

The image features a hand holding a dandelion seed head, with several seeds blowing away. The background is a deep purple with large, semi-transparent geometric shapes in lighter shades of purple. The overall aesthetic is clean and modern.

pharma &

breathing new life
into proven medicines

Sustainability Report 2025

pharmaand GmbH

Our Motivation

Foreword by the Founders:

We founded pharma& in 2017 with the aim to breathe new life into proven medicines. We are dedicated to preserving the availability and fostering the further development of essential medicines worldwide to leave no patient behind.

Our wealth of experience in various positions in the pharmaceutical industry has shown us as medicines become more mature, they are often given lower priority within a company's portfolio and eventually may be discontinued. Access to effective medicines is a top priority for healthcare providers and patients. It can be devastating when those medicines are no longer available. Whether a former blockbuster or a niche medicine, we have acquired the worldwide rights to and integrated 10+ high-need specialty therapeutics.

To secure long-term access to such medicines, we acquired Loba Feinchemie in Fischamend, Austria, in 2021 to manufacture exclusively and independently in Europe under local safety standards. By 2024, this site was transformed into Loba biotech GmbH, a modern biopharmaceutical production facility that meets global regulatory, environmental, and sustainability requirements.

Since inception, we have expanded our portfolio across a wide range of therapy areas, with an increasing focus on hematology and oncology treatments. We have approximately 350 experienced industry experts working in 15 countries, and we operate in about 67 countries worldwide via our global network of subsidiaries, joint ventures, and partners.

Together, we are committed to breathing new life into proven medicines.

Frank Rotmann and Elmar Zagler

Document information

Entity name	pharmaand GmbH
Registered address	Taborstraße 1, 1020 Vienna, AUSTRIA
Entity identifier	
Entity identifier scheme	
Report currency	EUR
Report period	2025-01-01 - 2025-12-31

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General information

Basis for preparation

This report presents the sustainability performance of pharmaand GmbH and its subsidiaries (hereinafter referred to as “pharma&”) for the reporting year 2025. It provides a transparent overview of the company’s impacts, initiatives, and progress across the three core sustainability dimensions: Environmental, Social, and Governance (ESG).

Since 2023, pharma& has prepared an annual sustainability report, reinforcing its commitment to responsible business conduct, transparency, and continuous improvement. This report is considered a key instrument to document sustainability performance, provide information on risks and opportunities, and support informed dialogue with relevant stakeholders.

Furthermore, the report serves as pharma&’s Communication on Progress (CoP) under the United Nations Global Compact (UNGC), demonstrating the company’s commitment to the Ten Principles related to human rights, labor standards, environmental protection, and anti-corruption, as well as its continuous progress in implementing these principles.

In addition to material sustainability topics identified through the double materiality assessment conducted initially in 2022 and updated in 2024, this report also includes selected disclosures on topics assessed as not material. These disclosures are provided voluntarily to enhance transparency and respond to stakeholder information needs.

The report has been prepared on a consolidated basis, including information about pharma& and its subsidiaries, which are 100% directly owned. pharma&’s country of primary operation and location of significant assets is Austria, with headquarters at Taborstraße 1 in Vienna.

ID	Company Name	Sites & location	NACE Codes
AT	pharmaand GmbH	Vienna, Austria Scheibbs, Austria	46.46
AT	Loba biotech GmbH	Fischamend, Austria	21.10, 71.20
CA	Postera Inc.	Toronto, Canada	73.1
CH	pharma& Schweiz GmbH	Cham, Switzerland	74.9
DE	pharmaand Deutschland GmbH	Berlin, Germany	73.1
ES	pharma& farmacéutica de España S.L.	Madrid, Spain	73.1
FR	pharma& France S.A.S	Paris, France	46.46
GB	pharma& UK Ltd	London, United Kingdom	73.1
HR	pharma& pharmaceuticals Croatia d.o.o.	Zagreb, Croatia	70.2
IT	pharma& Italia S.r.l.	Rome, Italy	74.9
PL	pharma& Polska Sp.z.o.o. [This was still current into 2025?]	Warsaw, Poland	70.2
US	pharma& U.S., Inc.	New York, USA	74.9

Table 1: List of subsidiaries

Our business and sustainability

Business model

pharma& specializes in preserving and revitalizing essential medicines that other pharmaceutical companies have discontinued for commercial reasons. Our portfolio comprises specialty care and niche pharmaceutical products across therapeutic areas such as hematology, oncology, gastroenterology, urology, psychiatry, and immunology, ensuring reliable access to critical therapies where treatment alternatives may be limited.

