

SUSTAINABILITY REPORT
2023/24

CONTENTS

Introduction to ADVANZ PHARMA	3
ADVANZ PHARMA's ESG Strategy	7
Focusing on Patients' Needs	12
Ensuring Sustainable, Responsible Operations and Growth	16
Developing our People	21
Appendix.....	29

1 *INTRODUCTION TO ADVANZ PHARMA*



A MESSAGE FROM OUR CEO

ADVANZ PHARMA – Improving patients' lives by providing specialty, hospital, and rare disease medicines they depend on.

Our 2023/2024 Environmental, Social, and Governance (ESG) report highlights our dedication to sustainability, patient-centricity, and responsible growth.

At the core of our mission lies the focus on patients' needs, ensuring that our decisions are guided by their impact on patients' health. We have embedded a patient-centric approach into ADVANZ PHARMA, understanding that our purpose – to improve patients' lives through specialty, hospital, and rare disease medicines – is a responsibility we hold dear.

We are also very proud to progress on our people and culture journey. In 2022, we set ambitious Uniqueness, Equity, and Inclusion goals, aiming for a 50% representation of women across our organisation. I am pleased to announce that we have achieved these targets, which is a testament to our commitment to fostering an inclusive and equitable workplace.

Our values – entrepreneurship, speed, and integrity – serve as guiding principles behind how we work daily to achieve patient impact.

We are proud to be a partner of choice, forging meaningful relationships with stakeholders who share our values and commitment to making a positive impact. Our participation in initiatives like the London office Volunteering Day at the

Shadwell Community Project exemplifies our dedication to giving back.

As we navigate the opportunities and challenges ahead, rest assured that sustainability and patient-centricity will remain at the forefront of everything we do. Together, we will continue to drive positive change, making a difference in the lives of patients and communities around the world.



Steffen Wagner

Chief Executive Officer of ADVANZ PHARMA

ADVANZ PHARMA's 2023-2024 ESG (Environment, Social and Governance) report is an interim update following last year's comprehensive statement. Over the past year, we have made progress against the targets and goals that we have set. This report is a summary, highlighting these specific actions across the three strategic pillars upon which our sustainability strategy is founded.



COMPANY PORTRAIT

ADVANZ PHARMA is a global pharmaceutical company that aims to improve patients' lives by providing the specialty, hospital and rare disease medicines they depend on.

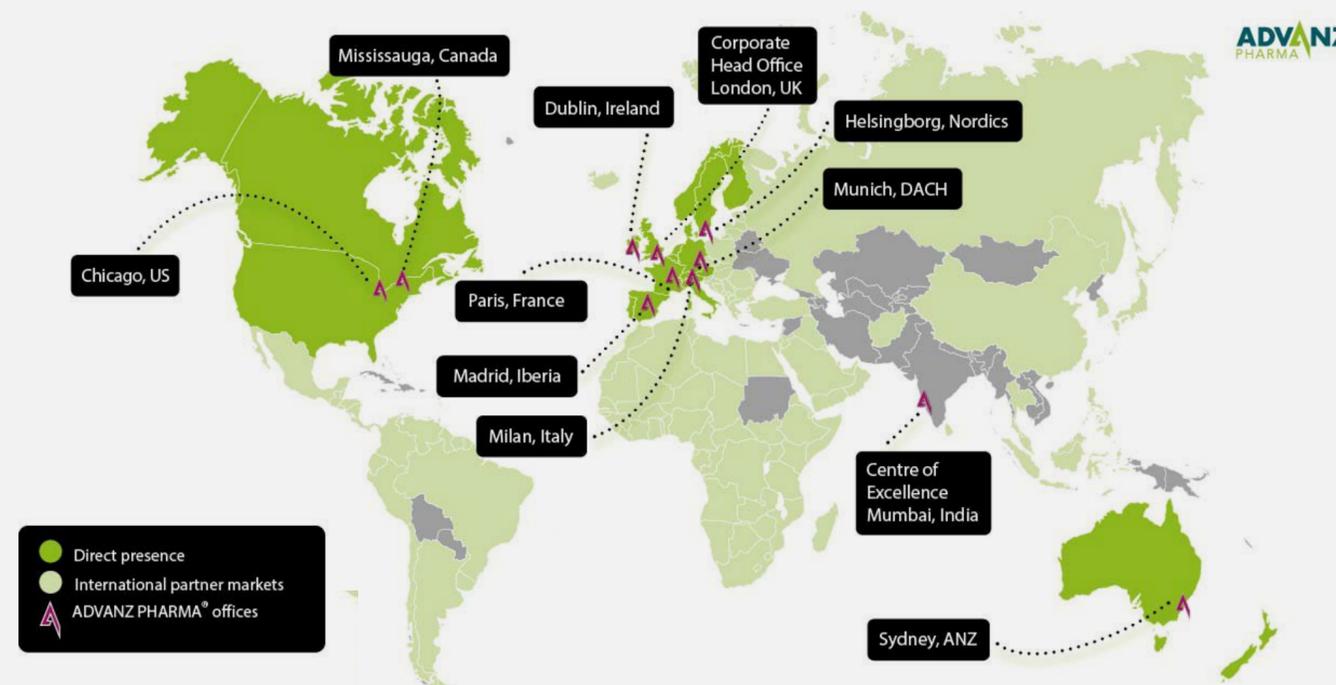
Our 680+ employees operate in our country organisations, the corporate headquarters in London and our Centre of Excellence in Mumbai.

