

PharOS



ESG REPORT 2023

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LETTER FROM OUR PARTNERS

Dear Stakeholders,

The pharmaceutical sector experiences daunting challenges in a post-COVID world, including a heightened awareness of supply chain vulnerabilities and impending EU legislation, both of which require swift adaptability, efficient planning and proactivity from pharmaceutical companies. Although this report focuses on FY 2023, we continue to confront global humanitarian crises that are significantly impacting the pharma sector.

PharOS embarked on its journey in the early 2000s and in recent years has taken significant steps to enhance its Environmental, Social, and Governance (ESG) approach, by introducing initiatives and policies aimed at strengthening its impact. Our commitment to the environment focuses on optimizing resource utilization, increasing the use of greener energy, minimizing waste generation, and moderating our carbon emissions. We support employee well-being through personal development programs, we promote equal opportunities, personal development, and a better work-life balance. On the governance side, we strengthen our corporate policies with employee training on essential topics, such as ethics and data privacy.

We are proud to present our inaugural ESG & Sustainability Report for FY 2023, reflecting our commitment to sustainable development. This Report highlights how PharOS aims at creating a purposeful impact, showcasing our progress in these areas, while identifying, prioritizing, and managing ESG-related risks and opportunities, and establishing robust action plans.

Looking ahead, we are committed to making ESG a core part of our corporate strategy. Our priorities include further promoting diversity, equity, and inclusion, ensuring high standards in product quality, advancing research and development, fostering a responsible and resilient supply chain, strengthening governance through employee training, and enhancing our risk management capabilities. To ensure we effectively achieve these goals, each will be accompanied by clear targets and actions, seamlessly integrated into PharOS' strategy, aiming to create sustainable, long-term value for our stakeholders, while making a positive impact on society and the environment.

We fully acknowledge that trusted relationships with our clients, suppliers, and partners provide the means for PharOS to deliver positive impact and we look forward to continuing our engagement with our stakeholders, ensuring that we make well-informed decisions based on their needs and concerns. At the same time, we convey our genuine gratitude to all our people, employees, customers, partners, and the rest of the stakeholders for their support and belief in our sustainability journey.

Focusing on the future, we are proud of all that we have accomplished and remain excited and energized by the possibilities that lie ahead. The future in ESG holds exciting opportunities and at PharOS we are eager to build upon our achievements so as to reach new milestones.



Panagiotis Panagopoulos
Managing Partner,
PharOS Pharmaceuticals



Stella Koukaki
Managing Partner,
PharOS Pharmaceuticals



Theodore Panagopoulos
Partner,
PharOS Pharmaceuticals



CORPORATE PROFILE

By emphasizing quality, customer satisfaction, agility, teamwork, a patient-centered approach, people and growth, we create a culture that encourages collaboration, innovation, and accountability.

01

Professionalism
P
Honesty
H
Responsibility
R
Stability
S
Accountability
A
Observance
O

Pharos in the Greek language means "lighthouse", a symbol of guidance and safety, standing tall and lighting the way to a safe harbour.

Similar to any lighthouse, PharOS is lighting the way towards safe medicines and a better quality of life.

PharOS: Developing Value, Supplying Success



PharOS at a glance

PharOS is a privately owned pharmaceutical Group of Companies, developing, manufacturing, and supplying Generic, Over the Counter (OTCs), and Value-added medicines. Established in 2002, PharOS Group consists of the **PharOS - Pharmaceutical Oriented Services Single Member Ltd. in Greece, the production plant in Malta, PharOS Malta Ltd., and PharOS Polska Sp. z o.o. in Poland.** More specifically:

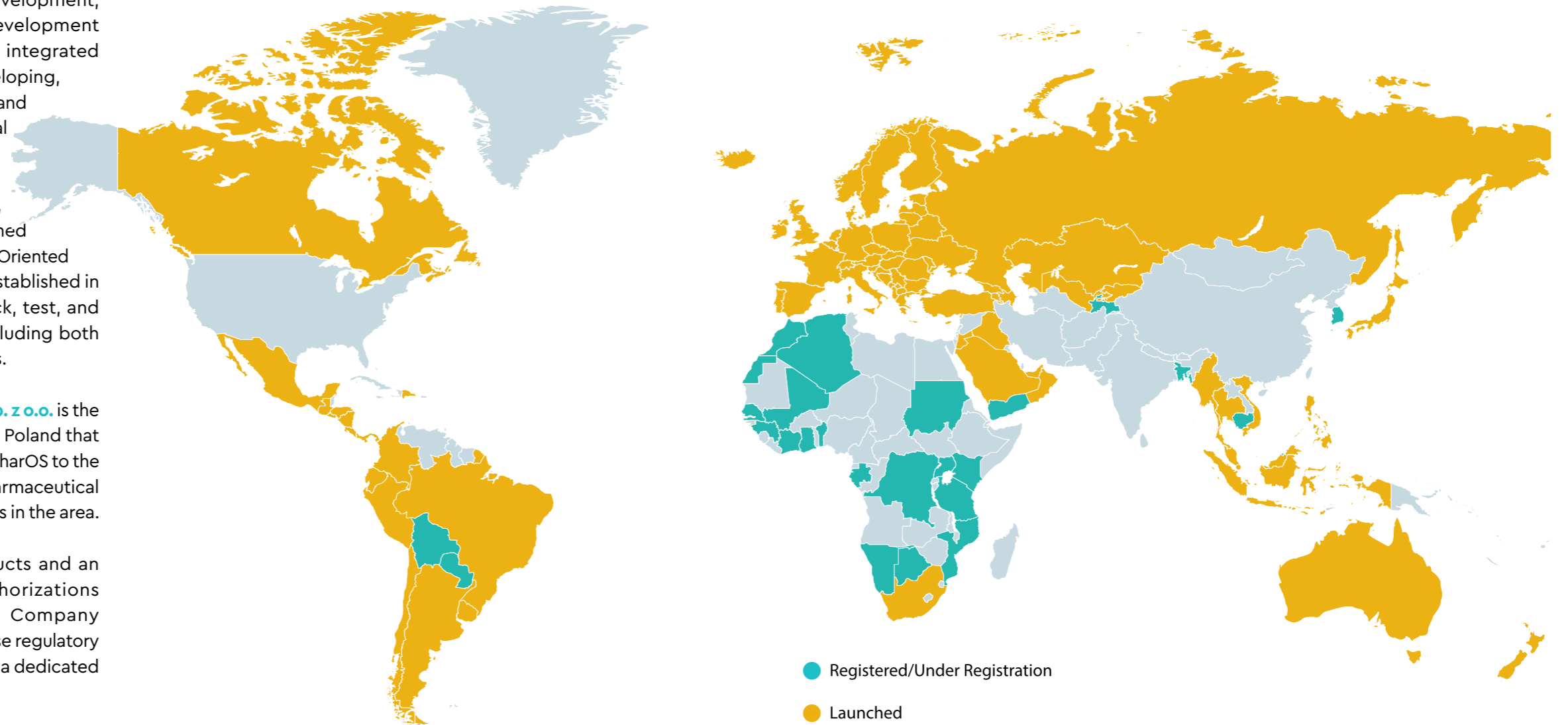
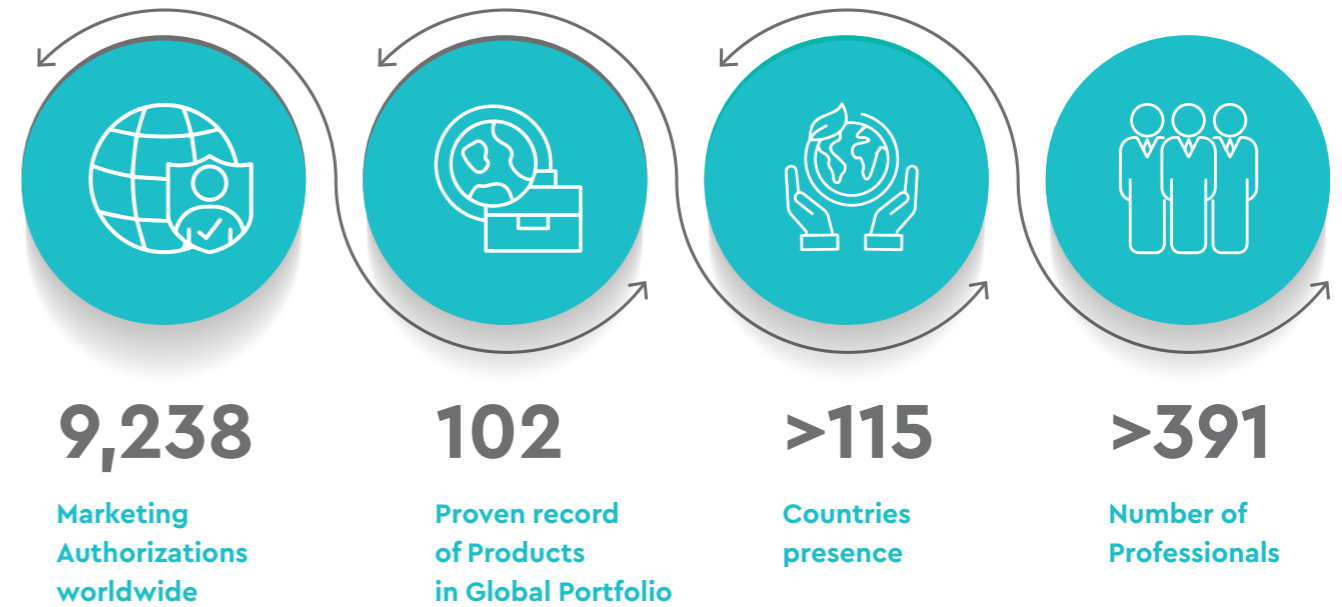
The entity of Greece, **PharOS - Pharmaceutical Oriented Services Single Member Ltd.**, was established in 2002 with the aim to provide high-quality services in product development, regulatory affairs, and business development and gradually transitioned into an integrated B2B pharmaceutical company, developing, manufacturing, licensing, registering and supplying medicines to Pharmaceutical companies worldwide.

The production plant in Malta, **PharOS MT Limited** is the wholly owned subsidiary of PharOS - Pharmaceutical Oriented Services Single Member Ltd. It was established in 2018 and aims to manufacture, pack, test, and release solid oral dosage forms, including both conventional and oncology products.

The entity of Poland, **PharOS Polska Sp. z o.o.** is the branch of PharOS located in Warsaw, Poland that handles the continuous expansion of PharOS to the Central and Eastern Europe (CEE) Pharmaceutical markets, as well as other opportunities in the area.

With a vast portfolio of 102 products and an impressive 9,238 marketing authorizations secured across the globe, the Company exemplifies extensive reach and diverse regulatory compliance. Moreover, supported by a dedicated

team of highly skilled professionals, the Company extends its expertise across multiple disciplines essential for the meticulous development, registration, and supply of pharmaceuticals. Active in over 115 countries, PharOS remains steadfast in its mission to deliver top-quality generics and value-added pharmaceuticals, enhancing the lives of many patients worldwide, while meeting local needs.



Facilities and subsidiaries

The Company's Headquarters are located in Metamorfoosi, Attica. The Company holds a 100% stake in PharOS Malta Ltd, which operates in the manufacture of pharmaceuticals, as well as a 70% stake in PharOS Polska Sp z.o.o., which is engaged in the marketing of pharmaceuticals. The facility Hal Far, Malta was set up in 2018 and has a footprint of approximately 14,000 m² of land.

Operation	Area (m ²)
Warehousing	3,617
Tabletting	2,361
Laboratories	1,031
Offices & General Areas	1,988
Canteen & Training Room	379
Plant Rooms and Technical Areas	844
Archives & Sample Retention	264
Possible Future Development (including packing halls)	3,381
Total Floor Area	13,865

Our mission

At PharOS, we are committed to delivering high-quality pharmaceutical products and services that not only address critical patient needs, but also contribute meaningfully to a more sustainable and equitable future.

As we embark on our ESG journey, our first priority is to take practical and achievable steps that balance innovation with social responsibility. We aim to reduce our environmental footprint through more efficient use of energy sources, ensure ethical supply chains, and create a safe and inclusive workplace. Our approach will be grounded in measurable actions, ensuring that our commitment

to patients worldwide further extends to positive social impact and sustainable growth.

By integrating ESG into our core business practices, we seek to drive long-term value for patients, communities, and stakeholders alike.

PharOS has built its strategy by upholding a strong set of core values that guide its business practices and help the Company to achieve its goals. PharOS' core values are an integral part of its culture and business operations and reflect its belief that a responsible business is the key to long-term success.

Our mission is to materialize in the most efficient way our customers' trust, by ensuring that their products will be among the first to be launched after patent expiry and the last ones to exit the market.



Developing Value

At PharOS, we have a highly skilled workforce of more than 391 professionals. Biologists, Chemists, Pharmacists, Scientists all focused on developing and placing in the market top quality generic and other value-added pharmaceuticals that improve the lives of patients in more than 115 countries. Our people constitute our core competitive advantage that helps us being one of the fastest growing pharmaceutical development companies in Europe.

Supplying Success

For PharOS, our customers are our partners! Our aim is to extend the lifecycle of the product, as our people are able to provide an exceptional level of customer service and support, based on their expertise and professionalism.

Our philosophy



Our people

Our people are our core competitive advantage that helps us be one of the fastest growing pharmaceutical development companies in Europe



Commitment to quality

We meet the pharmaceutical industry's demanding requirements, while ensuring the success of the most challenging projects



Dedication

We work with an unwavering dedication to our people, clients, patients, safety, and ethics

Company overview

PharOS recognizes that the Company's role is critical in upholding the highest standards of sustainability across all operations and business decisions. The success of the Company in the Pharmaceutical sector is much more than manufacturing and delivering affordable, high-quality medicines. It is closely related to its ever-growing expertise and know-how and its genuine passion for prioritizing people's health and transforming their lives, through innovation. Under this perspective, PharOS has delineated specific focus areas as described below.