Our medicines are marketed globally with a strong focus on long-term access and patient safety. pharma& also operates biopharmaceutical manufacturing through its subsidiary Loba biotech in Austria.

pharma& operates primarily in business-to-business (B2B) markets, supplying medicines to healthcare providers, hospitals, and pharmacies. The company's core markets are Europe and the United States, complemented by operations in numerous other countries worldwide through partnerships.

pharma& maintains strategic relationships with:

- Key suppliers of active pharmaceutical ingredients (APIs), packaging materials, and biologics components
- Healthcare institutions and pharmacy chains as primary customers
- Distribution channels that include wholesalers and direct sales to healthcare providers

pharma&'s strategy embeds sustainability as a core principle by ensuring long-term access to essential medicines, investing in advanced biopharmaceutical production, and fostering responsible supply chains. To balance growth with environmental stewardship, social responsibility, and patient safety, the company focuses on reducing its environmental footprint through renewable energy initiatives and CO₂ monitoring, promoting employee health, safety, and diversity, and maintaining strong governance through robust compliance and ethical business practices.

Double materiality assessment

We disclose our ESG practices, policies, and future initiatives in line with the principle of double materiality (see Figure 1) which distinguishes:

- Impact materiality (inside-out): How the company’s activities impact the environment and society, including ecological and social dimensions.
- Financial materiality (outside-in): How sustainability-related issues affect the company’s financial performance, position, and resilience.

Whenever a business aspect is material from either perspective, the existing practices, policies, and future initiatives are included in this report. The next section provides an overview of the materiality assessment before presenting these practices, policies, and future initiatives.

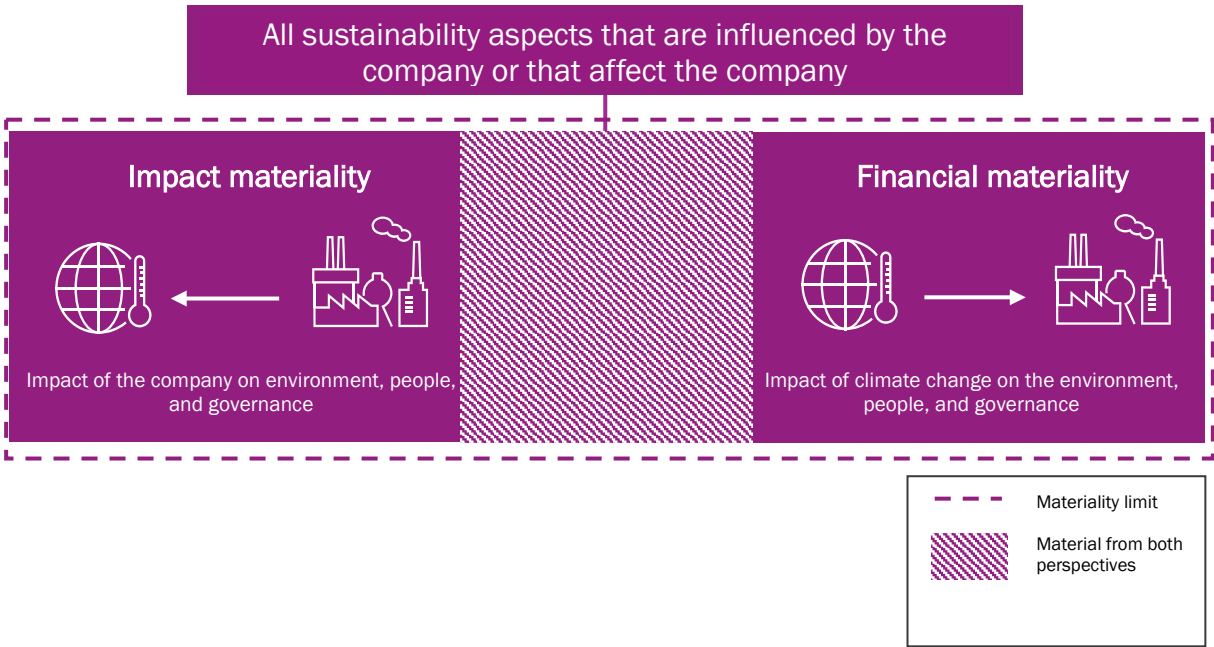


Figure 1: Double materiality

pharma& completed its initial double materiality assessment (DMA) in 2022 and updated it in 2024, aligned with double materiality principles as laid out in the European Sustainability Reporting Standard (ESRS). The assessment followed five steps, as displayed in Figure 2.*

* Note: While the DMA was prepared in alignment with ESRS requirements, this report does not constitute an ESRS- or CSRD-compliant report and follows a freely designed reporting format.



