

At Hovione, we are committed to demonstrating accountability to our stakeholders by transparently sharing our Environmental, Social, and Governance (ESG) performance.

This report details our sustainability practices and the progress we have made in FY24, providing clear and reliable information prepared in accordance with Global Reporting Initiative (GRI) standards.

It also outlines how we are embedding sustainability into our business strategy, addressing critical environmental challenges, and taking meaningful action on climate change.

Furthermore, the report highlights our ongoing engagement and positive impact in the local communities where we operate, reflecting our belief that responsible business is key to building a better future.



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Sustainability runs deeper at Hovione

At Hovione, sustainability is not just an aspiration - it is a fundamental component of our strategy and daily operations. Embedded deeply within our DNA, sustainability is brought to life by the commitment and actions of every member of our team.

Meaningful progress in sustainability begins with precise measurement and clear insights. Our ability to continuously track, analyze, and optimize environmental performance and implement innovative solutions relies on our scientific expertise, advanced technologies, and robust governance. We recognize sustainability as an ongoing journey, requiring relentless dedication and continuous improvement.

Sustainability is also closely connected to good governance. By embedding transparency, ethical decision-making, and a long-term perspective into

our operations, we ensure sustainability permeates every aspect of our business. This approach enables us to act responsibly, effectively manage risks, and deliver sustainable value to our shareholders and partners.

At the heart of these commitments are our people. As One Hovione, we cultivate a culture of responsibility, collaboration, and continuous improvement. Safety performance, for example, stems from disciplined processes, attention to detail, and a deeply embedded sense of responsibility at every level, anchored in our strong shared culture. Our team members' expertise, dedication, and innovation translate sustainability ambitions into practical, impactful actions, reinforcing our reputation as a trustworthy and client-centric partner.

Looking ahead, our vision remains pragmatic and science-based. Driven by innovation, robust governance, and an unwavering responsibility to people and the planet, Hovione is committed to real and lasting progress in sustainability.

| Jean-Luc Herbeaux

Chief Executive Officer (CEO)





Safety performance stems from disciplined processes, attention to detail, and a deeply embedded sense of responsibility at every level, anchored on a strong shared culture.

Jean-Luc Herbeaux

Chief Executive Officer (CEO)

Our impact

-6.98%

total green house gas emissions (FY23 to 24) 87.13%

green energy procured (FY24) 83.1%

resource recovery rate (FY24) ≤ 1.0

lost time accident frequency rate (FY24)

+18.47%

self-produced electricity rate (FY23 to 24) 12,194t CO₂e

emissions avoided from onsite solar and green energy (FY24)

-6.3%

absolute water withdrawal (FY23 to 24) 79%

awareness and attractiveness as an employer of choice* (FY24)

*Top Employer Institute

Hovione at a glance

What we do

Hovione is an international family-owned pharmaceutical Contract Development and Manufacturing Organization (CDMO) offering a fully integrated range of services for drug substances, drug product intermediates and drug products. We are a business-to-business company working with pharmaceutical companies across the entire life cycle to help them bring innovative and off-patent drugs to patients.

To operate in the pharmaceutical value chain, Hovione must comply with stringent regulations aimed at assuring patient safety, known as Good Manufacturing Practices (GMP). Health authorities such as the US Food and Drug Administration (FDA) regularly inspect Hovione sites to assess GMP compliance.

How we do it

The company leverages its scientific and technical expertise and extensive manufacturing experience to serve its customers. Our research and development labs in Lisbon, Portugal and New Jersey, USA are focused on chemical synthesis, particle engineering and formulation development.

Our manufacturing operations in the USA, Portugal, Ireland and China operate under GMP to produce both clinical trial supplies and commercial batches.

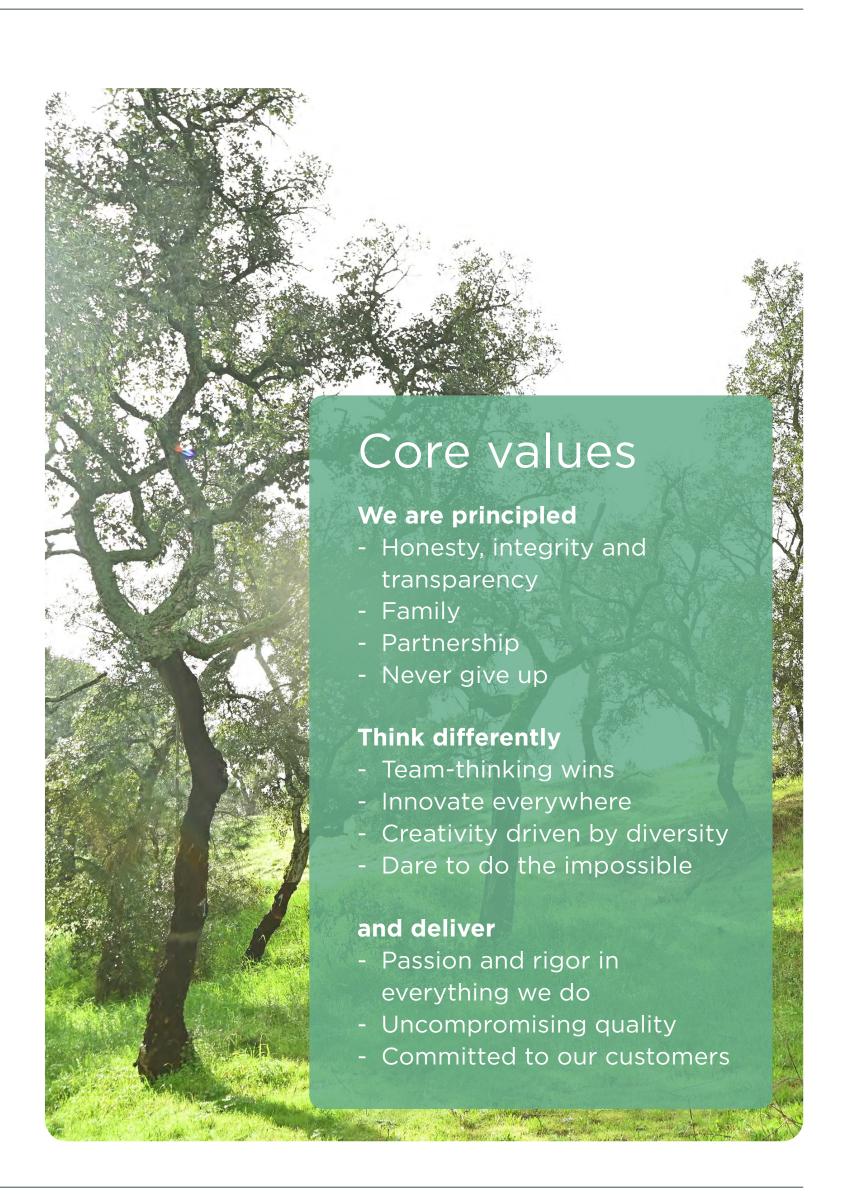
Our motto In it for life

Our mission

To passionately turn any challenge into a solution, by collaborating with our partners to develop great medicines

Our vision

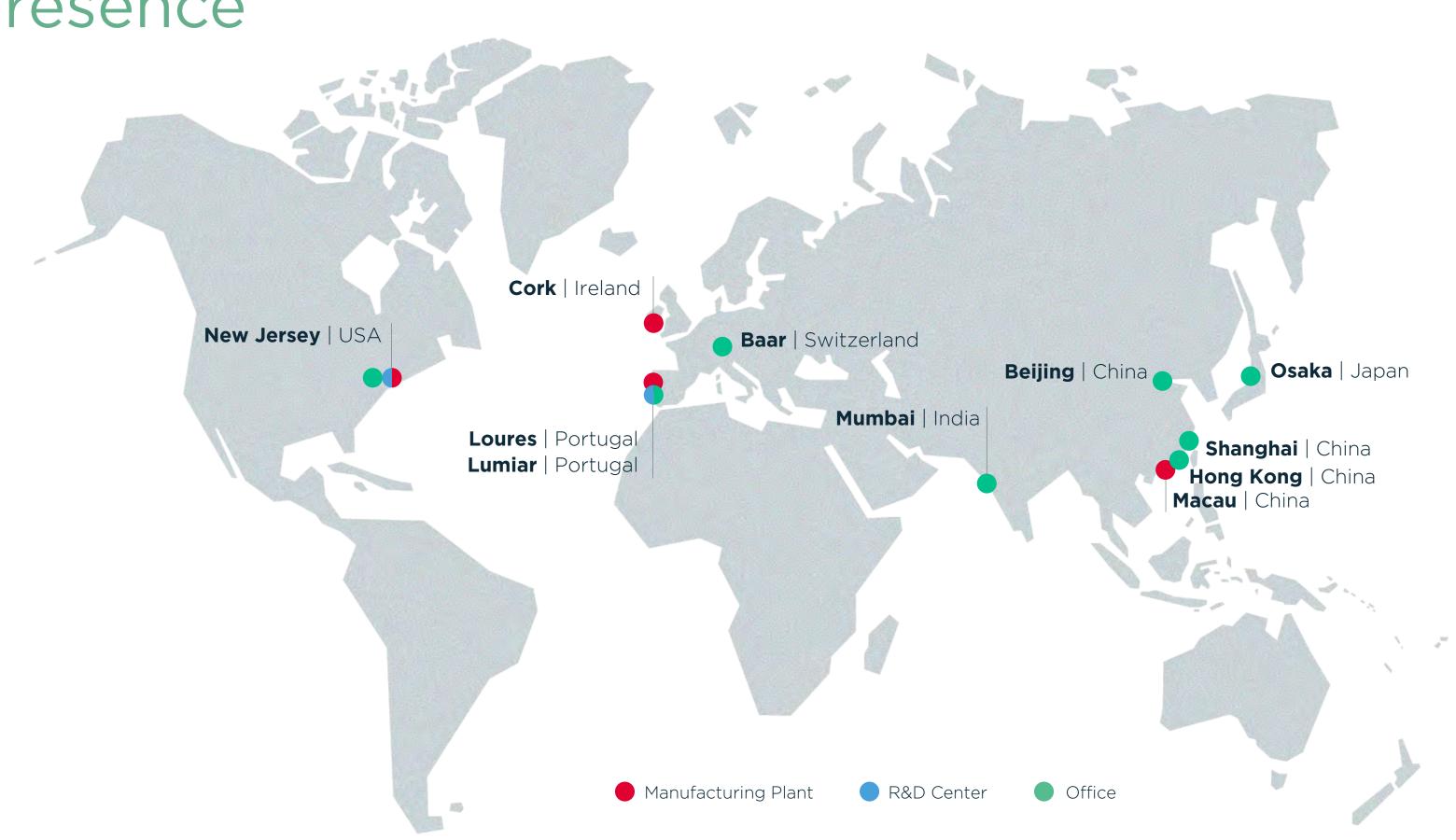
To become the #1
innovative, integrated
solution provider in
selected platforms to the
global pharmaceutical
industry













12

Locations with expertise across the globe



4

Manufacturing sites



2

R&D centers



8 Offices



2,430

People all over the world

How we stand out

Hovione has a very differentiated value proposition in pharmaceutical spray drying, an enabling technology that allows the development of drugs for oral administration of extremely low-solubility active pharmaceutical ingredients (APIs). Thanks to its developed extensive intellectual property and manufacturing capacity, the company is perceived as the leading CDMO in this space. This position has allowed Hovione to support up to 10% of all the new drugs approved by the FDA in the past eight years*.