Focus areas



The development of pharmaceutical products, being a leading B2B company and one of the few independent European CDMOs.



The manufacture and provision of affordable, high-quality medicines that improve the lives of patients worldwide and satisfy our corporate customers' needs from product development to launch.



The provision of advisory services related to the Research and Development, regulatory approval, sale, and distribution of products to pharmaceutical companies worldwide.



The provision of advisory services in the field of Regulatory Affairs, including the preparation of pharmaceutical product dossiers, submission for approval to the competent authorities worldwide, monitoring the licensing process, pharmacovigilance, renewal, modification and generally communication with EU and non-EU regulatory Authorities.



The production, packaging, repackaging, marketing, analysis of all types, import and export of the products, raw materials, packaging materials and other auxiliary materials either on behalf of the Company itself or on behalf of third parties. The Company may also assign the above to third parties on behalf of itself or its clients.

A glimpse of our history



2002
Establishment
of the Company

2004
1st Project completed
– 450 MAs granted
simultaneously

2005
Started own
development
projects

2007
Among the 1st companies to run
DCP via a fully compliant eCTD

Became a founding member of
the EuDRAcon

2008
Establishment of
Pharos Polska

2009
1st company to register
exemestane in the EU

2011
1st multinational
approval of respiratory
blockbuster

2013
1st Greek company to
become a member of
Medicines For Europe
1st submission in Japan

2015
EU GMP
for batch
release
accredited







2010
1st Pan-EU registration
of immunosuppressant
blockbuster

2020
Oncology
manufacturing
line at PharOS Malta

2019
GMP certification of
the PharOS MT Hal Far
manufacturing site

2018
Acquisition of the Hal
Far ex-Arrow Pharma
plant in Malta



















Our value creation model

RESOURCES WE USE		HOW WE OPERATE	VALUE CREATED
	Financial Capital <ul style="list-style-type: none"> • Cash • Borrowed capital 	Activities <p><u>Main Activities:</u></p> <ul style="list-style-type: none"> • Development, Manufacturing, Supplying of Generics, Over the Counter (OTCs) and Value-added medicines. <p><u>Additional Activities:</u></p> <ul style="list-style-type: none"> • Chemistry, Manufacturing, and Controls • Business Development • Contract Manufacturing • Pharmacovigilance • Batch Release • Supply Chain Management 	Financial Capital <ul style="list-style-type: none"> • €16,685,259 profit before tax (at Group level) • €6,277,628 total taxes payable to the state (at Group level)
	Human Capital <ul style="list-style-type: none"> • In-house experts uniquely qualified in the field of CMC • Scientists with in-depth experience in the field of CMC • Experts with scientific and analytical thinking in regulatory affairs • Employees with cross-disciplinary expertise in project development • Highly skilled workforce in supply chain management • Broad network of professionals 		Human Capital <ul style="list-style-type: none"> • 97 new recruitments in 2023 • €15,900,000 employee remuneration and benefits
	Industrial Capital <ul style="list-style-type: none"> • Production / Lab Facilities • Manufacturing Facilities • Manufacturing Equipment • Technical Machines • Packaging Lines 	Mission and Philosophy <p><u>Mission:</u> Materialize in the most efficient way our customers' trust, by ensuring that their products will be among the first to be launched after patent expiry and the last ones to exit the market.</p> <p><u>Philosophy:</u></p> <ul style="list-style-type: none"> • Our people are our core competitive advantage that helps us be one of the fastest growing pharmaceutical development companies in Europe • We meet pharmaceutical industry's demanding requirements, while ensuring the success of the most challenging projects • We work with an unwavering dedication to our people, clients, patients, safety, and ethics 	Industrial Capital <ul style="list-style-type: none"> • 130 million tablets manufactured in Conventional and Oncology manufacturing site of PharOS in Malta • 900 million tablets supplied in 2023 from all CMOs • 7 partnerships
	Social Capital <ul style="list-style-type: none"> • Reputation in the generics pharmaceutical market • Global portfolio • Value-added generics • Know-how and IP in leading pharmaceutical products • Commercialization of products' innovation • Materialization of customers' trust • Technology transfer and scale-up • Product continuity (first to launch & last to exit) • High-quality standards and safety of the finished pharmaceutical product • End-to-End support • Critical Collaborations / Partnerships • Accredited reliability of the supply chain 		Social Capital <ul style="list-style-type: none"> • 75 projects developed • 50 products launched in 95 countries • 5,000 SKUs supplied • 100 products developed • 31 products under development • 150 collaborations with pharmaceutical companies • €247,911 other employee benefits • €55,512,954 payments to international suppliers
	Natural Capital <ul style="list-style-type: none"> • Energy • Raw materials 		Product Continuity <ul style="list-style-type: none"> • Product continuity (first to launch & last to exit) • Continuity of pharmaceutical products as a foundational principle for achieving excellence • Contributing to a robust healthcare system • Advancing people's lives by eliminating the risk of shortage
	Intellectual Capital <ul style="list-style-type: none"> • Product development • Brand name • Licenses • Risk Management Plan (RMPs) • Periodic Safety Update Reports (PSURs) • Authorizations 		Intellectual Capital <ul style="list-style-type: none"> • 9,200 marketing authorizations (MAs) registered worldwide • 280 risk management plans (RMPs) • 50 periodic safety update reports (PSURs) • 60 clinical and non-clinical overviews • 900 closed deals on a licensing-out model

Our product categorization

The Company offers unparalleled expertise in developing generic and value-added medicines by providing a broad portfolio of products to leading pharmaceutical companies.

PharOS' products are categorized into different groups, covering a wide range of areas

 Alzheimer	 CVS
 Anti-epileptics	 Hypercalcemia
 Antidepressants	 Hyperparathyroidism
 Anti-diabetics	 Hyperuricemia
 Antiemetics/Antinauseants	 Nicotine Dependence
 Antipsychotics	 NSAID
 Antithrombotic	 Oncology
 Antivirals	 Parkinson
 Bisphosphonates	 Urological

Our expertise

PharOS conducts a thorough and in-depth evaluation of the market in order to conclude which products will be developed either in cooperation with its established co-development partners or on its own. The conditions over the last few years, in terms of the macro-economic and financial impact, have led PharOS to take all necessary measures, in order to ensure business resilience against potential risks, with the results demonstrating absolute consistency in relation to the main objective, aiming to safeguard the Company's robustness and competitiveness.



PharOS' expertise in the supply of pharmaceutical products extends from the meticulous sourcing of high-quality raw materials to the implementation of innovative manufacturing processes. Throughout every stage, the Company's commitment to excellence ensures that each product adheres to stringent quality standards and meets regulatory requirements, while delivering affordable and efficacious treatments to patients.

Product development

The Company's comprehensive development activities include early-stage formulation and analytical development, technology transfer, scale-up, process validation and stability testing, CRO selection and clinical study design.

With an ongoing pharmaceutical development portfolio of more than 24 projects, we monitor all steps throughout development process.



Chemistry, manufacturing and controls

The Company's in-house experts are uniquely qualified in the field of Chemistry, Manufacturing & Controls (CMC). The skilled staff comprises scientists with the in-depth experience needed to ensure the robustness of their CMC capabilities.

In our striving to ensure the quality of the finished pharmaceutical product, our CMC experts are assigned various key tasks.



Contract manufacturing

PharOS provides Contract Manufacturing services for the categories of Technology Transfer of customers' finished products, Technology Transfer of customers' products with dossier under development, Stability services, and Batch Control and Release services.

Your product is our passion. We provide end-to-end support throughout the entire manufacturing process.



Business development

PharOS creates new opportunities and growth potential for its partners by offering the right partnership model to expand business. The experienced managers continuously seek, process, and offer tailor-made partnerships on products and markets. All recommendations are based on solid research, cross-disciplinary expertise, and a broad network

of professionals located in strategic geographical positions, bringing together companies to maximize parties' Return on Investment (RoI).

PharOS liaises between diverse companies with common interests to negotiate and conclude deals on both a licensing-in and a licensing-out model.

We create new opportunities and growth potential to our partners by offering the right partnership model to expand business.



Regulatory affairs

PharOS experts' integrated background and up-to-date regulatory knowledge make the Company the No. 1 choice for the complete regulatory activities range from MAAs, renewal submissions and all types of Post-Marketing Applications, to the development of global regulatory strategies.

We provide full and comprehensive regulatory support, at all phases of the product life-cycle. Our experts' scientific and analytical thinking is complemented by a comprehensive range of regulatory affairs.



Pharmacovigilance

The Company collaborates with partners, in order to meet the increasingly complex regulatory requirements in pharmacovigilance. Its full range of services guarantees flexible technologies, resourcing solutions, effective governance, and continuous process improvement from early clinical development to marketed product support.

Our experience is your safety. We let numbers and data speak for themselves regarding the quality of our services.



Batch release

PharOS MT has acquired a Certificate of GMP compliance for Manufacturing, Packaging, and Batch release of solid dosage forms, including high potent, while PharOS GR has acquired a Certificate of GMP compliance from the National Organization for Medicines for batch release of sterile and non-sterile products, as well as for imported medicinal products.

With our team's extensive experience, we secure quality by offering to our clients batch release of their products.



PharOS' contribution to SDG 9 "Industry, Innovation and Infrastructure"

PharOS through its operations contributes significantly to SDG 9, regarding innovation, by largely investing in research and development (R&D) initiatives to drive scientific advancements and technological innovation in the healthcare sector. Through cutting-edge scientific research and collaborations, the Company fosters innovation, leading to improved health outcomes and economic growth.

Supply chain management

The Supply Chain Management department's expertise and professionalism are key to the track record of First to Market launches worldwide that PharOS holds, while meeting the stringent pharmaceutical supply chain requirements.

WE SUPPLY WORLDWIDE



Responsible sourcing

Business relations with any third party are based on quality, reliability, competitive pricing, and other objective factors and not on any unlawful behavior. This is ensured - among others - by the fact that the Company markets and sells its products in accordance with all applicable rules and regulations. The Company focuses on:

- » Choosing goods and services that support the long-term wellbeing of PharOS
- » Selecting its suppliers based on factors, such as price, quality, delivery, service, reputation, environmental and business practices
- » Respecting all terms and conditions of agreements with business partners and honoring its undertakings
- » Reviewing the background and qualifications of its business partners to ensure their business integrity

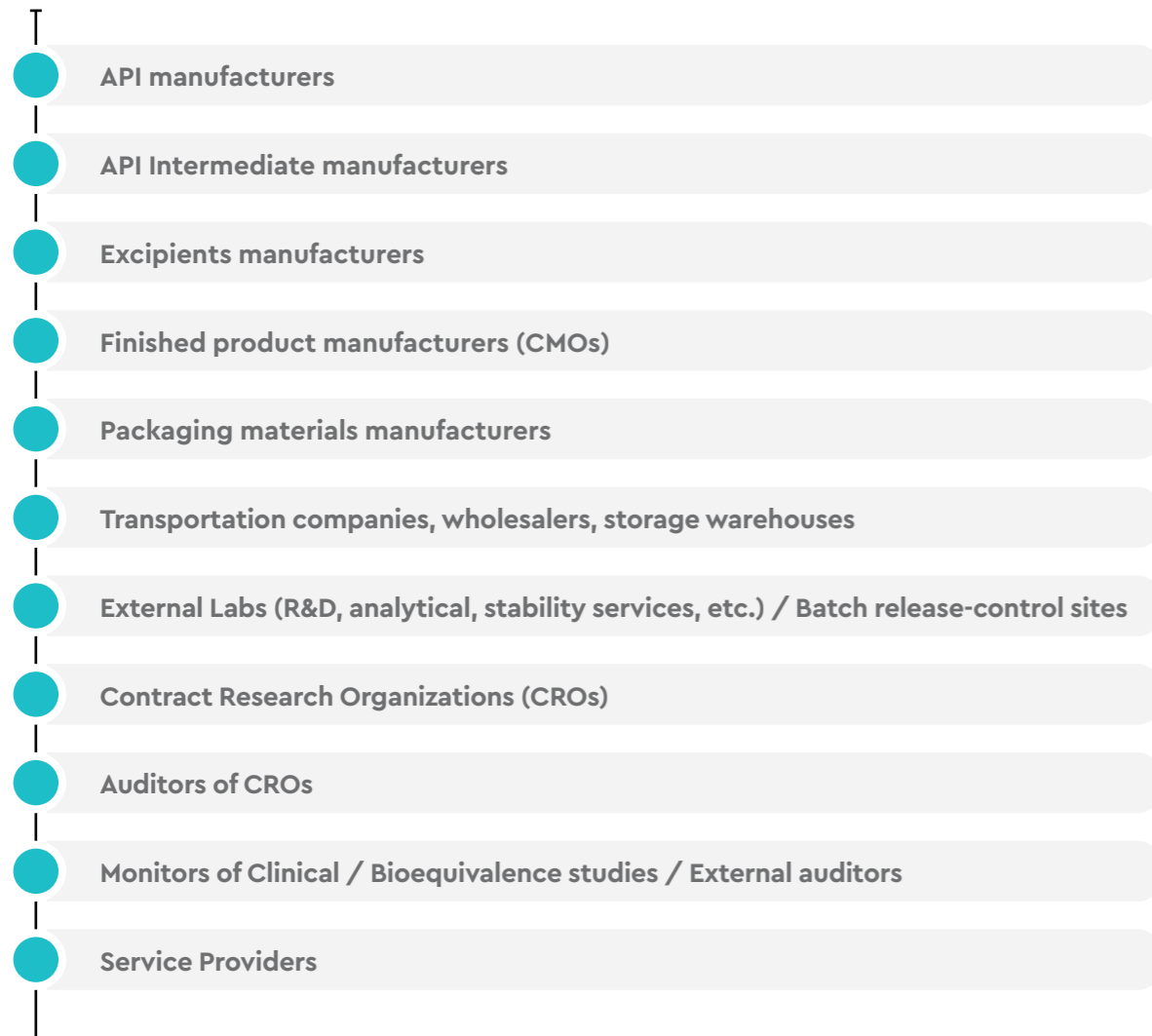
PharOS is committed to promoting an ethical and responsible supply chain, acknowledging that it operates in a critical industry full of complexities. Furthermore, the Company acknowledges that through its work, it delivers breakthroughs with an important impact on the lives of patients, as well as on the progress of innovation in the field of pharmaceutical sciences.