Our ambition is to be a partner of choice for the commercialisation of specialty, hospital and rare disease medicines in Europe, the UK, Canada and Australia. In line with our ambition, we are partnering with innovative biopharma and pharmaceutical development companies to bring medicines to patients. We have commercial sales in more than 100 countries globally and have a direct commercial presence in more than 20 countries, with

offices in 11 of those. An established global distribution and commercialisation partner network complements our global operations.

At ADVANZ PHARMA, we leverage our global reach to bring to market innovative medicines, specialty generics and biosimilars, and originator brands, representing currently 20%, 40% and 40%, respectively, of our revenues. We provide medicines across a broad range of therapeutic areas, including hepatology, gastroenterology, anti-infectives, critical care, endocrinology, CNS and, more broadly, rare diseases. As part of our commitment to improving patients' lives, our strategy has evolved towards pursuing innovation, targeting hospital and rare disease medicines that address an unmet medical need, as well as specialty generics and biosimilars to improve patient access while still ensuring continued access for patients to established originator brands.

ADVANZ PHARMA at a glance, as of today



~236m

patients reached May 2023 to April 2024

>100

markets across the globe

11

countries where we have offices

>680

Employees across the globe

50%

Share of women across our organisation

Innovative medicines

~20%

of our revenues

Speciality generics and biosimilars

~40%

of our revenues

Originator brands

~40%

of our revenues

~25%

of SKUs we market listed by WHO as essential medicines

~150

CMOs and suppliers to ensure highest quality products + continuity of supply

OUR VALUES

We can only achieve our ambition with the passion of our dedicated and highly qualified people, acting in line with our company values of entrepreneurship, speed and integrity.

Our purpose, to improve patients' lives by providing specialty, hospital and rare disease medicines, in combination with these three values, is the foundation for all our actions, strategic priorities and decisions.

Through entrepreneurship, we own the solution and take accountability for results, focusing on what drives impact for patients, customers and our business. Through speed, we develop a bias for action and fast decision-making, focusing on high-priority tasks and rapid implementation. Our final core value – integrity – makes us come together in an open, collaborative, honest and respectful way; we act with social responsibility and in line with legal, regulatory and industry standards.

ADVANZ PHARMA's values are reflected in our employees' personal objectives, demonstrating a lived commitment to our values. To further encourage this, we have introduced the ADVANZ PHARMA Values Champion Award to recognize and reward individuals who consistently go above and beyond to demonstrate behaviour in line with the company values.



OUR PURPOSE, IN COMBINATION WITH OUR COMPANY VALUES OF ENTREPRENEURSHIP, SPEED AND INTEGRITY, IS THE FOUNDATION FOR OUR ACTIONS, STRATEGIC PRIORITIES AND DECISIONS

2 ADVANZ PHARMA'S ESG STRATEGY



MATERIALITY ASSESSMENT

We conducted our double materiality assessment last year. This assessed how ESG-related issues impact our business and how our activities impact society and the environment.

In this 2023-2024 ESG report, there are no changes to the material topics identified in last year's assessment and presented in the matrix diagram. There have been no significant changes to our operations or business environment, and therefore, our material topics continue to align with industry trends and stakeholder expectations.

As part of our ongoing commitment to transparency and sustainability, we are currently working on a double materiality assessment exercise in accordance with the EU's Corporate Sustainability Reporting Directive (CSRD).



*Greenhouse Gases

Impact on ADVANZ PHARMA

OVERVIEW OF OUR ESG STRATEGY AND GOALS

Our ESG strategy is structured around three guiding pillars aligned to the United Nations Sustainable Development Goals (SDGs):

- **Focusing on patients' needs:** we contribute to patients' health and quality of life, and through this to SDG 3: Good Health and Well-being; and SDG 9: Industry, Innovation and Infrastructure.
- **Ensuring sustainable and responsible operations and growth:** in which we build a sustainable and responsible high-growth platform, and through this, contribute to SDG 8: Decent Work and Economic Growth; SDG 12: Responsible Consumption and Production; SDG 13: Climate Action; and SDG 17: Partnerships for the Goals.
- **Developing our people:** we take care of our people and ADVANZ PHARMA equity across our business, and through this contribute to SDG 5: Gender Equality; and SDG 8: Decent Work and Economic Growth.

We have aligned these three pillars with the SDGs, to play our part in the ongoing global effort towards sustainable economies. Building on what we have achieved to date, and guided by our purpose and core values, the ESG position for ADVANZ PHARMA is intrinsically linked with our growth journey, putting patient needs and our people at the core, while reinforcing the resilience of our business.

Focus areas

Related SDGs

Main goals and objectives

Focusing on patients needs



- Contribute to global access to specialty medicines by providing new and enhanced treatment options to patients across multiple therapy areas
- Provide a holistic support to healthcare providers (HCPs) and patients
- Contribute to combating anti-microbial resistance

Ensuring sustainable and responsible operations and growth



- Reduce our scopes 1 & 2 (market-based) emissions by 50% between 2022* and 2030
- Engage with core suppliers (representing 70% of our volume in 2023, 80% in 2024, and 90% in 2025) on ESG topics, including carbon footprint reduction (scope 3) and energy management, packaging, water and waste management, human rights
- Further build our climate-related risk management system
- Maintain our ISO 37001 and 27001 certifications

Developing our people



- By 2030, we aim to have women represented in 40% to 60% of the C-suite, leadership, and management in our company, and at least 30% of women on the advisory committee
- Further advance our culture and maintain high employee engagement (>80%)

* Baseline to be adjusted upon transformative M&A

OUR PERFORMANCE HIGHLIGHTS

In 2023, ADVANZ PHARMA made significant progress towards our goals. Our key performance highlights are shown here.

