www.boe.es/eli/es/res/2025/02/06/(1))

In Malta, the absenteeism rate is calculated using the same criteria as in Spain. The increase in absenteeism at Combino Pharm Malta is primarily due to the increase in production staff, driven by the company's growth, and to the unique characteristics of the Maltese market, which, being close to full employment, more easily leads to higher employee turnover.

*“The detailed monitoring of absenteeism, based on the criteria of the Collective Bargaining Agreement (which excludes leave for marriage, childbirth, and moving, among others), allows us to maintain a clear and objective view of organizational health. In Malta, the same criteria are applied, ensuring consistency in our overall management.”*

#### Comprehensive Strategy for Reducing Absenteeism

##### Continuous Analysis and Monitoring:

Absenteeism management is based on a rigorous analysis of the factors that influence attendance, which allows us to implement corrective and preventive measures that optimize the well-being of our employees.

##### Wellness Platforms:

To mitigate the impact of work pressures and personal dynamics, Medichem offers two wellness platforms:

- **Wellwo:** Focused on physical and emotional activity.
- **Menttum:** A psychological support service that supports our employees in managing stress and other personal challenges.

# COMPREHENSIVE PROTECTION

## Security Strategy for People and Facilities

Safety is a fundamental principle that guides every aspect of our operations. Our commitment to protecting people, facilities, and the environment is reflected in the implementation of processes and activities designed to meet the highest safety standards, in line with our global framework and current regulations on occupational risk prevention.

### Comprehensive Health and Safety Management

#### Specialized Departments:

- We have Health and Safety departments in Spain and Malta, each operating with its own management systems that are integrated into the company's overall health and safety policy.

#### Audits and Continuous Improvement:

- The Health and Safety Department conducts biannual audits to verify legal compliance and promote continuous improvement of the management system. The latest audit, conducted by AENOR in November 2024, reaffirms our commitment to operational excellence.

#### Integration into Design and Procurement:

- Our Health and Safety department is involved from the facility design phase, through process updates and the acquisition of new equipment, proactively assessing potential security impacts and taking preventive and corrective measures when necessary.



### Risk and Safety Assessment in the Workplace

#### Specific Assessments:

- We conduct workplace-specific risk assessments to prevent occupational accidents and diseases. These assessments allow for the planning of the company's preventive activities by allocating the necessary resources (both human and financial) to continuously improve working conditions.

#### Medical Checkups and Maternity Protocols:

- We complement risk assessments with regular medical check-ups. In cases of restricted fitness, we implement preventive measures in collaboration with employee representatives. We also have a Maternity Protocol in place to protect pregnant and breastfeeding women.

#### External Personnel Evaluation:

- Before any work is performed by external personnel, specific assessments are conducted to ensure that preventive measures are integrated across all departments.

#### Main Risks and Emergency Plans:

- The main risks at our sites and laboratories include contact with and exposure to chemicals, as well as overexertion. Each site has a dedicated emergency plan, supported by regular training, periodic drills, and the availability of a defibrillator at our Celrà and Malta facilities.

# COMPREHENSIVE HEALTH AND SAFETY MANAGEMENT

## Strengthening Preventive Culture and Workplace Well-being

We are committed to fostering a strong preventive culture that protects our people, optimizes our operations, and creates sustainable value. Our strategy is based on communication, active participation, and the use of advanced tools, ensuring compliance with the highest standards of occupational risk prevention and the continuous improvement of our management systems.

### Tools and Communication for Prevention

#### Digital Platforms and Document Managers:

- We use various communication tools, available through our document management systems and the Medichem Connect corporate intranet, to promote the active participation of our employees.

#### Communication for Staff without Internet Access:

- For production staff without internet access in the workplace, communications are posted on the bulletin boards located in each production center. These employees receive printed incident and risk reports, enabling the immediate notification of any incident or situation that may pose a workplace risk.

#### Coordinated Communications Management:

- All communications received are managed by the Health and Safety Department, ensuring an organized and effective response to reported incidents.

#### Monthly Publication of Security Indicators:

- Through Medichem Connect and bulletin boards at each center, the following are published monthly:
  - Accident statistics.
  - Number of risk reports opened and the status of preventive or corrective actions.
  - Number of safety observations made.



## COMMITMENT TO THE COMMUNITY AND EXTERNAL COLLABORATION

### Community Collaboration Initiatives:

In 2021, our Celrà center launched a charitable campaign to promote Zero Accidents, donating a monetary amount for every 100 days without work-related accidents resulting in sick leave. The beneficiary organizations are local non-profit entities chosen through employee voting, reinforcing the company's social commitment. In 2024, the supported associations included:

- **Associació Naturalistes de Girona:** An organization promoting behavioral change to protect the environment and local territory.
- **Fundació Miquel Valls:** Provides support to people affected by ALS and their families.
- **CHB360 Program (Club Handbol Bordils):** Uses sport as a tool for social integration and the fight against social exclusion.

### Dissemination of Initiatives:

All actions taken are communicated via email, Medichem Connect, and information panels, ensuring that each employee is informed and feels part of the company's social and environmental commitment.

### Promotion of Comprehensive Well-being

#### Encouraging Healthy Living Habits:

Since early 2021, we have been promoting healthy lifestyle habits through the Wellwo online platform, which offers daily videos of physical and emotional activity sessions. Since 2023, we have also integrated the Menttum platform to provide psychological support to our entire team.

#### Safety Week 2024 - A Signature Corporate Event:

In 2024, to mark World Safety Day, we organized a "Safety Week" across all our sites. This campaign aimed at strengthening our preventive culture through:

- 6 risk perception sessions.
- 12 sessions explaining risk assessments through interactive activities.
- 12 gamified training sessions focused on the Emergency Plan



# HEALTH AND SAFETY COMMITTEE

## Strategic Platform for Participation and Continuous Improvement

To ensure proactive management of occupational risk prevention, Safety Committees have been established, serving as a stable and organized forum for dialogue between management and employee representatives.

At our Celrà and Font Santa centers, employees have representatives elected from among their peers who, as prevention delegates, are an integral part of the Health and Safety Committee. This body meets quarterly to exchange views and evaluate the company's prevention actions, enabling continuous improvement in safety management.

In Malta, each department has employee representatives responsible for health and safety. Following similar guidelines to those applied in Spain, these representatives actively participate in accident investigations and occupational risk assessments, meeting twice a year to ensure that best practices are applied at all times.

## Health and Safety Training

A Commitment to Excellence and Well-being

Protecting the health of our employees is an undeniable priority at Medichem. Therefore, health and safety training is fully integrated into our Human Resources Training Plan, ensuring that every employee has the tools and knowledge necessary to work in safe and healthy environments.

### Training Adapted to Specific Risks:

- Training programs are designed based on the needs identified at each workplace, covering areas such as safety, industrial hygiene, psychosocial well-being, and ergonomics. These training sessions include both theoretical and practical components, tailored to the specific nature and risks of each role.

### Mandatory and Specialized Training:

- Health and safety training is mandatory for new employees and for those changing positions, ensuring that all employees are properly prepared to face the challenges of their positions. In addition, specialized tasks—such as working in confined spaces, at height, on electrical systems, or operating forklifts and lifting platforms—require specific training and the corresponding certification, which is managed and issued by Medichem.

### Verification for External Companies:

- Our Health and Safety Department ensures that all external personnel hired to perform specific tasks have the necessary and appropriate training before starting any activity, thereby integrating safety consistently across all processes.



## HEALTH AND SAFETY INDICATORS

To reduce behavior-related accidents and strengthen the company's preventive culture, Medichem Spain has intensified the implementation of its Safety Observation Program. This program has been reinforced with the addition of 28 new observers, selected from among the organization's middle management.

***“This strategic effort not only connects senior and middle management with employees but also serves as a catalyst to motivate and improve workplace behaviors, identifying opportunities for improvement that enhance overall safety and well-being.”***

In 2024, no fatalities were recorded, either among our own employees or external personnel working at company facilities, as a result of occupational injuries or illnesses. Our focus on the Safety Observation Program is tangible evidence of how the participation and leadership of our teams strengthen preventive culture, creating a safe and responsible work environment that benefits the entire organization. With every action, Medichem reaffirms its commitment to health and safety management, generating sustainable value for our employees, customers, and society.

	2023			2024		
	Women	Men	Total	Women	Men	Total
No. of accidents with sick leave (not included in transit)	1	6	7	3	7	10
No. of accidents in transit	-	1	1	1	2	3
Lost days	8	32	40	14	88	102
Accident frequency index <sup>(1)</sup>	2,95	12,87	8,69	8,41	14,07	11,71
Accident severity index <sup>(2)</sup>	0,02	0,07	0,05	0,04	0,18	0,12
No. of occupational diseases		1	1	-	-	-

<sup>(1)</sup> Frequency Index =  $\frac{\text{no. of accidents} \times 10^6}{\text{Hours worked}}$

<sup>(1)</sup> Severity Index =  $\left( \frac{\text{no. of days lost}}{\text{Hours worked}} \right) \times 10^3$

<sup>(1)</sup> and <sup>(2)</sup> The hours worked are calculated using a computer program managed by the Human Resources Department. To calculate the actual hours worked, the theoretical hours that the worker should work are taken as a reference and the vacation hours are subtracted.



# 2.2

## Strategic Talent in the Workforce



## DIVERSIDAD, IGUALDAD E INCLUSIÓN COMO PILAR ESTRATÉGICO

At Medichem, we are committed to creating a work environment that reflects our values of respect, diversity, and inclusion. We firmly believe that promoting equal opportunities throughout all stages of the employee's lifecycle is essential to driving innovation, improving competitiveness, and meeting our ESG criteria.

### Comprehensive Diversity and Inclusion Management Model

At Medichem, we promote equality and diversity through a management model that fosters a supportive environment, ensuring non-discrimination and the full inclusion of all our professionals in all areas. This approach is applied across every process:

**Selection and Hiring:** We guarantee equal opportunities from the first contact, ensuring that all candidates are evaluated without bias and in line with our corporate values.

**Training and Development:** Ongoing, specialized training, including harassment and discrimination training through the Medichem Lead platform, is mandatory for all new hires and those changing positions, ensuring that each employee is prepared to contribute to an inclusive environment.

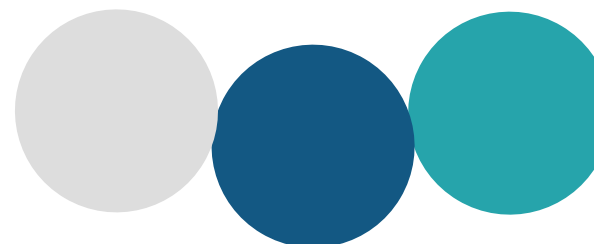
**Promotion and Communication:** Our internal promotion system, with a gender perspective, and the review of exit interviews—incorporating new questions on inclusion and diversity—reinforce our commitment to the equitable and transparent development of all talent.

**Work-Life Balance and Prevention:** We implement work-life balance policies that facilitate a balance between professional and personal life, supported by prevention protocols that guarantee a safe and respectful work environment.

### Equality Plan in Spain

In Spain, we have developed a four-year Equality Plan, which runs from December 2020 to December 2024 and is currently being renewed. This plan establishes and develops policies that ensure equal treatment and opportunities between women and men, without direct or indirect discrimination based on gender, marital status, religion, race, or other personal characteristics.

- **Equality Committee:** To ensure compliance with the Plan's objectives, we have an Equality Committee composed of representatives from the company and employees. This committee oversees the proper functioning of all actions, and any collaborator can contact the committee in person, by phone, or by email. Confidentiality of information is a fundamental principle of this process.

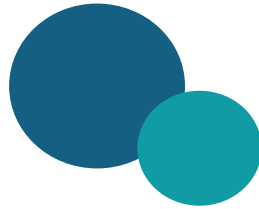


## INITIATIVES AND ACTIONS 2024

During 2024, Medichem has developed a set of initiatives that reinforce our commitment to diversity, equality, and inclusion:

**“Zero Discrimination at Work” Campaign:** An awareness campaign aimed at promoting a discrimination-free work environment.

- International Pride Day and LGTBIQ+ Pride
- International Women's Day
- International Day of Women and Girls in Science



**Update of the Anti-Harassment and Anti-Discrimination Protocol with inclusion of the LGTBIQ+ community:**

A new protocol has been adapted and disseminated, establishing clear processes for preventing and responding to any instances of harassment or discrimination.

**Departure Interview Review:**

- New questions focused on inclusion, diversity, and equal opportunities have been incorporated, allowing for the identification of areas for improvement.

**Harassment and Discrimination Training:**

- Mandatory training has been implemented for all employees, aimed at preventing situations of harassment and discrimination and promoting a respectful environment.

**Participation in the Lazos Scholarship:**

- Fostering collaboration and the development of diverse talent.

**‘Equals’ Program:**

- A program aimed at promoting the normalization and visibility of disabilities in the workplace, without stigma or prejudice.

**Renewal of the Diversity Charter:**

- By renewing its signature on the Diversity Charter, Medichem reaffirms its commitment to promoting equal opportunities and combating all forms of discrimination, including age, gender, sexual orientation, ethnicity, religion, and disability.

***“These comprehensive initiatives not only strengthen our culture of inclusion and equity but also generate a positive impact on Medichem's innovation, productivity, and competitiveness.”***

## ANTI-HARASSMENT AND ANTI-DISCRIMINATION PROTOCOL AND ACCESSIBILITY MEASURES

### Anti-Harassment and Anti-Discrimination Protocol:

- At Medichem Spain, we have a rigorous protocol that establishes the basis for preventing any instances of harassment or discrimination, guaranteeing effective equality in employment, training, promotion, and development. All cases are investigated impartially and confidentially through the Ethics Channel.