Consequently, the Company conducts business based on the principles of integrity, transparency, and professionalism, always acting in a responsible and ethical manner, while respecting sourcing, considering the social, economic, and environmental footprints of all activities.

The Company takes great pride in its partnerships and suppliers - putting a special emphasis on the suppliers of critical resources.

Suppliers' evaluation and selection

PharOS has in place a procedure which describes in detail the process and responsibilities, in order to access, evaluate, and finally accept or reject suppliers and service providers. The procedure applies to the following categories:

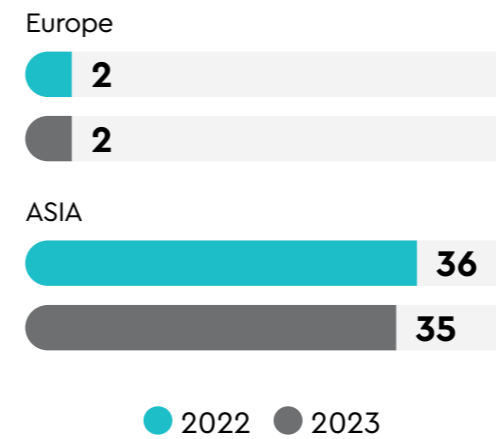


The Company has defined procedures that differentiate based on the type of supplier – new suppliers, alternative suppliers, under quarantine suppliers, under evaluation suppliers, approved suppliers, inactive suppliers, external auditors, service providers.

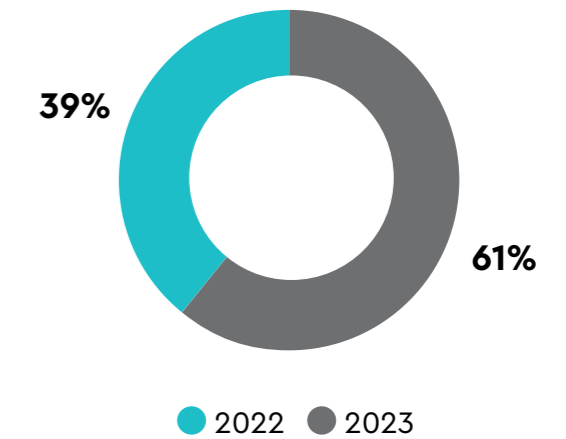
In order to introduce a new supplier into PharOS Quality System, specific steps are followed per supplier category. All approved suppliers under

Pharos' responsibility are annually evaluated. During the annual evaluation, a risk assessment is performed in order to verify the qualification of the supplier and if an audit is needed according to the program. The necessity and frequency of initial and follow up audits derived on the basis of the material risk level and supplier's risk profile. Annual evaluation is recorded through the corresponding evaluation forms for each supplier's category.

Origin of Suppliers (Manufacturers)

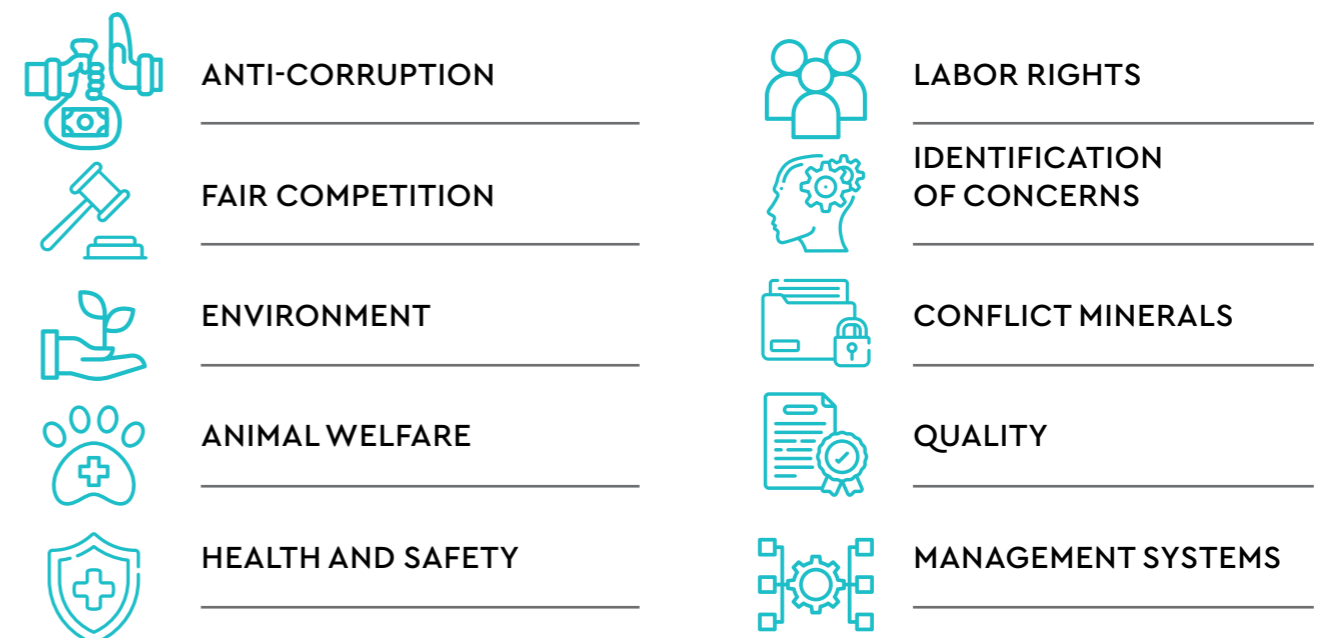


Payments to local domestic suppliers



Enhanced supplier screening through ESG assessment

Regarding environmental and social criteria, suppliers are screened based on PharOS' General Procedure, with specific issues requested via Questionnaire sent by email. More specifically, as part of the Quality Assurance Program, the Company requires all actual and potential third-party suppliers of PharOS and / or its affiliated companies to complete a Questionnaire on the following ESG thematic:



Risk profile calculation and classification

As part of the annual evaluation of suppliers, a Risk Assessment is performed, in order to classify the suppliers to low, medium, and high risk. Based on this classification, the final annual evaluation is performed, and further actions are decided. The Risk Assessment is based on specific criteria:

- » Supplier Audit Outcome
- » Health Authority Profile
- » Quality Questionnaire Evaluation
- » Good Manufacturing Practice (GMP) Scoring
- » Material Criticality Classification
- » Quality Incident Performance
- » Suppliers Response Time

Healthcare conferences and networks



Medicines For Europe

PharOS participates in "Medicines for Europe", a European Association, which represents the emerging generic industry with important companies from the pharmaceutical industry and the healthcare environment in its network: member-companies, partner-members, national associations, and affiliates as well. Through

this participation, PharOS becomes part of the "voice of generic, biosimilar and value-added industry", taking an active role and involvement in increasing the health and wellbeing of all Europeans through better access to high quality medicines and safeguarding the sustainability of Europe's healthcare systems for future generations.



SEV - Hellenic Federation of Enterprises

PharOS is a member of "Hellenic Federation of Enterprises" (SEV), a Greek Association, which has consistently fostered business development in Greece since 1907. It is the independent voice of businesses, representing a broad spectrum of the country's economic activity, including

manufacturing and services. SEV is dedicated to promoting entrepreneurship by lobbying for sound policies consistent with a business-friendly environment. SEV engages in the public debate by making recommendations, crafting policies, and providing analyses of economic and business issues.



CPHI – Worldwide Exhibition

PharOS was proudly present as an exhibitor at the CPHI Worldwide Exhibition that took place in Barcelona in 2023 - an annual important, environmentally responsible event, attended by major players in the pharmaceutical industry. CPHI unites pharma suppliers, innovators, and professionals from across the entire supply chain. Through this initiative, the Company managed to connect with various industry leaders and expand its network, while gaining opportunities to learn,

innovate, and collaborate, to grow the business and develop meaningful connections at the heart of pharma. CPHI constituted a significant investment for PharOS with concrete benefits.

The Company, through an impressive representation of 25 professionals, was privileged to meet with other experts from every corner of the "pharma world" being part of discussions about future trends in the pharmaceutical sector.



Commitment to quality and excellence

For PharOS adhering to best practices not only ensures legal conformity, but also promotes health, safety and quality excellence. The Company is committed to maintaining the highest standards of quality across all its operations. Through continuous innovation and a relentless focus on excellence, PharOS ensures that its products consistently meet the needs of patients and healthcare providers.

Quality management system

PharOS aims to consistently provide products and services that meet customers' needs and applicable statutory and regulatory requirements. PharOS implements a Quality Management System (QMS) in accordance with ISO 9001:2015 requirements within the Company for all activities, products or services, provided to its stakeholders. The efficient operation of the Quality Management System ensures that activities which affect quality within PharOS are controlled and monitored.

PharOS is dedicated to delivering top-tier pharmaceutical services, recognizing the significance that quality has in its business. The Company implements a Quality Management System (QMS) and the Management is fully committed to its ongoing improvement.



Quality risk management

PharOS has developed and continuously optimizes a process of Risk Management to meet the evolving requirements of the business environment, the pharmaceutical market, and current legislation on generics. The evaluation of risks to quality is based on scientific knowledge, ensuring that risk evaluations are always tied to the protection of the patient. The level of effort, formality, and documentation in the Quality Risk Management process is scaled according to the level of risk. Applied both proactively and retrospectively, Quality Risk Management aims to identify, categorize, and prioritize risks, while proposing mitigation measures where applicable. To support these efforts, the Company maintains a comprehensive Risk Registry, which serves as a key tool for risk review, control, communication, and prioritization.

In the context of Quality Audits, PharOS follows a Self-Inspection approach, by accessing its entire operating system of each aspect that may affect the quality of the Company's products.





OUR APPROACH TO SUSTAINABLE DEVELOPMENT

PharOS' culture is based on collaboration, innovation, and accountability. The Company strives to promote sustainable development, implementing actions that significantly increase its positive social, environmental, and economic impact. Providing innovative, high-quality medicine, PharOS supports the health of the global population and strengthens the efforts for a more sustainable future for everyone.

Our Contribution to the UN Sustainable Development Goals



02

Our approach to sustainable development

PharOS has recognized sustainability as a key element for its long-term and successful growth. The Company places great emphasis on the implementation of measures and actions that maximize its positive social impact and promote balanced economic, environmental and social development. For PharOS, measuring and reporting

performance on E.S.G. pillars is critical to deeply understanding the impact of its operations and facilitating an effective dialogue with all stakeholders.

As an operator to create added value through its operation, PharOS has implemented the following main axes regarding sustainable development:



People development and safety

PharOS considers its high-skilled, target-oriented employees as the main asset regarding its long-lasting success. The Company invests in their personal and professional development through targeted trainings, while promoting a working environment of equal opportunities that preserves human rights. Attracting and retaining high expertise workforce remains one of PharOS' main priorities. Moreover, PharOS takes all necessary measures to ensure that all people - employees, visitors, contractors - will be in a safe and healthy working environment.



Environmental protection

The mitigation of PharOS' environmental footprint is at the heart of the Company's efforts towards sustainable development. The Company has implemented measures focused on optimizing resource utilization, minimizing waste generation, and mitigating carbon emissions.



Operating with integrity and transparency

PharOS is committed to operating with transparency, integrity, and accountability. To achieve this, the Company operates in full compliance with the applicable legislation, having implemented a comprehensive framework regarding - among others - corruption and bribery, sexual harassment and data privacy and protection.



Product quality

PharOS is committed to promoting affordable medicine that will contribute to the improvement of people's quality of life. To this end, the Company places great emphasis on the development of innovative, high-quality products by ensuring that its manufacturing quality is amongst the highest in Europe.

Our contribution to UN Sustainable Development Goals



THE GLOBAL GOALS
For Sustainable Development

PharOS recognizes that contribution to the UN Sustainable Development Goals is a crucial step towards sustainable development. Through its operation and the implementation of specific actions, PharOS maximizes its contribution to the Sustainable Development Goals (SDGs), supporting the 2030 UN Agenda.



PharOS' contribution to SDG 3 "Good Health and well-being"

PharOS through its operation contributes innately to SDG 3 regarding good health. Through the production of high-quality, affordable, and accessible medicines, PharOS supports people to improve their quality of life and live healthier and longer, by providing them with essential medicines. At the same time, the Company via research and development achieves continuous improvement of its formulas, saving lives, improving life expectancy and delivering high-impact health essentials. The creation, production, and distribution of highly innovative medicine regarding highly complex diseases, such as neurodegenerative disorders, showcase the Company's contribution to the health improvement of the global population.

Stakeholder engagement

PharOS is committed to promoting and effectively responding to all its stakeholders' needs and expectations. The Company has implemented communication channels that promote effective, two-way communication, ensuring that the Company is well-informed, regarding their interests and concerns. Dialogue with stakeholders is a step of paramount importance to its journey towards sustainable development, allowing the Company to implement precise actions.