Focus on patients' needs

~236m

patients reached with ADVANZ PHARMA medicines from May 2023 to April 2024

~25%

of our SKUs classified as **critical medicines** (WHO)

Currently interacting actively with

25

patient organisations and involved in 5 patient support programmes

Ensure sustainable and responsible operations & growth

51%

reduction in **scope 2** in 2023 vs 2022 by switching to renewable energy contracts

Engagement with suppliers on ESG topics representing

70%

of our volume already achieved in 2023

ISO

certifications 37001 and 27001 maintained in 2023

Develop our people

50%

share of women across our organisation and 40% at C-suite level in 2023

Average satisfaction rate of

89%

in our last **pulse survey** (Q1 2024) with a participation rate of 91%

There were

189

employee awards in 2023

OUR ESG GOVERNANCE

We continue to embed ESG stewardship across our business and culture.

Our effort is driven by an ongoing and regular dialogue with the ADVANZ PHARMA Board on ESG objectives and on how we perform according to those sustainability requirements.

We have established a systematic reporting for updates on all ESG-related activities to ADVANZ PHARMA's Executive Leadership Team on a regular basis – at least three times a year – to ensure the most senior level of our organisation has oversight of and accountability for our ESG proposition and performance.

We are also evolving our governance to identify and manage our climate-related risks and opportunities. This evolution is also reflected in our climate-related financial disclosures for 2023, which are in line with the UK Government's (former) Department for Business, Energy & Industrial Strategy (BEIS) regulation.

We completed an EcoVadis assessment in 2023 and received a silver EcoVadis medal for our ESG performance

in this process. This result places ADVANZ PHARMA among the top 25% of the companies assessed by EcoVadis and enables us to identify areas for further improvement. The recognition inspires us to do even more, and we will resubmit to EcoVadis for our next assessment in 2025.

Driving ESG from the bottom up

To strengthen our commitment to sustainability and continually improve our ESG performance, we established an ESG Employee Committee in 2022. This cross-functional committee meets quarterly to discuss ESG matters, exchange ideas and suggestions and implement local initiatives. In 2023, the ESG Employee Committee focused on local initiatives, implementing better recycling facilities and organic waste separation in both the Mumbai and London offices.

By creating this collaborative environment, we aim to drive continual improvement and foster a culture of sustainability throughout our company. We are excited by the potential that this initiative is already showing, as a vehicle for advancing our sustainability goals.



3 FOCUSING ON PATIENTS' NEEDS

KEY HIGHLIGHTS 2023:

- Increased the number of patient organisations we collaborate with, to ensure we have a comprehensive understanding of patient needs to better inform our products, engagement and support activities, and raise disease awareness
- Enhanced patient care through provision of patient support programmes
- New collaborations with partners to develop paediatric indications for our medicines



EMBEDDING OUR PATIENT-CENTRIC APPROACH

Patient centricity sits at the core of our company vision and our purpose to improve patients' lives by providing specialty, hospital, and rare disease medicines.

We ensure that patients' lived experiences are the driving force behind everything we do. We run a multilingual medical information service for patients worldwide. This receives close to 900 separate queries per year from patients across the globe. On average, more than 90% of enquiries are responded to within 0-3 business working days and while our average overall satisfaction customer feedback score is approximately 79%** , we are constantly striving to improve this.

Collaborating to provide the best support for patients

We collaborate with patient organisations to gain insight into unmet patient needs, promote disease awareness, and develop educational materials for patients.

This past year, we increased the number of patient organisations we actively collaborate with from 14 in 2022 to 25 in 2023.

This engagement covers key products from our portfolio addressing patients with rare diseases, namely Lanreotide, authorised for the management of neuroendocrine tumours/ acromegaly, Obeticholic acid, authorised for Primary Biliary Cholangitis and a product currently under regulatory review for the management of classic galactosaemia.

While our product in development for classic galactosaemia is under regulatory review, we are actively working with patient organisations to better understand the impact this disease has on patients and caregivers via dedicated focus groups.

We work to improve patient care by sponsoring patient support programmes and organising medical and educational events for healthcare professionals and patients across therapy areas. We are currently involved in five patient support programmes in Canada and the UK. These programmes are intended to help patients engage with their therapies and increase their autonomy in the treatment journey.

In 2023, we sponsored a new patient support programme in the UK for patients who are prescribed MYTOLAC (lanreotide), providing a service that delivers the drug directly to patients' homes and enables them to receive training from a nurse on the correct administration technique for self-injection. This avoids the need for patients to travel to hospital for something that can be managed from the comfort of their own home and liberates valuable time for physicians and nurses based in hospitals to attend to other patients. Support services such as this are welcomed by physicians, nurses and patients alike, and are subject to strict controls, approvals and consent by healthcare professionals, institutions and patients.