### Accessibility Measures:

- We facilitate access to our facilities through elevators, ramps, and reserved parking spaces, ensuring the inclusion of people with disabilities. In Spain, we currently have nine employees with disabilities, two more than in 2023. In Malta, the number remains unchanged, with no employees with a disability.

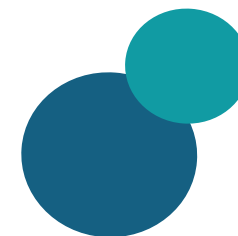


## FUNDAMENTAL PRINCIPLES OF MEDICHEM

Medichem is committed to adhering to the 10 core principles of the Diversity Charter that underpin our diversity and inclusion strategy:

- 1. Awareness:** Promote the principles of equal opportunities and respect for diversity as fundamental values of the company.
- 2. Building a Diverse Workforce:** Promoting the integration of diverse profiles regardless of gender, sexual orientation, ethnicity, nationality, origin, religion, beliefs, age, disability, or other circumstances.
- 3. Total Inclusion:** Ensure the effective integration of the entire workforce, avoiding any type of direct or indirect discrimination.
- 4. Cross-Functional Diversity Management:** Incorporate diversity into all management policies and strategic decisions.
- 5. Work-Life Balance and Shared Responsibility:** Promote a balance between work, family, and leisure time through mechanisms that facilitate the harmonization of work and personal life.
- 6. Recognizing Customer Diversity:** Considering the diversity of our customers as a source of innovation and development.
- 7. Internal Communication of Commitment:** Publicize and involve the entire organization in the commitment made by signing the Diversity Charter.
- 8. Extending the Commitment to Suppliers:** Inviting our suppliers to voluntarily adhere to the Diversity Charter, strengthening the value chain.
- 9. Collaboration with External Entities:** Transfer this commitment to administrations, business organizations, unions, and other social stakeholders.
- 10. Dissemination and Transparency:** Communicate our diversity and inclusion policies and the results achieved through the website, annual report, and corporate events.

*“These principles form the basis of our strategy, ensuring ethical and sustainable management that reinforces our corporate image and our commitment to social responsibility.”*



## FUNDAMENTAL PRINCIPLES OF MEDICHEM

Medichem's strategy to promote equality, diversity, and inclusion is an essential component of our ESG approach and our corporate value proposition. Through a comprehensive management model that encompasses everything from recruitment and selection to training, promotion, and communication, we have created an inclusive and respectful work environment where the differences of every employee are valued and protected.

Our Equality Plan, the Equality Commission, and the numerous initiatives implemented in 2024, such as the "Zero Discrimination at Work" campaign, the celebration of international days, and the renewal of the Diversity Charter, are examples of our ongoing commitment to equality. This strategy strengthens our competitiveness and generates a positive impact throughout the value chain, ensuring a prosperous and sustainable future for Medichem and its stakeholders.

Social dialogue is an essential component of our corporate strategy, as we firmly believe that open and transparent communication strengthens working relationships and promotes collaborative decision-making, ensuring that all voices within the company are integrated into the management and development of policies that drive innovation and sustainable growth.





## STRATEGIC SOCIAL DIALOGUE

### Promoting Collaboration in the Value Chain

At Medichem, we believe that social dialogue is essential to building a culture of participation, transparency, and continuous improvement throughout our entire value chain. This strategic approach not only strengthens our labor relations but also drives innovation and sustainable performance, critical aspects of our ESG value proposition.

### Comprehensive Strategy and Active Participation

#### Union Representation and Coverage in Spain:

- In Spain, all workers are covered by the Collective Agreement in both 2023 and 2024.
- At our Celrà and Font Santa sites, employees are represented through the Works Council or Personnel Representative. These structures enable employees to actively participate in decision-making and in the monitoring of occupational risk prevention policies, thereby strengthening the internal value chain.

#### Social Dialogue and Communication:

- Regular meetings with the Works Council and Personnel Representative facilitate the exchange of ideas and resolution of conflicts, ensuring that every employee's voice contributes to strategic decisions impacting the entire value chain.
- In addition, all employees can participate through their Legal Employee Representatives, while various communication channels (email, Microsoft Teams, telephone) are used for individual matters.

#### Ethics Channel:

- We provide an Ethics Channel that allows employees to report any breaches of current legislation, internal regulations, or situations that may pose a risk to the company's reputation, as well as to raise questions or doubts regarding the application of the Compliance System integrating transparency into risk management across the entire value chain.
- The Ethics Channel is the sole internal channel for carrying out the necessary communications.

## SOCIAL DIALOGUE IN MALTA

### Trade Union Representation and Collaboration in Malta:

In Malta, 55% of employees are covered by the Collective Agreement and represented by the Union. Although slightly lower than the previous year (in 2023, it was 61%), this representation is complemented by close collaboration between Human Resources and union representatives, ensuring that risk management and safety policies are effectively implemented throughout the value chain.

### Impact on the Value Chain

Social dialogue at Medichem extends throughout the entire value chain, enabling safety, health, and wellness initiatives to translate into operational improvements that benefit the entire organization. By fostering an inclusive and participatory work environment, our approach:

- 1. Drives Innovation:** Diversity of opinions and the active participation of all employees generate innovative solutions that optimize processes and strengthen competitiveness.
- 2. Improves Operational Efficiency:** Integrating safety and wellness policies at Medichem enables more effective risk management, reducing incidents and increasing productivity.
- 3. Strengthens Corporate Culture:** An environment of open and transparent dialogue translates into greater engagement, satisfaction, and talent retention, which positively impacts all stages of the value chain.
- 4. Generates Sustainable Value:** The combination of safety and health practices reinforces our ESG commitment, creating a positive impact that extends to customers, suppliers, and communities.

At Medichem, social dialogue acts as the backbone of our value chain, driving improvements that are reflected in every step of our operations. This process of open and participatory communication not only strengthens the safety and well-being of our employees but also optimizes strategic decision-making throughout the entire value chain. By actively integrating the voices of our teams, from the operational base to senior management, we identify and mitigate risks, drive innovation, and ensure efficiency in our processes. Consequently, social dialogue becomes a key factor in improving the company's resilience and competitiveness, generating a positive and sustainable impact that benefits customers, suppliers, and society at large.

*“At Medichem, social dialogue not only improves our internal environment, but also serves as the driving force that connects and empowers every link in our value chain, reinforcing our commitment to corporate excellence and ESG criteria.”*



## INTERNAL COMMUNICATION

### Strategic Pillar and Connection Engine in the Value Chain

At Medichem, transparency and effective communication are essential to fostering collaboration and cohesion across the organization. Our communication platform, Medichem Connect, lies at the heart of our internal interactions, ensuring that every employee, whether in Spain or Malta, feels like an integral part of the company and contributes their talent and experience to our processes and business activities.

#### Official Communications Portal:

Medichem Connect centralizes all internal communications, offering news about recent activities, new hires, relevant information, and continuous updates on business developments. It also provides direct access to all corporate applications, optimizing connectivity and real-time collaboration.

#### Multi-channel Access:

The platform can be accessed from both computers and mobile devices via the uTalk Communities app, ensuring that critical and up-to-date information is always accessible to all our employees, no matter where they are located.

#### Additional Communication Channels:

To ensure effective communication, we complement the use of Medichem Connect by sending emails and updating bulletin boards at each work center, ensuring that information reaches all levels of the organization appropriately and clearly.

***“Transparent and fluid communication is the driving force that connects every link in our value chain, facilitating strategic decision-making and strengthening Medichem’s corporate culture.”***

Medichem's robust communications infrastructure in both Spain and Malta, led by Medichem Connect and complemented by various communication tools, is fundamental to our corporate success. By keeping all our employees informed and fostering a culture of transparency, we ensure that every employee feels valued and connected, driving innovation and collaboration across the organization.







# 03

## We Care for Ethical Business

## WE CARE FOR ETHICAL BUSINESS

### Governance as a Strategic Pillar at Medichem

Our commitment to business ethics is a fundamental pillar that guides all our business decisions and practices. Through our “We Care for Ethical Business” chapter, we establish a framework that ensures transparency, responsibility, and sustainability across all our business relationships.

We recognize the importance of fostering stable, ethically grounded relationships with our customers and suppliers. We are fully aware of the key role we play in building a responsible and sustainable value chain. That is why we strive to be a benchmark in sustainability for our business partners, promoting the adoption of fair, ethical, and socially and environmentally responsible business practices.

We work actively to ensure that our operations meet the highest ethical standards and contribute positively to the well-being of the communities we serve and the environment in which we operate. We are also committed to providing the best possible service to our customers, ensuring the highest standards of quality, safety, and regulatory compliance in the manufacturing and marketing of our products.

The “We Care for Ethical Business” chapter, included in our 2024 Sustainability Report, reflects this commitment. We present our initiatives within a framework of sound and transparent governance, taking into account the findings of the Double Materiality analysis conducted this year. This analysis has enabled us to identify and prioritize the business ethics aspects most relevant to our operations, ensuring their alignment with our organization and reinforcing our commitment to generating sustainable value for all our stakeholders.



## At Medichem, business ethics is not just a principle, but the foundation that guides our decisions to generate a positive impact on society and the environment.

Business conduct is an essential component of Medichem's strategy, acting as a driving force to enhance the development of our organization, strengthen our business relationships, and ensure that our operations meet the highest standards of integrity and transparency. This ethical commitment is intrinsically linked to our vision of sustainability, as we believe that responsible business management must integrate both sound ethical principles and sustainable practices that generate a positive impact on society and the environment. This approach is articulated in three key commitments that guide our actions:

- **Ethical and Sustainable Business:** We apply principles of integrity and transparency in all our operations, ensuring that our business practices align with ethical and sustainable standards.
- **Maximum quality, safety, and customer management:** We focus on offering pharmaceutical products with the highest levels of quality and safety, ensuring our customers' trust.
- **Responsible and sustainable supply chain:** We foster relationships with suppliers who share our values and commitments to sustainability, ensuring that our supply chain reflects our ethical and socially responsible principles.

By adopting a comprehensive approach based on ethics and sustainability, we strengthen our capacity to innovate and respond to the challenges of the pharmaceutical sector. In this way, Medichem positions itself as a key player in building a more transparent, equitable, and sustainable future, where corporate responsibility becomes a differentiating value for our growth and that of our communities.





## CHAPTER STRUCTURE

### An Orderly and Transparent Approach

The chapter “We Care for “Ethical Business” has been developed with a defined, results-oriented perspective, ensuring a clear presentation of our initiatives in the area of governance.

Furthermore, the chapter reinforces our commitment to transparency, excellence, and information disclosure, essential values in our relationships with key stakeholders.

### Corporate Conduct Management Centered on one Key Area

The chapter is organized into a key section that reflects our strategy and progress in governance and corporate conduct:

#### Corporate Conduct

In this section, we present the key initiatives that reinforce our culture of integrity and transparency in the workplace. Our goal is to ensure that every person at Medichem feels valued and protected through the following actions:

- **Compliance and Corporate Ethics:** We implement high standards of corporate ethics, ensuring compliance with our Code of Conduct and the external and internal regulations that govern our activities.
- **Reporting channels and internal control:** We have control mechanisms and confidential reporting channels to prevent and address any misconduct, promoting an environment of trust and accountability.
- **Prevention of corruption and bribery:** We apply a zero-tolerance policy toward corruption, establishing rigorous measures to avoid conflicts of interest and ensure fairness in our business relationships.

*“At Medichem, ethics and transparency are not just corporate principles; they are the foundation that strengthens our corporate culture and reinforces our responsibility to society.”*

### Governance Materiality Matrix:

As part of our sustainability strategy and in line with our commitment to excellence, Medichem conducted an initial Double Materiality analysis in 2024. This exercise, the general results of which are detailed in the previous sections, has allowed us to identify those topics and subtopics that have a significant impact on our environment and are critical to the financial sustainability of our company.

This chapter, focused exclusively on governance-related matters, addresses issues linked to corporate conduct that are of relative importance. Throughout this section, we present the policies, initiatives, and objectives that Medichem implements to manage various governance-related aspects, thereby ensuring transparency and rigor in our reporting.

## A GOVERNANCE PERSPECTIVE BASED ON DOUBLE MATERIALITY

The materiality analysis conducted in 2024 identified governance-related issues that are material from both an impact perspective (impact materiality) and a financial perspective (financial materiality).

### Impact Materiality

The material issues identified in this category reflect critical areas where our operations generate a significant environmental and/or social impact:



#### Corporate Conduct

We promote ethical corporate conduct and responsible governance, ensuring that our operations generate a positive impact on society and the environment in which we operate.

### Financial Materiality

From a financial perspective, the following topic presents risks and opportunities that directly impact Medichem's economic and operational sustainability:



#### Corporate Conduct

We guarantee ethical management and responsible governance, ensuring that integrity and transparency in our operations reinforce investor confidence, long-term stability, and informed strategic decision-making.





## KEY FINDINGS

### Priority Governance Subthemes

The Double Materiality analysis has identified key subthemes within the “Corporate Conduct” theme. that guide our governance strategy:

#### Impact Materiality

##### Corporate Conduct:

- **Corruption and bribery:** We promote integrity and transparency, ensuring compliance with regulations and control mechanisms to prevent improper practices.
- **Whistleblower Protection:** We ensure a safe and confidential environment for those who report irregularities, guaranteeing their protection and respect for their rights.

#### Financial Materiality

##### Corporate Conduct:

- **Corporate conduct:** We guarantee ethical and compliance standards, strengthening the trust of investors and stakeholders.
- **Supplier relationship management, including payment practices:** We apply responsible criteria in supplier management, ensuring fair payment practices and sustainable business relationships.
- **Protection of whistleblowers:** We implement secure and confidential reporting mechanisms, promoting transparency and integrity within the organization.