PharOS has identified the following stakeholders' groups:

Stakeholder Groups	STAKEHOLDER ENGAGEMENT		
	Channels of Communication	Key issues	How the Company responds to these issues
Shareholders	<ul style="list-style-type: none"> Annual General Meeting Quarterly Directors meetings Annual Reviews Investors meeting Presentations 	<ul style="list-style-type: none"> Economic Performance Company's expansion into new markets Enhancing the Company's portfolio and competitiveness Ensuring shareholders' rights and interests Responsible business conduct 	<ul style="list-style-type: none"> Annual Financial Report ESG & Sustainability Report
Employees	<ul style="list-style-type: none"> Virtual platform Employee Induction Employee Engagement Survey Town Hall Briefing Performance Meetings Face-to-face conversations Internal Discussions Fora Newsletters Communication with HR Electronic communication (e-mails) 	<ul style="list-style-type: none"> Training and Education Occupational health and safety Mental health and wellbeing Quality of Working conditions Fair remuneration Employee benefits Career Growth and Competencies Development Diversity and Non-discrimination Understanding expectations at work 	<ul style="list-style-type: none"> Training sessions Check-in Meetings Speak Up Policy Performance Management System Grievance mechanism Initiatives for employees' wellness / wellbeing Skills Development Programs Corporate policies Psychological support via EAP Regular visits by the occupation doctor Talent Review process
Patients & Healthcare providers	<ul style="list-style-type: none"> Client Meetings Customer Satisfaction Surveys Focus Groups Conferences and Events Industry Trade Fairs Social networks and Digital channels Telephone communication Electronic communication (e-mails) 	<ul style="list-style-type: none"> Understanding patients' needs Health and safety standards Product Quality Product Affordability Product Accessibility (consistency & convenience) Timely response to requests Efficient complaints handling Transparency in disclosure 	<ul style="list-style-type: none"> Certifications Transparency in disclosure Seeking of patients' input Thorough Market research Delivery of consistent patient-centric outcomes Delivery of high-quality medicines to improve health and quality of life Investments in addressing patients' needs Building confidence through communication

Stakeholder Groups	STAKEHOLDER ENGAGEMENT		
	Channels of Communication	Key issues	How the Company responds to these issues
Customers	<ul style="list-style-type: none"> Satisfaction Survey Contact through B2B channels Conferences and Forums Educational Workshops Telephone communication Electronic communication (e-mails) Regular Meetings Sales and Operations Meetings Industry Trade Fairs 	<ul style="list-style-type: none"> Product that meets current needs Product Affordability Product Accessibility and Continuity Timely Delivery Timely response to requests Suggestions for improvements Transparency in disclosure 	<ul style="list-style-type: none"> Certifications Transparency in disclosure Responsible production Investment in addressing customers' needs
Co-development partners	<ul style="list-style-type: none"> Studies and Research Research and Development (R&D) Clinical Trials Meetings with experts Regular Meetings Telephone communication Electronic communication (e-mails) 	<ul style="list-style-type: none"> Product Quality and Traceability Product Innovation Contract Terms (Manufacturing & Development) Meeting market needs Mutually beneficial partnerships Contract terms 	<ul style="list-style-type: none"> Knowledge sharing Expertise sharing
Government and Regulatory Bodies	<ul style="list-style-type: none"> Press Releases Meetings with Governmental Councils and Representatives 	<ul style="list-style-type: none"> Compliance with applicable laws Regulating the industry Encouraging investments, exports & economic growth Transparency in disclosure Rationalizing spending amounts on pharmaceuticals 	<ul style="list-style-type: none"> Annual Financial Report Provision of reliable documentation Maintaining a cooperative relationship with Authorities
Financial Institutions	<ul style="list-style-type: none"> Financial Discussion Meetings Communication with Financial media 	<ul style="list-style-type: none"> Risk management Compliance with market laws and regulations Transparency in disclosure 	<ul style="list-style-type: none"> Publication of financial results

Stakeholder Groups	STAKEHOLDER ENGAGEMENT		
	Channels of Communication	Key issues	How the Company responds to these issues
Industry Associations	<ul style="list-style-type: none"> Industry Conferences Memberships and Associations Industry Trade Fairs 	<ul style="list-style-type: none"> Product Innovation Health advancement Promoting industry's interests, concerns, and challenges 	<ul style="list-style-type: none"> Certifications Sharing best practices Driving innovation Advocating for Policies that advance healthcare Working with specialized Institutions ESG & Sustainability Report
Suppliers	<ul style="list-style-type: none"> Supplier Assessment Facility (field) visits / Audits Online Surveys / Questionnaires Tenders and Competitions Contract Discussion Meetings Regular Meetings Industry Trade Fairs 	<ul style="list-style-type: none"> Terms and Conditions Delivery times Effective procurement Mutually beneficial partnerships 	<ul style="list-style-type: none"> Building lasting and stable relationships Transparency in communication Supply chain sustainability Engagement with suppliers on ethical business conduct and environmental stewardship
Civil Society and Local Community	<ul style="list-style-type: none"> Corporate website and social media Feedback through participation in local activities Public dialogue 	<ul style="list-style-type: none"> Sponsorships and Donations Charity and Volunteerism 	<ul style="list-style-type: none"> Job creation opportunities Implementation of Donations Support of vulnerable social groups Cooperation with environmental organizations
Media	<ul style="list-style-type: none"> Corporate website Press Releases Social media platforms Spokesperson speeches Meetings with Media representatives 	<ul style="list-style-type: none"> Transparency in information Response to media inquiries Promotion of public opinion Facilitation of public dialogue 	<ul style="list-style-type: none"> Immediate response Establishing consistent and transparent communication

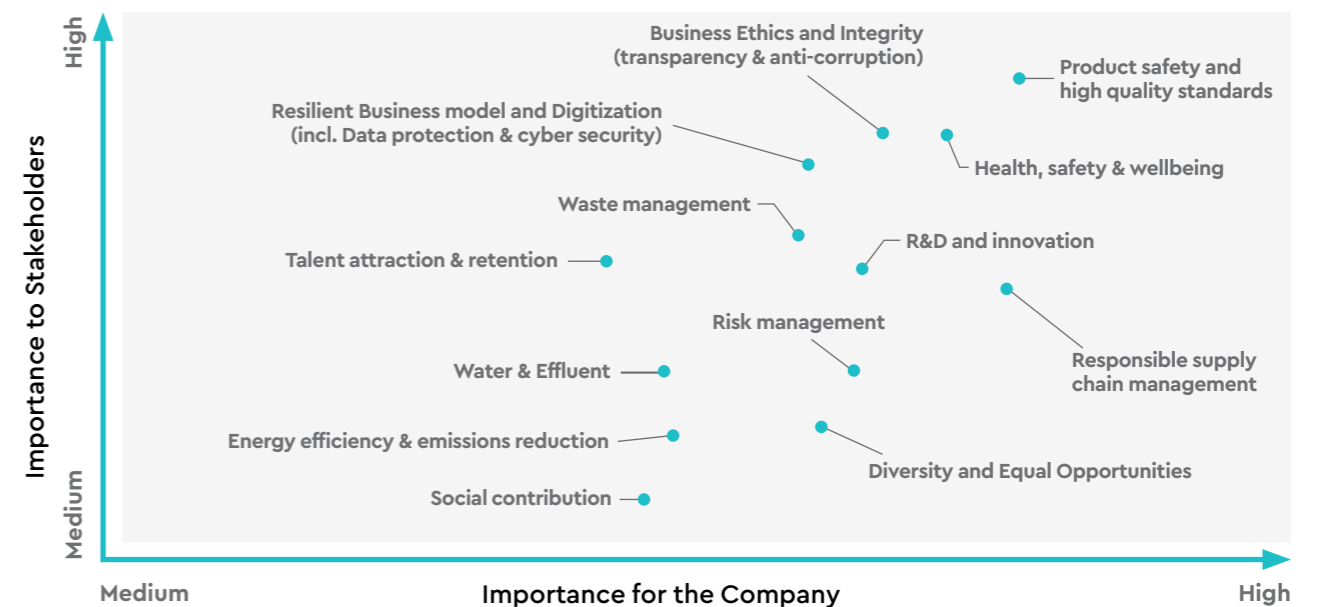
Materiality assessment

PharOS conducted a materiality analysis workshop in 2024, to recognize and prioritize its material issues that are related to and impact its operations, directly or indirectly, in a positive or negative way, as well as its stakeholders. The Company applied the GRI Standards and took into account the Sustainability Accounting Standard Board (SASB) sectoral standard. The issues arising from the materiality analysis cover the entire range of the Company's operations and are

incorporated in the Sustainable Development Report. The assessment process took into consideration those issues that could cause extensive changes to the Group's impact and business operations. Moreover, the impact of the potential risk incorporated in any issue was also considered, as was the pressure exerted on the Company by the stakeholders in relation to each of those issues. The stages of the materiality analysis were the following:

- STEP 1** Identifying and understanding material issues. Research and analysis of the industry was carried out, and the sectoral guidelines of the SASB standards were incorporated, in combination with the Company's strategic priorities.
- STEP 2** Assessing and prioritising material issues, and providing documentation to collectively evaluate all sustainable development issues, based on specific ESG criteria.
- STEP 3** Consolidation of pressure from each group of stakeholders, based on an assessment survey on the material issues.
- STEP 4** Validation and evaluation of material issues by senior management.

Materiality matrix



PharOS' goal setting

By integrating ESG principles into our decision-making, we aim to reduce our environmental footprint, foster equitable social practices, and uphold transparent governance standards. These goals reflect our dedication to long-term value creation for all stakeholders, while contributing to a more sustainable future.

Table of sustainability topics aligned with SDGs

Material Issues	SDGs
Environment	
12. Energy Efficiency & Emissions Reduction	6 CLEAN WATER AND SANITATION, 7 AFFORDABLE AND CLEAN ENERGY, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION
7. Waste Management	14 LIFE BELOW WATER
11. Water and Effluent	14 LIFE BELOW WATER
Social	
2. Health, Safety & Wellbeing	1 NO POVERTY, 3 GOOD HEALTH AND WELL-BEING, 4 QUALITY EDUCATION, 5 GENDER EQUALITY
9. Talent Attraction & Retention	8 DECENT WORK AND ECONOMIC GROWTH, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 10 REDUCED INEQUALITIES, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
10. Diversity and Equal Opportunities	10 REDUCED INEQUALITIES, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13. Social Contribution	17 PARTNERSHIPS FOR THE GOALS
1. Product Safety and High-quality Standards	
6. R&D and Innovation	
5. Responsible Supply Chain Management	
Governance	
3. Business Ethics and Integrity (transparency & anti-corruption)	16 PEACE, JUSTICE AND STRONG INSTITUTIONS, 17 PARTNERSHIPS FOR THE GOALS
8. Risk Management	
4. Resilient Business Model and Digitization (incl. Data protection & cyber security)	

Environment	
Reduction of energy intensity (kWh/1000pcs) by 60% by 2030, with 2023 as the base year	
Reduction of emissions intensity - Location Based (kgCO ₂ eq/1000pcs) by 65% by 2030, with 2023 as the base year	
Reduction of emissions intensity - Market Based (kgCO ₂ eq/1000pcs) by 65% by 2030, with 2023 as the base year	
Reduction of water intensity (m ³ /1000pcs) by 60% by 2030, with 2023 as the base year	
Social	
Achieve zero workplace accidents and maintain a Lost Time Injury Frequency Rate (LTIFR)* of less than 2.4 by 2024	
* where number of reportable injuries in a month * 200,000, divided by the number of Worked Hours occurred in the plant of Malta in a month	
Training in DE&I matters to 100% of PharOS employees and Senior Management by 2025	
Development of "Supplier Code of Conduct" by 2025	
Update of existing Questionnaire addressed to PharOS' suppliers, by embedding ESG criteria by 2025	
Governance	
Training on the Code of Conduct provided across all levels of PharOS by 2025	
Integration of ESG criteria into Risk Registry to identify, evaluate, and mitigate potential ESG risks by 2026	



HUMAN CAPITAL

PharOS strives to remain as adaptable, motivated, and responsive to its employees, as it is to its clients, by adopting a holistic approach to human capital management. The Company fosters a culture of continuous learning and well-being where its people are empowered to grow and thrive.