Hovione's family-owned structure provides long-term vision and stability, supporting a culture of trust and commitment that aligns closely with the needs of the pharmaceutical industry. This long-term perspective is particularly advantageous as it aligns well with the lengthy development timelines

and product life cycles, and supports consistent investment in innovation and quality over time.

This enduring outlook also positively impacts our engagement with team members, by promoting a supportive work environment that values their personal growth, wellbeing and career development.

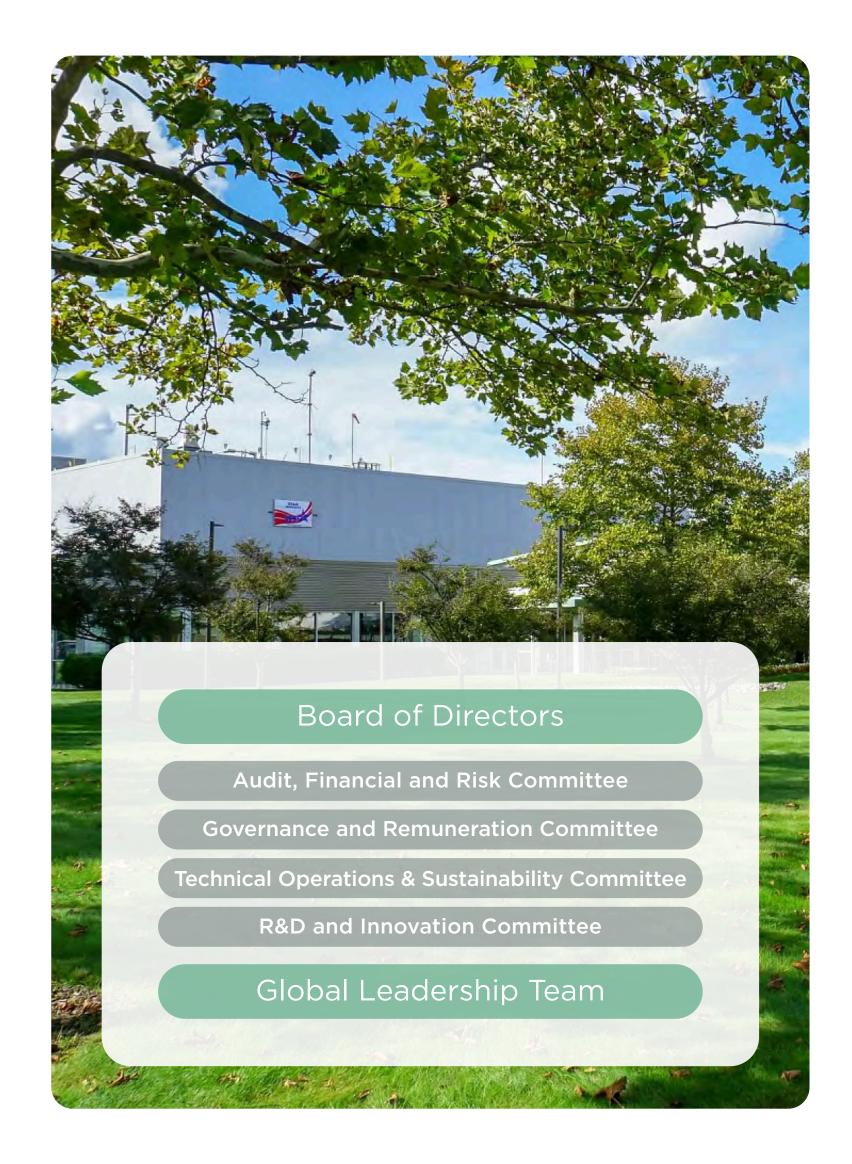
*Source: U.S. Food and Drug Administration; Hovione analysis.

Our corporate governance

Hovione was founded in 1959 by Ivan and Diane Villax, and remains an independent family business. The Board is formed by Villax family members and independent Non-Executive Directors and is led by an independent Non-Executive Chairman.

The Chief Executive Officer is responsible for defining and operationalizing the strategy, managing operations, and representing the company externally and is assisted by the Global Leadership Team.

The Global Leadership Team manages Hovione's activities and each member is responsible for a specific area of the business.



Our team members

Hovione employs over 2,400 team members working across labs, sites and regional offices. Our Female:Male ratio stands at 38:62, while at management level, it increases to 43:57.

We continue to grow our team not just in size, but also by embracing a diverse range of talents, nationalities, and ages, spanning five generations.



2,430

Team members



Countries with team

members presence



60
Nationalities



39

Average age



5

Generations



38:62

Female - Male ratio total team members



43:57

Female - Male ratio management level



1.03%

Growth in team members



6.7%

Total turnover

Sustainability at Hovione

Our commitment

We understand sustainability is a continuous journey which will evolve over time. To this end, our Business and Sustainability strategies are aligned with a focus on Environmental, Social, and Governance (ESG) performance.

We recognize that embedding sustainability principles into the core of our operations is essential to fostering long-term value creation and ethical stewardship.

By building our program on these three pillars, Hovione sees the opportunity to drive positive change, enhance resilience, and ensure sustainable and profitable growth. Our sustainability journey is supported by clear performance targets and a dedicated Management Team. In the following pages, we will provide insights into the progress we have made to date. We are proud of the work we have done but recognize that there is much more to achieve.

Our comprehensive approach

Double materiality is a comprehensive approach that requires companies to assess ESG issues from two perspectives: impact materiality and financial materiality.

Impact materiality

This perspective focuses on the actual or potential effects of a company's activities on people and the environment. It considers both positive and negative impacts over different time frames, including the long term. For instance, how our operations affect local communities, ecosystems, and global environmental health.



Financial materiality

This perspective examines how ESG issues can affect the company's financial performance. It includes risks and opportunities that could impact cash flows, performance, and access to finance. For example, how climate change might influence our operational costs or market demand for our products.

Conducting a double materiality assessment has helped us better understand our priorities and allocate resources. This not only helps us to meet regulatory requirements but also aligns our business strategies with broader societal and environmental goals.





Hovione's Materiality Assessment identifies the ESG topics most critical to our stakeholders and to the long-term success of our business. Among the highest priorities are product safety and quality, data protection, sustainable supply chain, and occupational health and safety.

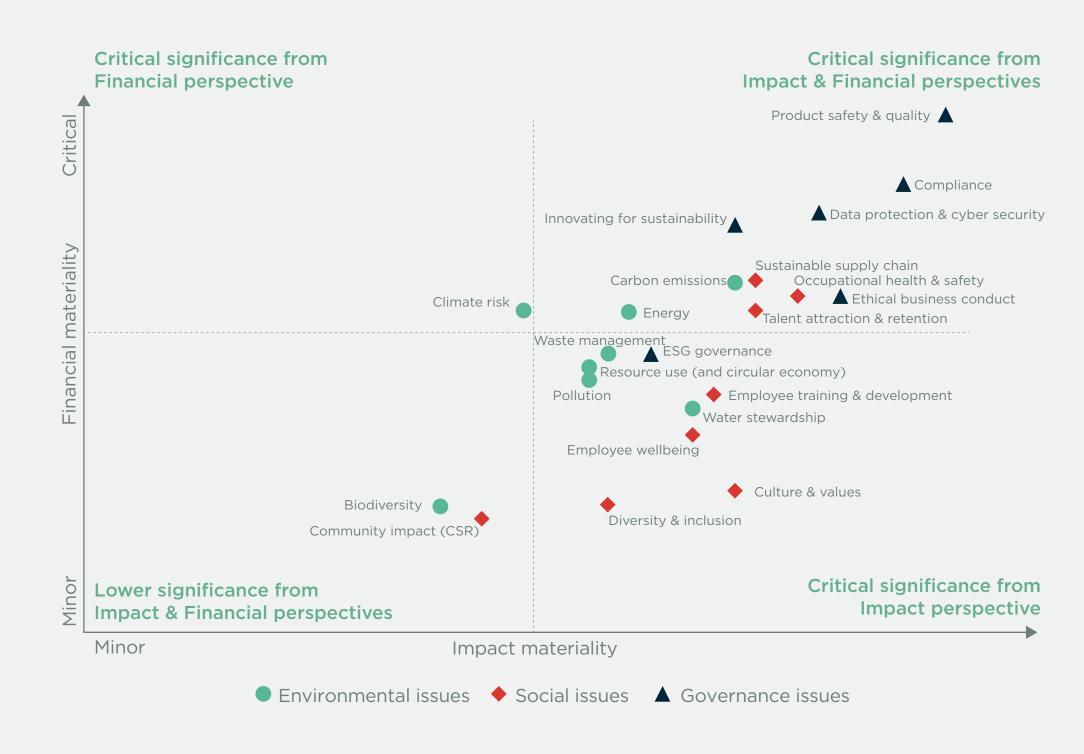
Environmental issues such as carbon emissions, energy efficiency, pollution, waste management, and water stewardship are also considered highly material, underscoring our commitment to minimizing environmental impact and fostering sustainable operations. Governance issues—including ESG governance, ethics and compliance, and innovation for sustainability—play a central role in aligning our strategy with responsible business practices.