Figure 2: Double materiality assessment

During the materiality analysis conducted in 2024, a detailed survey was conducted of selected stakeholders (employees with specialist knowledge). This detailed survey was used to evaluate the defined impacts, risks, and opportunities (IROs) based on various criteria and, therefore, assess their materiality. In a second step, a stakeholder survey was conducted, including all relevant interest groups. These stakeholders were asked to validate the internal assessments of the sustainability topics. Finally, the material impacts, risks, and opportunities were released by pharma&'s management.

The presented report is based on a subsequent DMA review, performed at the beginning of 2025.



Figure 3: Stakeholder groups overview

Based on the results of the double materiality assessment, the following topics and sub-topics are material to pharma&:

- Climate change: Climate change adaptation, Climate protection, Energy
- Own workforce: Equal treatment and equal opportunities for own workforce, Working conditions for own workforce, Other employment-related rights for own workers
- Workers in the value chain: Equal treatment and equal opportunities for workers in the value chain, Other employment-related rights for value chain workers
- Consumers and end-users: Personal safety of consumers and end-users, Social inclusion of consumers and end-users, Information-related impacts on consumers and end-users
- Business conduct: Anti-corruption and Anti-bribery, Corporate culture, Management of relationships with suppliers

In addition to the material topics identified, selected information on non-material topics (water and waste) is disclosed on a voluntary basis and is marked as not material in the report.

Sustainability-related initiatives



In March 2024, pharma& became a participant of the United Nations Global Compact (UNGC) and pledged our commitment to its ten principles on responsible business practices, encompassing environmental protection, human rights, labor standards, and anti-corruption. Since joining the initiative, pharma& has reported annually on its progress through its Communication on Progress (CoP), the UN Global Compact’s required reporting instrument for business participants.

UNGC Focus Areas

Based on the results of its double materiality assessment and its existing sustainability efforts, pharma& has identified Governance and Anti-Corruption as the UNGC focus areas most relevant to its business activities and stakeholder expectations. In line with UN Global Compact Principle 10, these areas will be prioritized over the next two years to further strengthen responsible business conduct and compliance-related processes.

Environmental information

Our strategic approach

Energy consumption and associated greenhouse gas emissions are key environmental aspects of pharma&'s operations, particularly in the context of biopharmaceutical production. In line with the UNGC principles, pharma& seeks to reduce its environmental impact while supporting innovation and sustainable business operations in a resource-intensive sector.

The company systematically assesses its emissions in line with the Greenhouse Gas Protocol and has actively invested in renewable energy solutions, such as photovoltaics.

Energy and greenhouse gas emissions

Energy consumption and production

Energy consumption and energy production are systematically monitored across all pharma& operations, including the share of energy sourced from and produced using renewable sources. This enables the company to assess its overall energy performance and to track progress towards a more sustainable energy mix.

One of pharma&'s key initiatives to support the transition towards renewable energy is the on-site generation of renewable electricity, including photovoltaic installations, which contribute directly to reducing reliance on externally sourced energy and lowering associated environmental impacts. In its first year of operation, 2024, the photovoltaic system already generated 94.7 MWh of electricity.

Total energy consumption				
Category	Total (MWh) 2024	Total (MWh) 2025	Non-renewable (MWh) 2025	Renewable (MWh) 2025
Total energy consumed	17,360	12,801	7,817	4,983

Table 2: Energy consumption

Greenhouse gas emissions

We monitor and report emissions across Scopes 1, 2, and 3 in line with the Greenhouse Gas Protocol (GHG Protocol), expressed in tons of CO₂ equivalent (tCO₂e). Scope 2 emissions are calculated using both market-based and location-based methods. The market-based method reflects contractually sourced electricity (e.g., renewable energy agreements), while the location-based method applies average emission factors for the grid supplying each site.

In 2025, Scope 3 emissions were calculated based on a combination of internal company data and procurement data, primarily using a spend-based method. Emission factors were sourced from the Umweltbundesamt Austria (UBA), DBEIS (2025), DEFRA (2025), and Ecoinvent 3.12 (2025) databases.