Our Contribution to the UN Sustainable Development Goals



03

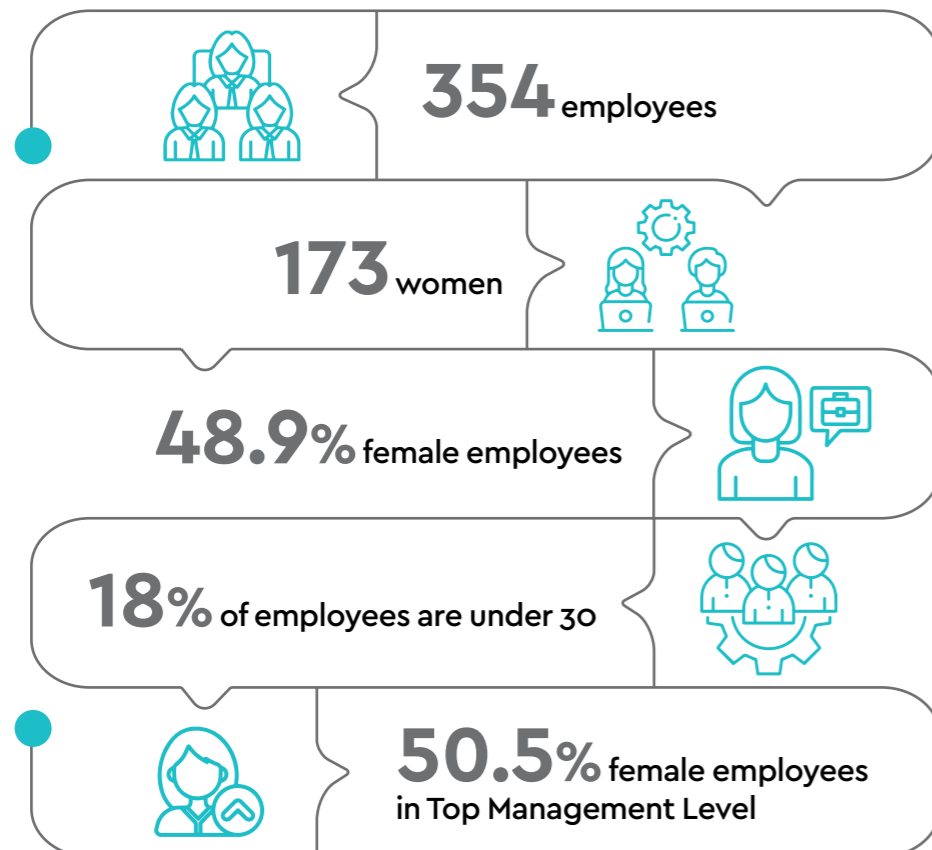
Our philosophy

At PharOS, we have a highly skilled workforce of more than 391 professionals, biologists, chemists, pharmacists, and experts, all focused on developing and placing in the market top quality generic and other value-added pharmaceuticals that improve the lives of patients in more than 115 countries. Our people are our core competitive advantage that helps us being one of the fastest growing pharmaceutical development companies in Europe, providing an exceptional level of customer service and support.

Our people are our core competitive advantage that helps us being one of the fastest growing pharmaceutical development companies.



Our people at a glance



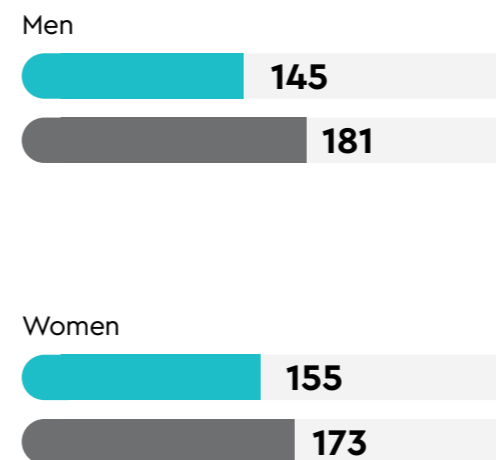
Diversity and inclusion in the workplace

PharOS prioritizes Diversity, Equity, and Inclusion (DE&I) and strives to promote it in order to effectively respond to challenges, win top-talent, and support its employees. The data illustrates the Company's strides towards fostering a more inclusive environment, having tangible outcomes and underscoring its dedication to creating a workplace, where everyone feels valued and empowered to thrive.

The Company ensures that there were not experiences of unfair treatment or discrimination.

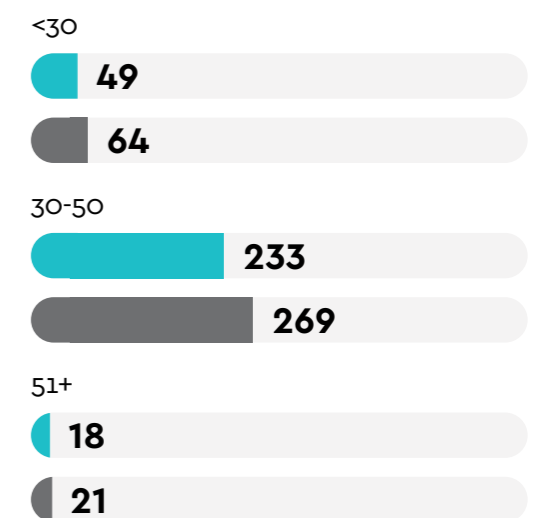


Employee Distribution by Gender

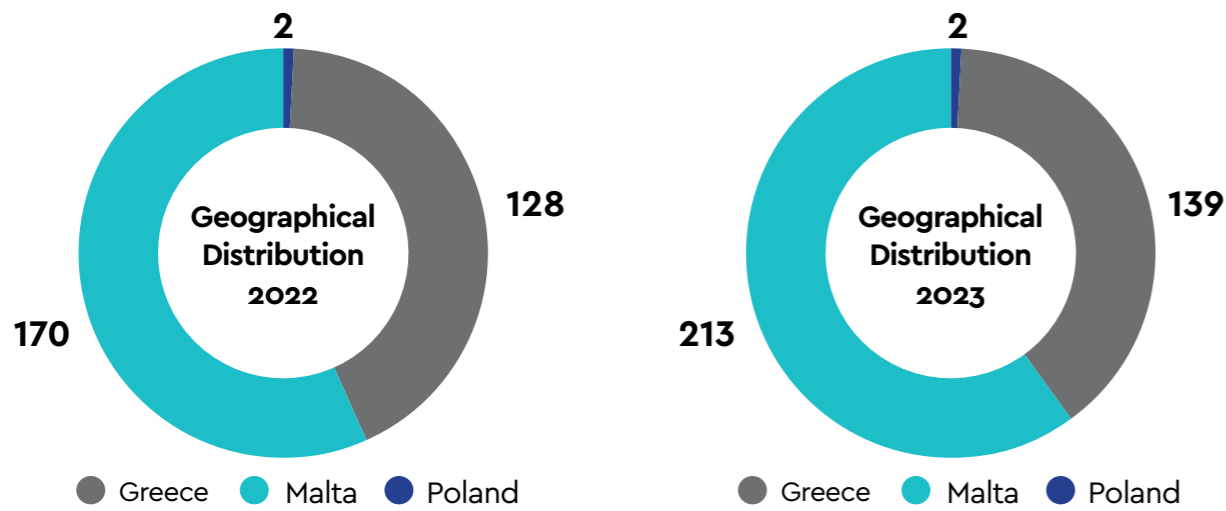


● 2022 ● 2023

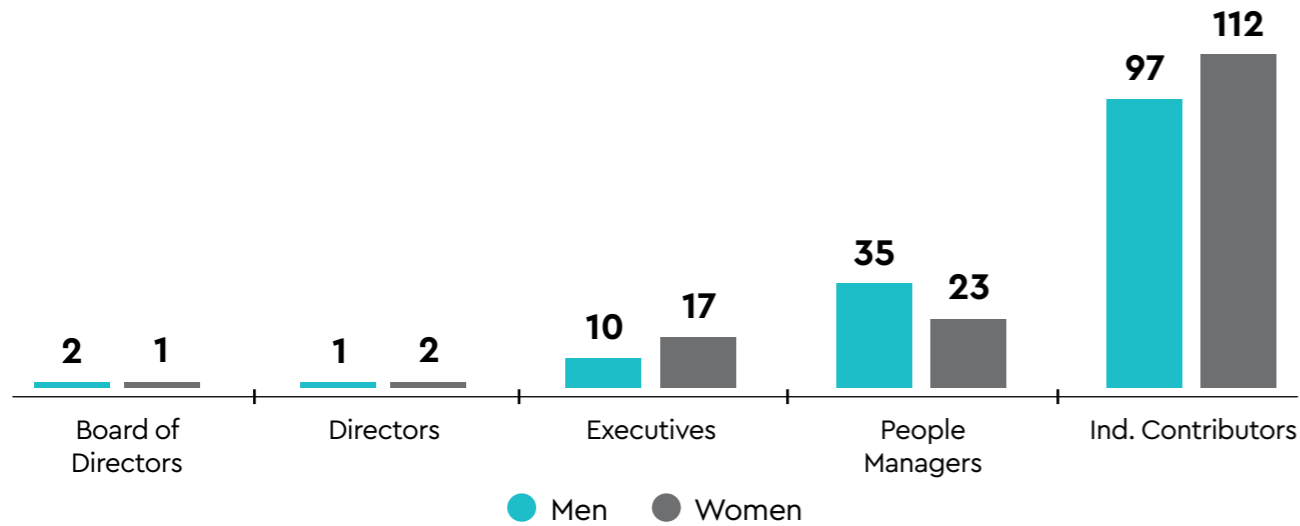
Employee Distribution by Age



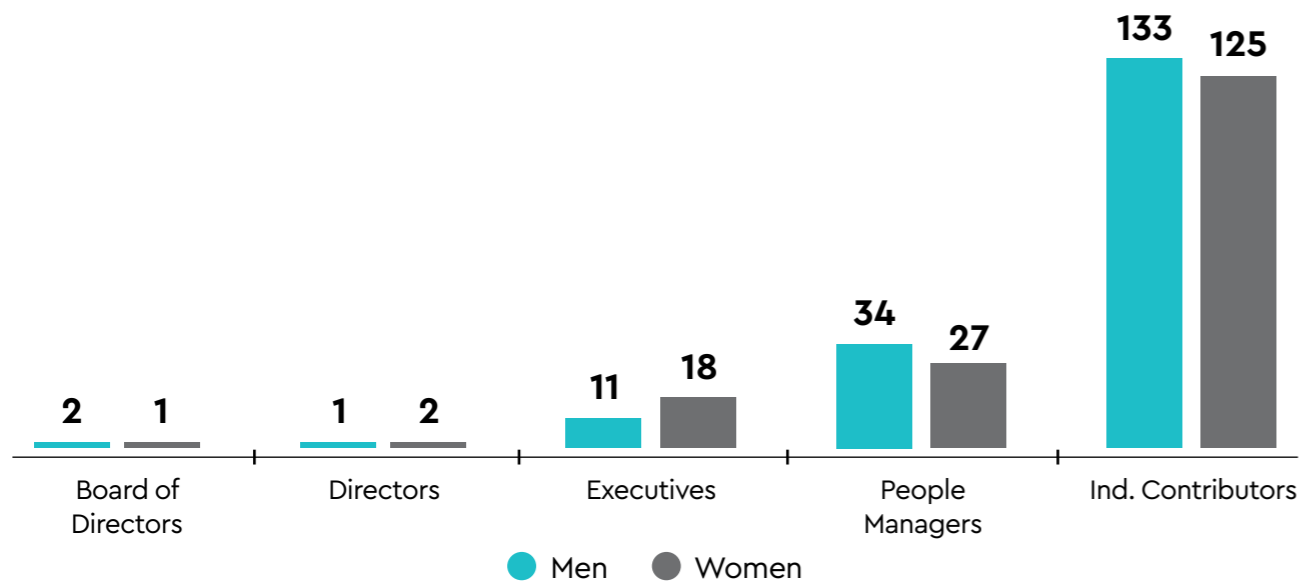
● 2022 ● 2023



Employee Distribution by Hierarchical Level and Gender 2022



Employee Distribution by Hierarchical Level and Gender 2023



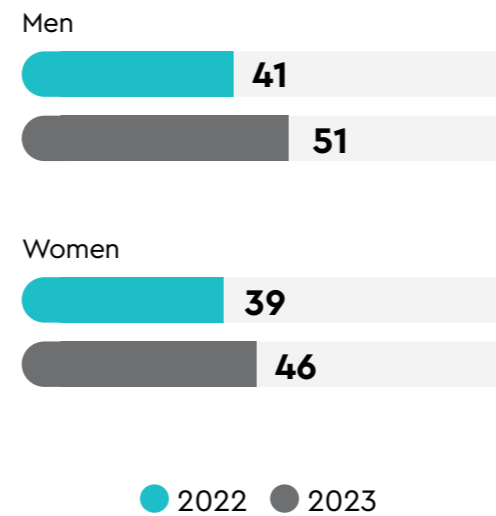
Talent attraction and retention

Talent attraction and retention are crucial for PharOS, as they ensure the Company's ability to attract and retain talented employees, thereby maintaining a competitive edge and enhancing employee satisfaction, finally contributing to the overall organizational success.

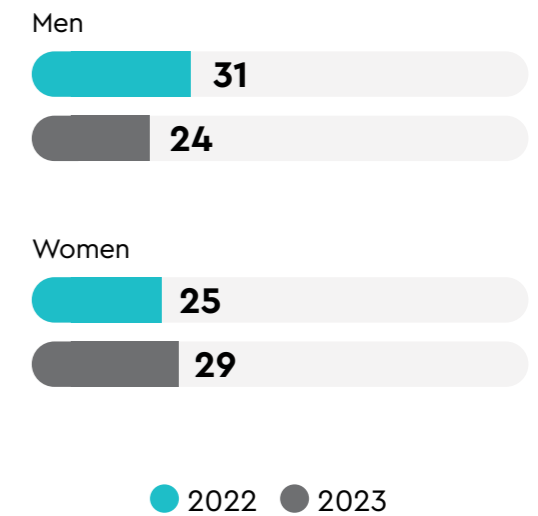
At PharOS, we strive to remain as adaptable, motivated, and responsive to our new employees as we are to our clients. We take pride in being supportive and welcoming to every new employee.