Social topics like talent attraction and retention, team members training and development, and culture and values are also prominent, reflecting our belief that people and purpose are at the core of our progress. This assessment provides a clear roadmap to guide our efforts in creating long-term value for all stakeholders, including shareholders, team members, customers, communities, and the planet.

Carbon emissions, energy, sustainable supply chains, innovating for sustainability and talent attraction & retention were identified by external stakeholders as some of our biggest challenges.

Hovione double materiality assessment

Financial materiality/Impact materiality



Our targets

We believe that setting clear and ambitious targets is essential to driving meaningful progress. They guide our efforts, ensuring that we remain focused and accountable on our journey. In FY23, we established three internal targets to drive our commitment to a more sustainable future:



Reduce our carbon footprint by 40% by 2030, against an FY21 baseline



Obtain a water stewardship CDP class "A" rating by 2027

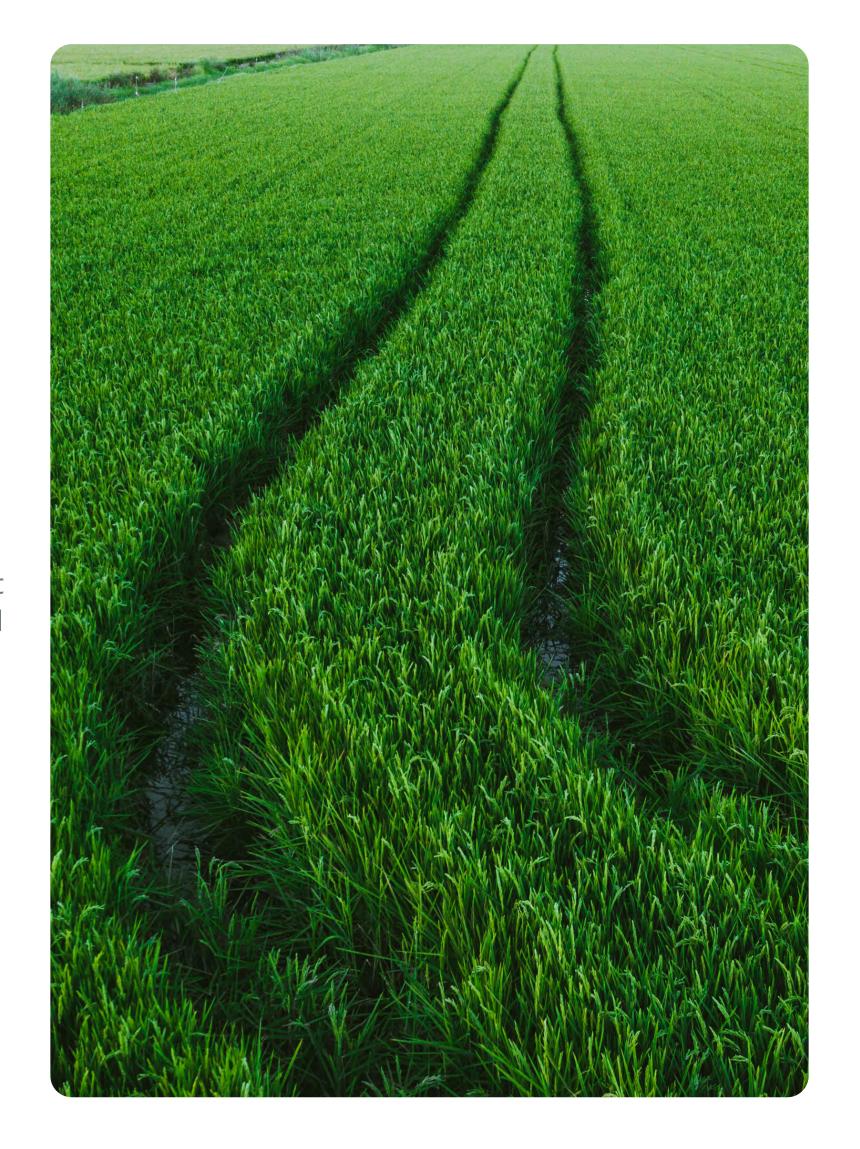


Achieve a lost time accident frequency rate of ≤1.0 by 2028

In addition to these targets, we are aligning our goals with the Science Based Target initiative (SBTi), as part of a commitment we made in 2024. This process is nearly complete and involves developing a comprehensive decarbonization strategy for our Sete Casas site, the largest in our network. This strategy is set to be finalized in 2025, after which our internal targets will be updated to reflect the approved SBTi targets.

We are making progress on all our targets. We have achieved our workplace safety target four years ahead of schedule, demonstrating our dedication to creating a safe and healthy work environment.

We know we still have much to do, and we are committed to continuous improvement in performance and innovation, knowing that our efforts today will pave the way for a greener, safer, and more resilient future.





Building a stronger future

Our commitment to Environmental, Social, and Governance (ESG) principles shape the way we manage our business. Our focus spans across several important areas.

We are committed to mitigating climate change. By minimizing our carbon footprint and investing in more sustainable technologies and better process design, we are ensuring our business is better prepared for the challenges ahead. Transitioning to green energy is at the heart of our decarbonization strategy. We utilize renewable energy to power our operations, which significantly reduces our Scope 2 emissions.

Our waste management program is designed to minimize waste generation while maximizing recycling and reuse. We strive to transform waste into valuable resources wherever possible, reduce overall resource consumption, and actively contribute to the circular economy. The need to limit resource consumption is particularly important when it comes to water consumption. Water is a precious resource, with limited availability in some locations. We are committed to its protection and responsible use.

Finally, we know we cannot be successful in tackling the issues of climate change unless we make innovation central to our sustainability efforts. We recognise the need for continuous improvement by "doing things better" but we also recognise the need to "do better things". We are exploring new solutions and manufacturing technologies that can enhance our environmental performance, improve efficiencies and set new standards in sustainable practices.

Together, these initiatives reflect our dedication to environmental sustainability. We believe that by acting responsibly today, we are building a stronger, more sustainable tomorrow.

Austin Geraghty

Senior Director
Health, Safety & Sustainability



Responsible practices, stronger future

Climate change

Climate change represents a strategic risk and therefore is considered in our overall business strategy and decision-making.

To better understand the risks, Hovione conducted a comprehensive climate risk analysis in FY24, focusing on physical risks across our operations and supply chain.

The analysis indicates that storm events, changing rainfall patterns, and water scarcity are the most prevalent climate related risks identified for our supply chain and operational sites and supports our focus on decarbonization and water stewardship.

FY24 marked an important phase in establishing a company-wide carbon transition plan with a study

completed for our largest site in Sete Casas. Additionally, building on the climate targets approved internally in FY23, Hovione has committed to submitting science based targets in FY25. This commitment ensures our internal targets are aligned with the objective of limiting global warming to 1.5°C, in a manner consistent with the IPCC AR5 and the GHG Protocol.

In support of our planned submission to the Science Based Target initiative (SBTi) we have revised and updated the methodology we use for the calculation of our carbon emissions. This change in methodology is in line with recommendations obtained from an independent review. All prior year data presented is restated using the new methodology.











Responsible practices, stronger future

Carbon emissions

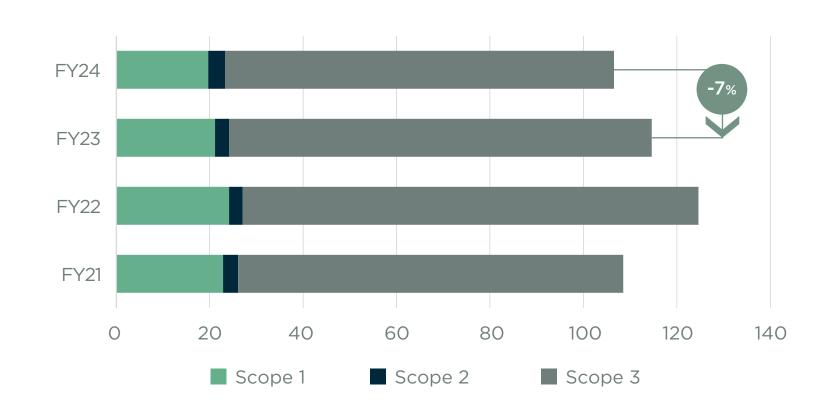
Green House Gas (GHG) metrics are monitored through our local environmental management systems and calculated globally. Our data are reported annually internally, and since 2022, externally via CDP Climate.

Our carbon emissions are primarily linked to Scope 3, Category 1 (Purchased Goods & Services) with the most significant contributions coming from the use of organic solvents in our Exclusive and Particle Design business.

Our Scope 1 emissions primarily result from the combustion of natural gas, which serves as the main fuel for our steam boilers and as a supplementary fuel for our solvent incinerators.

Green House Gas emissions

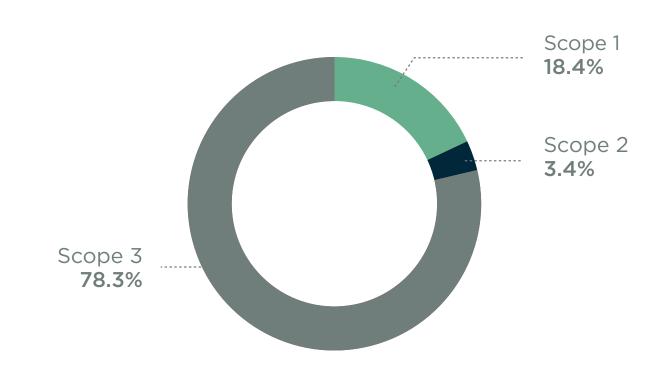
FY/Tons of CO₂e emissions



We have limited Scope 2 emissions as most of our electrical energy is from onsite generation or supplied as "Green" with renewable energy credits or guarantees of origin certificates.