Innovation driven by patients' needs

Our clinical development activities seek to establish both new, and enhanced, treatment options for patients. We are actively collaborating with partners to develop paediatric indications for our medicines, including our specialised antibiotics and rare disease treatments. We recently began a new collaboration with a partner organisation on the use of a novel antibiotic combination to treat severe complicated urinary tract infections and pneumonia in children from birth.

Patients are central to our product innovation which includes the devices needed to optimally administer the medication. One example is TOSTRAN/TOSTREX, which is a testosterone gel used for treating men with hypogonadism. The new pump for dispensing the product has been designed with the patient in mind and improvements have been made to enable greater flexibility in dosing, allowing patients to have an individualised dose and reducing waste.

Another example of patient-centricity is for MYTOLAC/ MYRELEZ (lanreotide). We are progressing toward regulatory submission of an enhanced Patients Information Leaflet (PIL) for this product that would include a QR code / URL link to a patient demonstration video to empower patients for optimal usage of the product.

CONTRIBUTING TO GLOBAL ACCESS TO MEDICINES

We continue our journey to ensure global access to medicines with our broad and growing portfolio of products and global network of partners.

As we strive to better understand the impact our products have on patients' lives, we have evolved our methodology to assess the patient reach of our products. From May 2023 to April 2024, our products have reached more than 236 million patients globally in chronic and acute settings across multiple therapy areas.

236 MILLION PATIENTS REACHED WITH ADVANZ PHARMA MEDICINES



ANTIMICROBIAL RESISTANCE STEWARDSHIP

ADVANZ PHARMA joined the Antimicrobial Resistance (AMR) Industry Alliance in early 2023, and in mid-2023 ADVANZ PHARMA was nominated as a member of the AMR Industry Alliance Working Group on Appropriate Use, with the aim to collaborate on finding sustainable solutions to curb antimicrobial resistance and support the appropriate use of antibiotics.

Our ambition is to help combat AMR to benefit patients' lives and to shape the future of antimicrobial use.

We are driving awareness of AMR among our employees via internal events, including running a session with the

Global Antibiotic Research and Development Partnership (GARDP) on the current significant burden of antibiotic resistance. GARDP is a not-for-profit organisation that develops new antibiotic treatments for drug-resistant bacterial infections that pose the greatest threat to human health and makes them accessible to the people who need them.

ADVANZ PHARMA is already a regular partner of the European Society of Clinical Microbiology and Infectious Diseases (ESCMID), and participated in its 2023 and 2024 annual conferences. Here the commitment between the pharmaceutical industry and ESCMID on implementing strategies for the rational use of antibiotics was reinforced.

WE ARE DRIVING AWARENESS OF AMR VIA INTERNAL EVENTS, INCLUDING RUNNING A SESSION WITH THE GLOBAL ANTIBIOTIC RESEARCH AND DEVELOPMENT PARTNERSHIP (GARDP)



4 **ENSURING SUSTAINABLE, RESPONSIBLE OPERATIONS & GROWTH**

KEY HIGHLIGHTS 2023:

- Decreased Scope 2 (market-based emissions) by 51% by switching to renewable energy contracts.
- Undertook a climate scenario analysis to identify climate-related risks and opportunities.
- Reached our target to engage with our contract manufacturing organisations (CMOs) representing 70% of our volume on ESG and to collect data to establish our baseline Scope 3 emissions.



ENSURING SUSTAINABLE, RESPONSIBLE OPERATIONS AND GROWTH

For ADVANZ PHARMA, environmental sustainability is a critical business imperative that impacts our operational efficiency, reputation, and long-term viability. Addressing environmental issues is essential for regulatory compliance, meeting stakeholder expectations, and enhancing our competitive edge in a rapidly evolving market.

Last year, ADVANZ PHARMA committed to ambitious objectives to reduce our Scope 1 and 2 (market-based) greenhouse gas (GHG) emissions. Our key initiatives include:

- Energy efficiency programs: Implementing energy management systems to optimise usage and minimise waste.
- Renewable energy adoption: Increasing the procurement of renewable energy to reduce dependence on fossil fuels.
- Fleet optimisation: Transitioning our vehicle fleet to low-emission or electric vehicles and supporting this shift with the necessary infrastructure.

These efforts aim to significantly lower our carbon footprint, contributing to global climate action.

Understanding that our environmental impact extends beyond our direct operations, ADVANZ PHARMA is committed to engaging with key suppliers. Our strategy involves:

- Footprint analysis: Collaborating with suppliers to gather data on their GHG emissions, resource usage, and waste practices.
- Joint Initiatives: Partnering on projects to promote sustainability throughout the supply chain.

By working closely with our suppliers, we aim to foster a comprehensive culture of sustainability.

Incorporating environmental, social, and governance (ESG) criteria into supplier selection is vital to aligning our supply chain with ADVANZ PHARMA's sustainability goals.

Integrating ESG into our supplier selection process ensures that our entire value chain supports our sustainability objectives, minimising our overall environmental impact and enhancing our resilience.

FOR ADVANZ PHARMA, ENVIRONMENTAL SUSTAINABILITY IS A CRITICAL BUSINESS IMPERATIVE THAT IMPACTS OUR OPERATIONAL EFFICIENCY, REPUTATION, AND LONG-TERM VIABILITY.