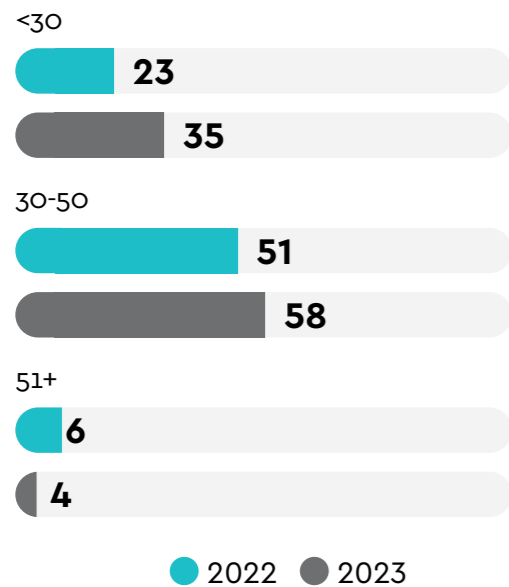
Total Employee Recruitments by Gender



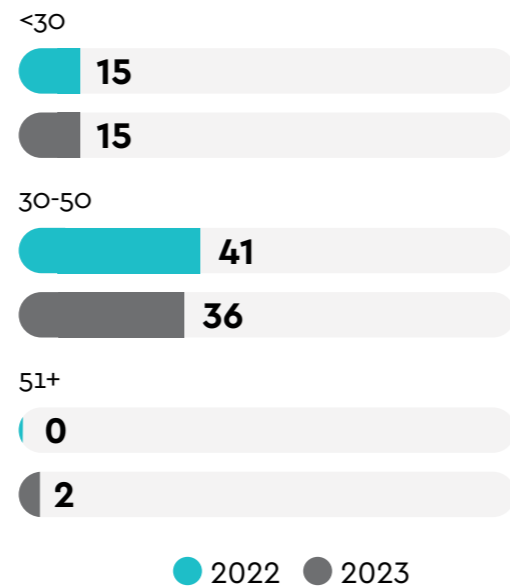
Total Employee Departures by Gender



Total Employee Recruitments by AGE



Total Employee Departures by AGE



Talent acquisition policy

PharOS implements a Talent Acquisition Policy via the respective Talent Acquisition procedure. The recruiting process at PharOS consists of specific steps, from identifying the need to finally hiring the desired applicant.

- » Creating a job description is a vital part of crafting an effective and efficient recruitment strategy, and the collaboration between the Recruiter and the respective Manager is important.
- » Identifying highly qualified potential candidates begins internally. Applying for an internal role within PharOS is a great opportunity for employees, who are interested in either transitioning to a different role or shifting their career focus to a different role, department, or location. If the applicant's skills and overall

profile meet the requirements of the vacancy, an internal recruiting process with an in-person interview will take place.

- » In case the position is not covered internally, the Company proceeds with a job advertisement, using a combination of means (from Social Media platforms to job posting sites) accordingly.
- » The review process is conducted by the Recruiter in collaboration with the respective Manager. According to the position, the process begins with an early (1st cycle) structured interview that focuses on applicants' professionalism and competence (experience, skills, work history) and is followed by a second interview in the presence of the Manager. Additional interviews with the Management Team, Senior Leadership or Executives can be conducted either one-to-one or in groups.

The overall process could vary depending on the level of seniority (Officer or Specialist - Supervisor - Head/Manager - Director). For senior level roles, the Company may conduct a standardized test in the form of a case study that helps in measuring a wide range of variables (ranging from personality traits and problem-solving to reasoning). Final interviews are typically extended to a small pool of top applicants, from whom the Company makes

its final decision. The procedure that applies to each of the below four (4) levels is clearly stated and described in detail within the Policy:

- Officer or Specialist level (including Junior / Senior)
- Supervisor level (including Senior)
- Head / Manager level (including Group)
- Director level (including Associate)



- 1 Identification of the hiring need
- 2 Creation of the job description
- 3 Internal communication of the job opening
- 4 Advertisement of the position externally
- 5 Collection of applications
- 6 Review of applications and screening
- 7 Schedule of the interview
- 8 Selection of the applicant

PharOS' reference program

PharOS' Reference Program is a strategic initiative implemented to encourage employees to recommend qualified candidates for job openings, as well as a powerful tool for the Company to enhance its recruitment strategy. In this way, the Company leverages the networks of existing employees to identify potential hires, by offering important benefits.

At PharOS, we are always looking for people with unique skills, experience, enthusiasm, and passion for their work. These features contribute significantly to PharOS' outstanding market success.



Onboarding process

At PharOS the onboarding process is considered crucial for new hires, as it is the first step towards their familiarization with the Company's corporate culture. It takes place on the first day and, while it is a standardized procedure with typical steps (set-up of workstations, introduction to processes,

agreed benefits, and provision of all necessary resources), it is considered as the best way to welcome new employees, in order to create a well-structured path and pleasant environment that will help them integrate smoothly and settle into their new roles.



PharOS intends to make all new recruits members of its team; this requires that the recruit is provided with:

Orientation with introduction to the work environment, assignments and tutor	GMP induction
EH&S procedures and systems	On-the-job training



Training and development

PharOS takes a holistic approach to human capital management, emphasizing employees' professional development and advancing their soft and hard skills. Attracting the best talent, while retaining and providing opportunities to current employees, is critical to driving employee growth and having a meaningful impact on society at large.

qualified healthcare professionals. Thus, the Company aims to conduct the same type of training for all its regions - Greece, Malta, and Poland.

- » PharOS places emphasis on employee development that leads to top talent attraction, increase of retention, satisfaction, and engagement, while allowing the Company to handcraft future leadership based on specific needs, supporting the creation of a pipeline of qualified professionals.
- » PharOS operates in one of the fastest growing industries and recognizes the importance of

As technology advances and the sector evolves, the need for professionals of specific knowledge and skillset aligning with Pharos' requirements is more crucial than ever. Training is considered one of the best and most engaging ways to succeed in this direction. Training is intended to be conducted in a consistent manner, in order to engage everyone involved through a habitual approach, and to fulfill the Company's needs. PharOS' training sessions have two (2) approaches:

Work-related training

The pharmaceutical sector is constantly changing and has complicated processes - from bringing new drugs to the market, to ensuring their compliance with safety regulations. As such, the knowledge employees are expected to possess is constantly increasing. Concurrently, the Company strives to identify the needs across different geographies and business lines, to provide the right training. Work-related Training is conducted by the Managers of the respective Department and covers both technical and job-specific skills. The Head of each Department in PharOS acts as the initiator of the training process. This person is expected to identify and map the needs of the Department and communicate them to Senior Management, seeking approval for relevant training within a budget projection. The specific training is pre-scheduled, except in cases where specific needs arise.

Soft skills training

This type of training - conducted by the Human Resources Department - covers thematics related to Coaching, Leadership, and People Management. They focus on the development of critical abilities, namely communication, negotiation, teamwork, critical thinking, and problem solving, and are addressed to managerial and senior level positions, where a cognitive-behavioral approach, apart from knowledge and technical skills, is required.

Pharos organizes once per year a Leadership

Training that is addressed to all Managers of the Company, as well as to Middle Management. The Training Program includes, among others, the following:

- » Quality Induction, Site, and EH&S Training
- » cGMP Induction Training
- » Basic Quality Training - Initial and Ongoing
- » Job Role Training - Initial and Ongoing
- » Global Quality Training - Initial and Ongoing
- » Annual Refresher cGMP and EH&S Training

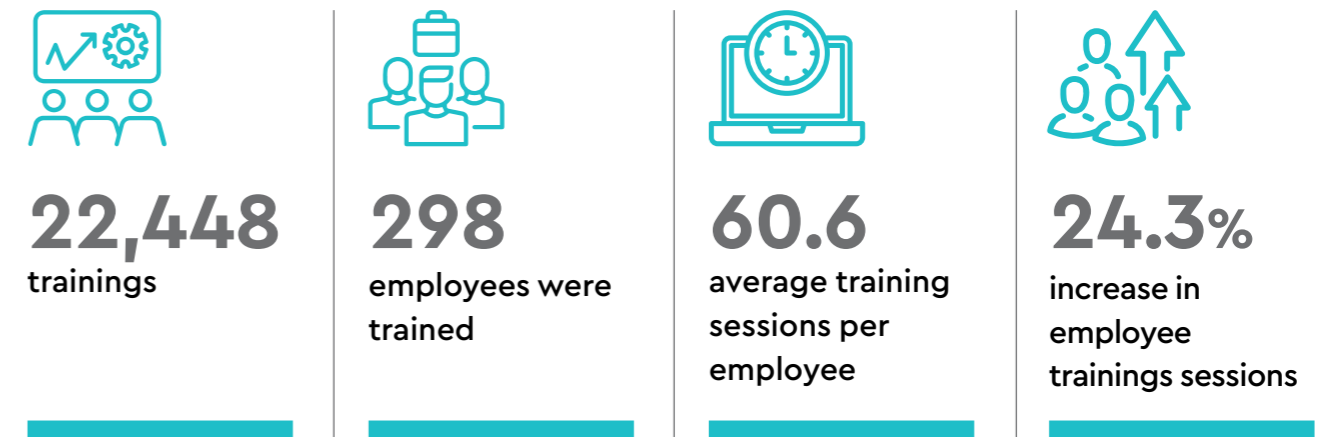
For the region of **Greece**, during 2023, a large number of Training sessions was conducted.



	Internal Training hours	Employees	Internal Training hours / employee
2022	1,586	128	12.4 hrs / employee
2023	4,078	139	30 hrs / employee



For the region of **Malta**, during 2023, a large number of Training sessions was conducted.



	Training sessions	Employees	Training sessions / employee
2022	18,056	225	80.2
2023	22,448	298	60.6

Performance evaluation

Performance Management ensures that the expectations and objectives of employees are clear and reviewed regularly. The review is performed once a year, during which Senior Management sets the strategic goals of the year. For this reason, the Company has developed a Performance Management System that tracks and

evaluates performance in a measurable manner, based on qualitative and quantitative metrics. The result of this Review is inextricably linked to the bonus scheme. All employees, irrespective of their level of seniority, are entitled to receive a bonus, with the bonus opportunity across different levels being the main differentiator.

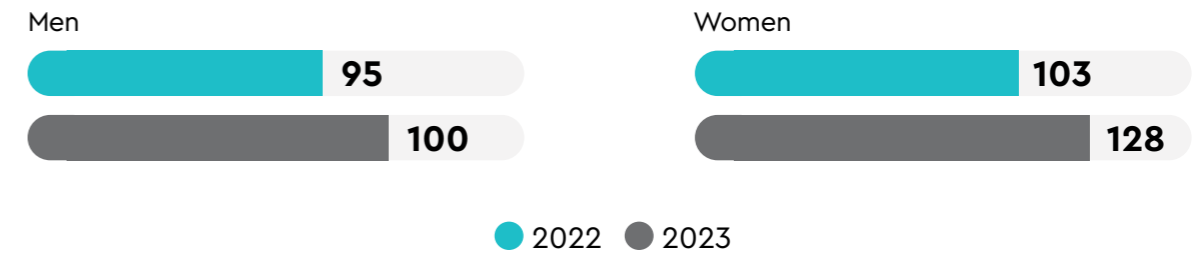


Performance appraisal system

PharOS supports and promotes a targeted approach, focusing on S.M.A.R.T. objectives and competency focus areas, that leads to a better employee experience:

To ensure objectivity and transparency	To ensure a common approach regarding both individual goals and competency focus areas	To foster interactive discussions about performance and experience (holistic annual review)
To foster people motivation and engagement through specific objectives	To align with PharOS corporate strategic goals	To contribute to continuous personal improvement via targeted competency focus areas

Employee Performance Annual Evaluation by Gender



67.2%
of employees were evaluated in 2023



53.8%
of employees evaluated are women

Performance appraisal form

PharOS maintains a Performance Appraisal Form, which constitutes a crucial tool that serves multiple purposes for both the Company and its employees. It provides a consistent framework for evaluating employee performance and helps in aligning employee goals with organizational objectives. Likewise, it clarifies job responsibilities and

performance expectations and equips employees with a roadmap for career development, outlining the skills and achievements required for progression. The Performance Appraisal Form is divided into Corporate Strategic Goals, Individual Objectives, Competency Focus Areas, Employee's Development Goals, and Career Aspirations and Interests.

PharOS' annual merit increase plan

The Plan aims to promote the Company's values and meritocracy and differentiate employees' rewards based on both organizational and individual

performance. The Plan applies to all employees who are eligible to a merit increase every two (2) years, depending on their year-end performance.

PharOS' annual incentive plan (Bonus)

PharOS rewards good performance that adds value to the Company, by compensating its people in a fair manner, based on the job's responsibilities and employee's performance. PharOS has a salary

structure that establishes the value of each job according to the labor law and the market value. The Company maintains an Incentive Plan with the following objectives:



We are committed to fostering the development of our employees at all levels. During our evaluation processes, we thoroughly review salaries across departments and levels against external metrics, industry standards and benchmarks, as we strive to ensure competitiveness and fairness.



100%
of employees paid above the living wage

Employee engagement

PharOS acknowledges that employee engagement is a crucial factor for successful operations. Thus, the Company identifies and tries to enhance its employees' capabilities. The Company fosters employee engagement, as it is inextricably linked to higher satisfaction, employee morale, and higher levels of productivity and performance. To this end, the Company goes beyond what

it is required by law, by extending its offerings, including bonuses and well-being initiatives among others. We offer a range of benefits to enhance the well-being of our people. From flexible work arrangements and professional development opportunities to healthcare programs, we prioritize their needs both inside and outside the workplace.



Health and wellbeing at PharOS

For PharOS, meaningful connections spark engagement, growth, and a greater sense of wellbeing. The element of employees' wellbeing is of utmost importance, as it has been witnessed that it strengthens Company resilience, enhances retention, and promotes work-life balance. The Company highly

values the state of health (mental, emotional, and physical) of its people and strives to positively and actively contribute as a steadfast supporter. The benefits are close to identical for the premises of Greece and Malta, with subtle differences that are subject to the special circumstances of each region.

At PharOS, we are committed to vigorously supporting our people through a wide range of impactful wellness initiatives.