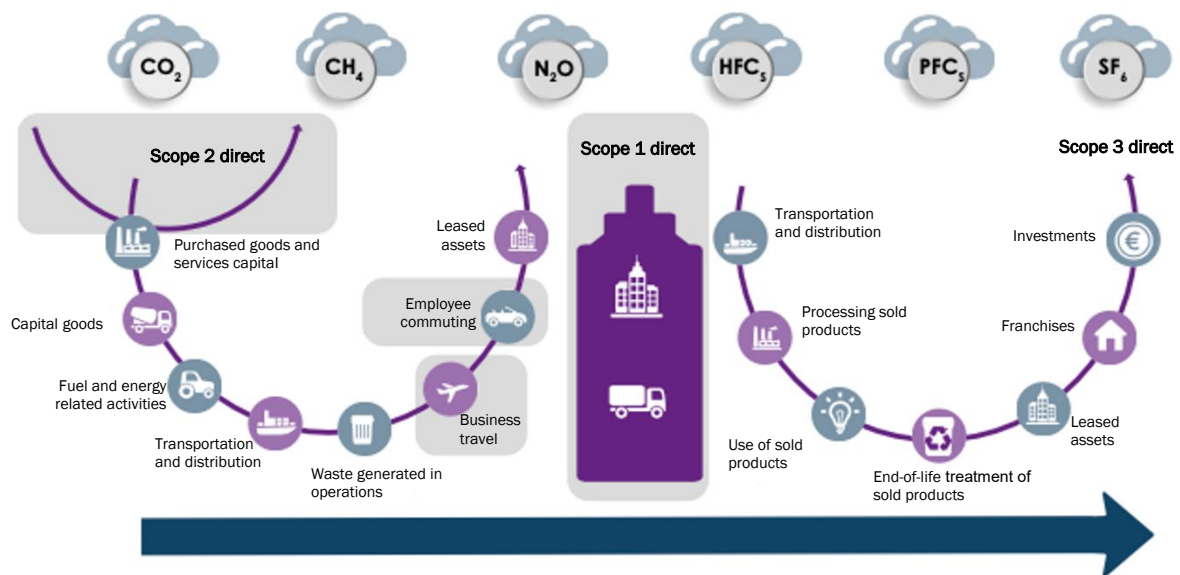


Figure 4: Definition of the Scope 1, 2, and 3 emissions

All Scope 1 and 2 CO₂ emissions were offset by Climate Austria certificates for the 2025 financial year. The Climate Austria portfolio is made up of Austrian and international climate protection projects.

A detailed overview of pharma&'s greenhouse gas emissions is presented in the following table.

Greenhouse gas emissions (in tCO ₂ e)		
	2024	2025
Scope 1 GHG emissions		
Gross Scope 1 GHG emissions	1,685	1,613
Scope 2 GHG emissions		
Gross Scope 2 location-based GHG emissions	957	771
Gross scope 2 market-based GHG emissions	6	22
Total Scope 1 and 2 GHG emissions (location-based)	2,642	2,383
Total Scope 1 and 2 GHG emissions (market-based)	1,691	1,635
Scope 3 GHG emissions		
3.1 Purchased goods and services	24,959	36,007
3.2. Capital goods	53,495	1,741
3.3 Fuel- and energy-related activities (market-based, not included in Scope 1 or Scope 2)	602	534
3.4 Upstream transportation and distribution	30,834	16,443
3.5 Waste generated in operations	247	644
3.6 Business travel	560	566
3.7 Employee commuting	250	294
3.12 End-of-life treatment of sold products	92	76
3.15 Investments	3,837	7,424
Total Scope 3 GHG emissions	114,876	63,729
Total GHG emissions (location-based)	119,203	67,725
Total GHG emissions (market-based)	118,252	66,977

Table 3: Greenhouse gas emissions

Climate risks & opportunities

pharma& conducted a climate risk assessment. The identified risks are a key consideration for pharma&'s long-term resilience. They arise from both climate-related hazards and climate-related transition events creating gross climate-related risks. Our approach is grounded in the ESG reporting frameworks, such as the IPCC climate scenarios, and informed by recognized investor expectations for transparency and accountability.

Climate-related transition risks and opportunities

Climate-related transition risks and opportunities are linked to regulatory, market, reputation, and technological changes during the shift to a low-carbon economy. pharma& anticipates several transition-related climate risks that may impact its operations, compliance, and financial performance. These risks were assessed across short- and long-term horizons (2030 and 2050).

Key risks include rising CO₂ prices driven by rising carbon taxes or a shortage of the emissions budget. Additionally, electricity price volatility poses a moderate risk due to higher capital and transport costs linked to decentralized power systems. Regulatory requirements for building energy efficiency demanding significant investments in building upgrades represent a high short-term risk, which is expected to decline as internal initiatives progress. Additional risks include missing or inaccurate supplier data, which can undermine ESG reporting and compliance; complex reporting obligations, particularly high in the short term due to new standards; and limited sustainability goals among suppliers, currently a low risk but relevant for reputation management.

pharma& applies a qualitative risk inventory and assessment tool based on the Network for Greening the Financial System (NGFS) Net Zero 2050 scenarios. Each risk is evaluated for:

- Financial impact (scale 1–5: negligible to major).
- Probability (scale 1–5: unlikely to almost certain).
- Integrated assessment combining impact and likelihood.