## Data Analysis from the Double Materiality Study

### A Strategic Vision for Environmental Sustainability

At Medichem, we are committed to leading a sustainable transition in the pharmaceutical sector. As part of our corporate strategy, in 2024 we conducted a Double Materiality analysis designed to identify and prioritize the most relevant impacts, risks, and opportunities (IROs) for our organization, ensuring that our actions not only respond to regulatory demands but also drive long-term value creation.

This strategic approach has allowed us to identify a total of 252 IROs, all of which were subjected to a rigorous evaluation process to determine which ones are relevant to the company. This analysis reinforces our commitment to transparency and consolidates Medichem as a company that anticipates market demands and leads with purpose.

### The Governance Dimension

#### A Corporate Priority

Among the 252 IROs identified, an 11% fall within the governance category, representing a total of 27 IROs directly related to business conduct.

Although governance represents the smallest component of our sustainability strategy, it remains a fundamental pillar for Medichem. Strengthening it is key to ensuring regulatory compliance, transparency, and integrity—essential aspects of operating in a highly regulated and competitive sector.

Of these 26 governance IROs, 61% have been rated as material, i.e., they have exceeded the defined materiality threshold, for one or both perspectives. This is equivalent to 16 IROs.





# ETHICAL, PROFITABLE, AND SUSTAINABLE BUSINESS

## Comprehensive Value Strategy at Medichem

At Medichem, our business strategy is based on becoming a leading partner for our clients, facilitating the expansion of their drug portfolios across all therapeutic areas and allowing them access to a greater number of patients. This approach not only strengthens our profitability but also generates a positive impact on our environment, consolidating our ESG value proposition and aligning with the Green Deal objectives for 2030 and 2050.

**Objectives and Strategy** Our strategy is based on three key levers that strengthen our value proposition and ensure ethical, profitable, and sustainable growth:

### 01 Sustainability

**Social Aspects:** We foster an inclusive culture that promotes the development of our team members, ensuring equal opportunities and an inclusive work environment.

### 02 Respect for the Environment

We are committed to protecting the environment by implementing sustainable practices in all our operations.

*Our commitment to sustainability delivers a positive impact on communities and drives a significant reduction in our environmental footprint, enhancing both our reputation and our competitiveness.*

### 03 Efficiency

For the past five years, we have implemented annual efficiency improvement programs at the global and departmental levels. These programs are based on precise metrics and objectives measured annually, allowing us to optimize our processes and reduce operating costs without compromising quality.

### 04 Customer Service and Support

Based on the premise that customer success is Medichem's success, we work tirelessly to deliver an exceptional customer experience. From R&D to the Sales, Operations, Supply Chain, and Regulatory Affairs departments, we ensure that every product and service meets the highest standards of quality and safety, providing distinctive value to our customers.

### 05 Strategic Organization and Governance

To drive these initiatives forward, Medichem's Management Committee has established the Sustainability Committee. This body is composed of three members of the Management Committee, along with representatives from the Legal, Human Resources, Environment, and Finance areas. The role of this Committee is to lead and oversee the implementation of the Sustainability Action Plan, ensuring the integration of ESG criteria into every strategic decision.



## SHORT-, MEDIUM- AND LONG-TERM OBJECTIVES

### Short Term:

- Increase the number of finished product developments, meeting planned milestones, to expand our portfolio and offer greater direct value to our customers.
- Continue implementing the “Caring for the Future” project, which reinforces our commitment to innovation and sustainability.

### Medium and Long Term:

- Become the preferred partner for the development of medicines, both generic and non-generic, for our clients.
- Generate a positive impact on our teams and the communities where we operate, while reducing our environmental footprint.

Medichem’s strategy for an ethical, profitable, and sustainable business is designed to create value at every stage of the value chain. By integrating sustainability, efficiency and a customer-centric approach, we strengthen our position in the pharmaceutical sector as a strategic partner committed to operational excellence and social responsibility.

Our commitment translates into concrete actions that drive sustainable growth, strengthen our business relationships, and generate a positive impact on society and the environment. Our vision is focused on developing solutions that promote ethical, innovative, and responsible growth, ensuring lasting success for our customers, employees, and all stakeholders.



## AWARDS AND RECOGNITION

As proof that our commitment is translated into action and that we see positive results, at Medichem we are proud of the following recognitions:



### **Cepyme 500:**

In 2023, we were recognized as one of the 500 fastest-growing companies in Spain in 2022



### **Ecovadis:**

Bronze certification in 2024 at Medichem Spain.



### **ISO 14001:**

The last review was passed in 2022 and is every 3 years, for both Medichem Celrà and Medichem Malta.



## GOVERNANCE SYSTEM

### Strategic Leadership and Corporate Transparency

Since the end of 2023, Medichem, S.A. has adopted a collegial management model, consolidating a governance system that strengthens our ability to define and execute high-impact strategies in the pharmaceutical sector. The Board of Directors is composed of six members, three of whom are independent, bringing extensive experience in the European and American pharmaceutical markets, while the other three represent the company's sole shareholder.

The board members are responsible for setting economic, R&D, environmental, and professional development strategies and objectives, always considering the impact of their decisions on employees, customers, suppliers, and the community at large. This comprehensive approach ensures that our actions not only generate value for the company but also promote environmental protection and regulatory compliance.

The Board of Directors meets at least every three months to analyze the company's progress and, at the end of each financial year, approves the objectives, budget, and investments for the following period. Additionally, the Steering Committee, composed of eight directors—with a majority of women—is responsible for defining and executing the agreed-upon short-, medium-, and long-term strategies, ensuring the ongoing review of all business areas.

***“This robust governance system, based on experience, diversity, and transparency, is the engine that drives innovation and sustainable growth at Medichem, ensuring strategic leadership that protects the interests of all our stakeholders.”***





# ETHICAL GOVERNANCE AND COMPLIANCE

## The Pillar of Integrity and Transparency at Medichem

At Medichem, we are committed to ethical excellence and regulatory compliance as essential pillars for the success and sustainability of our business. Since 2012, with the publication of our first Code of Conduct, we have built a corporate culture based on the principles of integrity, transparency, and accountability, which are reflected in every process and strategic decision we make.

Our robust Compliance System is designed to ensure that all company activities adhere to the highest ethical and legal standards. This system is built on a set of strategic documents, including:

- **Code of Conduct:** The primary instrument that defines our general principles, corporate values, ethical commitments, and responsibilities. This code applies to all employees, ensuring equal treatment and promoting transparency in business relationships based on loyalty, legality, and impartiality.
- **Compliance Policy**
- **Human Rights Policy**
- **Anti-Corruption Policy**
- **Ethical Channel Use Policy**
- **Specific Protocols and Policies:** Targeted at each area of the organization, ensuring that each process aligns with our commitment to integrity and good governance.

To oversee and ensure the proper implementation of this system, we have established an Ethics and Compliance Committee. This independent and collegial internal oversight body meets periodically and reports directly to the Board of Directors. It is composed of professionals from the Supply Chain, Human Resources, and Legal departments, and its main functions are:

- **Promote and Monitor:** Ensure compliance with the values, principles, and standards of conduct established in our Code of Conduct and other internal regulations.
- **Develop and Disseminate Compliance regulations:** Approve and promote the implementation of codes, procedures and internal controls, along with the training actions necessary to strengthen our compliance culture.
- **Ethics Channel Management:** Enable and manage our Ethics Channel, ensuring that any communication regarding non-compliance, reputational risks or doubts related to our Compliance System is treated with complete confidentiality and rigor.
- **Continuous Assessment:** Periodically review the effectiveness of the Compliance System and propose relevant improvements and modifications to maintain our standards at the level of best international practices.

*“The integration of a robust Compliance System and an independent Ethics and Compliance Committee strengthens our position in terms of business ethics. This strategic approach not only ensures regulatory compliance but also enhances transparency and accountability at every level of the organization.”*

## ETHICS CHANNEL

### Pillar of Transparency and Responsibility at Medichem

At Medichem, we understand that integrity and transparency are essential to good corporate governance and compliance with our ethical standards. For this reason, we have established an Ethics Channel, accessible through our website, which enables any member of the company, regardless of their position, role, or location, as well as third parties, to report any breach of our Compliance System, violations of applicable laws, or to submit questions or queries regarding our Compliance Program.

This Ethics Channel, managed by the Ethics Channel Officer (currently a member of the Ethics and Compliance Committee and Head of the Legal Department), operates in accordance with the Whistleblowing, Internal Investigations and Corporate Response Channel Management Protocol, as well as the Ethics Channel Use Policy. This structure ensures that all communications are handled confidentially and, anonymously, in line with the highest standards of integrity and security.

The external platform, available at <https://medichem.integrityline.com>, guarantees the protection of the reporter's identity at all times, promoting a culture of responsible reporting and strengthening our ability to respond effectively to any potential issues.

All employees are informed about the existence and functioning of the Ethics Channel upon joining the company. This information is outlined in our Code of Conduct and reinforced through annual training sessions delivered by the Ethics and Compliance Committee.

***“In 2024, no communications were received through the Ethics Channel, either from our employees or from the value chain, reflecting the effectiveness of our preventive processes. In 2023, one communication was recorded, which, after evaluation, was referred to the appropriate channel by the Ethics and Compliance Committee, without resulting in sanctions, fines, or compensation.”***

This Ethics Channel is a strategic tool that reinforces our commitment to transparency, responsibility, and regulatory compliance, key elements of our ESG value proposition and the consolidation of an ethical and sustainable business environment at Medichem.



## FIGHT AGAINST CORRUPTION AND BRIBERY

### Integrity and Compliance Strategy at Medichem

At Medichem, our commitment to ethics and transparency is fundamental to our operations and our ESG value proposition. To prevent any misconduct, we have implemented effective anti-corruption and anti-bribery policies.

Since 2018, Medichem has carried out a comprehensive assessment of the criminal risks inherent to our business activities, focusing on compliance with the criminal laws applicable in Spain. This assessment was updated in 2019 to reflect legislative changes, resulting in a risk assessment map covering, among others, business corruption offenses, bribery, influence peddling, and money laundering.

As a result, specific internal regulations were adopted and action plans implemented to prevent these risks, which are integrated into our robust Compliance System. In 2023, we reviewed our Gifts and Hospitality Protocols, the Prevention of Corruption in relations with the public sector, and the Prevention of Corruption in Business. These protocols were grouped into a single Anti-Corruption Policy, which aims to establish clear guidelines for all employees in their relations with both private and public entities, in order to prevent any form of corruption and mitigate the risks of reputational or financial damage.

This Anti-Corruption Policy, in force since 2024, has become one of the fundamental documents within the internal regulations of our Compliance System. Furthermore, Medichem has a dedicated Ethics Channel to receive communications related to corruption and bribery. It is important to note that no communications on this matter were received during 2022, 2023, and 2024, which demonstrates the effectiveness of our controls and preventive policies.

***“The implementation and continuous improvement of our Compliance System, together with the consolidation of the Anti-Corruption Policy, demonstrate Medichem’s unwavering commitment to integrity and transparency, ensuring an ethical and responsible business environment that protects the organization and all its stakeholders.”***

This strategic approach, which integrates rigorous prevention and control mechanisms, strengthens our position as leaders in the pharmaceutical sector, while meeting the highest standards of governance and social responsibility.





## HUMAN RIGHTS

### Comprehensive Commitment to Protection and Respect

At Medichem, we recognise the impact of our operations on all our stakeholders - customers, employees, partners, communities and society at large - and we are firmly committed to protecting and promoting human rights. Following the guiding principles established by the United Nations, our policy is based on two essential pillars: the protection and respect of Human Rights, and the guarantee of effective remedies in case of violations.

To this end, Medichem rigorously complies with international and national provisions, including the fundamental ILO conventions, which guarantee respect for freedom of association and the right to collective bargaining. Our approach is based on the application of the principle of due diligence in all our operations and decision-making, as established by the United Nations Guiding Principles on Business and Human Rights.

***“At Medichem, our commitment to Human Rights translates into concrete actions to identify, prevent, and mitigate any negative impacts resulting from our activities, ensuring a fair and inclusive work and social environment.”***

To this end, we have developed a Human Rights Policy that establishes specific operational measures, such as the prohibition of child exploitation and forced labor, and promotes the elimination of discrimination in employment and occupation. Furthermore, our Code of Conduct—shared with our business partners—reinforces our commitment to legality and the protection of human rights in all our business relationships.

It should be noted that during 2024, as in 2023, no communications were received through our Ethics Channel or through other channels indicating human rights violations in the course of our business activities.

This policy, aligned with ESG standards and the United Nations Guiding Principles, is a core element of our governance strategy, ensuring an ethical, responsible, and sustainable approach in all areas of Medichem. By integrating these principles into every decision and action, we reinforce our value proposition and consolidate our leadership as a company committed to the well-being of its stakeholders and society at large.





## ETHICS AND COMPLIANCE TRAINING

Constant communication and ongoing training for our teams are essential tools for promoting ethical conduct and strict compliance with current regulations on a daily basis.

During 2024, we carried out several training and awareness initiatives:

1.

### **Compliance Monograph:**

Compliance System, Sexual Harassment and Mobbing, Ethics Channel and Responsibilities. Aimed at all employees at our centers in Spain.

2.

### **Compliance responsibility and leadership training for managers.**

3.

### **Code of Conduct, Human Rights, and Corruption Awareness:**

We implement annual training for Medichem employees. In 2024, 73.4% of employees in Spain and 56.5% in Malta participated, compared to 85.25% and 66.23%, respectively, in 2023.