In 2023, several initiatives aiming to reward PharOS' employees and facilitate their everyday working life in meaningful ways took place. Through these initiatives, the Company aims to develop healthier habits and supply body and soul wellness.



Employee Meals Discount

Advantageous meal allowances are provided in order to boost employees' commitment to the Company's culture, engage them, and finally reward them.



Online Fitness Platform

An online fitness platform provides all employees with unlimited access to more than 300 workouts, so that everyone can choose the form of exercise that satisfies them and suits their respective needs.



Workplace Massage

On-site neck and shoulder massage is provided once a month for all employees - an initiative that creates relaxation in the workplace and alleviates stress, burnout, and tension, by delighting them and lifting their mood.



Special Paid Leave

Employees follow a course of studies leading to a recognized academic or professional qualification, which is related either to their position or to the core business of the Company, upon approval by the Management and HR department. Furthermore, employees may be



Employee Psychological Support

Access to specialized mental health counselors can serve as a timeless and supportive tool in managing emotional tension and stress. Employees receive psychological support from a psychologist either via helpline or on-site.



Hybrid Work

The option of remote work is provided to all employees, as a way of establishing boundaries between their work and personal life and enhancing the level of flexibility.



Employee Welfare Program

PharOS provides its employees benefits regarding their physical and mental health, including Free Health-Screening, Medical Surveillance Program, Free Health Insurance Cover Scheme, Health Promotion Initiatives (smoking cessation), and Health and Environment Improvement Initiatives (sports, social activities, clean-ups).

eligible for study leaves as per applicable number of examinations days. The Company has also set in place the Leave Management Guidelines, which are displayed in the HR Services Portal and must be followed by all, regarding matters of paid, as well as unpaid leave.

Parental leaves

During 2023, 15 employees of PharOS took parental leaves, 6 men and 9 women. After the end of parental leave, all employees returned to work and all of them were still employed 12 months after their return.



6.8%
of the employees
entitled, took parental leave



100%
of the employees that
took parental leave, returned

Communication channels

Communication in PharOS is vital, because it is considered as an important resource of engagement. A transparent, two-way, and open communication keeps people motivated and establishes a climate of understanding of PharOS' big picture and joint responsibility towards a common goal. Consequently, communication channels are in place, to provide constructive feedback and celebrate various milestones.

Check-in meetings

The Company fosters an open-door policy and in order to support this, it has established Check-In Meetings. Check-In Meetings are inter-departmental meetings, in the absence of the Head of each department, where the Head of HR Department is always present and takes the lead in the conversation. They are highly structured through a questionnaire, have a clear agenda, and aim to spark a conversation

on the Company's achievements, great moments, and areas of improvement. Support and promotion of equal opportunities and fair treatment are largely present at Check-In Meetings, that are designed on the basis of transparency and whereby employees can submit their answers anonymously - a mechanism that maintains confidentiality and protects their identity.

During 2023, no incidents of discrimination were reported.





Speak-Up

The Speak-Up culture is highly promoted. The Speak-Up Service plays a crucial role for both employees and the Company in fostering transparency, trust, and accountability. It enhances and facilitates communication, finally contributing to a stronger corporate governance framework.

Grievance Procedure

The Company is always close to its people. Should anyone have a problem at work, they can follow the below steps:

1. Bring the matter to the attention of their immediate Supervisor / Manager

2. Their Supervisor / Manager should address the matter and report back to them within a reasonable timeframe

3. In case their Supervisor / Manager fails to deal with the matter reported or in case the matter concerns the Supervisor, they may then raise the matter to the HR / Country Head

Internal operation regulation

The Internal Operation Regulation aims to establish and maintain clear and smooth working relationships between the Company and its personnel. The Internal Operation Regulation applies to all individuals employed by the Company under any form of employment relationship and at any location, complementing all provisions of labor

legislation, as applicable at any given time, and is enforced by the Company's personnel.

The Regulation addresses issues regarding the smooth operation of the Company, such as employee issues and issues regarding compliance with the applicable legislation.

Employee handbook

Employee Handbook for employees in the region of Malta addresses several issues regarding employee rights and obligations such as promotions, health and safety, working hours, and remote work.



Awards and recognitions

PharOS has been certified as a Great Place to Work® for two consecutive years. A great workplace is characterized by trust, pride in work, collaboration, and a consistent atmosphere. This achievement is a testament to the positive employee experience and the strong workplace culture the Company continually strives to maintain. The Great

Place to Work Certification is an international recognition that validates the Company's ongoing commitment to fostering a great environment for its people. With 91% of PharOS employees participating in the survey, it truly reflects the collective dedication to creating a positive workplace.

PharOS has achieved an impressive score of 84% in the Great Place to Work® survey results.





HEALTH AND SAFETY

PharOS upholds rigorous safety protocols, striving to create a secure environment, while advancing the health of its workforce and all stakeholders. The Company prioritizes a culture of health and safety, ensuring the highest standards in protecting both its employees and the communities it serves.

Our Contribution to the UN Sustainable Development Goals



04

Our approach

The workplace where PharOS operates faces many challenges - from manufacturing considerations to pharmaceutical safety standards; thus, it is important for the Company to safeguard and maintain health and safety in the highest standards. Upholding health and safety is crucial for the Company's productivity

and consequently for its longevity. In PharOS, our workplace is considered our second home and the Company takes health and safety seriously, in order to be able to ensure that all people - employees, visitors, contractors - will operate within a safe and healthy working environment.

Our employees are at the center of our operations and business activities. Their health and safety are our top priority.



The Company places special emphasis in cultivating a strong health and safety culture - a goal that is being achieved through the revamping and updating of the existing H&S Policies and Procedures. The Company integrates such considerations into business planning, operations, and decision-making processes. Ensuring health and safety does not only constitute an ethically and legally responsible

behavior, but also makes good business sense by fostering a productive, engaged workforce and protecting the long-term success. The Company seeks continuous improvement in all supporting Processes and Procedures in the sector of Health and Safety. Through continuous improvement, evolving challenges are met, while making the existing processes more effective and efficient.

We aim to create a SAFE and HEALTHY place to work. Our work environment is more than a place to work; it is our second home.



In PharOS Health and Safety matters



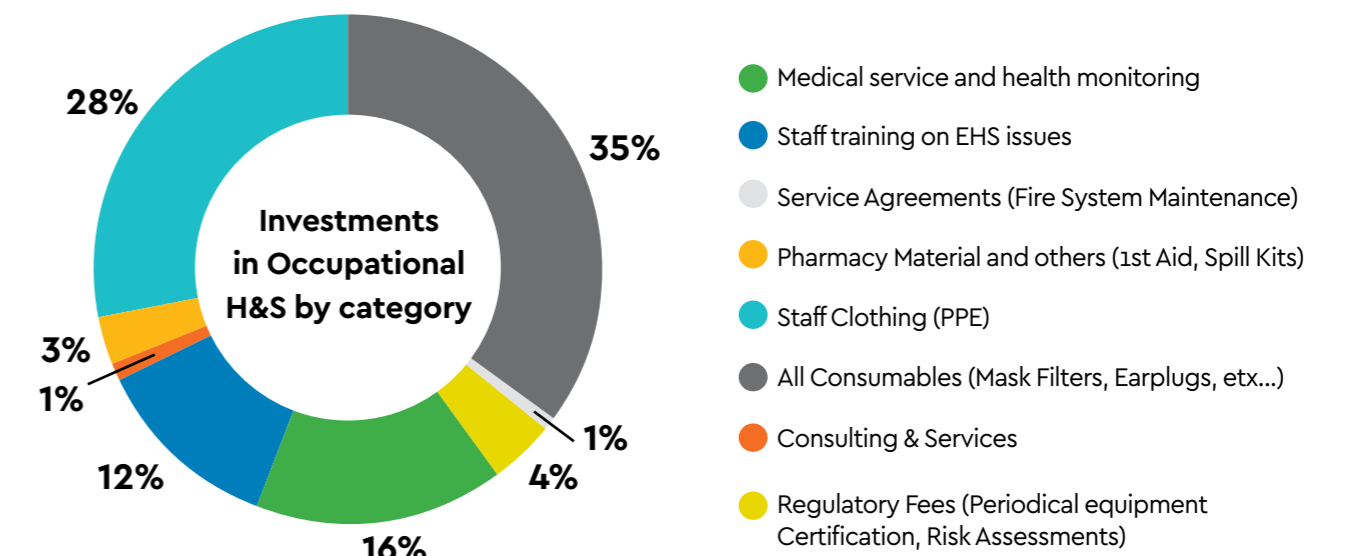
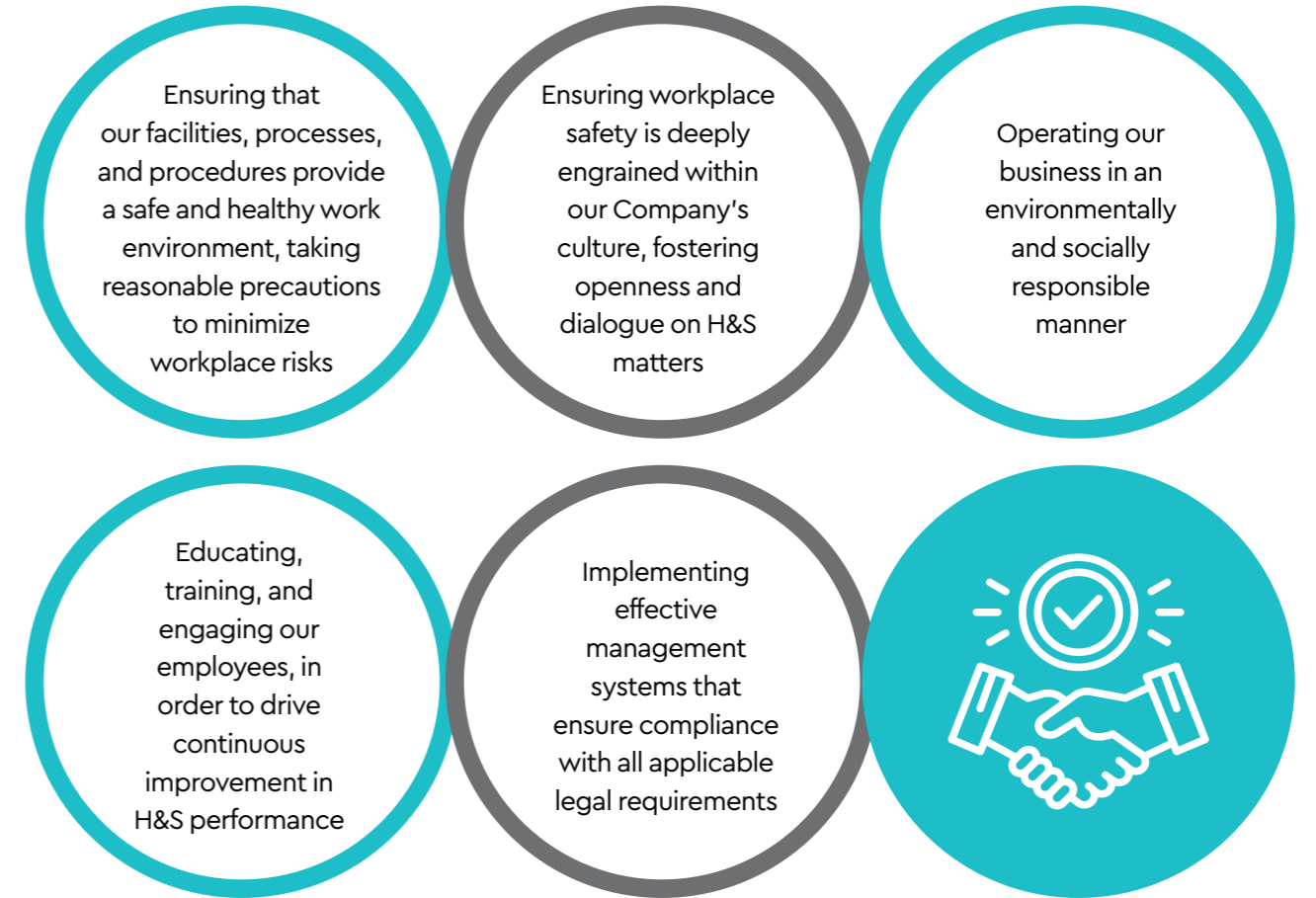
ZERO
incidents