The analysis covers own operations, upstream suppliers, and downstream activities.

pharma&'s scenario analysis for 2030 and 2050 highlights several climate-related risks and opportunities. In the short term, the most impactful action is shifting to lower-emission energy sources, which offers high financial potential and a strong likelihood of success. Over the long term, developing climate adaptation and insurance risk solutions presents moderate potential as demand for resilience strategies grows. Additionally, energy efficiency measures are expected to become increasingly important by 2050, driving cost savings and supporting sustainability goals through internal initiatives and regulatory frameworks.

Climate-related physical hazards

pharma& is exposed to a range of physical climate risks across its key production sites and supply chains. An exposure analysis identified climate hazards, including flooding, heavy precipitation and hydrological variability, heatwaves and temperature fluctuations, drought and water stress, storms, soil erosion and landslides, as well as wildfires, as relevant for the company and incorporated them in the scenario analysis.

The scenario analysis was conducted using RCP 4.5 and RCP 8.5 climate pathways for the years 2030, 2050, and 2085. It modeled how exposure to the above hazards would evolve over time and across different emission scenarios.

Following the scenario analysis, a qualitative vulnerability assessment was performed. It evaluated exposure to climate hazards and the sensitivity of assets to those hazards. The results show the following levels of vulnerability:

- Zug & Vienna: Very low or low vulnerability throughout, due to low exposures and sensitivity.
- Scheibbs & Fischamend: High vulnerability in 2030, increasing to very high by 2085 under RCP 8.5.

For both entities, vulnerability increases over time, and RCP 8.5 consistently shows higher risk levels than RCP 4.5. This confirms that vulnerability is scenario- and time-dependent.

pharma& plans to address the identified risks through specific adaptation actions and establish a more strategic approach to climate protection. As an initial step, development of decarbonization measures is being assessed with an external consultant in 2026.

Water (non-material topic)

pharma& systematically tracks total water consumption across its operations. In the reporting year 2025, total water consumption amounted to 15,474.04 m³. In addition to water use, pharma& monitors emissions to water resulting from its operational activities. Total emissions to water during the reporting period amounted to 0 tons.

Waste (non-material topic)

pharma& monitors waste generation arising from its operations, including both hazardous and non-hazardous waste streams. The company tracks hazardous waste, with a total of 251.06 tons generated in 2025, and non-hazardous waste, which amounted to 87.96 tons.

To support responsible waste management, pharma& has implemented measures across its operations. These include a waste recycling program focused on the systematic separation and recycling of relevant waste streams, as well as the recycling of electronic equipment to ensure proper handling of electronic waste. Together, these measures

contribute to improved resource efficiency and the reduction of waste-related environmental impacts.

Other environmental initiatives

pharma& has implemented a range of initiatives aimed at improving operational efficiency, increasing the use of renewable energy, and strengthening the management of climate-related risks. These initiatives also reflect the company's commitment to continuous environmental improvement and regulatory compliance and include:

- **Expansion of renewable energy generation**
A 135 kWp capacity photovoltaic (PV) system at the Loba biotech site has contributed to on-site renewable electricity generation and reducing reliance on external energy sources.
- **Sourcing of green electricity**
The Scheibbs and Fischamend sites are powered by certified green electricity under a contract with Energie Klagenfurt.
- **Promotion of electric mobility**
On-site electric vehicle (EV) charging stations are available at the Fischamend site. Electric company cars are promoted as the preferred option wherever feasible, with new vehicle replacements prioritizing electric models. In 2025, two new electric company cars were ordered for the Loba biotech site.
- **Energy efficiency measures**
Energy-efficient appliances and devices are progressively integrated into operations, supporting reduced energy consumption and improved operational efficiency across sites.
- **Greenhouse gas inventory**
pharma& calculates its greenhouse gas (GHG) inventory to monitor and manage climate-related impacts and to provide a transparent basis for future reduction measures.
- **Climate risk analysis**
Climate-related risks were assessed in 2025 to better understand potential impacts on operations, compliance requirements, and long-term resilience.

Additional environmental measures are implemented on a case-by-case basis, considering site-specific conditions, regulatory developments, and identified improvement needs. Future developments are influenced by evolving regulatory requirements, including stricter standards such as the Waste Gas Common BREF (WGC-BREF), which are expected to require further investments in facility upgrades, improved environmental data collection, and expanded reporting. Accordingly, environmental initiatives will be reviewed in line with regulatory developments and emerging best practices.

Social information

Our strategic approach

Social responsibility is a key pillar of pharma&'s ESG commitments and is closely aligned with the principles of the United Nations Global Compact. Operating in a people-oriented and knowledge-intensive sector, pharma& recognizes the importance of safeguarding human and labor rights across its own operations as well as throughout its value chain, while ensuring patient and consumer well-being.