## FISCAL TRANSPARENCY

At Medichem, we are unwaveringly committed to acting fiscally responsibly and rigorously complying with tax laws and obligations in each of the countries where we operate. Our approach is based on transparency and truthfulness in all our dealings with tax authorities, supported by a corporate structure that reflects the company's commercial and industrial activities.

Our Tax Guidelines, aligned with Medichem's mission, values, and business strategy, is the fundamental pillar that guides our tax practices. The Management Body, responsible for the direction, management, and control of the business, oversees these guidelines with a prudent and reasonable interpretation of current tax regulations, thus minimizing any tax risk.

Furthermore, we have a Transfer Pricing Policy that complies with current regulations and applies to all transactions with related parties. It is reviewed annually to ensure full compliance and prevent deviations. It should be noted that Medichem operates exclusively in jurisdictions not classified as tax havens.

The grants we receive come primarily from non-repayable subsidies awarded by the Centre for Industrial Technological Development (CDTI) for R&D projects and investment grants from Malta Enterprise. These grants reinforce our commitment to innovation and sustainable growth.



	2023		2024	
Tax jurisdiction	Spain	Malta	Spain	Malta
Profits obtained (*)	7.395.915 €	8.201.406 €	3.378.228 €	6.539.176 €
Taxes on profits paid (**)	-123.891 €	3.378.484 €	-466.114 €	4.689.082 €
Grant	147.826 €	269.979 €	350.210 €	269.857 €

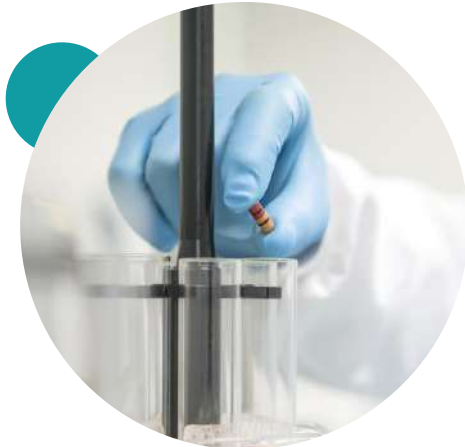
(\*) The profits obtained have been calculated after taxes

(\*\*) A cash criterion has been followed to determine the taxes on profits paid in the year.

# MAXIMUM QUALITY, SAFETY AND CUSTOMER MANAGEMENT

## Driving Sustainable Excellence at Medichem

At Medichem, we focus on making a difference through the development of high-value products, offering our clients the best technical and regulatory support to ensure the success of their projects. Whether for the acquisition of APIs or the commercialization of finished products (FDP), our commitment is to provide comprehensive solutions that facilitate product development, obtaining marketing authorizations in the desired markets, and, above all, protecting the health of people and the planet.



*“At Medichem, the combination of a culture of ethics and compliance with a deep commitment to sustainability forms the foundation of our value proposition. This enables us to deliver innovative solutions that not only meet our customers’ expectations but also contribute to environmental protection and the well-being of society.”*

Our strategic approach is based on three fundamental pillars:

### Product Quality and Safety:

- We have a highly qualified multidisciplinary team that develops high-quality pharmaceutical active ingredients and products, always respecting intellectual property rights. Our extensive know-how in APIs and solid and injectable pharmaceutical forms allows us to anticipate the regulatory and compliance requirements of our clients and health authorities worldwide.

### Technical and Regulatory Support:

- We provide comprehensive support from the product development phase to commercialization. This includes advice on obtaining marketing authorizations in target countries and implementing Compliance strategies that ensure integrity and regulatory compliance at every stage.

### Commitment to Sustainability and Environmental Impact:

- Each development program we design is geared toward minimizing the environmental impact of production processes, ensuring compliance with all regulatory requirements and achieving the highest level of quality. We establish precise time and cost targets tailored to the end customer's needs, ensuring efficient and responsible delivery.

Through this strategy, Medichem positions itself as a trusted partner, capable of transforming regulatory and environmental challenges into opportunities for sustainable growth, driving excellence and competitiveness in the global pharmaceutical sector.

## LEGISLATION AND QUALITY

### Corporate Commitment to Regulatory and Operational Excellence

At Medichem, we are committed to ensuring ongoing compliance with applicable legislation in all the jurisdictions where we operate. We guarantee that each of our subsidiaries operates in a structured and controlled manner, under the guidance of our Legal Department and the direct supervision of the Management Team. This commitment is essential to maintaining the integrity of our operations and strengthening stakeholder trust.

All our production plants, located in Spain and Malta, hold certifications that validate our rigorous quality management system. This system, managed by the Quality Assurance Department at each site, is based on internal policies and procedures that comply with all applicable laws, standards, and regulations, while also meeting our customers' requirements and Medichem's internal quality standards, ensuring the continuous improvement of our processes and products.

Our quality management system is further strengthened by continuous organizational effectiveness assessments and internal audits, which enable us to maintain and elevate our excellence standards. In addition, we secure our presence in international markets by obtaining the necessary regulatory approvals from leading authorities in the sector.

Our certifications include EU GMP accreditation, U.S. FDA certification, and, for our Celrà plant, approvals from authorities in Japan, Brazil, Korea, and other countries. Moreover, our chlorhexidine salts are Halal certified, reaffirming our commitment to global quality standards and the safety of our products.

API Celrà - ES			API+PDF Hal Far - Malta	
	agencia española de medicamentos y productos sanitarios		 <b>U.S. FOOD &amp; DRUG ADMINISTRATION</b>	
Spanish Medicines Agency (AEMPS)	Since 2008	Catalunya GMP Plant Inspection	US FDA inspected since 2007 (API), since 2017 (PDF) No form 483 since 2012 (API)	
		Since 2014 R&D hubs in Barcelona & Celrà		
	<b>U.S. FOOD &amp; DRUG ADMINISTRATION</b>		 <b>WORLD MEDICINES AUTHORITY</b>	
FDA Inspected since 1985, No form 483 since 1999		ISO 14001 certified since 2001	EU GMP certification by Malta Medicines Authority since 2007 (API) since 2006 (PDF)	
	<b>KFDA</b> Korea Food & Drug Administration 식품의약품안전청			
Korean FDA (MFDS) since 2012		PMDA approved plants since 2009	Halal Inspection Since 2016	ISO 14001 certified since 2009 (API)

## LEGISLATION AND QUALITY

### Corporate Commitment to Regulatory and Operational Excellence

Medichem periodically receives audits to verify our compliance with applicable requirements. Audits are conducted by clients (in person and remotely), by certifying entities based on applicable regulations (ISO 14001, Halal, etc.), and also by health authorities. The following audits/inspections were received during 2024:



The number of authority inspections and certifications carried out varies by year, as they are carried out according to the assigned renewal frequency. Regarding client audits, for 2024, 30 were carried out at Medichem Spain, 10 at Medichem Malta, and 6 at Combino Pharm Malta. It is noted that the number of client audits received at Medichem Spain has slightly decreased compared to 2023, when 37 audits were received; however, this number has increased for Medichem Malta and Combino Pharm Malta, which received 7 and 1 audit, respectively, in 2023. It is worth noting that no critical observations were recorded in either the inspections carried out by authorities or the client audits.



# LEGISLATION AND QUALITY

## Corporate Commitment to Regulatory and Operational Excellence

Medichem also handles all customer inquiries regarding processes and products, in addition to assisting them with visits and audits at our production plants. Medichem maintains its own system for managing complaints received through different departments, which are always redirected to Sales and Quality Assurance (QA). All complaints received are investigated, and when deemed necessary, actions are proposed focused on resolving the root cause and preventing their recurrence. The following table shows the number of complaints received during 2024 across the three business units, as well as the percentage of those closed as of December 31, 2024, in accordance with the applicable internal procedure:

	2023	2024
Number of complaints received	55	71
% complaints resolved	55%	73%

In 2024, there was an increase in the total number of customer complaints received (71), compared to the previous year (55): the breakdown by company shows a decrease in the number of complaints received compared to 2023 - at Medichem Spain (from 32 to 23) and Medichem Malta (from 7 to 6). However, there was a significant increase at Combino Pharm Malta, with complaints rising from 16 to 42. This increase can be attributed to a higher volume of batches produced and distributed, which may naturally result in a higher number of customer complaints.



At December 31, 2024, the overall percentage of resolved complaints stood at 73%, an improvement compared to 55% in 2023: in the breakdown by company, the percentage of closed claims at Medichem Spain (83%) and Combino Pharm Malta (71%) is higher than in 2023 (66% and 31%, respectively); while it is slightly lower at Medichem Malta (50% in 2024 compared to 57% in 2023). The year-to-year variability in the closed complaint rates is due to the fact that the closure process is subject to a defined timeframe, established by the applicable procedure, which considers the date of the last communication with the customer.

## R&D AND CUSTOMERS

### Driving Innovation and Satisfaction at Medichem

At Medichem, investment in R&D and a customer-focused approach are strategic pillars that strengthen our position as a leader in the pharmaceutical sector. In 2024, we allocated 10% of our budgeted revenue to R&D projects, representing a 2% increase compared to the 8% invested in the previous year. These projects, proposed and evaluated by our Selection Committee, are carried out by multidisciplinary teams led by a Project Leader and made up of professionals from various areas of the organization, who closely monitor the progress of each initiative.

Some of these projects receive public funding at both national and regional levels and are subject to subsequent audits by the granting authorities, ensuring transparency and the effectiveness of our investments in innovation.

In the commercial arena, our B2B strategy focuses on fully meeting our customers' needs. To this end, we measure customer satisfaction through regular meetings and satisfaction surveys. The most recent survey, conducted in 2024, revealed satisfactory ratings in key aspects such as the quality of our products, the breadth and relevance of our portfolio, our leadership in European production, the degree of fulfillment of expectations, the quality of our technical support, and the overall assessment of Medichem as a supplier.

Additionally, during 2024, we strengthened our commitment to key stakeholders on sustainability issues. Through consultations and surveys, we incorporated our partners' priorities into our ESG strategy, ensuring that sustainability initiatives are closely aligned with market needs and fostering transparency and trust in our business relationships.

***“The integration of R&D innovation and a customer-centric approach not only drives Medichem’s sustainable growth but also strengthens our ability to anticipate market needs and create positive impact across our entire value chain.”***

With an unwavering commitment to operational excellence and sustainability, Medichem continues to position itself as a trusted strategic partner in drug development, delivering innovative solutions and creating sustainable value for our customers and stakeholders.





## INTEGRITY AND SECURITY

### Cybersecurity and Pharmacovigilance

Our commitment to excellence extends to ensuring the security of information and the integrity of our products, which are essential for protecting both our digital assets and the health of our patients. Below, we present how we comprehensively and strategically approach the areas of Cybersecurity and Pharmacovigilance, essential pillars of our ESG value proposition.



#### Cibersecurity

Cybersecurity is a critical priority at Medichem, as reflected in our Security Guidelines, which establish as basic principles that all our information and telecommunications systems must maintain appropriate levels of security and resilience. To achieve this, we implement the following:

- **Regulatory Framework and Security Guidelines:** We operate in strict compliance with the regulatory framework applicable to our industry, ensuring that all digital operations are conducted under the highest security standards.
- **Continuous Improvement and Prevention:** We promote continuous improvement processes in the prevention, detection, analysis, recovery, and investigation of new cyber threats.
- **Audits and Gap Assessments:** We conduct internal and external audits, executed by cybersecurity experts, to identify potential breaches and anticipate corrective and preventive actions.
- **Cloud Service Management:** The use of third-party and cloud-based services is managed through periodic audits and reviews, ensuring data privacy and compliance with relevant regulations.



#### Pharmacovigilance

Drug safety is a non-negotiable commitment at Medichem. To uphold this, we have implemented a robust Pharmacovigilance System that monitors the safety of authorized products and proactively manages the benefit-risk balance.

- **Responsibility and Oversight:** We have a Qualified person responsible for Pharmacovigilance (QPPV) at European level, who also acts as the person responsible locally for Spain.
- **Comprehensive Pharmacovigilance System:** Our system is designed to identify and manage any adverse reaction alerts. Although we do not currently directly market the medicines we own, any alerts received are immediately reported to the Pharmacovigilance Department in accordance with our internal procedures.
- **Continuous Training:** We have established an initial and continued training program in Pharmacovigilance, developed under the supervision of the Human Resources Department. This program ensures that all personnel involved are properly trained to perform their duties and contribute to patient safety.

## INTEGRITY AND SECURITY

### Cybersecurity and Pharmacovigilance



#### Collaborations

Medichem works closely with the United States Pharmacopeia (USP) and European Pharmacopeia (EP) by providing product reference standards, reviewing analytical methods, and, when necessary, proposing improvements. We also participate in expert groups of both USP and EP.

Additionally, Medichem regularly collaborates on various projects with technical and specific experts from the University of Girona and the Institute of Materials Science (ICMAB) at the Autonomous University of Barcelona (UAB).



#### Responsible and Sustainable Supply Chain

At Medichem, our clear objective is to foster responsible, stable, and sustainable relationships in our supply chain. To this end, we have purchasing procedures that establish a framework for action between Medichem and suppliers, encouraging these types of relationships throughout the purchasing process to avoid and mitigate potential adverse environmental, social, and economic impacts associated with the acquisition of products and/or services.

In March 2021, we approved a new version of the Supplier Evaluation procedure detailing new criteria regarding ethics, sustainability, and safety in the supplier selection and evaluation process.

To align our procurement practices with our sustainability commitments, in 2022, we partnered with Ecovadis to perform individual sustainability assessments of our key suppliers. We conducted a Supplier Mapping exercise and contacted those suppliers with the greatest economic impact on our business and invited them to participate via the Ecovadis platform.