OUR ENVIRONMENTAL IMPACT IN FIGURES

Carbon Footprint	2021	2022	2023
Scope 1 emissions: fleet (tCO ₂ e)	236	451	637
Scope 2 emissions (Market Based): electricity in offices (tCO ₂ e)	288	179	91
Total scopes 1 & 2 (tCO ₂ e)	524	630	728
Energy consumption - (Scopes 1 & 2) (GWh)	1.5	2.5	4.5
Carbon Intensity (tCO ₂ e/revenue in £M)	1.26	1.24	1.1

Our Scope 1 emissions increased by 29% between 2022 and 2023. This is largely due to the full-year impact of our acquisition of the ex-US Intercept business which increased our (leased) fleet size accounting for 54% of our total Scope 1 emissions in 2023.

In 2023, we also updated our methodology to a more precise fuel-based approach to measuring Scope 1 emissions, rather than the distance-based methodology used previously. This will result in more accurate estimations going forward.

Our Scope 2 (market-based) emissions have decreased by 51% due to the progress made in switching our offices to renewable electricity. Renewable electricity now accounts for 63% of our electricity consumption globally. In 2023, our offices in India and Ireland switched to renewable electricity contracts, with India making a significant difference to our global Scope 2 emissions.

We achieved a 50% reduction in Scope 2 emissions in 2023 versus our 2022 baseline, surpassing our 2030 target. Any future merger or acquisitions may result

in an increase in the Scope 1 and Scope 2 emissions, but we are committed to maintaining our current progress. This will be achieved by transitioning our leased Internal Combustion Engine (ICE) to electric vehicles, encouraging our employees to switch to electric or hybrid vehicles and relocating our offices to more energy-efficient buildings or reducing the size of our premises where possible.

We are also encouraging our employees to use more sustainable transport options such as public transport, carpooling, or bicycling for shorter distances and to avoid activities driving GHG emissions in the first place.

Understanding the impact of climate change

We undertook climate scenario analyses in 2023 to identify climate-related risks and opportunities related to our business. At this stage, no risks are expected to significantly impact the company's financial position or resilience, in both the high-emission and low-emission scenarios modelled. In accordance with the Climate-Related Financial Disclosures (CFD) framework, ADVANZ PHARMA undertook a climate scenario analysis in 2023 to identify climate-related risks and opportunities. Two scenarios were used in line with CFD guidance, a low emission scenario (1.5°C) and a high emission scenario (4°C).

1. Steady Path to Sustainability (1.5°C temperature rise compared to pre-industrial levels by 2100): This scenario is optimistic about economic decarbonisation and is designed to highlight transition risks.
2. Fossil-fuelled Growth (4°C temperature rise compared to pre-industrial levels by 2100): This is a plausible worst-case scenario from a climate change perspective, intended to highlight physical risks.

These scenarios were analysed on three different time horizons:

1. Short-term: within 1 to 3 years
2. Mid-term: by 2030
3. Long-term: by 2050

The assessment identified a list of relevant transition and physical risks as well as opportunities. A workshop was held with key internal stakeholders to provide inputs on the shortlist of risks and opportunities, and rate them in terms of likelihood and potential business impact.

This assessment identified that climate change does not currently pose a high risk to ADVANZ PHARMA. No risks are expected to significantly impact the ADVANZ PHARMA financial position or resilience in either of the modelled scenarios. That said, several mitigation actions were identified. Some of these are already implemented or in implementation. Further work to assess and mitigate climate-related risks will be carried out in 2024 to evaluate whether any changes to the strategy are necessary. Any new principal risks, if detected, will be monitored closely by senior management and the Board in line with the established approach.

OUR SCOPE 3 EMISSIONS

As part of our ongoing efforts to reduce our environmental impact and promote sustainability, ADVANZ PHARMA has identified the applicable Scope 3 emissions in the upstream and downstream value chain. These are listed below. We are comprehensively collecting data on our Scope 3 emissions in close collaboration with our partners.

Upstream

 1 Purchased goods and services

 5 Waste generated in operations

 2 Capital goods

 6 Business travel

 3 Fuel- and energy-related activities

 7 Employee commuting

 4 Upstream transportation and distribution

 8 Upstream leased assets

Downstream

 9 Transportation and distribution

 12 End-of-life treatment of sold products

We are working on a database to allow for best-in-class data collection, tracking and reporting. This will enable us to report on our Scope 3 emissions for the first time in our next ESG report, which will be issued in 2025

WE ARE WORKING ON A DATABASE TO ALLOW FOR BEST-IN-CLASS DATA COLLECTION, TRACKING AND REPORTING.



ENGAGING OUR SUPPLIERS IN ESG

We apply a robust due diligence procedure to select the best manufacturing and delivery partners to ensure a continuous, high-quality supply of our medicines.

We are aware of our ability and responsibility to drive change in environmental, social, and governance initiatives of the companies we work with in our supply chain.

We engage with suppliers to assess their ESG performance both during the selection process and throughout the business partnership. We continuously monitor their performance and strive to influence the adoption of sustainable practices by clearly communicating expectations, providing support, and implementing tools to track their adherence to ESG criteria.

In 2023, we met our target to engage with contract manufacturing organisations (CMOs) representing 70% of our volume. We will continue this outreach to meet our goal to engage 80% by 2024 and 90% by 2025, as well as engaging with our key freight logistics and distribution partners. We are currently working with our suppliers to develop a joint roadmap on ESG topics.