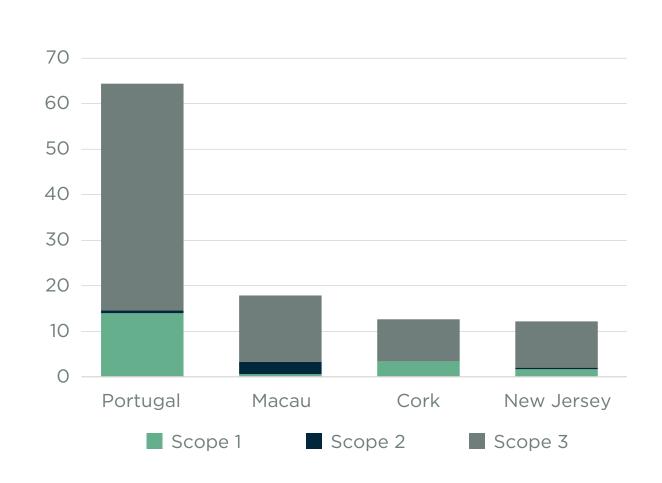
Green House Gas emissions

Total of 1107,297 tons of CO₂e emissions



Green House Gas emissions

Tons of CO₂e emissions/Site



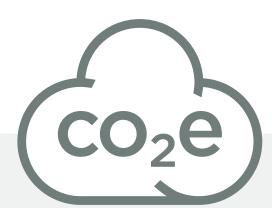


Our operational excellence initiatives continue to yield significant environmental benefits, notably through the successful optimization of operational equipment and associated processes.

In Macau, a project focused on enhancing functionality, reliability, and cost efficiency delivered substantial improvements in resource utilization. The site achieved notable reductions in both water and sodium hydroxide consumption during the regular operation of the onsite incinerator. When normalized by operating hours, this represented a reduction in water consumption of over

26% for this unit, which accounts for 6-7% of the total site water usage in FY24. Furthermore, efforts to optimize sodium hydroxide (NaOH) usage for neutralization resulted in substantial gains. NaOH consumption was reduced by 35% reducing Scope 3 by 84.5 t CO₂e.

In Sete Casas, the steam distribution pressure was reduced from 7.5 to 5 bar. This optimization significantly reduced the site's energy consumption, resulting in annual savings of 780,000 kWh of electricity and a reduction of 140 t CO₂e.



57,266 MWh

Energy saved annually

12,194 tons

CO₂e emissions reduced annually



As a CDMO, we believe that collaboration with our clients is key to driving innovation and continuous improvement. Together, we have launched several initiatives aimed at enhancing the sustainability of our particle engineering and drug substance technologies. These initiatives focus on:



Green chemistry and continuous improvement

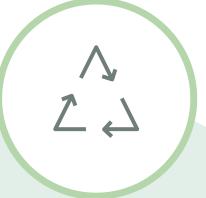
Organic solvents play a critical role in the chemistry and spray-drying manufacturing processes that underpin our operations. As part of our commitment to sustainability, we recognize the importance of addressing Scope 3 emissions, which represent the largest share of our overall carbon footprint.

Our strategy to reduce these emissions includes minimizing solvent use, selecting greener solvent alternatives, and advancing technologies that do not rely on solvents. These efforts are essential to reducing the environmental impact of our processes.



CLEANING

To improve cleaning practices across sites and reduce the consumption of solvents



SOLVENT RECOVERY

To facilitate large scale solvent re-use and recovery



GREEN CHEMISTRY

To apply green chemistry in process design



Green energy, sustainable impact

Energy and efficiency

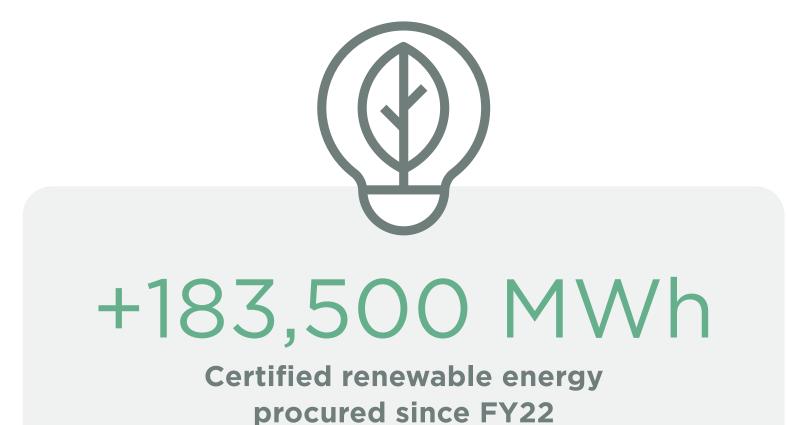
Our ongoing renewable energy procurement initiative continues to drive the transition toward cleaner energy sources. Since FY22, we have procured over 127,000 MWh of certified renewable energy. In FY24, this significantly reduced our Scope 2 emissions by 71%.

All our sites are empowered to identify and implement energy-saving projects through audits, inspections, and subject matter expertise. At our Lumiar and Sete Casas sites, on-site solar panels already generate 1.81% of the electricity used. In 2025, we aim to expand this on-site generation from 602 to 2,225 MWh.

Our Cork site is certified to ISO 50001 for energy management, a benchmark we plan to adopt

across all our facilities in the coming years. In FY24 the Cork site also installed new boiler feed water pumps that have resulted in annual CO₂e savings of over 350 tons.

As we invest in new infrastructure and renew existing facilities, we are embedding energy efficiency and sustainability into every stage of design and construction. Two of our newest buildings, in Sete Casas and Lumiar, have achieved LEED Certification for Leadership in Energy & Environmental Design. We are also applying the same sustainable design principles to the development of our new greenfield site in Seixal, Portugal - Hovione Tejo.







A sustainable vision for the future

Hovione Tejo

Beyond increasing our manufacturing footprint, Hovione Tejo – the new 40-hectare campus in Seixal, Portugal – embodies a long-term commitment to innovation and sustainability. Environmental considerations have been a key part of the planning process, influencing both how the campus is built and how it will operate in the future. Construction emphasizes the use of local materials and recycled concrete, reducing environmental impact from the outset.

Once completed, the buildings will operate with a focus on energy and water conservation, low-GHG emissions, and greater use of sustainable materials. The campus will achieve fossil fuel-free operations through a number of technologies and processes, including heat capture, heat pumps, and hot water



loops, all supported by a building management system to effectively monitor and control electrical and mechanical systems.

Looking ahead, the campus is being designed with flexibility to accommodate future developments, including the potential use of green hydrogen and combined heat and power systems.

Hovione's Tejo site sets a new sustainability benchmark to help meet global carbon reduction targets.

40ha • €200M • +100 skilled jobs size investment by 2030

State-of-the-art

automation and sustainability solutions









Less waste, more circularity

Waste circularity

Waste and wastewater contribute significantly to the environmental impact of our daily operations. Our ISO 14001-certified EHS systems ensure we manage these impacts effectively and efficiently.

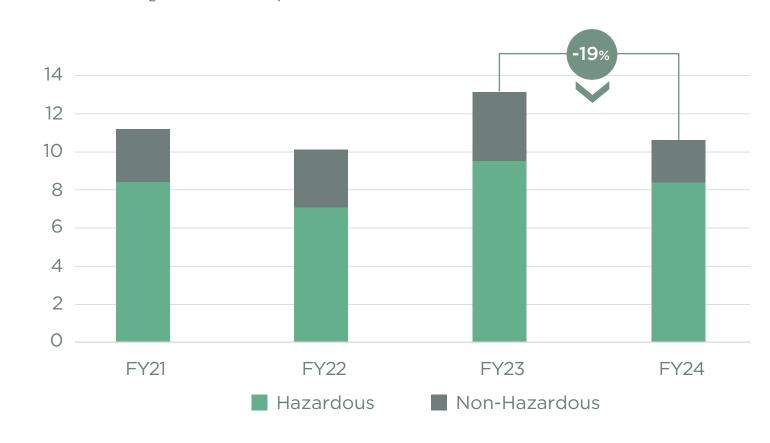
In FY24, 80% of our waste was recycled, recovered, or incinerated with energy recovery. Only 2% of hazardous waste was sent to landfill. We remained fully compliant with local waste regulations, receiving zero notices of violation. We apply green chemistry principles and collect waste data annually across all manufacturing and R&D sites to drive continuous improvement and increase circularity.

At our Sete Casas facility, over 3,500 tons of solvent were recovered in FY24, reducing the need for the procurement of fresh solvent and avoiding more

than 4,000 tons of CO₂e emissions. The facility also introduced 500 tons of solvent into the circular economy for use in other business sectors.

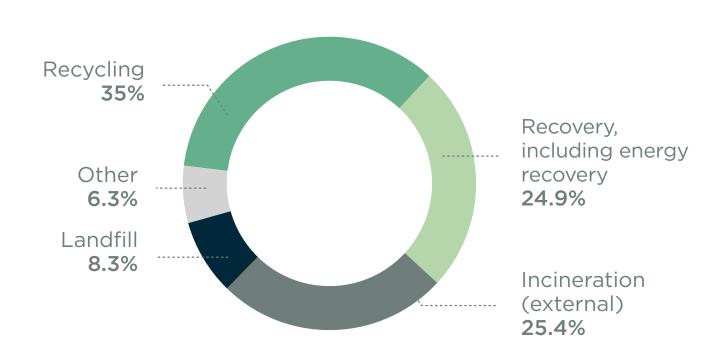
Waste disposal (external)

Tons of CO₂e emissions/FY



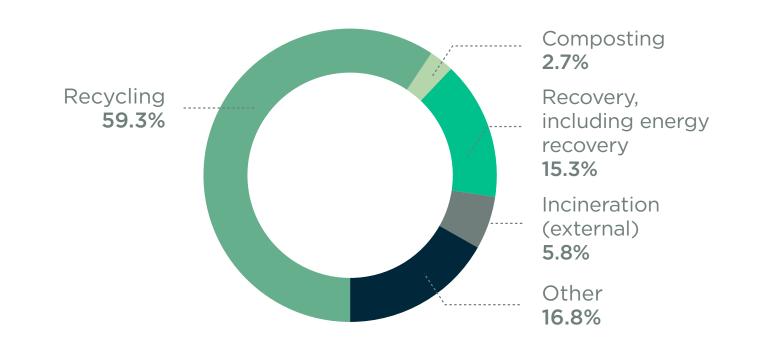
Hazardous waste

Total of 8,407 tons



Non-hazardous waste

Total of 2,220 tons











Smarter use, cleaner future

Water management

Water is essential to our operations—from processing and cleaning to steam generation. Hovione is committed to managing it responsibly by proactively assessing and reducing risk.