Operating in a highly regulated market, we aim, wherever technically and regulatory feasible, to prioritize suppliers who are committed to sustainable development and align with Medichem's sustainability goals, with the aim of building the most sustainable supply chain possible.

In parallel, Medichem has defined a Corporate Purchasing Policy and analyzed the performance data of its Ecovadis-compliant suppliers to understand their performance based on the results of their assessments. This is intended to focus our efforts on providing support, training, and continuous improvement plans to suppliers with a low level of maturity in sustainability integration or who are not fully aligned with our goals. In 2024, 46% of our main purchases came from suppliers who have been assessed in terms of sustainability.





## RESPONSIBLE AND SUSTAINABLE SUPPLY CHAIN

At Medichem, we have a Code of Conduct that details how the company conducts business relationships with its suppliers and other business partners.

We are working on a global purchasing model with local implementation and seek to ensure coordinated management to identify opportunities and synergies between the Medichem Group's departments and companies. We also provide suppliers with appropriate communication channels to facilitate dialogue and communication.

Suppliers who provide materials, services, and logistics, and who impact on the quality of manufactured products, are pre-approved, and their risk is assessed annually by various departments within the company, led by the Quality Department.

As part of our risk mitigation strategy, we maintain an Annual Strategic Approval Plan to secure supply from at least three suppliers of critical raw materials located in different geographical regions, wherever feasible. We have also launched an initiative to increase the number of European suppliers, supporting the European industrial base while reducing transportation distances and the associated environmental impact.

Depending on the assessed annual risk level and its impact on the value chain, we conduct periodic audits of our raw material and service suppliers, such as FDF manufacturing, to ensure they have an adequate quality system and meet the required specifications. Our suppliers are also expected to have an environmental policy that complies with existing laws and regulations on environmental protection and safety, and respect working conditions and human rights. In 2024, 30 suppliers were audited according to internal procedures, with satisfactory results in all cases. Audits that could not be completed in 2024, due to different motives such as supplier unavailability, cancellations, or deferment depending on the production of the raw material, have been rescheduled for 2025, except for those canceled due to supplier reclassifications.



## RESPONSIBLE AND SUSTAINABLE SUPPLY CHAIN

The Quality teams in Malta and Spain are working together to develop a shared audit plan across plants and businesses, with the goal of combining efforts, synergies, and knowledge among qualified personnel from different areas and businesses.

The following table details the numbers corresponding to planned audits and audits performed, with the percentage of successful audits also reported for the latter.

Type of Audit	2023			2024		
	Planned	Completed	% auditorías con resultado favorable	Planned	Completed	% audits with favorable results
Material suppliers	44	22	100%	30	22	100%
Service providers	10	7	100%	9	6	100%
Analytical service providers	3	3	100%	1	1	100%
Transportation providers	6	5	100%	3	1	100%

The findings of these audits are always shared with suppliers and require an action plan or improvements where necessary.

The planning of audits for suppliers varies from year to year as it depends on a risk analysis. Based on the annual values, the total number of audits to be performed may increase or decrease, causing variability between years

Finally, at Medichem we also establish a system for evaluating transportation companies that are part of the supply chain, assessing environmental and social performance, as well as safety-related aspects.





## MARKET TRENDS

In the current global environment, security of supply for the pharmaceutical industry is affected by a complex web of geopolitical factors that transcend borders and sectors. Below is a detailed analysis of the conflicts and tensions that may impact Medichem and the supply chain in general:

### 01

#### Conflict in Ukraine

The war in Ukraine continues to disrupt trade and energy flows, disrupting key logistics routes and driving up energy prices. Instability in the region hampers long-term planning and adds a layer of uncertainty to the supply chain, affecting both operating costs and the availability of essential raw materials.

### 02

#### Regional conflicts and tensions

In addition to Ukraine, there are other hotspots of conflict that have global repercussions. For example:

- **Conflicts in the Middle East:** Incidents in strategic areas, such as the conflict in Gaza, can cause blockages or disruptions to critical shipping routes. These events cause delays and increase volatility in international freight transport.
- **Instability in Africa and Central Asia:** Conflict zones or political tensions in these regions can affect the supply of certain consumables or intermediates, especially those from emerging markets.

### 03

#### Trade war between the United States and China

The prolonged trade war between the United States and China has led to the imposition of tariffs, trade restrictions, and increased volatility in the global market. This confrontation not only impacts the cost of goods and logistics but also disrupts supply chains by forcing companies to seek alternatives in less conflictive markets or reorganize their sourcing strategies to mitigate risks.



## MARKET TRENDS

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### 04

#### Political and Leadership Changes in the United States

The change of mandate in the United States could generate uncertainty in trade and economic policies. A new administration could reorient foreign trade policies, modify international agreements, or even adjust import and export regulations. These changes have the potential to directly affect supply chains and resource availability, especially in strategic sectors such as the pharmaceutical industry.

### 05

#### Dependence on large logistics operators

The concentration of the logistics market in the hands of a few large operators adds an additional layer of vulnerability. Any changes in their strategies, operational capacity, or internal policies could trigger ripple effects, affecting international transport efficiency and response capabilities in the face of unexpected geopolitical events.



## MEDICHEM'S STRATEGY TO ADDRESS THESE CHALLENGES



### **Supplier diversification:**

At Medichem, we have been working for years to diversify our supply sources. We validate multiple suppliers for the acquisition of essential intermediates in the manufacture of active ingredients and for obtaining finished products. This multi-supplier strategy allows us to efficiently manage the risks associated with logistical disruptions or abrupt changes in the geopolitical environment.



### **Near-sourcing initiative:**

We are currently promoting an ambitious project to incorporate local suppliers. By shortening transit times and reducing exposure to incidents on international routes, this initiative not only reduces the environmental impact of transportation but also strengthens the resilience of our supply chain, ensuring that our customers always have the product they need.



### **Constant Monitoring and Adaptability:**

In a context marked by instability, Medichem is committed to continuous monitoring of the global environment. We proactively assess the implications of conflicts, trade tensions, and international policy changes to adjust our sourcing strategy in real time. This allows us to anticipate potential disruptions and respond in a timely manner to any eventuality.





## CONTRIBUTING TO THE COMMUNITY

### Donations, Partnerships, and Sponsorship Activities

Our philanthropic work goes beyond collaborating with like-minded organizations; at Medichem, we create and coordinate charitable initiatives that permeate the entire company, demonstrating a genuine commitment shared by every member of the group.

During 2024, we have focused our efforts on five strategic axes:

1. Access to health care for vulnerable groups.
2. Support for children and adolescents in vulnerable situations.
3. Attention to groups at risk of social exclusion.
4. Support for teaching research in the university environment.
5. Encouraging the active participation of our team, whether through direct collaboration or by deciding how our donations are used.

Through December 31, 2024, Medichem allocated €266,090 in donations, representing a 1.8% increase compared to 2023, when donations totaled €261,392. The most significant contributions include:

€  
**134.984** in donations to Caritas offices located in the towns where our work centers operate.

€  
**55.008** allocated to the *Casal dels Infants Raval*.

€  
**15.000** contributed to the *Fundació Arrels*.

In addition, other entities that have received our support include:

- Oncolliga Girona, with the collaboration of teams from Spain and Malta.
- Celrà Town Council.
- Patronat Politècnica Celrà.
- Obra Social Sant Joan de Déu.
- Red Cross (Cruz Roja) Valencia.
- Institut Químic de Sarrià.
- ESADE.
- Red Cross (Cruz Roja).
- Fundación Xana.

## CONTRIBUTING TO THE COMMUNITY

### Donations, Partnerships, and Sponsorship Activities

As part of our "Zero Workplace Accidents" Campaign, the Celrà center promotes a charitable initiative aimed at encouraging an accident-free work environment. Through this campaign, local charitable organizations receive a financial incentive for every 100 accident-free days, with the beneficiaries selected by vote of the Medichem Celrà team. In 2024, the supported organizations were:

- **Asociación Naturalistes Girona.**
- **Fundación ELA Miquel Vall.**
- **Club Handbol Bordils.**

It should be pointed out that in June 2023, the Celrà Figure Skating Club participated in the Figure Skating World Cup in the Show category in Argentina. To support the local sports team in the community where one of our manufacturing sites is located, Medichem became a sponsor, helping to cover part of the travel expenses for athletes, coaches, and support staff (make-up, costumes, etc.). This support contributed to the team's outstanding achievement of winning first place in its category. No new sponsorship activities were carried out during 2024.

With these actions, we reaffirm our commitment to generating a positive social impact, integrating philanthropy into the DNA of our organization and demonstrating that, at Medichem, solidarity is a shared value lived daily.



## PARTNERSHIP ACTIVITIES

Medichem promotes access to medicines and advances in fine chemicals through its active participation in leading national and European industry associations, such as Medicines for Europe, Afaquim, and the European Fine Chemicals Group. We have representatives in the governing bodies of these organizations, reinforcing our strategic commitment to sustainable development and continuous sector improvement.

Medicines for Europe focuses on promoting access to generic and biosimilar medicines across Europe, representing and supporting the companies that manufacture and distribute these products. Its mission is essential to expanding the availability of affordable, high-quality treatments, helping to reduce pharmaceutical costs and enabling more patients to access effective therapies.

Both EFCG and Afaquim represent leading companies in the fine chemicals industry, specializing primarily in the production of APIs. These associations are key drivers of innovation, fostering research and development of new products and processes that meet the highest standards of quality and sustainability. EFCG plays a critical role in advocating before governmental and regulatory authorities to promote policies that encourage investment in clean technologies and the adoption of rigorous environmental standards worldwide.

Medichem's participation in these strategic forums allows us to actively contribute to policymaking in the European pharmaceutical and fine chemicals industry. Our commitment focuses on promoting the sustainable production of medicines and active ingredients within the European Union, incentivizing domestic manufacturing to reduce shortages of critical pharmaceuticals, and ensuring the quality and safety of generic APIs from their development to their application in patients. Furthermore, we work to ensure that industrial property rights are managed in a way that avoids barriers that limit competition, thus ensuring that generic medicines and active ingredients reach all sectors of society.







# 04

## Taxonomía de la UE

Driving Responsible Growth

# EU TAXONOMY

## Driving Responsible Growth

Driven by our ongoing commitment to sustainability, we have voluntarily and preliminarily conducted a review of the eligibility of our activities, taking into account the provisions of the European regulation on the Taxonomy of Sustainable Activities. This action, which precedes the mandatory application of the CSRD regulations, reflects our determination to identify and promote those activities that significantly contribute to the environmental objectives established by said regulation.

In this first financial year, we have achieved 86% of eligible revenue, compared to 98% in 2023. Furthermore, we are making decisive progress in the implementation of our Sustainability Plan, reporting eligible CapEx of 21%, compared to 80% in the previous fiscal year, and OpEx of 13.36%, compared to 11.24% in the previous year.

We remain committed to sustainability and the continuous improvement of our business model. The decrease in eligible revenue and CapEx is due to the completion of strategic investments and our adaptation to the highest environmental standards, ensuring a positive impact and greater efficiency.

### Context

The 2015 Paris Agreement gave rise, in the European Union (EU), to the Action Plan: Financing Sustainable Development and the European Green Deal with the aim of promoting the necessary investments to achieve a circular, competitive and climate-neutral economy by 2050. In this context, the EU developed a regulatory framework known as the Green Taxonomy, with a dual purpose: to establish a common language that allows sustainable activities to be identified homogeneously in the European market, and to redirect capital flows towards these sustainable activities.

The development of this regulatory framework began in June 2020 with the publication of Regulation (EU) 2020/852 (hereinafter, the Taxonomy Regulation), establishing a framework to facilitate sustainable investments. It continued in 2021 with the publication of Delegated Regulation (EU) 2021/2139, better known as the Climate Delegated Regulation, establishing the activities linked to the goal of contributing to climate change mitigation and adaptation. During that same year, Delegated Regulation (EU) 2021/2178, commonly referred to as the Disclosures Delegated Regulation, was also published, with the aim of specifying what information and how financial indicators (KPIs) linked to environmentally sustainable economic activities should be disclosed.

In March 2022, the EU supplemented the Climate Delegated Regulation with Delegated Regulation (EU) 2022/1214 on nuclear energy and gas. Finally, in June 2023, Delegated Regulation (EU) 2023/2486 was published, establishing the technical selection criteria for determining under what conditions an economic activity is considered to contribute substantially to the remaining environmental objectives:

1) to the protection of water and marine resources, 2) to the transition to a circular economy, 3) to pollution prevention and control, and 4) to the protection and restoration of biodiversity. Furthermore, in this context, the European Commission has published various communications on the interpretation of the legal provisions included in the aforementioned delegated regulations, seeking to reduce the uncertainty associated with this complex and novel regulatory framework and its application.



## EU TAXONOMY

### Driving Responsible Growth

Although Medichem is not within the scope of application of the Taxonomy Regulation, in 2024 we began voluntarily reporting eligible economic activities that corresponded to the company's activities.

Convinced of the usefulness of this information, we have carried out an in-depth analysis of our business to include the largest number of activities possible, considering the criteria established by the aforementioned regulations.

**According to Article 3 of the Taxonomy Regulation, for an activity to be considered environmentally sustainable and therefore eligible for inclusion in Taxonomy, it must:**

- Contribute substantially to one or more of the six environmental objectives set out in the Taxonomy Regulation.
- It must do no significant harm (DNSH) to any of the other environmental objectives set out in the Taxonomy Regulation.
- Be carried out in accordance with the minimum guarantees established in the Taxonomy Regulation.

It must also comply with the technical selection criteria established by the Commission to determine the conditions under which an economic activity is considered to contribute substantially to climate change mitigation, adaptation to climate change, the protection of water and marine resources, the circular economy, pollution prevention and control, and the protection and restoration of biodiversity.