This engagement will capture our Scope 3 carbon emissions and gather detailed information from our CMOs on product packaging to meet the requirements of the UK plastic tax and Extended Producer Responsibility (EPR) regulations for 2024.

We are also in the process of subscribing to a digital platform that will streamline the information related to product packaging materials, enhancing our future compliance and management of our packaging.

Advancing ESG in the supply chain

To support driving our supply chain ESG initiatives, we created a new, dedicated role within the Supply Chain Management team to work with our CMOs and logistics partners to ensure compliance and to gather and track ESG performance data. This strategic addition emphasises our commitment to sustainability and regulatory adherence across our operations.

In the past year, our Request for Proposal (RFP) process and our due diligence process for product acquisitions have also been updated to include detailed assessments on our partners' ESG performance, strategy and initiatives with short-, mid- and long term ESG related goals.

We ensure that we engage with suppliers who are committed to sustainable and responsible business practices. We are in the process of launching a comprehensive ESG (Environmental, Social, and Governance) questionnaire that will be sent to all strategic existing suppliers. Suppliers who do not meet our standards may be given feedback and an opportunity to improve their practices before re-evaluation.

We have also updated our Manufacturing and Supply Agreement, to include a new schedule requiring suppliers to disclose their ESG performance and initiatives. This important addition emphasises our commitment to driving sustainability and responsible business practices among the organisations in our supply chain. The updated agreement is being rolled out as contracts are renewed.



5 DEVELOPING OUR PEOPLE

KEY HIGHLIGHTS 2023:

- Launched a new Talent Development strategy and training programme
- Updated and enhanced employee recognition and rewards
- Expanded Uniqueness, Equity, and Inclusion mission beyond gender to incorporate other underrepresented groups
- Increased the number of women in management and above from 33% to 38%
- Maintained a very high response rate (91%) for our employee engagement survey and our overall employee engagement score increased from 87% in 2022 to 89% in 2023.



TALENT DEVELOPMENT

In today's rapidly evolving business landscape, the development and wellbeing of our people are at the forefront of our strategic priorities.

Our commitment to fostering a culture of continuous learning, inclusivity, and employee empowerment is central to driving innovation and achieving sustainable growth.

At ADVANZ PHARMA, our employees are our biggest asset. Therefore, we have invested significantly in comprehensive training programmes, leadership development, and wellness initiatives. These efforts ensure that our team members are well-equipped to meet the challenges of their roles, advance in their careers, and contribute meaningfully to our organisational objectives.

Maintaining a growth culture is one of ADVANZ PHARMA's key strategic priorities. Our leadership team recognises that supporting employees' career aspirations and enabling internal mobility are core to our firm's success.

Refreshing our approach to talent development and training

In 2023, we established a new role of Talent Development and Performance Director within our People Team committed to the development of our talent. Now in place, she has focused on first identifying the training needs within the company, conducting a detailed analysis to inform our new talent development strategy.

Following this assessment, in 2024 we have launched a new training programme, focusing on the following areas:

- Professional skill development programmes, including topics such as impactful communication, influencing skills and time management that will be offered to junior talent
- Supporting our managers with a continued training programme for both new and experienced managers, developing their skills in motivating teams and driving performance
- Training our leaders in coaching their teams to support individuals' career development
- Training on career development within ADVANZ PHARMA, including how to career plan
- A programme of unconscious bias training, launching first to all managers before being extended to all employees



We also offer a mentorship programme, involving 20 global mentors (which include our most senior leaders across C-Suite, Executive Leadership Team, General Manager and Vice President roles) and 30 active mentees. Feedback from participants has been positive with some continuing the mentorship relationship beyond the six months suggested. In the coming year, we have plans to make the mentorship programme more bespoke in response to the feedback we received.

Looking ahead, we will empower our people to take ownership of their growth. Our new training approach will support this by providing opportunities to accommodate individual learning styles and focusing on the identified skills gaps. We will be tracking outcomes and key metrics to evaluate and improve our programmes on an ongoing basis.

Rewarding and recognising our employees

Since our last report, we conducted a review of our rewards and recognition policies to ensure consistency across our different offices, and are proud to introduce:

- New spotlight and quarterly excellence awards, more than doubling the number of annual awards
- Recognised our first ever Value Champions Awards
- A long service award for 10 and 20 years of services.

Cultural Global Benefits

In 2023 we also reviewed our Global Cultural benefits. We want all employees, no matter where they are located, to have the same cultural benefits which reflect our values. We are now offering core global benefits such as the following:

- Core Global benefits (Pension, Healthcare and Life Assurance) in all of our locations, not based on job level or years of service but on a consistent approach, valuing each employee fairly and equally
- An additional day of annual leave for one's birthday
- Two days paid each year for volunteering work
- Updated compassionate leave and study leave
- A work-from-anywhere policy which enables employees to work remotely from anywhere in the world for one month. This policy is a testament to providing our employees with additional flexibility that results in a more productive and satisfied workforce
- We removed service-related holidays, all employees receive a standard amount from day one of employment

OUR NEW TRAINING APPROACH WILL SUPPORT THIS BY PROVIDING OPPORTUNITIES TO ACCOMMODATE INDIVIDUAL LEARNING STYLES AND FOCUSING ON THE IDENTIFIED SKILLS GAPS.