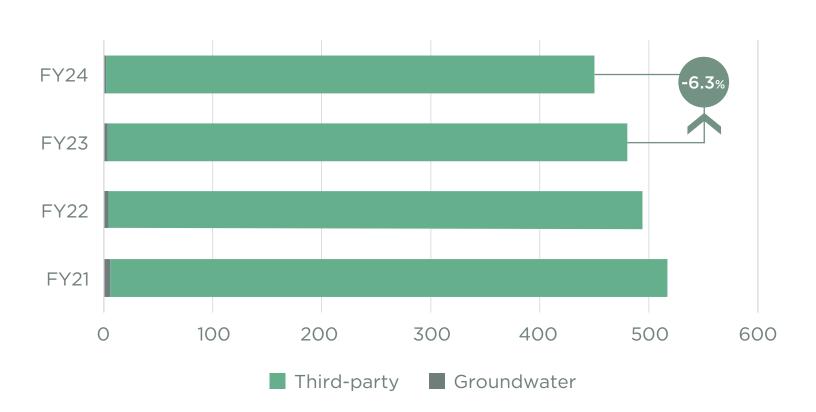
In FY24, we conducted Water Risk Assessments across all locations and a Climate Risk Assessment using IPCC SSP2-4.5 to evaluate drought exposure. Water usage mapping has helped identify efficiency opportunities, and we completed a True Cost of Water study at our Cork site to guide savings.

During this period, we also launched a Pharmaceuticals in the Environment (PiE) program to assess potential impacts from wastewater. Initial results show low or no risk, with further analysis ongoing.

In our first CDP Water Stewardship disclosure in FY24, we received a "C" rating - marking a solid starting point. However, our goal is to reach an "A" rating by 2027, reflecting our commitment to continuous improvement and leadership in water management.

Water withdrawal

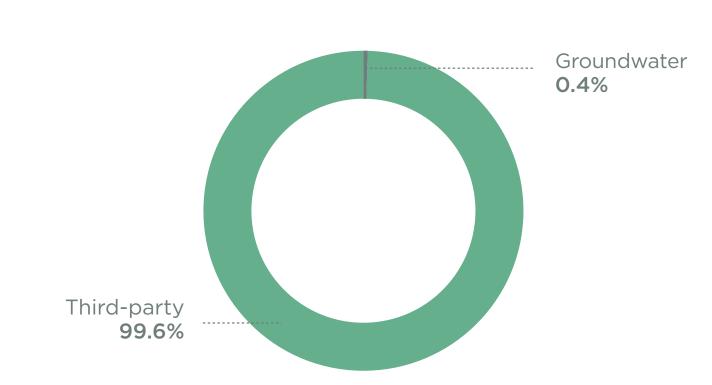
FY/Water [m³]



Our team members drive continuous improvement. A simple action in one laboratory in Cork reduced 4,200m³ of water per year through the restriction of water flow to a piece of laboratory equipment

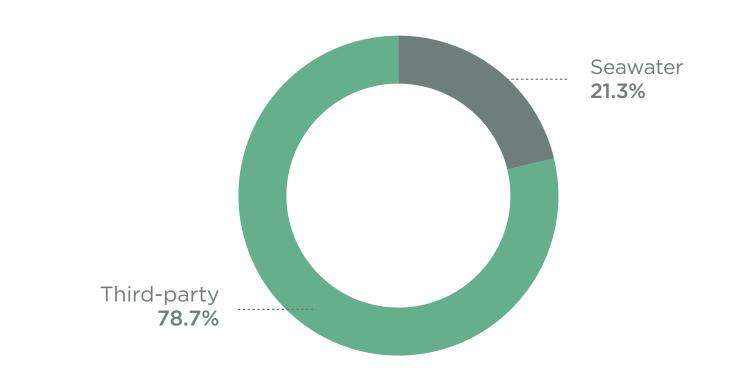
Water withdrawal

Total of 450,250 m³



Water discharge

Total of 382,842 m³



At the core of Hovione

Innovating for sustainability

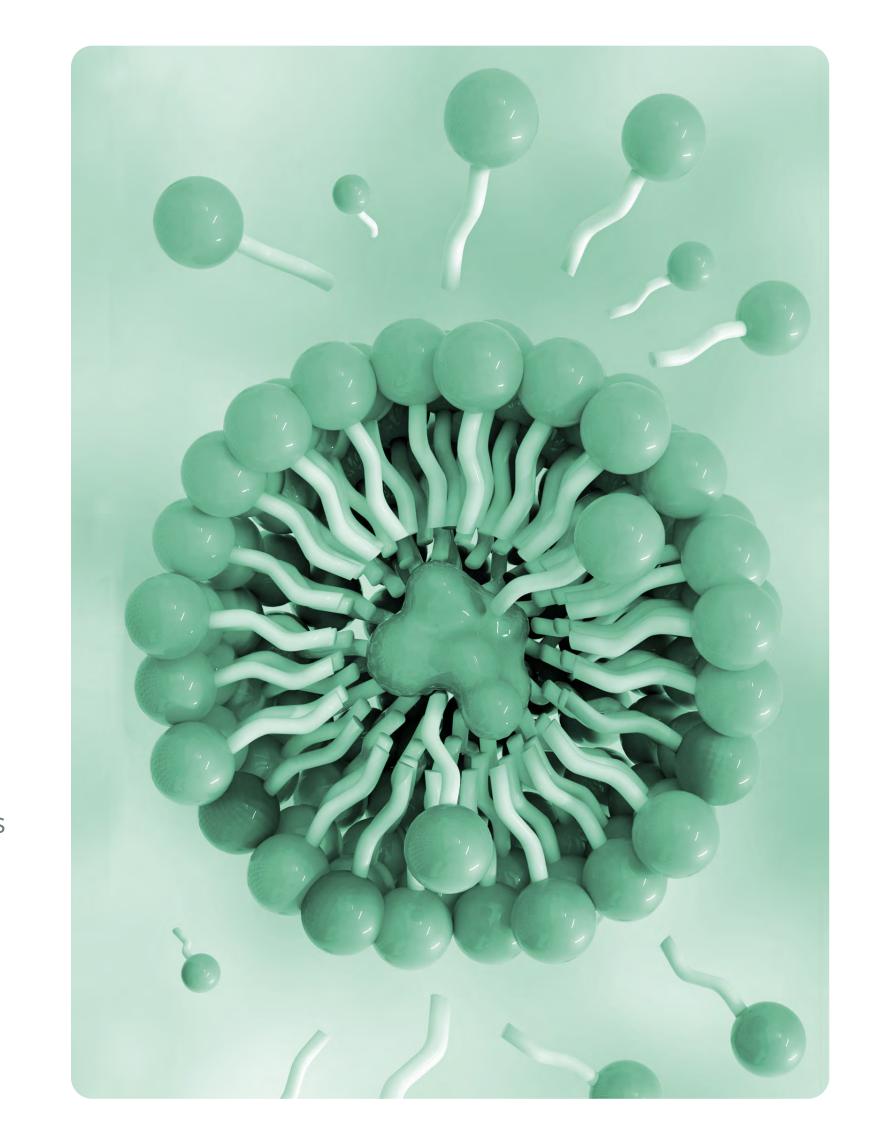
Our R&D teams tackle complex challenges with creative, science-driven, and sustainable solutions—reflected in a strong portfolio of patents and publications. We embrace emerging technologies to address evolving industry needs and help our partners deliver better medicines.

This commitment to innovation goes hand in hand with our dedication to sustainability. Guided by the 12 Principles of Green Chemistry, we continually explore greener methods—from advanced synthetic routes to technologies like micellar chemistry—reducing environmental impact across chemistry, spray drying, and continuous tableting.

Micellar chemistry

Hovione is strategically incorporating micellar chemistry into our API manufacturing process development, emphasizing sustainability and innovation. This approach significantly reduces the reliance on traditional organic solvents, minimizes waste, and lowers energy consumption, thereby decreasing the carbon footprint of API production and client products.