In this first financial year, 2024, we are disclosing the proportion of eligible and ineligible economic activities according to the taxonomy, in relation to the three key indicators:



The proportion of turnover that comes from products or services related to economic activities that are considered environmentally sustainable.

The proportion of the total fixed assets and the proportion of operating expenses related to assets or processes associated with economic activities that are considered environmentally sustainable.



## SCOPE OF THE REPORT +

The scope of the application of the European Taxonomy Regulation and, therefore, the report contained in this chapter, includes the activities of all companies controlled by Medichem that are consolidated using the global consolidation method or the proportional consolidation method. Additionally, companies with personnel costs and those with production, storage, or marketing facilities are included in the scope.

### Taxonomy Vision for Medichem

According to studies by the World Health Organization (WHO) and other relevant entities, the pharmaceutical sector is estimated to have a significant impact on pollution prevention and control. In particular, the sector is responsible for a considerable proportion of industrial pollution, mainly due to the generation of chemical waste, effluents, and emissions associated with production processes. In 2024, we began voluntarily implementing advanced pollution control and reduction practices, aligning ourselves with the objectives established in the European Union (EU) Taxonomy. These initiatives reflect our commitment to environmental sustainability and our efforts to contribute to the transition to a climate-neutral economy.

In this context, the EU, through the Zero Pollution Action Plan, has defined a series of strategic objectives that we consider priority. Therefore, we are working continuously and proactively to address these challenges and ensure that our operations are consistent with sustainability goals, promoting a positive impact on the environment and supporting the achievement of a more sustainable and climate-friendly economy.



## OUR STRATEGY LINKED TO TAXONOMY AND SUSTAINABILITY

At Medichem, we offer diversified pharmaceutical solutions that improve access to quality medicines through the continuous development of our business lines. Medichem specializes in the production of a wide variety of APIs and HPAPIs, which are highly potent active pharmaceutical ingredients essential for the formulation of medicines in key therapeutic areas. In addition, we manufacture FDFs and have a specific focus on the production of Chlorhexidine and Octenidine , two crucial compounds in the prevention and treatment of infections, used in a wide range of medical and healthcare applications.

Our commitment to innovation also leads us to explore new technologies and advanced therapeutic solutions that boost our production capacity. Through strategic research and development centers, we seek to strengthen our operations, improve efficiency, and continue advancing the commercialization of high-quality pharmaceutical products.

These solutions are aimed at ensuring sustainability and safety throughout the entire lifecycle of our products, thus contributing to the decarbonization of the industry and generating a positive impact on both global health and the environment.



## OUR STRATEGY LINKED TO TAXONOMY AND SUSTAINABILITY

Sustainability is part of our strategy to the extent that:

### 1.

At Medichem, we continue to strengthen our strategy to reduce polluting emissions by installing gas absorption scrubbers at our manufacturing plants in Spain and Malta, along with ongoing process optimization to improve air quality. As part of our environmental commitment, since 2023 we have implemented measures for more efficient management of the compounds used in production, incorporating new emission capture and treatment technologies. These actions allow us to continue moving toward a more sustainable model, aligned with the highest environmental and operational efficiency standards.

### 2.

In 2024, we implemented improvements in six manufacturing processes to advance green chemistry: we reduced dimethylformamide by 20% and mitigated raw material consumption between 10% and 80%. In addition, in Malta, we studied the production process with the highest methanol consumption, determining the possibility of reusing it.

### 3.

We are becoming a more circular company by integrating the circular economy into all our operations: we prioritize waste prevention, promote reuse and recycling, optimize processes, digitize production, and promote sustainable practices in transportation, consumption, and procurement of raw materials.

### 4.

Aware of our environmental responsibility, at Medichem we constantly work to protect biodiversity. Through rigorous emissions controls and soil and water monitoring, we ensure that our operations do not negatively impact the natural environment. Furthermore, in 2024, we will engage in direct actions such as collaborating with the Sorellona Association to eliminate invasive species and in environmental awareness activities.

This business development is aimed at increasing our eligible and aligned revenue, as well as our investments. Strengthening these strategic lines helps us cover more of the activities contemplated in the Regulations, contributing substantially to a carbon-neutral economy. While some of our investments and activities are currently eligible, in the future we will work to align these activities with the EU Taxonomy.



## METHODOLOGY AND RESULTS

According to Article 8 of the Taxonomy Regulation, non-financial corporations must disclose the following information, taking into account what is specified in Annex I of Delegated Regulation (EU) 2021/2178:

1. The proportion of net turnover derived from products or services, including intangibles, associated with economic activities aligned with the Taxonomy.
2. Capital expenditures (CapEx) and operating expenses (OpEx) related to assets or processes linked to economic activities aligned with the Taxonomy.
3. Information to accompany and detail key performance indicators, including methodology and justification.

In addition to this information, details of the following information must be included:

- **Accounting policy of the Entity.**
- **Assessment of compliance with Regulation (EU) 2020/852.**
- **Contextual information.**

As a first phase of the year carried out, the following has been performed: Eligibility analysis of the Company's activities (analysis of the accounting items relating to the two key performance indicators based on the activity descriptions set out in Annexes I and II of Delegated Regulation (EU) 2021/2139); Annexes I, II, III, IV and V of Delegated Regulation (EU) 2023/2485 and 2023/2486. Once the eligible activities were determined, the following were carried out:

- **Assessment of compliance with the technical criteria for substantial contribution established by the aforementioned Regulations.**
- **Analysis of the criteria of 'Do no significant harm' to the rest of the environmental objectives established in the aforementioned Delegated Regulation;**
- **Evaluation of compliance with minimum social guarantees according to:**
  - Final Minimum Safeguards Report published in October 2022 by the Sustainable Finance platform.
  - OECD Guidelines for Multinational Enterprises.
  - United Nations Guiding Principles on companies and human rights (including the principles and rights set out in the eight fundamental conventions referred to in the International Labour Organization's Declaration on fundamental principles and rights at work and the International Bill of Human Rights).
  - **Calculation of the percentages for each of the two key performance indicators of what the eligible activities represent.**

Below, we describe the process followed to calculate the above indicators, also covering key aspects related to accounting policy, complying with the Taxonomy Regulation, as well as contextual information that allows for a proper understanding of the results.



## GENERAL CONSIDERATIONS

To address the calculation of the revenue and CapEx indicators in accordance with the Regulation, in 2024, we have taken as a basis the corresponding information from the different business units: APIs and HPAPIs (High Potency APIs), the acronym corresponding to High Potency Active Pharmaceutical Ingredients , FDFS and Chlorhexidine and Octenidine.

We have not considered in the calculations the transactions of all those companies controlled by Medichem that are consolidated using the equity method.

Throughout the process, the necessary considerations have been taken into account to avoid double accounting:

- Reconciliation with accounting information, which ensures proper consideration of eliminations and adjustments made during the consolidation process.
- Use of consistent sources of information, which avoids considering the same item in two different indicators or twice within the same indicator.
- Verification of data integrity and accuracy.



The following is what has been included in revenue and CapEx:

- **Revenue:** These have been classified by activities (project/s) and subsequently analyzed to see if they were part of those considered eligible by taxonomy.
- **CapEx:** investments made specifically for activities considered eligible in taxonomy.



## GENERAL CONSIDERATIONS

The following table shows how we have calculated the numerators and denominators, as established in Delegated Regulation (EU) 2021/2178 on Disclosure with the considerations included in Delegated Regulation (EU) 2023/2486 in its Annex V, which includes amendments to Annexes I, II, III, IV, V, VII, IX and X of the aforementioned regulation.

Revenue	Numerator	Net turnover associated with eligible activities.
	Denominator	Consolidated net turnover, excluding intra-group transactions.
CapEX	Numerator	Amount of investments in assets or processes that are associated with economic activities that comply with taxonomy.
	Denominator	Additions of tangible and intangible assets during the year under consideration before depreciation, amortization and any revaluations, including those resulting from revaluations and impairments. Additions to tangible and intangible assets resulting from business combinations are also included.
OpEx	Numerator	Operating expenses related to assets or processes associated with economic activities that comply with taxonomy, including training and other human resource adaptation needs, and non-capitalized direct costs representing research and development.
	Denominator	Non-capitalized direct costs related to research and development, building renovation measures, short-term leases, maintenance and repairs, and other direct expenses related to the day-to-day maintenance of tangible fixed assets by the company or a third party to whom activities are subcontracted and which are necessary to ensure the continued and efficient operation of such assets.



## GENERAL CONSIDERATIONS

Following the analysis carried out for each of the indicators, the following eligible activities included in the taxonomy have been identified.

Medichem does not carry out any nuclear energy or fossil gas-related activities and therefore has no qualifying activities to report on Form 1 of Annex III to the Commission's Delegated Regulation (EU) 2022/1214.

Activity	Objective	Description	Project	Typology
1.1	PPC	Manufacturing of active pharmaceutical ingredients (APIs) or active substances	The project involves the manufacture of Active Pharmaceutical Ingredients (APIs), including high-potency substances such as HPAPIs and Chlorhexidine, using specialized production processes and complying with strict quality and sustainability regulations.	-
1.2	PPC	Drug manufacturing	The project focuses on the production of finished drug products (FDPs) through industrial processes that meet strict quality and sustainability standards.	-
7.4	CCA/CCM	Installation, maintenance, and repair of electric vehicle charging stations in buildings (and in parking spaces adjacent to buildings)	Installation, maintenance, and management of electric vehicle charging stations in a complex that combines residential and commercial buildings, ensuring access to efficient and sustainable charging infrastructure.	
7.6	CCA/CCM	Installation, maintenance and repair of renewable energy technologies	Installation of solar panels on the roofs of the office building, the parking canopies, and, optionally, on the warehouses after the roof was renovated. The energy generated was used for internal consumption, with the option to sell it after obtaining the appropriate permit.	Facilitator (CCM)
14.1	CCA	Emergency services	Focused on improving the fire system with a new tank, pumping station, hydrant network, automatic sprinklers, and a foam extinguishing system, connecting the warehouses through boreholes.	Facilitator



## GENERAL CONSIDERATIONS

Result of the year of eligibility: After the analysis of all activities related to business volume and CapEx and OpEx, we have achieved an eligibility in business volume of 85.7% and in CapEx of 21%, with 11.39% in OpEx.

PROPORTION OF BUSINESS VOLUME FROM PRODUCTS OR SERVICES ASSOCIATED WITH ECONOMIC ACTIVITIES THAT CONFORM TO THE TAXONOMY-  
DISCLOSURE CORRESPONDING TO THE YEAR 2024

[illegible]

[illegible]

				Substantial contribution criteria						Criteria for absence of significant harm ("Does no significant harm")									
Economic activities (1)	Codes (2)	Turnover (3)	Proportion of turnover year, 2024 (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum guarantees (17)	Proportion of turnover that conforms to taxonomy (A.1) or is eligible according to taxonomy (A.2), 2023 (18)	Category (facilitating activity) (19)	Category (transition activity) (20)
		€	%	S; N; N/E L	S; N; N/EL	S; N; N/EL	S; N; N/EL	S; N; N/EL	S; N; N/EL	S/N	S/N	S/N	S/N	S/N	S/N	S/N	%	F	T
A.2 Activities eligible according to taxonomy but not environmentally sustainable (activities not conforming to taxonomy)																			
				EL; N/E L	EL; N/EL	EL; N/ EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacturing of active pharmaceutical ingredients (APIs) or active substances	PPC 1.1	66.264.613 €	58,9%	N/E L	N/EL	N/EL	EL	N/EL	N/EL								95,9%		
Drug manufacturing	PPC 1.2	30.138.136 €	26,8%	N/E L	N/EL	N/EL	EL	N/EL	N/EL								1,6%		
Turnover of eligible activities according to taxonomy but not environmentally sustainable (non-taxonomy activities) (A.2)		96.402.749 €	85,7%	0,0 %	0,0%	0,0%	85,7%	0,0%	0,0%								97,6%		
A. Turnover of eligible activities according to the taxonomy (A.1 + A.2)		96.402.749 €	85,7%	0,0 %	0,0%	0,0%	85,7%	0,0%	0,0%								97,6%		
B. ACTIVITIES NOT ELIGIBLE ACCORDING TO TAXONOMY																			
Turnover of ineligible activities according to taxonomy		16.140.828 €	14,3%																
Total		112.543.577 €	100%																

# GENERAL CONSIDERATIONS

## PROPORTION OF CAPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH ECONOMIC ACTIVITIES THAT CONFORM TO THE TAXONOMY- DISCLOSURE CORRESPONDING TO THE YEAR 2024

				Substantial contribution criteria								Criteria for absence of significant harm ("Does no significant harm")											
Economic activities (1)	Codes (2)	CapEx (3)	Proportion of CapEx , year 2024 (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum guarantees (17)	Proportion of CapEx that is taxonomy-compliant (A.1) or taxonomy-eligible (A.2), 2023 (18)	Facilitating activity category (19)	Transition activity category (20)	Codes (2)	CapEx (3)	Proportion of CapEx , year 2024 (4)	Climate change mitigation (5)
		€		%	S;N;/EL	S;N;/EL	S;N;/EL	S;N;/EL	S;N;/EL	S;N;/EL	S;N;/EL	S;N;/EL	S/N	S/N	S/N	S/N	S/N	S/N	S/N		%	F	T
A. ELIGIBLE ACTIVITIES ACCORDING TO TAXONOMY																							
A.1 Environmentally sustainable activities (that conform to taxonomy)																							
CapEx of environmentally sustainable activities (that conform to taxonomy) (A.1)			0,0 €	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %								0,0 %		
Of which: facilitators			0,0 €	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %								0,0 %	F	
Of which: transitional			0,0 €	0,0 %	0,0 %	0,0 %															0,0 %		T