UNIQUENESS, EQUITY, AND INCLUSION

In 2023, we expanded our mission, initially focused on women's empowerment, to encompass broader aspects of uniqueness, equity, and inclusion.

This expansion enables us to address various aspects of inclusion beyond gender, such as mental health, unconscious bias, and belonging.

We have chosen to use the term uniqueness rather than diversity as it reflects our focus on the unique strengths of the individuals in our business and our commitment to foster a culture of belonging.

Our newly defined strategy is designed to attract, promote, and retain talent that is reflective of the communities our offices are located in. We have started with a focus on women, with the ADVANZ PHARMA Women's Network (AWN) as the catalyst for equity and inclusion across the organisation.

Driving gender parity within the business

At ADVANZ PHARMA, we believe that uniqueness is a strength, and we are committed to inclusive management. Today, 50% of our employees are women. The metrics below

offer some numerical insight into our efforts to support gender parity and representation across our organisation.

We aim to have women represented in 40% to 60% of the C-suite, leadership and management, and at least 30% of women on the advisory committee in our company by 2030.

Gender Balance	2022	2023
Overall women employees	49%	50%
Women, C-suite	40%	40%
Women, leadership	32%	33%
Women, management	33%	41%
Women, management and above	33%	38%
Women, Advisory Committee	13%	13%
New hired - female employees	60%	56%
Promotion ratio (promotion rate of female to male colleagues)	1.17	1.2
Voluntary turnover ratio (turnover rate of female to male colleagues)	1.08	1.4

Emphasis is placed on retaining high-potential talent during key life events that disproportionately impact women. Our recruitment and development strategies focus on hiring gender-diverse talent and retaining high-potential employees of all genders.

We have continued to collaborate with the Healthcare Businesswomen's Association to offer skill-building sessions, such as negotiation skills for women, and internally disseminate pre-recorded sessions, making them available to all employees. We are further evidencing our commitment to inclusion by updating our marital leave policy and launching a new Menopause Policy.

Promoting a culture of awareness and mutual understanding among employees

Our Unconscious Bias Initiative, initially focused on gender bias, was expanded to address all forms of bias. Unconscious bias training is being launched with six sessions for people managers before being rolled out to all employees. These sessions are being held throughout 2024. We are also promoting allyship and bias awareness, encouraging individuals with privilege to use their voices to support underrepresented groups and aiming to foster a culture of belonging through active allyship.

In 2023, we hosted a webinar on Mental Health Day for all employees. The webinar focused specifically on women, especially caregivers, who face challenges relating to mental health. Thanks to the warm welcome it received, we are now in the planning stages of a similar webinar for International Men's Day, which will focus on men's mental health issues.

Influencing change in the wider healthcare industry

In addition to our internal initiatives, we launched a programme in 2023 to promote equity and inclusion in our external activities involving healthcare professionals. Where possible, this focuses on supporting greater gender uniqueness among delegates and speakers at our medical education events for innovative products.

We achieved 50%, 58% and 44% female representation on the speaker panels for our 2023 Primary Biliary Cholangitis (PBC) events in the UK, Italy and Spain, respectively. We are working to replicate this success across other countries and therapeutic areas in 2024.

Looking ahead, we are committed to eliminating biases and promoting allyship, by continuing the successful work of the AWN and promoting it throughout the business. We aim to foster a culture where everyone who works at ADVANZ PHARMA feels they belong and able to reach their full potential.

UNCONSCIOUS BIAS TRAINING IS BEING LAUNCHED WITH SIX SESSIONS FOR PEOPLE MANAGERS BEFORE BEING ROLLED OUT TO ALL EMPLOYEES.



CASE STUDY: ADVANZ PHARMA WOMEN'S NETWORK

The ADVANZ PHARMA Women's Network (AWN) plays a key role in delivering the company's commitment to Uniqueness, Equity, and Inclusion. This global network of employees is dedicated to the advancement of women across the business.

Our initiative empowers women to reach their full potential by providing a supportive network that fosters their development and growth. In addition, AWN act as a catalyst to drive a cultural shift where everyone benefits from diverse perspectives, which in turn drives innovation.

On International Women's Day, AWN hosted a webinar for employees, involving a conversation with female leaders and role models across the business. The theme of the event, Inspire Inclusion, explored how inclusion benefits the organisation, highlighting that an inclusive strategy has two key components: it is good for business and encourages a variety of perspectives that challenge norms and drive new thinking.

***OUR INITIATIVE
EMPOWERS WOMEN
TO REACH THEIR
FULL POTENTIAL
BY PROVIDING
A SUPPORTIVE
NETWORK THAT
FOSTERS THEIR
DEVELOPMENT AND
GROWTH***



EMPLOYEE ENGAGEMENT AND VOLUNTEERING

In 2023, our employee engagement survey had a 91% response rate and overall employee engagement score remained high; we were very pleased to note that 89% of respondents would recommend ADVANZ PHARMA as a great place to work.

We established three new staff committees to address themes that are crucial to ADVANZ PHARMA's future success: Wellbeing, Growth and Development, and Collaboration and Teamwork. These committees, composed of members from various functions, locations, and levels within the organisation, address key areas for improvement highlighted in our staff surveys.