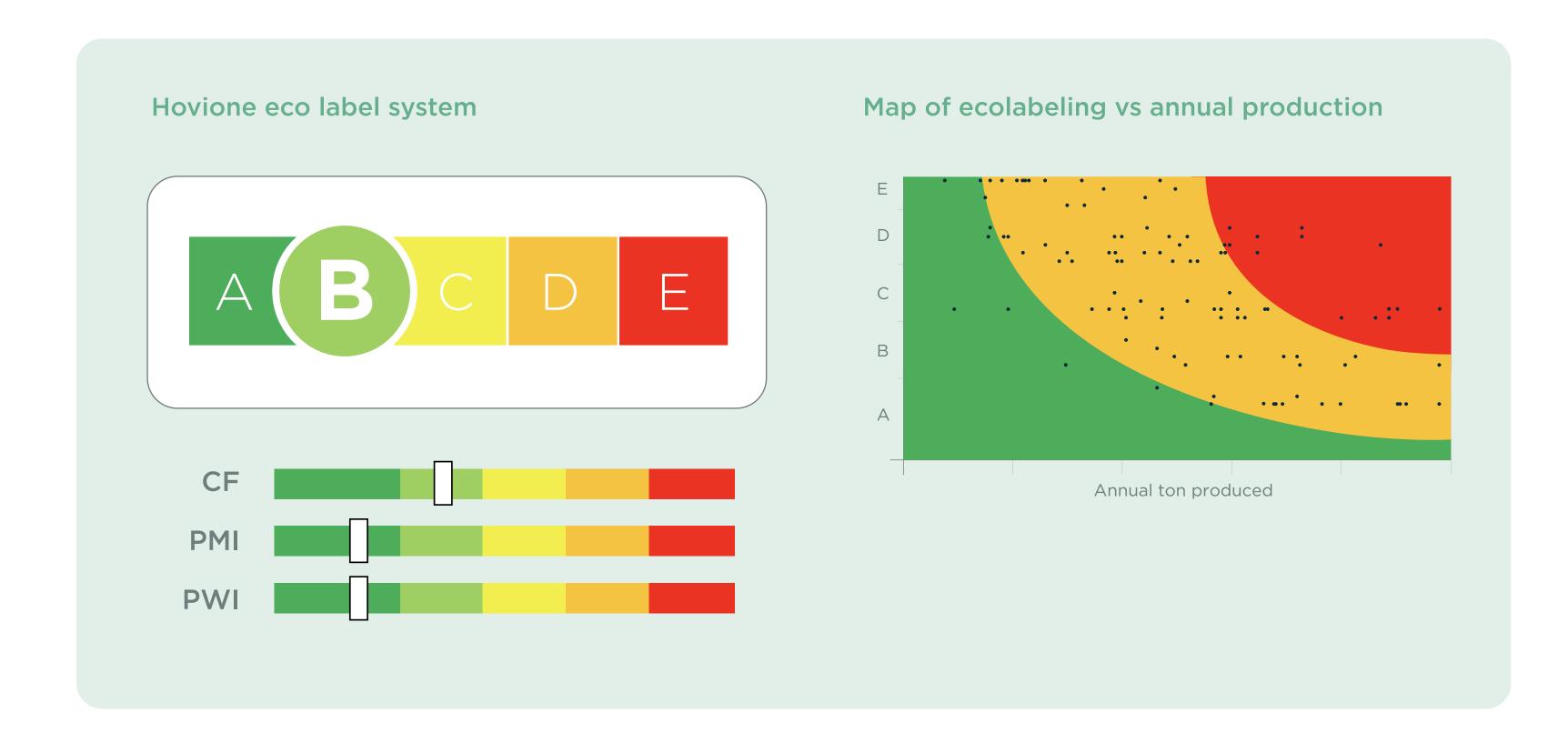
Furthermore, micellar chemistry allows for reactions to occur at lower temperatures and with low to no metal catalysts, promoting greener and more efficient manufacturing processes.



Hovione Eco Label

In FY24, we launched a data-driven ecolabelling system to better assess and communicate the environmental performance of our products. This system is grounded in three key metrics: Carbon Footprint (CF), Process Mass Intensity (PMI), and Process Water Mass Intensity (PWI). Together, they generate an overall Sustainability Rating for each product, along with a breakdown of individual factor contributions.

Products are then positioned on a risk matrix, allowing us to identify those with the highest environmental impact. This insight informs strategic decisions—such as product improvement or phase-out—ensuring alignment with our sustainability goals.



By integrating this methodology into our operations, we not only enhance transparency and efficiency but also strengthen collaboration with customers committed to more sustainable solutions.



Our success starts with our people

People, customer centricity, and a clear strategy bring strong values to the forefront of every business. Fostering an inclusive workplace that inspires motivation and enhances employee satisfaction enables team members to bring their best selves to work each day, driving innovation and excellence.

We are proud to be recognized as a Top Employer across all our sites, reflecting our commitment to providing an inspiring, inclusive, and rewarding workplace. Our business and people strategies are aligned. We celebrate successes and ensure a consistent work experience across all sites. Our global job architecture and transparent performance and compensation cycles foster a culture of recognition, motivation, and engagement, enhancing employee satisfaction and our ability to attract top talent.

Our commitment extends to the Safety and Wellbeing of all our staff. We have implemented comprehensive health programs to monitor and improve health performance, and robust safety programs to ensure the well-being of our team members. The collective efforts of management and staff have led to significant improvements in our performance KPIs, reflecting our dedication and desire to create a safe place of work.

We will continue to strengthen our team member value proposition by mapping the employee journey and addressing every touchpoint to enhance the overall experience. Both people and business needs are constantly changing, requiring continuous adaptation of processes to meet evolving expectations.

We also recognize our responsibilities to the local community. We are committed to keeping them safe, protecting the environment, providing jobs, and supporting local and national initiatives in the areas of environment, health, education, and culture. Our various initiatives and partnerships, such as engaging with local schools and providing donations, demonstrate our dedication to being a responsible corporate citizen.

Ilda Ventura

Senior Vice-President, Human Resources



Creating a safe work environment

Health and safety

The safety and wellbeing of our workforce is paramount. We are committed to providing safe facilities, implementing safe work processes, and promoting safe behaviours. We foster a culture of safety through education and awareness, encouraging team members to prioritize safety and look out for one another.

In our commitment to sustainability and worker safety, we set a target to reduce our Lost Time Accident Frequency rate (LTAFR) to \leq 1.0 by 2028. We achieved this milestone ahead of schedule in 2024.

This was driven in part by a HSE Site Performance rating system which we introduced in FY24 to track the performance of a variety of leading and lagging

indicators and to grade site safety performance into one of 4 categories: Bronze, Silver, Gold or Platinum. In FY24, our Cork and Macau sites both achieved a Platinum rating while Sete Casas, New Jersey and Lumiar all received Gold ratings.

We also launched a Culture Change program at our Sete Casas site, which has been instrumental in fostering a safety-first mindset. Due to its success, we are now rolling out this program to other sites within our group.

Our dedication to the health and safety of our team members includes a strong commitment to minimizing harm to their mental health. We strive to foster a healthy culture and implement initiatives, preventative measures, and training programs to enhance team member wellbeing.

Our cross-functional wellbeing committees at each site, operating under the Global Health & Wellbeing governance team, organize events and initiatives tailored to local needs. Events range from having guest speakers on topics such as neurodiversity and healthy nutrition to facilitating exercise and yoga classes. These events span our four pillars of health and resilience, workplace, connection and community, and financial wellbeing, reflecting a holistic approach to supporting our team.

















Driven by purpose, sustained by talent

Our people

Top Employer certification

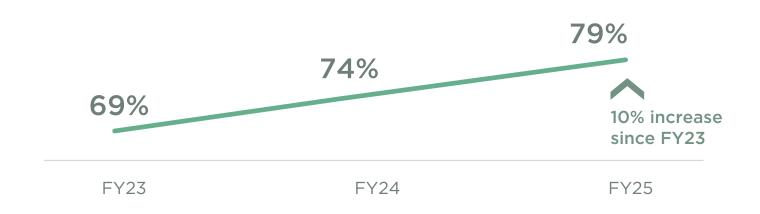
For Hovione, achieving Top Employer certification is primarily about doing the right things right, ensuring our people practices reflect excellence and integrity. This commitment is embedded in our Human Resources (HR) strategy, which supports the broader business strategy and growth. We are proud to have achieved this certification at each of our sites. We have increased awareness and attractiveness as an employer of choice, year on year, and at 79%, we are now in the top 25th percentile versus benchmark.



Hovione has renewed Top Employer certification in all sites in 2025

Employer of choice

% Awareness and attractiveness as emmployer of choice/FY



This external recognition of Hovione also validates the HR Strategy and supports the implementation of HR practices enabling the business strategy and growth at Hovione.

Inclusive practices

We are dedicated to fostering a culture of diversity, equity, and inclusion where every individual—regardless of background, identity, or ability—is respected, valued, and empowered to succeed. We believe that creating an inclusive and supportive workplace is essential for innovation, collaboration, and sustainable growth.

As part of our ongoing efforts, we are actively working to promote equity across all levels of the

organization. A strong example of this commitment is reflected in our practices to ensure we are accessing the best talent in the market: in 2024, 43% of our hiring processes for senior manager and above roles included gender-diverse candidates at the final stage, a 3% improvement over 2023.

We are currently working to improve accessibility for candidates with disabilities so that we can expand the talent pool and ensure their success in our workplaces.









Compensation

At Hovione, we pride ourselves on providing market-based and competitive compensation for talent attraction and retention. Our pay structure is aligned with our job architecture. This means that our pay bands are based on the same criteria across all sites and consider Family, Sub-Family, Career Stream, Proficiency Levels and Jobs. We conduct targeted market benchmarking for key roles, supporting recruitment and retention.

Our pay structure targets the median of the market. We pay above the minimum living wage across all our geographies ensuring adequate living standards for all team members. We promote and reward according to performance and merit, while ensuring gender equity within the same site, proficiency level, job family and tenure.

Globally Hovione's gender pay gap is less than 1%, demonstrating clearly our commitment to equal pay.



Pay structure aligned with job architecture

- Pay bands based on the same criteria across all sites: Family, Sub-Family, Career Stream, Proficiency Levels and Jobs
- Pay band structure aligned with Job Architecture for flexibility to reflect market benchmark in specific career streams
- Our pay-structure targets the median of the market
- We pays above the minimum living wage across all our geographies ensuring adequate living standards for all team members
- We do targeted market benchmarking for key roles, supporting recruitment and retention

Market-based & competitive compensation for talent attraction and retention





 We promote and reward according to performance and merit

 We review our pay to ensure gender equity within the same site, proficiency level, job family and tenure Ensure gender equity pay



Empowering excellence

Hovione Academy

Continuous learning and development are key to achieving excellence at Hovione. By investing in our team members' development, we ensure that we remain at the forefront of industry standards and innovation. To support our workforce in developing their skills and knowledge, and reaching their full potential, we have revised and enhanced our training programs through the creation of functional Learning Academies.