# GENERAL CONSIDERATIONS

## PROPORTION OF CAPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH ECONOMIC ACTIVITIES THAT CONFORM TO THE TAXONOMY- DISCLOSURE CORRESPONDING TO THE YEAR 2024

				Substantial contribution criteria						Criteria for absence of significant harm ("Does no significant harm")									
Economic activities (1)	Codes (2)	CapEx (3)	Proportion of CapEx, year 2024 (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change mitigation (11)		Adaptation to climate change (12)		Water (13)		Pollution (14)		Circular Economy (15)	
		€	%	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S/N	S/N	S/N	S/N	S/N	S/N	S/N	%	F	T
A.2 Activities eligible according to taxonomy but not environmentally sustainable (activities not conforming to taxonomy)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacturing of active pharmaceutical ingredients (APIs) or active substances	PPC 1.1	1.664.369€	9,1%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								7,9%		
Drug manufacturing	PPC 1.2	1.823.255€	10,0%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								57,7%		
Installation, maintenance, and repair of electric vehicle charging stations in buildings (and in parking spaces adjacent to buildings)	CCM 7.4 / CCA 7.4	12.883 €	0,1%	EL	EL	N/EL	N/EL	N/EL	N/EL								0,0%		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6 / CCA 7.6	0,0 €	0,0%	EL	EL	N/EL	N/EL	N/EL	N/EL								6,2%	F	
Emergency services	CCA 14.1	330.751 €	1,8%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								7,8%	F	
CapEx of activities eligible according to taxonomy but not environmentally sustainable (activities not conforming to taxonomy) (A.2)		3.831.258€	21,0%	0,1%	1,8%	0,0%	19,1%	0,0%	0,0%								79,5%		
CapEx of eligible activities according to the taxonomy ( A.1 + A.2)		3.831.258€	21,0%	0,1%	1,8%	0,0%	19,1%	0,0%	0,0%								79.5%		
B. ACTIVITIES NOT ELIGIBLE ACCORDING TO THE TAXONOMY																			
CapEx of ineligible activities according to the taxonomy		14.433.845€	79,0%																
Total		18.265.102€	100%																

# GENERAL CONSIDERATIONS

## PROPORTION OF OPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH ECONOMIC ACTIVITIES THAT CONFORM TO THE TAXONOMY- DISCLOSURE CORRESPONDING TO THE YEAR 2024

				Substantial contribution criteria						Criteria for absence of significant harm (“Does no significant harm”)									
Economic activities (1)	Codes (2)	OpEx ( 3)	OpEx ratio 2024 (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum guarantees (17)	Proportion of OpEx that conforms to taxonomy (A.1) or is eligible according to taxonomy (A.2), 2023 (18)	Category (facilitating activity) (19)	Category (transition activity) (20)
		€	%	S;N;N /EL	S;N;N/EL	S;N;N /EL	S;N;N /EL	S;N;N /EL	S;N;N/EL	S/N	S/N	S/N	S/N	S/N	S/N	S/N	%	F	T
A. ELIGIBLE ACTIVITIES ACCORDING TO TAXONOMY																			
A.1 Environmentally sustainable activities (that conform to taxonomy)																			
OpEx of environmentally sustainable activities (that conform to taxonomy) (A.1)		0,0 €	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %										
Of which: facilitators		0,0 €	0,0 %	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%									F	
Of which: transitional		0,0 €	0,0 %	0,0%															T

# GENERAL CONSIDERATIONS

## PROPORTION OF OPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH ECONOMIC ACTIVITIES THAT CONFORM TO THE TAXONOMY- DISCLOSURE CORRESPONDING TO THE YEAR 2024

				Substantial contribution criteria						Criteria for absence of significant harm (“Does no significant harm”)									
Economic activities (1)	Codes (2)	OpEx ( 3)	OpEx ratio 2024 (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum guarantees (17)	Proportion of OpEx that conforms to taxonomy (A.1) or is eligible according to taxonomy (A.2), 2023 (18)	Category (facilitating activity ) (19)	Category (transition activity) (20)
		€	%	S;N;/EL	S;N;/N;/EL	S;N;/N;/EL	S;N;/N;/EL	S;N;/N;/EL	S;N;/N;/EL	S/N	S/N	S/N	S/N	S/N	S/N	S/N	%	F	T
A.2 Activities eligible according to taxonomy but not environmentally sustainable (activities not conforming to taxonomy)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacturing of active pharmaceutical ingredients (APIs) or active substances	PPC 1.1	2.902.588 €	9,33%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								9,43%		
Manufacturing of medicines	PPC 1.2	641.253 €	2,06%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								1,81%		
OpEx of activities eligible according to taxonomy but not environmentally sustainable (activities not conforming to taxonomy) (A.2)		3.543.841 €	11,39%	0,0%	0,0 %	0,0%	11,39 %	0,0%	0,0%								11,24%		
OpEx of eligible activities according to taxonomy (A.1+A.2)		3.543.841 €	11,39%	0,0%	0,0 %	0,0%	11,39 %	0,0%	0,0%								11,24%		
B. ACTIVITIES NOT ELIGIBLE ACCORDING TO THE TAXONOMY																			
OpEx of ineligible activities according to taxonomy (B)		27.556.337€	88,61%																
Total		31.100.178€	100%																



## GENERAL CONSIDERATIONS

### SUMMARY TABLES BY ENVIRONMENTAL OBJECTIVE IN ACCORDANCE WITH ANNEX V OF DELEGATED REGULATION (EU) 2023/2486

Proportion of turnover / total turnover			Ratio of CapEx / Total CapEx			Proportion of OpEx / Total OpEx		
Objective	That conforms to taxonomy by objective	Eligible according to the taxonomy by objective	Objective	That conforms to taxonomy by objective	Eligible according to taxonomy by objective	Objective	That conforms to taxonomy by objective	Eligible according to taxonomy by objective
CCM	0%	0%	CCM	0%	0,10%	CCM	0%	0%
CCA	0%	0%	CCA	0%	0%	CCA	0%	0%
WTR	0%	0%	WTR	0%	0%	WTR	0%	0%
CE	0%	0%	CE	0%	0%	CE	0%	0%
PPC	0%	85,70%	PPC	0%	20,90%	PPC	0%	11,39%
BIO	0%	0%	BIO	0%	0%	BIO	0%	0%



## Technical Selection Criteria

As part of our commitment to sustainability, at Medichem we conducted a self-assessment exercise to analyze our alignment with the principles of European Taxonomy. At the beginning of this exercise, we began by analyzing the minimum social safeguards. At this point, we detected that we were not complying with the regulation and therefore stopped analyzing the Technical selection criteria (substantial contribution to the environmental objective in question and compliance with the DNSH) established for our eligible activities.

This analysis not only allows us to improve, but also to develop a concrete plan to ensure our activities are both eligible and aligned in the coming financial year. We are allocating significant human and financial resources to implement the necessary measures, thus demonstrating our responsibility and commitment to the environment and sustainability.

We firmly believe that continuous improvement and transparency are essential to building a sustainable future for Medichem as a leader in corporate sustainability.

### Minimum Social Guarantees

To assess compliance with minimum social guarantees or safeguards, we have analyzed the requirements established by the Taxonomy Regulation based on Articles 3 and 18 thereof. A list of regulatory requirements has been established, going deeper into the Final Minimum Safeguards Report published in October 2023 by the EU Sustainable Finance Platform and also the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

In particular, those requirements listed in the table at the end of the Final Minimum Safeguards Report have been considered as required by legislation: " Summary of Criteria for MS alignment". The requirements considered and reflected are those related to our proper management of social aspects related to Human Rights, corruption and bribery, taxes and fair competition.



## Technical Selection Criteria

To demonstrate compliance with these requirements, we have analyzed different documentation, mainly:

- **Code of Ethics and Compliance:** which includes a commitment to human rights, fair competition, among others.
- **Company policies derived from the code of ethics** (e.g., Crime Prevention Policy, Anti-Bribery, Corruption and Conflict of Interest Prevention Policy, Ethics and Compliance Channel Policy, among others)
- **Operating procedures**, such as the Respect of Human Rights Policy.
- **Internal Control System**, which includes controls to prevent corruption and tax fraud (among others) and a certification system for said controls.
- **Employee training programs** available on the company intranet.

Based on this documentation, a compliance analysis has been carried out based on the four main social aspects raised by the Final Report on Minimum Safeguards:

1. Human Rights
2. Corruption and bribery
3. Taxes
4. Fair competition, which is detailed below.

The conclusions of the analysis can be summarized in the following points:

**Human Rights:** We do not have due diligence procedures that meet the requirements of the documents: OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights.

**Corruption and Bribery:** Medichem has robust internal control systems and training programs that ensure an appropriate control environment. However, we are actively working to achieve full compliance with this section, thus reinforcing our commitment to established standards.

**Taxes:** We integrate specific tax controls into our internal control system. We also have tax management processes that are in line with the requirements of the OECD Guidelines for Multinational Enterprises ” and, in particular, to the adaptation of management practices to ensure adequate control in transfer pricing matters.

**Fair Competition:** We promote awareness-raising among our employees through training, communications, and policies regarding fair competition.

**Sanctions:** We are not subject to sanctions for non-compliance with tax obligations, corrupt or bribery practices, human rights violations, or participation in unfair competition.



# 05

## Annexes

Table of contents required by Law 11/2018, of December 28, with reference to the GRI standards



Block	Scope	Sections of Law 11/2018	GRI	Page Number
GENERAL INFORMATION	Business model	Brief description of the group's business model	2-1 Organizational details 2-6 Activities, value chain and other business relationships	3-18; 20-24; 155-157; 173-174
		Organization and structure of the company	2-2 Entities included in the sustainability reporting 2-6 Activities, value chain and other business relationships 2-9 Governance structure and composition	
		Geographical presence and markets in which it operates	2-1 Organizational details 2-6 Activities, value chain and other business relationships	
		Objectives and strategies of the organization	2-23 Commitments and policies	
		Main factors and trends that may affect its future evolution	2-22 Declaration on Sustainable Development Strategy 3-3 Management of Material Issues	
	General	Mention in the report of the national, European or international <i>reporting</i> framework used for the selection of non-financial key performance indicators included in each of the sections.	<i>Reporting</i> Framework: GRI Standard	4
		Materiality analysis	2-29 Approach to stakeholder engagement 3-1 Process for determining material issues 3-2 List of material issues 3-3 Management of material issues	19; 25-30

SOCIAL AND PERSONNEL ISSUES	Management approach	A description is included of the policies applied by the company regarding social and personnel issues (including the procedures applied for risk identification and assessment, verification and control, as well as the measures adopted), including any measures that, where applicable, have been adopted to promote the principle of equal treatment and opportunities between women and men, non-discrimination and inclusion of people with disabilities, and universal accessibility.	2-23 Commitments and policies 2-24 Incorporation of commitments and policies	98;100-103;105-106;130;139
		The outcome of these policies regarding social and personnel issues is described.		
		These include the main risks related to social and personnel issues linked to the company's operations, including, where relevant and proportionate, its business relationships, products, or services that may have adverse impacts in this area.	3-3 Management of material issues	
		The report contains an explanation of how risks related to social and personnel issues are managed by the company.		
		Key non-financial performance indicators relevant to the company's social and personnel issues are included.		
	Employment	Total number and distribution of employees by sex, age, country and professional classification	2-7 Employees 405-1 Diversity in governing bodies and employees	107-109
		Total number and distribution of employment contract modalities	2-7 Employees	110
		Annual average of contracts by type of contract broken down by sex, age and professional classification	2-7 Employees	111-114
		Number of layoffs by sex, age and professional classification	401-1 New employee hires and staff turnover	115
		Average salaries and their evolution broken down by sex, age and professional classification or equal value	Internal criteria: see methodology used on the corresponding pages	116-123
		Wage gap and remuneration for equal posts or average in society	Internal Criterion: (average remuneration of men – average remuneration of women) / average remuneration of men	124-126
		The average remuneration of directors and executives, including variable remuneration, allowances, compensation, payments to long-term savings systems and any other payment broken down by sex	This information is not reported.	Not reported
		Implementation of work disconnection policies	3-3 Management of material issues	129-131
		Number of employees with disabilities	405-1 Diversity in governing bodies and employees	141



	Work organization	Organization of working hours	3-3 Management of material issues	129-130
		Number of hours of absenteeism	Internal criteria	132
		Measures aimed at facilitating the enjoyment of conciliation and encouraging the joint exercise of these rights by both parents.	3-3 Management of material issues	131
	Health and safety	Health and safety conditions at work	GRI 403-1 Occupational Health and Safety Management System	133-136
		Workplace accidents by sex	Internal Criterion 403-9 Workplace Injuries	137
		Frequency index by sex		
		Severity index by sex		
		Occupational diseases by sex	403-10 Occupational illnesses and diseases	
	Social relations	Organization of social dialogue, including procedures for informing, consulting, and negotiating with staff;	3-3 Management of material issues	144-146
		Percentage of employees covered by collective bargaining agreement by country	2-30 Collective bargaining agreements	144
		The balance of collective agreements, particularly in the field of health and safety at work.	3-3 Management of material issues 403-4 Worker participation, consultations and communication on health and safety at work	133-135
		Mechanisms and procedures the company has in place to promote employee involvement in company management, in terms of information, consultation, and participation.	2-29 Approach to stakeholder engagement	
	Training	Policies implemented in the field of training	404-2 Employee Skills Enhancement Program and Transition Assistance Programs	127-128
		The total number of training hours by professional categories	Internal criterion 404-1 Average training hours per year per employee	128



SOCIAL AND PERSONNEL ISSUES	Universal accessibility for people with disabilities	Integration and universal accessibility for people with disabilities	3-3 Management of material issues	141
	Equality	Equality plans (Chapter III of Organic Law 3/2007, of March 22, for the effective equality of women and men), measures adopted to promote employment, protocols against sexual and gender-based harassment	2-23 Commitments and policies 3-3 Management of material issues	139-143
		Integration and universal accessibility for people with disabilities	3-3 Management of material issues	139-143
		The policy against all types of discrimination and, where applicable, diversity management.	2-23 Commitments and policies 3-3 Management of material issues 406-1 Cases of discrimination and corrective actions of companies	
		A description of the company's policies regarding environmental issues is included (including the procedures applied for risk identification and assessment, verification and control, as well as the measures adopted).	2-23 Commitments and policies 2-24 Incorporation of commitments and policies	
ENVIRONMENT	Management approach	A description of the company's policies regarding environmental issues is included (including the procedures applied for risk identification and assessment, verification and control, as well as the measures adopted).	2-23 Commitments and policies  2-24 Incorporation of commitments and policies	32-40; 47-52
		The results of these policies regarding environmental issues are described.		
		The main risks related to environmental issues linked to the company's operations are included, including, where relevant and proportionate, its business relationships, products, or services that may cause adverse impacts in this area.	3-3 Management of material issues	
		The report contains an explanation of how risks related to environmental issues are managed by the company.		
		Key non-financial performance indicators relevant to the company's environmental issues are included.		