The outcomes of the double materiality assessment underline this focus and identified Own Workforce, Workers in the Value Chain and Consumers and End-users as material social topics for pharma&. Our workforce is the backbone of the company's long-term success. pharma& maintains a values-based corporate culture that fosters trust, motivation, and employee health, and upholds its social commitments through dedicated policies on diversity, equal opportunity, and employee well-being.

A set of core policies and frameworks define pharma&'s approach to social responsibility:

- HR strategy,
- Health and Safety Policy aimed at protecting the well-being of employees and preventing occupational risks,
- Diversity and Equal Opportunity Policy aimed at promoting equal opportunities, diversity, and a respectful working environment across the organization.

Own workforce

General characteristics

Total number of employees by contract type and gender			
Indicator	pharma& (Headcount, EOY 2025)	Loba biotech (Headcount, EOY 2025)	Total (Headcount, EOY 2025)
Full-time employees - male	79	90	169
Full-time employees - female	106	55	161
Part-time employees - male	1	4	5
Part-time employees - female	7	5	12
Total employees (2025)	193	154	347

Table 4: Total number of employees by contract type and gender

Management firmly believes that diverse teams are better equipped to overcome challenges than homogeneous ones. The gender composition of the total workforce at pharma& and Loba biotech highlights a balanced distribution, with women representing 49.9% of employees.

Health and safety of employees

Protecting employee health and safety is a fundamental responsibility. The company complies with national legal requirements, particularly the Austrian Employee Protection Act. Occupational accidents can severely affect employees' well-being. Occupational health and safety measures are therefore implemented to safeguard employee health, enhance job satisfaction, and strengthen the company's reputation as an attractive employer.

At Loba biotech, a comprehensive occupational health and safety system is in place. All areas of the company are supervised by a qualified safety specialist, supported by three safety officers. In addition, a designated fire safety officer ensures that preventive measures and relevant regulations are effectively implemented. The company's Safety Manual and related standard operating procedures (SOPs) provide the formal basis for internal occupational health and safety management, complemented by preventive occupational health care as a further pillar of employee protection.

While pharma& does not currently operate under a group-wide occupational health and safety guideline, compliance with applicable national requirements is ensured at all sites. In addition, further measures are currently being evaluated, and, if required, a model similar to the occupational health and safety system implemented at Loba biotech will be introduced.

In 2025, one occupational accident was recorded at a pharma& site and no accidents at Loba biotech. The incident at pharma& was duly reported to the General Accident Insurance Institution (AUVA) in line with statutory requirements.

Remuneration and collective bargaining

Fair working conditions and continuous learning are essential for employee satisfaction and organizational growth. pharma& ensures fair working conditions, and management engages in open dialogue about workplace matters. All employees receive remuneration that is equal to or exceeds the applicable minimum wage, as defined by national minimum wage legislation or relevant collective bargaining agreements.

Management maintains ongoing dialogue with employees. Matters of employee co-determination are organized through the four-member Works Council. The Works Council is involved in the relevant statutory decision-making processes and serves as a formal platform for employee representation and exchange between employees and management. The Works Council meets with management quarterly.

Training and development

pharma& places strong emphasis on employee development, making training programs a cornerstone of its HR strategy. Furthermore, the company offers comprehensive training programs, including ongoing training via an electronic Learning Management System (eLMS), which has also been implemented at Loba biotech. and supports broad-based, accessible learning opportunities across the workforce. These programs enable employees to develop new qualifications, unlock their potential and adapt to evolving roles and responsibilities. Current initiatives include, among others, targeted employee

development and training measures such as a stress management workshop for the Quality Control Department and access to occupational psychological counselling for employees. In addition, dedicated leadership training programs are planned to be introduced from 2026 onwards to further strengthen management capabilities and support people centered leadership practices.

Workers in the value chain

Respect for internationally recognized labor rights is a key consideration for pharma& throughout its global value chain. The company complies with applicable local laws and monitors regulatory developments, including the EU Supply Chain Directive.

While pharma& is not directly subject to its reporting requirements, the Directive is expected to increasingly affect smaller companies indirectly, for example through information requests from business partners that fall within scope.

International frameworks such as the International Labour Organization (ILO) provide important reference points for fundamental employee rights and occupational health and safety. Social sustainability is therefore highly relevant along the value chain, as the impacts of business activities extend beyond the company's own operations.

The identification and assessment of social impacts in the supply chain are supported by a structured ESG supplier survey, which forms part of pharma&'s governance and due diligence approach (see Governance chapter).