- **The Wellbeing committee** is focused on creating a healthier and more productive work environment
- **The Growth and Development** committee is dedicated to fostering continuous learning and career advancement, ensuring our workforce remains skilled and motivated.
- **The Collaboration and Teamwork** committee enhances cross-functional and cross-location cooperation, driving innovation and effective integration, particularly with the recent inclusion of ex-Intercept teams.

These committees not only tackle immediate concerns but also lay the foundation for a resilient and thriving organisational culture, essential for ADVANZ PHARMA's long-term success.

Engaging with our communities

Beyond making a positive impact on patients' lives, and our employees' wellbeing, we are proud of how we engage with and support the communities we interact with.

Over the years, ADVANZ PHARMA's CSR India team has been working closely with Snehasadan and Light of Light Trust (LOLT) with the objective of helping build a future for underprivileged children through education and social amenities. A key goal for ADVANZ PHARMA this year has been to contribute towards environmental initiatives, including a tree planting initiative with the Social Welfare Centre Society resulting in planting 3,000 saplings with the help of over 50 employees.

Below is the contribution made by the Indian entity, which is mandated by law, in the Indian Financial year (April 2023-March 2024).

Contribution summary in India April 2023-March 2024

Total Contribution £43,008

Snehasadan	LOLT	Others
£16,415	£23,315	£3,278



CASE STUDY: SUPPORTING DISADVANTAGED CHILDREN IN OUR LOCAL COMMUNITIES

ADVANZ PHARMA has partnered with the Light of Life Trust (LOLT) in India for several years, supporting the Anando Project in rural Rajasthan.

This project is focused on improving the education of children living in remote villages. Children here face many challenges, with socio-economic pressures resulting in child labour and child marriage, meaning that many children drop out of school. Our involvement supports the social workers of LOLT to work with the parents and the wider community to address these challenges, thus allowing the children to return to school.

More than 100 ADVANZ PHARMA staff participated in the TATA Mumbai Marathon on behalf of Light of

Life Trust thereby contributing £20,505 for the Anando Project in this fiscal year (April 2023-March 2024).

In 2024, our colleagues visited three LOLT centres in Rajasthan and interacted with the children, school authorities, and communities, to discuss the impact of the programme and to hold sessions with the pupils about their future career aspirations.

In London, ADVANZ PHARMA volunteers helped transform a children's adventure playground in the Shadwell Community Project in Tower Hamlets. The playground offers a space for children to participate in building play structures, dens, swings and tree houses, providing opportunities that children miss growing up in an urban environment. The project also aims to promote active, healthy lifestyles for children.



APPENDIX: 2023-2024 MONITORED KPIS AND TARGETS

ESG Pillar	Sub-topic	KPI	2022 data	2023 data	Target
Focusing on Patients' Needs	Global reach	Number of Patients reached	N/A	236 million*	Grow
		Number of countries served by our medicines	103	100	Maintain
Ensuring Sustainable and Responsible Growth	Supply chain management	Share of strategic suppliers (80% of volume) who will have signed the new ESG contractual clause in the Manufacturing and Supply Agreement**	N/A	N/A	100% by the end of 2025**
		Share of total volume represented by targeted suppliers	N/A	74%	70% in 2023 80% by 2024 90% by 2025
	Carbon footprint	Scope 1 carbon emissions (tCO2e)	451	637	-50%* by 2030 *Baseline to be adjusted upon transformative M&A
		Scope 2 carbon emissions (tCO2e), market-based	179	91	-50%* by 2030 *Baseline to be adjusted upon transformative M&A
		Scope 3 carbon emissions (tCO2e)	Being assessed	Being assessed	Being assessed
		Carbon intensity (tCO2e / revenue in £M)	1.24	1.1	-
		Energy consumption (GWh)	2.5	4.48	-
		Share of renewable electricity	51%	63%	-
Energy intensity (GWh/revenue in m)	0.005	0.007	-		

ESG Pillar	Sub-topic	KPI	2022 data	2023 data	Target
	Governance	ISO 27001 certification (information security)	Yes	Yes	Maintain
		ISO 37001 certification (anti-bribery management system)	Yes	Yes	Maintain
		Staff completion of anti-bribery and corruption training/Code of Conduct training	98%	96%	100%
Developing Our People	Uniqueness, equity and inclusion	Women, all colleagues	49%	50%	Remain ~50%
		Women, C-suite	40%	40%	40-60% by 2030
		Women, leadership	32%	33%	40-60% by 2030
		Women, management	33%	41%	40-60% by 2030
		Women, management and above	33%	38%	40-60% by 2030,
		Women, Advisory Committee	13%	13%	>30% by 2030
		Voluntary turnover - female employees (turnover rate for female employees divided by turnover rate for male)	1.08	1.4	Remain close to 1
		Promotion - female employees (promotion rate for female/promotion rate for male)	1.17	1.2	Remain close to 1
		Newly hired female employees	60%	56%	Maintain ~55%
		Occupational Health & Safety	Lost time incidents (LTIs)	0	0
Work-related injuries/fatalities	0		2	0	
Days lost due to WRI	0		4	0	
Employee engagement, development & retention	Response rate to pulse survey	94% (Q1 2023)	91% (Q1 2024)	>80%	
	Average satisfaction rate	87% (Q1 2023)	89% (Q1 2024)	>80%	
	Number of employee awards	116	189	Maintain	



www.advanzpharma.com

www.linkedin.com/company/advanz-pharma/

info@advanzpharma.com