ENVIRONMENT	Environmental management	Current and foreseeable effects of the company's activities on the environment and, where applicable, health and safety	3-3 Management of material issues	48-56;90-93
		Environmental assessment or certification procedures		
		Resources dedicated to the prevention of environmental risks		
		Application of the precautionary principle	2-23 Commitments and policies	
		Amount of provisions and guarantees for environmental risks	3-3 Management of material issues	
	Pollution	Measures to prevent, reduce or remedy emissions that seriously affect the environment; taking into account any form of activity-specific air pollution, including noise and light pollution	3-3 Management of material issues 305-6 Emissions of substances that deplete the ozone layer (ODS) 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant emissions into the air	56-60
	Circular economy and waste prevention	Measures for prevention, recycling, reuse, other forms of recovery and disposal of waste	3-3 Management of material issues 306-3 (2020) Waste generated	72-76;86-89
		Actions to combat food waste	It is not material due to the nature of the company's activity	90
	Sustainable use of resources	Water consumption and water supply according to local limitations	3-3 Management of material issues 303-3 Water extraction	79
		Consumption of raw materials and measures taken to improve the efficiency of their use	3-3 Management of material issues 301-1 Materials used by weight or volume 301-2 Recycled consumables used	89
		Direct and indirect energy consumption	302-1 Energy consumption within the organization 302-3 Energy intensity	68



ENVIRONMENT	Sustainable use of resources	Measures taken to improve energy efficiency	3-3 Management of material issues 302-4 Reduction of energy consumption	68-70
		Use of renewable energies	302-1 Energy consumption within the organization	68
	Climate change	Significant elements of greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces	3-3 Management of material issues 305-1 Direct GHG emissions (Scope 1) 305-2 Indirect GHG emissions associated with energy (Scope 2) 305-3 Other indirect GHG emissions (Scope 3)	61-64
		Measures taken to adapt to the consequences of climate change	3-3 Management of material issues	65-67
		Voluntary reduction targets established in the medium and long term to reduce greenhouse gas emissions and the means implemented to this end	3-3 Management of material issues 305-5 Reduction of GHG emissions	65-66;69
	Protection of biodiversity	Measures taken to preserve or restore biodiversity	3-3 Management of material issues	83-84
		Impacts caused by activities or operations in protected areas	304-2 Significant impacts of activities, products and services on biodiversity	



HUMAN RIGHTS	Management approach	A description of the company's policies related to respect for human rights is included (including the procedures applied for risk identification and assessment, verification and control, as well as the measures adopted).	2-23 Commitments and policies 2-24 Incorporation of commitments and policies	151-152;161	
		The results of these policies linked to respect for human rights are described.			
		The main risks related to respect for human rights linked to the company's operations are included, including, where relevant and proportionate, its business relationships, products, or services that may have adverse impacts in this area.	3-3 Management of material issues		
		The report contains an explanation of how the company manages risks related to respect for human rights.			
		Key non-financial performance indicators relevant to the company's respect for human rights are included.			
	Application of due diligence procedures	Application of human rights due diligence procedures.	2-26 Mechanisms for requesting advice and raising concerns  3-3 Management of material issues		
			2-23 Commitments and policies 2-26 Mechanisms for seeking advice and raising concerns 3-3 Management of material issues		
			Internal Framework 406-1 Cases of discrimination and corrective actions taken		
		Prevention of risks of human rights violations and, where appropriate, measures to mitigate, manage and remedy possible abuses committed;	2-23 Commitments and policies 3-3 Management of material issues		
		Complaints about cases of human rights violations	2-23 Commitments and policies 3-3 Management of material issues		
		Promotion and compliance with the provisions of the fundamental conventions of the International Labour Organization related to respect for freedom of association and the right to collective bargaining	3-3 Management of material issues		
		The effective abolition of child labor.			



BRIBERY & CORRUPTION	Management approach	A description of the company's policies regarding the fight against corruption and bribery is included (including the procedures applied for risk identification and assessment, verification and control, as well as the measures taken).	2-23 Commitments and policies 2-24 Incorporation of commitments and policies	151-152;158-160;162
		The results of these policies regarding the fight against corruption and bribery are described.		
		The main risks related to the fight against corruption and bribery, linked to the company's operations, are included, including, where relevant and proportional, its business relationships, products, or services that may have adverse impacts in this area.	3-3 Management of material issues	
		The report contains an explanation of how the company manages risks related to the fight against corruption and bribery.		
		Key non-financial performance indicators relevant to the company's fight against corruption and bribery are included.		
	Information relating to the fight against corruption and bribery	Measures taken to prevent corruption and bribery	2-23 Commitments and policies 2-25 Processes to remedy negative impacts 2-26 Mechanisms to seek advice and raise concerns	160
		Measures to combat money laundering	2-23 Commitments and policies 2-25 Processes to remedy negative impacts 2-26 Mechanisms to seek advice and raise concerns	160
		Contributions to foundations and non-profit organizations	201-1 Direct economic value generated and distributed	176-177



SOCIETY	Management approach	A description of the company's policies regarding matters relating to society is included (including the procedures applied for risk identification and assessment, verification and control, as well as the measures taken).	2-23 Commitments and policies 2-24 Incorporation of commitments and policies	164;171
		The outcome of these policies regarding issues concerning society is described.		
		These include the main risks related to issues affecting society, linked to the company's operations, including, where relevant and proportional, its business relationships, products, or services that may have adverse impacts in this area.	3-3 Management of material issues	
		The report contains an explanation of how risks related to societal issues are managed by the company.		
		Key non-financial performance indicators relevant to societal issues are included.		
	Company commitments to sustainable development	Impact of the company's activity on employment and local development	3-3 Management of material issues 203-2 Significant indirect economic impacts	176-177
		Impact of society's activities on local populations and the territory	3-3 Management of material issues	176-177
		Relationships maintained with local community players and the modalities of dialogue with them	2-29 Approaches to stakeholder engagement 3-3 Managing material issues	98
		Partnership and sponsorship actions	Internal criterion 2-28 Membership of associations 3-3 Management of material issues	176-178



SOCIETY	Subcontracting and suppliers	Inclusion of social, gender equality and environmental issues in the purchasing policy	2-6 Activities, supply chain and other activities 2-24 Incorporation of commitments and policies	171
		Consideration in relations with suppliers and subcontractors of their social and environmental responsibility	2-6 Activities, value chain and other business relationships 2-24 Incorporation of commitments and policies 3-3 Management of material issues	171
		Monitoring and auditing systems and their results.	Internal Criterion 3-3 Management of material issues	172
	Consumers	Measures for the health and safety of consumers	3-3 Management of material issues	164-171
		Complaint systems, complaints received and their resolution	Internal Criterion 2-16 Communication of Critical Concerns 2-25 Processes to Remediate Negative Impacts	167




	Tax information	The benefits obtained country by country	207-4 Country-by-Country Reporting	163
		Taxes on profits paid country by country	207-4 Country-by-Country Reporting	
		Public subsidies received.	201-4 Financial assistance received from the government	

Pursuant to the requirements established in current legislation, the joint and several directors of the company of CORPORACIÓN MEDICHEM, S.L. have drawn up the consolidated annual report accounts (consolidated balance sheet, consolidated profit and loss account, consolidated statement of changes in equity, consolidated cash flow statement and memory, as well as the Consolidated Annual Report and the Consolidated Non-Financial Information Statement , this last document being part of the Consolidated Annual Report and is included in a separate statement under the title “Sustainability Report”) of CORPORACIÓN MEDICHEM, S.L. and Subsidiary companies corresponding to the annual year ended December 31, 2024

In Barcelona, 31 de March 2025

Elisabeth Stampa Jäger

José Luis Stampa Jäger



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**INDEPENDENT LIMITED ASSURANCE REPORT ON THE CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT**

To the owners of Corporación Medichem, S.L.:

Pursuant to Article 49 of the Code of Commerce we have performed a verification, with a limited assurance scope, of the accompanying Consolidated Non-Financial Information Statement (hereinafter NFS) for the year ended December 31, 2024, of Corporación Medichem, S.L. and subsidiaries (hereinafter the Group) that forms part of the Consolidated Management Report of the Group.

The content of the NFS includes additional information to that required by prevailing mercantile regulations in relation to non-financial information that has not been subject to our verification. In this regard, our assignment has been exclusively limited to the verification of the information shown in Annex "Table of contents required by Law 11/2018, of December 28, with reference to the GRI standards" included in the accompanying NFS.

**Responsibility of the Board of Directors**

The preparation of the NFS included in the Consolidated Management Report of the Group, and its content, is the responsibility of the Board of Directors of Corporación Medichem, S.L. The NFS has been prepared in accordance with the content required by current mercantile regulations and in conformity with the criteria outlined in the selected Sustainability Reporting Standards of Global Reporting Initiative (GRI standards), as well as other criteria described in accordance with that indicated for each subject in Annex "Table of contents required by Law 11/2018, of December 28, with reference to the GRI standards" of the mentioned NFS.

The Board of Directors are also responsible for the design, implementation and maintenance of such internal control as they determine as necessary to enable the preparation of an NFS that is free from material misstatement, whether due to fraud or error.

They are further responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the NFS is obtained.


**Our independence and quality management**

We have complied with independence and other ethical requirements of the International Code of Ethics for Accounting Professionals (including International Independence standards) issued by the International Ethics Standards Board for Accountants (IESBA), which is based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

Our Firm applies International Standard on Quality Management (ISQM) 1, which requires us to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The engagement team consisted of experts in the review of non-financial information and, specifically, information on economic, social, and environmental performance.

Directorio General: Calixto Belmonte Fernández Villaverde, c/o. 28003 Madrid - Inscripción en el Registro Mercantil de Madrid, tomo 9, folio general, R. 015 de inscripción 2ª del libro de Socios de, folio 46. NIF A-72561-1. Medichem, S.L. C.I.F. B-7807004.  
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**Our responsibility**


Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed. Our review has been performed in accordance with the requirements established in the current International Standard on Assurance Engagements 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and the guidelines for verifying Non-Financial Statement, issued by the Spanish Institute of Chartered Accountants (ICJCE).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower.

Our work consisted in making enquiries of Management and the various Group units participating in the preparation of the NFS, reviewing the process for gathering and validating the information included in the NFS, and applying certain analytical procedures and selective tests by means of sampling as described below:

- Meetings with Group personnel to obtain an understanding of the business model, policies and management approaches applied; the main risks related to these matters and obtain the necessary information for our external review.
- Analysis of the scope, relevance and integrity of the content included in the NFS for the year 2024 based on the materiality analysis made by the group and described in section "Strategic Results by Key Area", considering the content required by prevailing mercantile regulations.
- Analysis of the processes for gathering and validating the data included in the 2024 Non-Financial Information Statement.
- Review of the information on the risks, policies and management approaches applied in relation to the material aspects included in the 2024 NFS.
- Check, through tests, based on a selection of a sample, the information related to the content of the 2024 NFS and its correct compilation from the data provided by the information sources.
- Obtaining a representation letter from the Board of Directors and Management.

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**Basis for the qualified conclusion**

The attached Consolidated Non-Financial Information Statement does not include information related to the average remuneration of directors and executives, including variable compensation, allowances, severance payments, contributions to long-term savings plans, and any other compensation disaggregated by gender, information required by the current commercial regulation regarding non-financial information.

**Qualified conclusion**

Based on the limited assurance procedures conducted and the evidence obtained, except for the effects of the matter described in the section "Basis for the qualified conclusion", no additional matter has come to our attention that causes us to believe that the Group NFS for the year ended December 31st, 2024 has not been prepared, in all material respects, in accordance with the contents required by current commercial regulation and the criteria of the selected GRI standards, as well as other criteria described in accordance with that indicated for each subject matter in Annex "Table of contents required by Law 11/2018, of December 28, with reference to the GRI standards", of said NFS.

**Use and distribution**

This report has been prepared as required by current mercantile regulation in Spain, thus it may not be suitable for any other purpose or jurisdiction.

ERNST & YOUNG, S.L.

(Signature on the original in Spanish)

Antonio Capella Elizalde

19th of May 2025

A member firm of Ernst & Young Global Limited.





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