Consumers and end-users

Health for all

pharma& focuses on the production and distribution of well-established and widely used medicinal products whose commercialization has been discontinued by other companies due to a change in strategic focus. This approach allows pharma& to operate in a stable market segment, which may contribute to risk diversification and business continuity. At the same time, pharma& secures long-term access to essential medicines for doctors and patients who depend on them.

In many cases, newly developed alternatives are significantly more expensive than established medicines with comparable therapeutic effects. By ensuring continued availability of proven products, pharma& therefore also supports access to treatment for lower-income patient groups, particularly in countries without comprehensive statutory health insurance systems.

To support access to essential medicines for disadvantaged patient groups, pharma& continued the Patient Assistance Program (PAP) in the United States in 2025. Through this program, low-income patients who are not eligible for public insurance or assistance schemes such as Medicaid, Medicare or other drug assistance programs may receive free access to selected medicines provided by pharma&. The program aims to mitigate financial barriers to treatment, reduce health inequalities, and contribute to improved access to care for underserved populations.

Patient-centric approach and product safety

As a pharmaceutical company, the quality, efficacy, and safety of medicinal products are fundamental prerequisites for market authorization and for safeguarding patient health. While effective and safe medicines can have a positive impact on health outcomes, potential side effects underscore the importance of rigorous quality assurance and pharmacovigilance processes.

pharma& ensures product quality, efficacy and safety through comprehensive quality management systems and strict adherence to the principles of Good Manufacturing Practice (GMP) in line with EU GMP guidelines. A valid GMP certificate is in place. In addition, a broad set of standard operating procedures (SOPs) governs critical processes, including batch recall procedures and pharmacovigilance activities, ensuring the continuous monitoring of product safety throughout the product lifecycle.

Quality assurance measures are regularly reviewed and further developed. Preventive health checks and staff instructions are carried out in accordance with applicable regulatory requirements, including Section 71 of the Austrian Medicines Act, to minimize the risk of product contamination and safeguard patient safety.

Governance information

Our strategic approach

Governance at pharma& is anchored in a framework of policies, compliance structures, and risk management processes that ensure responsible business conduct across all operations and relationships. The company has established a compliance system supported by clear documentation, effective communication channels, and mechanisms to prevent corruption, conflicts of interest, and unethical behavior. Extending these principles to its value chain, pharma& actively strengthens governance in the supply chain, enhancing transparency, accountability, and alignment with regulatory and ethical standards.

Corporate governance

pharma&'s governance framework is supported by a set of internal policies and instruments that promote responsible, transparent and ethical business conduct across all operations. These include:

- Code of Conduct;
- Whistleblower platform, providing a confidential channel for reporting suspected misconduct or violations of laws or internal policies;
- Data Privacy Policy;
- Cybersecurity Policy defining measures to protect information systems and sensitive data against unauthorized access, loss and misuse; and

The Code of Conduct serves as pharma&'s central corporate governance policy and defines the ethical principles guiding decision-making and behavior throughout the organization. It is built on four key values:

- Care, ensuring the safety of patients and product users throughout the entire product lifecycle;
- Fairness, supporting fair trade practices and open competition;
- Honesty, promoting truthful and balanced communication with authorities, healthcare professionals, patients, and other stakeholders; and
- Respect, fostering diversity and inclusion, protecting the environment, and ensuring responsible treatment of animals under the company's care.

Composition of the governance body

pharma& is led by two male managing directors. They provide oversight regarding sustainability and ESG-related matters. Senior management is defined as direct reports to the managing directors of pharma& and consists of 24 members, 12 female and 12 male. As a result, the female-to-male ratio at the management level for the reporting period is 46.2%.

To enhance gender and diversity representation, pharma& follows an action plan that prioritizes equally qualified female candidates in recruitment and succession planning for management positions.

These governance policies and structures form the foundation for addressing the company's prioritization of Governance and Anti-Corruption topics, contributing to further reinforcement of responsible business conduct and compliance processes over the coming years.

Compliance and risk management

Compliance with applicable laws and regulations is regarded as a core obligation, as non-compliance may result in financial losses, regulatory sanctions, and reputational damage. Robust governance structures are therefore essential to safeguard long-term business success, manage risks effectively, and support the company's strategic development.

To meet documentation and audit requirements, pharma& and Loba biotech have established standardized documentation and communication processes. At Loba biotech, these processes are aligned with the requirements of Good Manufacturing Practice (GMP).

As a manufacturing company in the pharmaceutical sector, Loba biotech has a dedicated risk management system in place. In parallel, pharma& applies a standard operating procedure (SOP) for quality risk management and conducts regular, formalized risk assessments. These systems enable the early identification, prevention, and mitigation of not only economic risks, but also environmental and social risks.