These academies cover a wide range of critical areas, including Health, Safety & Environment, Quality, Operations, Legal & IP, Operational Excellence, Finance, and PMO. They offer a combination of mandatory and self-directed learning opportunities, designed to support performance, improve competency, and ensure compliance. Together, we are building a future where excellence is not just a goal, but a way of life.

Health, Safety & Environment

Ensuring a safe and sustainable workplace through comprehensive training on best practices and regulatory requirements.

Legal & IP

Navigating legal complexities and intellectual property management with expert-led courses.

Finance

Strengthening financial acumen and strategic decision-making through dedicated learning opportunities.

Quality

Upholding the highest standards in product and service quality with targeted learning modules.

Operations

ACADEMY 1

Enhancing operational efficiency and effectiveness through specialized training programs.

Operational Excellence

Hovione

Driving continuous improvement and innovation with focused training on operational excellence.

PMO

Mastering project management skills to deliver successful outcomes with our PMO academy.

Extending our impact, driving change

Our community

Corporate social responsibility

We support organizations that help others—whether local schools, NGOs, or arts and sports associations—as well as initiatives with clear impact and social relevance. In 2024, this commitment remains stronger than ever. Hovione is deeply dedicated to doing the right things, in the right way, for the right reasons.

We continue to play an active role in the communities where we operate, staying true to our longstanding tradition of social responsibility. Through meaningful partnerships and targeted support, we seek to create lasting, positive change. Our approach is grounded in the belief that we can help address global challenges by being part of local solutions.

In FY24 our commitment translated into tangible outcomes. The figures below reflect not only our corporate contribution but also the generosity and engagement of our people. Together, we continue building strong relationships with community members and institutions, using our expertise and values to support a better, fairer world.



+€220,000

donated by Hovione (Patronage and Charity Funds)



+45

organizations supported





donated from team members fundraising



Building trust through accountability and integrity

At Hovione, strong governance is the foundation of sustainable and responsible business. In an increasingly complex world, robust governance enables strategic clarity, effective risk management, and stakeholder trust.

Over the past year, we have strengthened our governance model by updating Board Regulations and committee remits. ESG oversight is now formally embedded at Board level, reflecting its importance to long-term success.

At the management level, we have strengthened the Global Leadership Team (GLT) and continued to enhance the broader Management body and the extended GLT, to include leaders from across the organization. This cross-functional forum enhances alignment, collaboration, and inclusive decision-making.

Governance extends beyond structural frameworks; it must be lived through effective leadership and accountability, rooted in sufficient empowerment and enhanced by clear communication. That is why we undertook a complete revision of our Delegation of Authority. Reviewed collaboratively by all functional heads, this new framework ensures our decisionmaking processes are fit for purpose, aligned with our evolving business context, and resilient for the future.

We have also started an internal project to enhance our global business processes, which will have a significant positive impact on the way we operate.

Lastly, we have significantly strengthened our internal compliance architecture. The Legal department led the development of core internal policies — our Hovione Legal Rules (HLRs)—which codify our commitment to ethics, compliance, and operational integrity.

Together, these governance initiatives reflect our belief that good governance is not merely about control – it is about creating the conditions for responsible growth, ethical leadership, and enduring trust. At Hovione, we govern not just to protect our license to operate, but to earn the right to lead.

Tiago Ferreira de Matos

General Counsel











Elevation of our global business processes

As part of our commitment to operational excellence and sustainable governance, Hovione has launched the designated Uplift Project to elevate our global business processes in alignment with our ambition to be a best-in-class CDMO. Recognizing that excellence in customer service and compliance extends beyond GMP, the Uplift Project applies a structured, end-to-end process mapping approach across all core business functions.

This initiative is grounded in ICH Q10 principles and ISO quality standards, emphasizing robust and resilient systems that support strategic alignment and continuous improvement. Through the development of comprehensive process description documents, the project defines clear RACI models and process ownership, fosters shared KPIs and goals, enhances



cross-functional collaboration, and reduces complexity to drive productivity. The ongoing mapping of 15 global core processes, supported

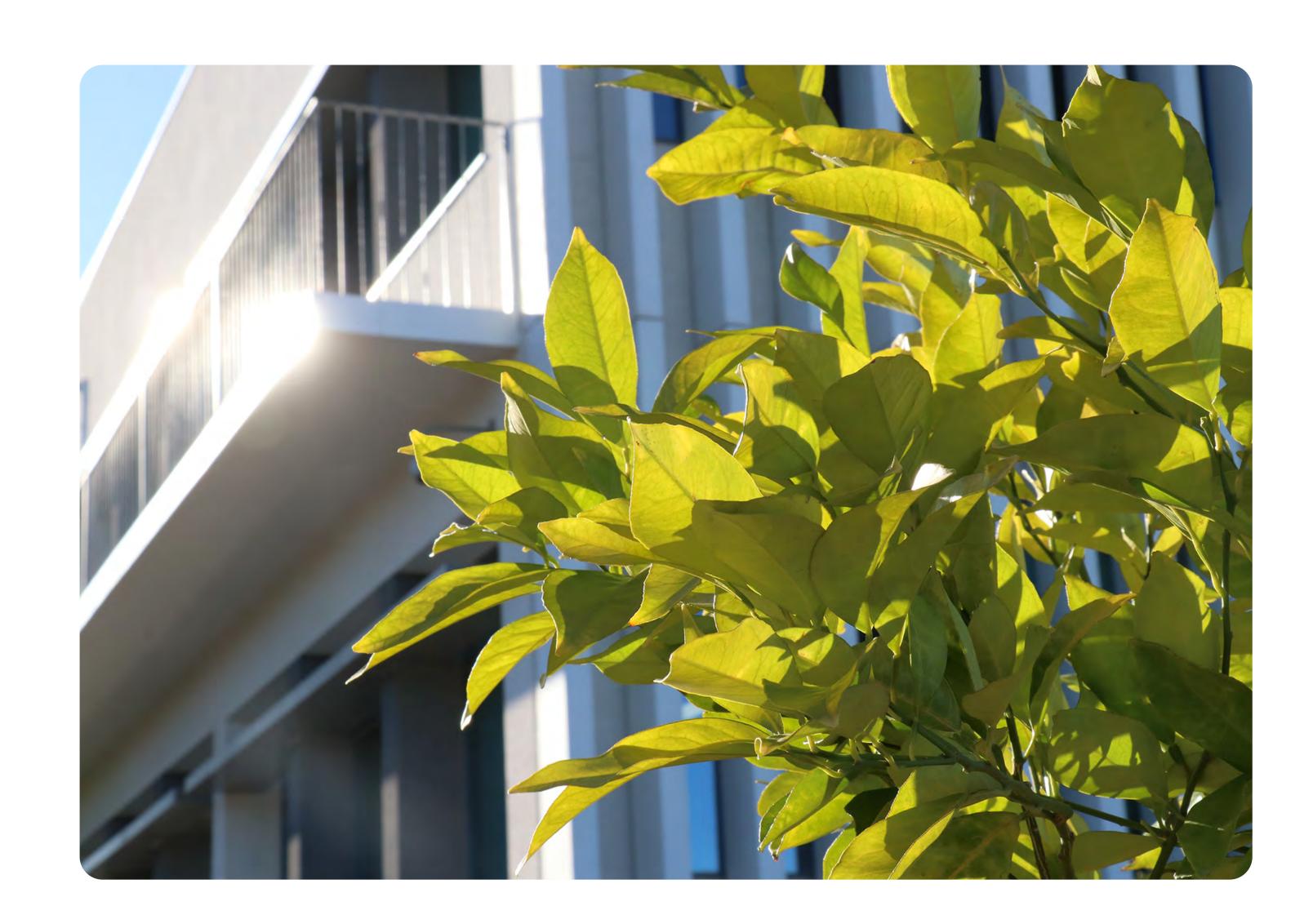
by a digital platform in development, positions Uplift to embed sustainability and quality into our operations upon completion.

Revised board regulations

In FY24, the Board of Directors approved a revised version of the Board Regulations as part of its commitment to continuous improvement and good governance, to reflect evolving legal standards and to align governance practices with shareholder expectations.

Key enhancements included clarifying decisionmaking responsibilities, strengthening committee structures and governance, and formalizing communication practices between the Board and executive leadership.

The updated framework also introduced initiatives to foster greater transparency and engagement, including measures to support future shareholder involvement.



Revised delegation of authority

As part of our ongoing commitment to strong corporate governance, Hovione has completed a full review of its delegation of authority policy, which has now been formally approved by the GLT and made available to all team members. This updated Hovione Legal Rule (HLR) establishes a clear and comprehensive framework for delegating decision-making authority across the organization. It defines who can make which decisions, under what conditions, and with what level of accountability.

Covering a wide range of areas—from financial and procurement matters to legal, HR, commercial, and strategic decisions—the policy ensures that our operations remain efficient, transparent, and compliant. More than a procedural document, the delegation of authority is a key pillar of how we



operate as a company. It clarifies roles and responsibilities, promotes accountability at all organizational levels, and empowers our teams to make decisive actions. The policy is especially important as we continue our transformation journey. Over the past three years, our business context has evolved significantly, and the delegation of authority

has been thoroughly reviewed by all functional heads to ensure it is fit for purpose and aligned with our current and future needs. As a next step, the Legal department will provide training to all team members whose roles involve commitments on behalf of Hovione or who act as company representatives.

Hovione legal rules (HLRs)

As part of Hovione's commitment to integrity, accountability, and excellence, in FY24, the Legal Department undertook a comprehensive review of the company's compliance architecture, resulting in the development and rollout of a series of internal policies formally designated as Hovione Legal Rules (HLRs). These policies serve as strategic instruments that align our operations with legal obligations, promote ethical conduct, and reinforce a robust compliance framework.