Following the appointment of the Global Compliance Head in the 2024 financial year, the role continued in 2025 and remained focused on enhancing Group-wide compliance and continuing to support the establishment and ongoing development of standardized compliance structures and guidelines across both entities.

In 2025, pharma& reinforced its governance framework with a particular focus on compliance, transparency, and integrity across all operations. A Compliance Management System (CMS) was integrated, including a house of policies, to establish a structured and consistent approach to compliance across the organization. In addition, new compliance training programs were introduced to ensure that employees are familiar with applicable compliance requirements, internal policies, and ethical standards.

Anti-corruption and anti-bribery

Bribery and corruption pose significant risks to both the private sector and society. pharma& addresses these risks through its governance guidelines, which include dedicated provisions on anti-corruption and anti-bribery, supported by corresponding risk management processes.

In line with these guidelines, pharma& and Loba biotech have established barrier-free reporting channels in accordance with the Austrian Whistleblower Protection Act. Employees can submit concerns via the pharmaand.com website. At Loba biotech, additional reporting options include the e-mail address hinweisgeber@loba.co.at, a ticket form, and two designated responsible persons. Employees were informed about the reporting system through internal communication channels, including e-mail and the Loba biotech intranet.

In the reporting year 2025, no convictions for violations of anti-corruption or anti-bribery laws were recorded at pharma& or Loba biotech. Accordingly, no fines or disciplinary measures related to confirmed incidents of corruption or bribery were imposed.

Conflicts of interest and ethical behavior

pharma& has established processes to ensure the prevention and effective management of conflicts of interest and to promote ethical conduct across all business activities.

- **Management of conflicts of interest**
pharma& supports an open communication culture that enables employees to identify, raise, and resolve potential internal and external conflicts of interest, ensuring they are actively addressed in a timely and transparent manner.
- **Preventive measures and support mechanisms**
Occupational psychology has been implemented as a preventive measure. It supports employees in handling conflicts with colleagues, supervisors, and business partners, contributing to a constructive, solution-oriented working environment.
- **Commitment to industry standards and internal guidelines**
pharma& is a member of PHARMIG, the Austrian Pharmaceutical Industry Association, which represents the interests of the pharmaceutical sector and addresses relevant industry topics. In line with its commitment to ethical conduct, pharma& adheres to PHARMIG's Code of Conduct and has additionally established its own internal guidelines to ensure responsible business practices.

Managing the supply chain

pharma&'s supply chain plays a critical role in ensuring the long-term availability, quality, and sustainability of its pharmaceutical products. Building on a globally integrated network of suppliers and partners, the company emphasizes transparent, traceable sourcing practices in line with regulatory requirements, while increasingly embedding environmental and sustainability considerations across procurement processes.

A structured ESG survey was conducted among key suppliers of pharma& and Loba biotech, covering relevant procurement categories. The assessment focused on the maturity of environmental, social, and governance-related policies, management approaches, and data availability.

The suppliers of pharma& and Loba biotech demonstrate a generally high level of awareness of ESG requirements and already exhibit solid structural foundations. Across both supplier groups, key governance elements—such as anti-corruption measures, compliance frameworks and IT security policies—are largely established, with nearly 87% of pharma& suppliers and 95% of Loba biotech suppliers reporting the implementation of these core governance policies. Data protection policies are also widely implemented, reaching 82% among pharma& suppliers and 100% among Loba biotech suppliers, and support legally compliant and transparent data processing.

In the social dimension, suppliers of both business units demonstrate a strong level of maturity, reflected in clearly defined labor and occupational health standards and a broad alignment with internationally recognized guidelines. Labor practices and policies are implemented by all responding suppliers in both groups, while labor rights, health and

safety measures and ILO-aligned standards are reported by nearly 87% of pharma& suppliers and by 100% of Loba biotech suppliers. This contributes to a safe, fair, and structured working environment for employees.

Suppliers also demonstrate notable strengths in the environmental area. Environmental and climate-related policies are in place for 67% of pharma& suppliers and 100% of Loba biotech suppliers, while climate targets are reported by 75% and 90%, respectively. Energy efficiency measures are implemented by 58% of pharma& suppliers and 100% of Loba biotech suppliers, and environmental certifications are reported by 42% and 70%, respectively. Loba biotech's suppliers achieve particularly strong results across several environmental indicators, suggesting a climate strategy that is already well operationalized. Suppliers of pharma& show a pronounced strategic orientation, with broadly defined climate targets that provide a sound basis for further decarbonization efforts.

Overall, both supplier groups display a robust ESG baseline, characterized by strong governance structures, well-established social frameworks and increasingly strategic environmental performance. This shared foundation creates favorable conditions to further develop ESG requirements, enhance collaboration, and continue to advance towards data-driven, resilient and sustainably managed supply chains.

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