Covering key topics such as the Code of Conduct, Human Rights and Child Labor, Anti- Bribery and Corruption, Conflict Minerals, and Conflicts of Interest, the HLRs clearly articulate the boundaries of acceptable conduct and the consequences of non-compliance. They also serve as foundational

Hovione legal rules	Completed	Final Review
HLR01: List of Restricted Markets (Rev. 2)		
HLR02: Rules of Representation at Business Forums		
HLR03: Financial Conflict of Interest (FCOI) Policy (Rev. 2)		
HLR04: Human Rights and Child Labor Policy		
HLR05: Third-Party Code of Conduct		
HLR06: Anti-Bribery and Corruption Policy (Rev. 2)		
HLR07: Contract Review Process		
HLR08: Legal Contract Number Issuance and Contract Execution	•	
HLR09: Approved E-Signature Platforms		
HLR10: Conflict Minerals		
HLR11: Delegation of Authority	•	
HLR12: Conflict of Interest	•	
HLR13: Data Privacy		
HLR14: Use of Contingent Workers		
HLR15: Generative Artificial Intelligence (AI) Policy		•
HLR16: Code of Conduct		
HLR17: IP Policy		•
SOP 104 - Confidentiality		

tools for internal controls, audit readiness, and risk mitigation, while signaling that Hovione takes its legal and ethical responsibilities seriously. The HLRs will underpin future training, awareness initiatives, and onboarding programs, ensuring that all team members are informed, aligned, and empowered to uphold the highest standards of corporate governance.

Advancing our sustainability journey: key insights

FY24 was a year of meaningful progress, marked by strengthened governance, deeper integration of sustainability principles, and a shared commitment to doing the right things. These achievements have laid a solid foundation for the future, demonstrating what is possible when purpose and action align.

As we look ahead to FY25, our focus remains clear: to build on this progress responsibly and embed sustainability into the fabric of how we operate. The coming year will see continued progress across critical areas of our sustainability journey. We plan to advance Environmental Standards and Policies, submit SBTi-aligned targets, and expand initiatives in Water Stewardship and Lifecycle analysis.

To reinforce accountability, we will develop a Sustainability Site Performance metric, while maintaining our commitment to strong governance and employee well-being. In addition, we will continue to identify and act on opportunities for decarbonization and energy efficiency, ensuring that our operations contribute to climate goals and long-term resilience.

The journey is ongoing, and while challenges lie ahead, particularly in relation to the changing regulatory landscape, we will continue to learn, adapt, and innovate, guided by our values and our responsibility to people, partners, and the planet.

Austin Geraghty

Senior Director Health, Safety & Sustainability







Appendix









Climate Summary	FY21	FY22	FY23	FY24	∆FY24-FY21	∆FY24-FY23	GRI
Scope 1 (t CO ₂ e)	22,860.97	24,134.28	21,145.40	19,697.60	-13.84%	-6.85%	305-1
Scope 2, market-based (t CO ₂ e)	3,222.00	2,922.00	3,046.60	3,625.34	12.52%	19.00%	305-2
Scope 3 (t CO ₂ e)	84,417.69	99,343.54	91,160.50	83,974.23	-0.53%	-7.88%	305-3
Total Emissions (t CO ₂ e)	110,500.66	126,399.82	115,352.50	107,297.17	-2.90%	-6.98%	-
Percentage of self-produced electricity	0.60%	0.53%	0.87%	1.03%	73.24%	18.47%	_
Green electricty (certificates + solar) (MWh)	61,338.50	65,772.85	62,131.74	57,266.05	-6.64%	-7.83%	_
Percentage of green electricity	89.89%	90.88%	90.03%	87.13%	-3.06%	-3.21%	-
Emissions avoided by green electricity (t CO2e)	12,494.57	13,721.41	13,179.52	12,194.48	-2.40%	-7.47%	_
GHG Emissions - Scope 1 (t CO ₂ e)	FY21	FY22	FY23	FY24	∆FY24-FY21	∆FY24-FY23	GRI
Scope 1 natural gas	10,390.87	11,661.56	10,388.46	9,597.84	-7.63%	-7.61%	305-1
Scope 1 other emissions	12,470.09	12,472.73	10,756.94	10,099.76	-19.01%	-6.11%	305-1
Scope 1 total	22,860.97	24,134.28	21,145.40	19,697.60	-13.84%	-6.85%	305-1
GHG Emissions - Scope 2	FY21	FY22	FY23	FY24	∆FY24-FY21	∆FY24-FY23	GRI
Electricity consumed without green certificates (MWh)	6,902.11	6,602.60	6,883.87	8,456.44	22.52%	22.84%	_
Electricity consumed with green certificates (MWh)	60,931.36	65,387.26	61,529.64	56,586.75	-7.13%	-8.03%	-
Electricity produced (MWh)	407.14	385.59	602.11	679.29	66.85%	12.82%	-
Electricity consumed (MWh)	68,240.60	72,375.45	69,015.62	65,722.49	-3.69%	-4.77%	-
Scope 2, market-based (t CO₂e)	3,222.00	2,922.00	3,046.60	3,625.34	12.52%	19.00%	305-2
Scope 2, location-based (t CO ₂ e)	19,118.00	18,377.00	17,088.99	12,602.27	-34.08%	-26.26%	305-2









GHG Emissions - Scope 3 (t CO₂e)	FY21	FY22	FY23	FY24	∆FY24-FY21	∆FY24-FY23	GRI
Purchased goods and services*	64,969.89	73,165.81	65,888.09	54,690.08	-13.80%	-16.54%	305-3
Capital goods*	8,451.70	13,843.63	13,783.78	11,676.82	38.16%	-15.29%	305-3
Fuel and energy related activities not in scope 1 or 2**	3,845.00	3,883.00	3,678.31	6,686.11	73.89%	81.77%	305-3
Waste generated in operations**	1,249.00	1,478.00	1,690.32	2,171.56	73.86%	28.47%	305-3
Business travel	658.00	870.00	908.27	3,222.80	389.79%	254.83%	305-3
Upstream transportation and distribution	270.00	1,026.00	474.60	621.10	130.04%	30.87%	305-3
Employee commuting	3,098.10	3,482.10	3,595.05	4,072.47	31.45%	13.28%	305-3
Donwstream transportation and distribution	1,876.00	1,595.00	1,142.08	833.30	-55.58%	-27.04%	305-3
Total	85,293.72	100,405.45	93,278.58	86,042.22	0.88%	-7.76%	305-3

^{*}New methodology changes to improve accuracy and traceability. Retroactively applied.

Intensity metrics	FY21	FY22	FY23	FY24	∆FY24-FY21	∆FY24-FY23	GRI
Revenue (million USD)	411.30	435.40	482.00	504.00	22.54%	4.56%	-
Energy intensity (MWh/million USD revenue)	165.91	166.23	143.19	130.40	-21.40%	-8.93%	_
Scope 1 + 2 emissions intensity (t CO₂e/million USD revenue)	63.42	62.14	50.19	46.28	-27.03%	-7.80%	305-4
Scope 3 emissions intensity (t CO₂e/million USD revenue)	205.25	228.17	189.13	166.62	-18.82%	-11.90%	305-4
Total emissions intensity (t CO2e/million USD revenue)	268.66	290.31	239.32	212.89	-20.76%	-11.04%	305-4

^{**}Changes in the emission factors used lead to significant increases in the emissions. Not applied retroactively.









Water (m³)	FY21	FY22	FY23	FY24	∆FY24-FY21	△FY24-FY23	GRI
Water withdrawal	517,272.00	494,484.00	480,408.00	450,250.05	-12.96%	-6.28%	303-3
Groundwater withdrawal	5,515.00	3,826.00	3,257.00	1,873.00	-66.04%	-42.49%	303-3.a.ii
Third-party water withdrawal	511,757.00	490,658.00	477,151.00	448,377.05	-12.38%	-6.03%	303-3.a.v
Water reused	65,921.00	64,684.00	73,100.00	52,763.00	-19.96%	-27.82%	_
Water discharged	410,424.00	364,151.00	364,036.00	382,842.35	-6.72%	5.17%	303-4
Seawater discharged	114,211.00	93,196.00	78,320.00	81,378.00	-28.75%	3.90%	303-4.a.iii
Third-party water discharged	296,213.00	270,955.00	285,716.00	301,464.35	1.77%	5.51%	303-4.a.iv
Water consumed	106,848.00	130,333.00	116,372.00	67,407.70	-36.91%	-42.08%	303-5
Water withdrawal intensity (m3/million USD revenue)	1,257.65	1,135.70	996.70	893.35	-28.97%	-10.37%	_

Waste - externally managed (tons)

Hazardous waste generated	8,421.00	7,096.69	9,534.39	8,407.23	-0.16%	-11.82%	306-3
Hazardous waste recycling	4,307.00	3,251.67	5,736.41	2,941.42	-31.71%	-48.72%	306-4.b.ii
Hazardous waste recovery, including energy recovery	1,231.00	1,190.00	1,054.00	2,095.64	70.24%	98.83%	306-5.b.i
Hazardous waste incineration (external)	2,049.00	1,681.99	1,213.64	2,139.47	4.42%	76.29%	306-5.b.ii
Hazardous waste landfill	417.00	836.72	633.86	700.65	68.02%	10.54%	306-5.b.iii
Hazardous waste on-site storage	144.00	90.00	63.00	0.00	-100.00%	-100.00%	_
Hazardous waste other	273.00	46.30	833.48	530.06	94.16%	-36.40%	_
Non-Hazardous waste generated	2,767.10	3,029.75	3,612.36	2,220.22	-19.76%	-38.54%	306-3
Non-hazardous waste recycling	625.00	1,166.51	1,889.25	1,317.66	110.83%	-30.25%	306-4.c.ii
Non-hazardous waste composting	52.10	42.63	54.41	60.75	16.60%	11.65%	306-4.c.iii
Non-hazardous waste recovery, including energy recovery	729.00	278.39	419.25	339.15	-53.48%	-19.10%	306-5.c.i
Non-hazardous waste incineration (external)	228.00	131.13	111.09	129.67	-43.13%	16.73%	306-5.c.ii
Non-hazardous waste other	50.00	55.08	32.36	372.99	645.97%	1052.61%	_
Non-hazardous waste internal	1,083.00	1,356.00	1,106.00	0.00	-100.00%	-100.00%	_
Total waste generated	11,188.10	10,126.44	13,146.74	10,627.45	-5.01%	-19.16%	306-3