80 hours
of Doctor's visits

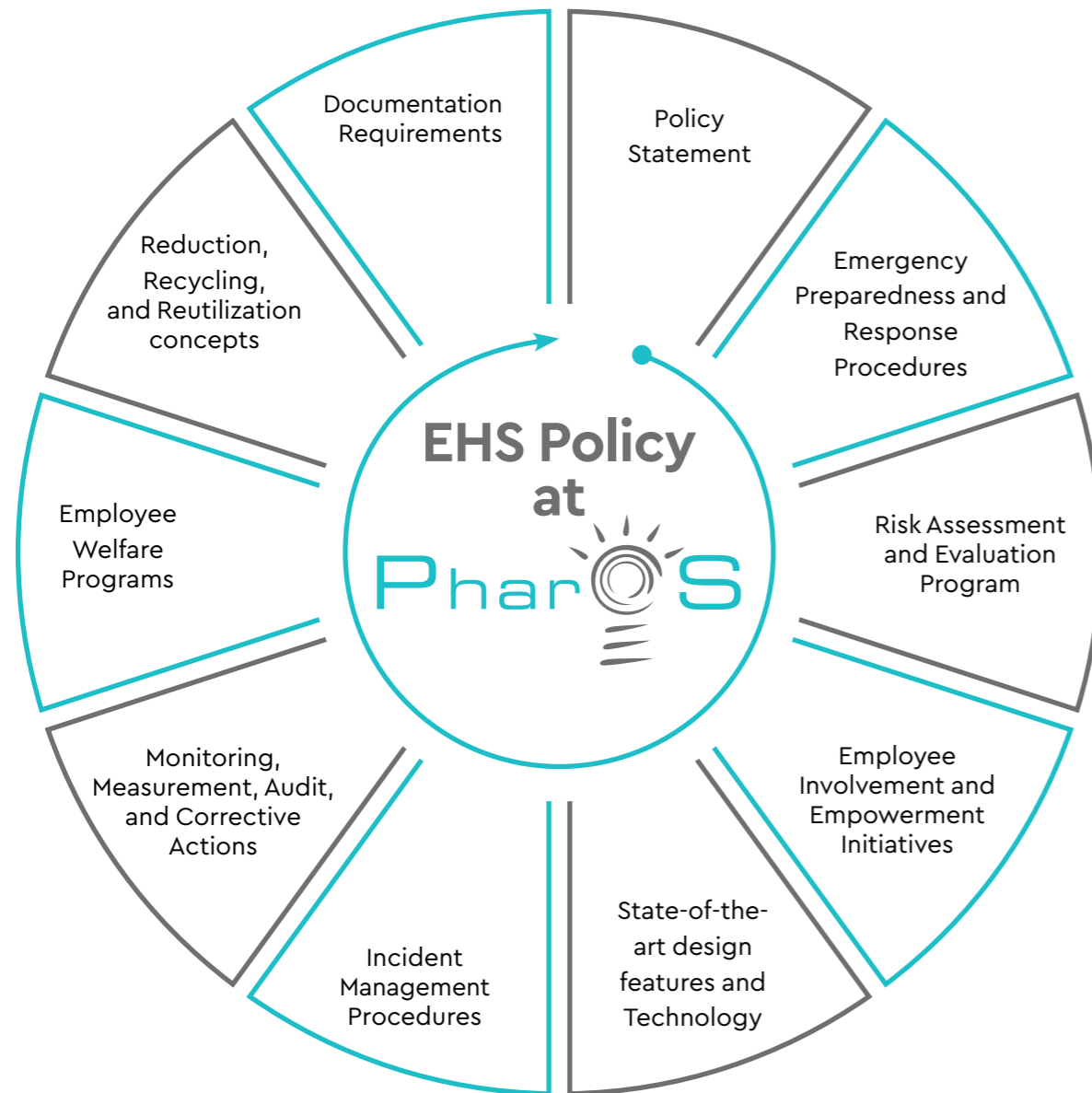
36%
increase at PharOS Investments
in Occupational H&S
in comparison with 2022

At PharOS we are committed to:



Health and safety policy

At PharOS, the H&S Policy describes the overall direction of the Company in regard to H&S matters and how it is implemented across all departments and divisions. The key features include:



Employees' duties and responsibilities under the H&S Policy include, but are not limited to:

- » Understanding and following PharOS' safety rules
- » Attending and participating in safety trainings
- » Following procedures during emergency drills and events
- » Reporting unsafe conditions, unsafe actions, and safety incidents to departments' supervisors and managers
- » Ensuring proper use, care, and maintenance of safety and personal protective equipment
- » Controlling the use of resources and waste generation

Health and safety committee

At PharOS, we foster open communication across all departments and levels, placing transparency and employee engagement at the top of our agenda.



PharOS has established the "Environment, Health and Safety Committee".

It meets once every three months

It aims to provide a mechanism of bottom-up communication and it constitutes a "forum of discussion"

Emerging issues are discussed between Top Management and employees of all departments (Manufacturing, Logistics, Quality, Quality Control, Pharma Tech, Engineering, Administration), who are represented through their department's H&S Representative

Employees manage to work together and solve problems related to H&S, with the Representative being responsible for advocating them and forwarding their concerns and suggestions to the Committee



H&S Committee Inputs:

- Good observations
- Near Misses
- Incidents
- Audits



H&S Committee Outputs:

- Corrective Actions
- Preventive Actions

Fostering openness and effective communication throughout all levels of the Company undoubtedly leads to several benefits, including improved performance, employee satisfaction, and organizational resilience.

Supporting policies and procedures

PharOS strives to create an environment that provides all necessary resources to its people and promotes their safety in the workplace. Through its Policies and Procedures, it provides a roadmap, ensures compliance, and gives guidance, streamlining the respective internal processes that need to be followed by everyone involved, in case of health and safety matters.

- » Lock Out / Tag Out Procedure, applying to all employees involved in the installation, cleaning or maintenance of manufacturing or facilities equipment
- » Work in Confined Space, outlining the health and safety procedures for work in a confined space
- » Line Breaking Permits, outlining the health and safety procedures for work that needs line breaking
- » Site Management and Contractors and Visitors, outlining the system in place for the management

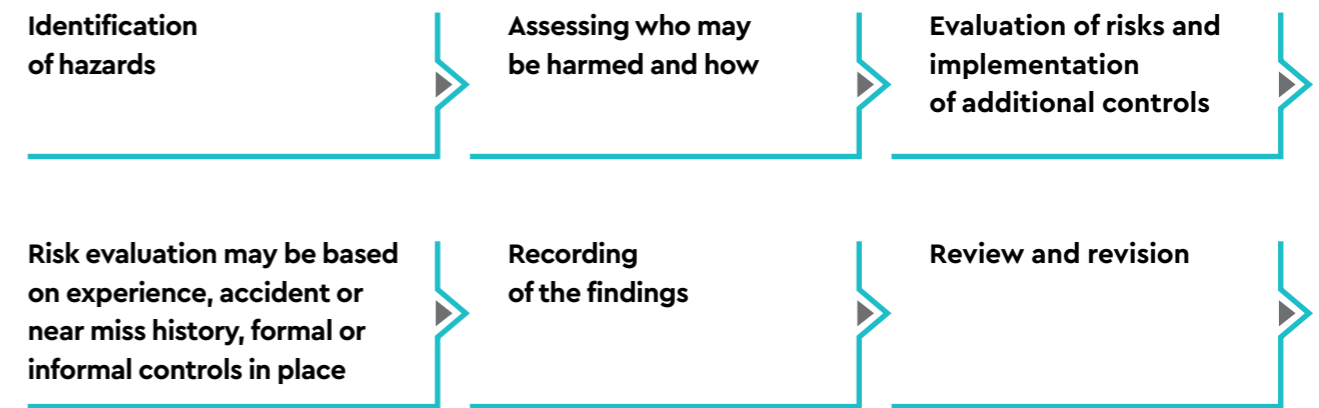
of contractors and visitors on-site

- » H&S Management System for External Personnel, establishing the management system for external personnel on-site
- » Expectant Mother, defining the notification and assessment of occupational risks for the employee
- » Health Screening, defining the health screening performed on employees, prior to and during the employment
- » Protective Equipment, regulating the issue and use of personal protective equipment
- » H&S Equipment, describing the use of the equipment
- » Internal Emergency Plan, describing the steps to be followed in the event of an emergency
- » Incident Reporting and Investigation, providing requirements on incident reporting and investigation



Safety risk assessment and evaluation

The Company identifies and manages the risks associated with its activities through an ongoing identification of hazards, assessment of risks, and implementation of necessary control measures in order to prevent occupational injuries, illnesses, and environmental incidents. The Risk Assessment consists of six (6) steps:



Risk Assessment takes the form of:



Assessments are reviewed periodically, depending on the level of risk - as a result of incidents or significant changes to the facilities / processes. Improvement actions identified during risk assessment processes are tracked until effective completion. Monitoring, measurement, audit, and corrective actions are key steps that drive improvement. The Company sets H&S objectives and plans and tracks them to ensure goals are met. Monitoring and measurement actions are

periodically reviewed at Management level. Audits are under the responsibility of the Departments' Heads, who routinely monitor their respective Department's activities. Compliance is assessed through audits, internal inspections, and feedback. Corrective and preventive actions resulting from assessments, observations, continuous improvement initiatives incidents, and audits are prioritized accordingly and tracked electronically to completion.



Emergency preparedness and response

The emergency response teams are comprised of employees who are trained in the areas of:

- » First aid and medical emergencies
- » Evacuation response
- » Basic firefighting
- » Spill containment and clean-up
- » General emergency response

The Company has set in place specific rules that should be followed by all in order to ensure a healthy and safe workplace.

- » Minimum Requirements - PPE, regarding equipment
- » Personal Protective Equipment - both minimum requirements PPE and additional measures - in the facilities of Laboratory, Warehouse, Production, and Engineering
- » Basic H&S Rules, regarding clothing and actions prohibited
- » H&S Rules on Safety Machinery
- » Warehouse safety tips

Employee health and safety awareness

The Company conducts H&S training sessions on a regular basis. Everyone who works at PharOS - from employees to contractors - needs to know how to work safely. Through the training approach, the Company fosters a culture of safety, minimizes occupational hazards, and mitigates the possibility of work-related injuries.

We provide specific training to our employees on management of foreseeable emergencies in order to reduce the impact on personnel, the environment, surrounding communities, and the business, in the event that they do occur.



In 2023, PharOS achieved the following regarding H&S training approach:



The Health and Safety approach consists of an educational process that imparts knowledge and awareness, enabling everyone to effectively protect themselves from hazards. Everyone involved - from Senior Management and executives to first-line employees and contractors - undergo vital training sessions. H&S Training is performed by the H&S Department and is divided into three (3) levels:



Self-Training:

The Training is appropriate for low-risk situations, where the task is not very complex or where the potential impact to the product or customer is minimal. No specific assessment is performed to test the transfer of knowledge.

Demonstration Training:

The Training is appropriate for medium-risk situations, where it is more critical to ensure that the employee is given a step-by-step demonstration of the process.

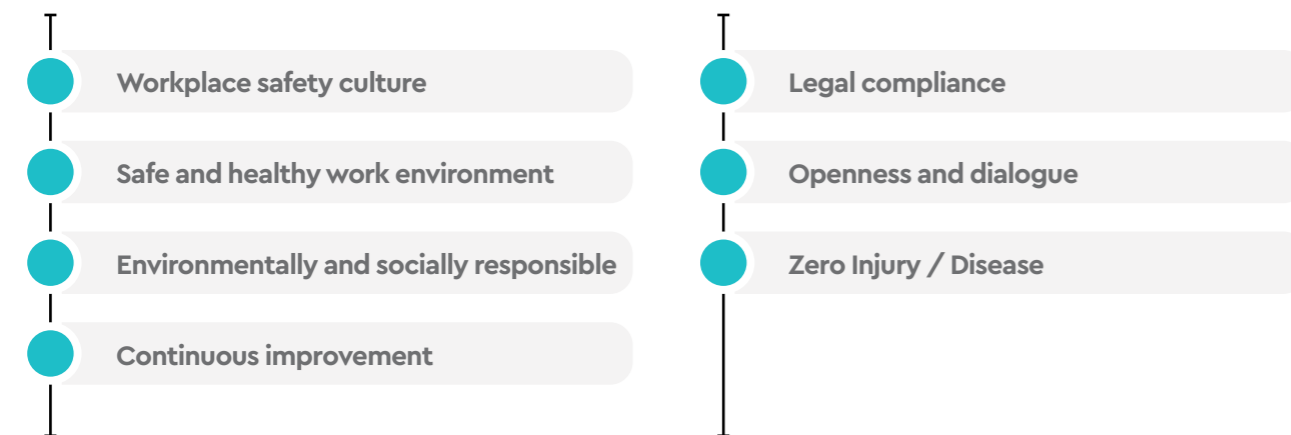
Qualification Training:

The Training is appropriate for high-risk situations, where it is crucial that the employee is fully competent to perform the task independently

and accurately. The trainee must be able to demonstrate the skills and knowledge required to perform the task on their own without the aid of the trainer.

New hires are entitled to receive PharOS' Training programs during their induction process, in order for them to have their first contact with the Company's culture and to be familiarized with corporate processes regarding Health and Safety compliance. The Training is followed by the appropriate Assessment / Questionnaire in order to validate the transfer of knowledge.

The content of the Training sessions is varied and covers the following critical aspects of Health and Safety:



Health and safety indicators

According to PharOS, incident reporting is of utmost importance and all incidents should be reported. First and foremost, it provides data that can be used to share best practices. Furthermore, a culture of improvement is facilitated through a two-way communication with everyone involved.

Health and safety indicators *

	2022			2023		
	Men	Women	Total	Men	Women	Total
Total man-hours worked	173,739	86,717	260,456	247,933.57	119,591.14	367,525
Total number of lost days due to an injury or an accident	5	0	5	0	3	3
Number of serious employee accidents	0	0	0	0	0	0
Rate of high-consequence work-related injuries	0	0	0	0	0	0
Number of all recorded injuries related to employees	1	0	1	0	1	1
Rate of recordable work-related injuries	5.8	0	3.8	0	8.4	2.7
Lost Time Injury Frequency Rate (LTIFR)	5.8	0	3.8	0	8.4	2.7
Employee Absenteeism Rate (AR) (%)	2.97	2.92	2.96	2.25	2.01	2.17
Number of employee fatalities	0	0	0	0	0	0

* Rate of high-consequence work-related injuries: (Number of serious employee accidents / number of hours worked) x 10⁶
 Rate of recordable work-related injuries: (Number of all recorded injuries related to employees / number of hours worked) x 10⁶
 Lost Time Injury Frequency Rate (LTIFR): (Number of Lost Time Incidents (LTI) / manhours worked) x 10⁶
 Absenteeism Rate (AR): (Number of days of absence from work due to any inability other than accidents and illness / mandays (%))



ENVIRONMENTAL PROTECTION

Our commitment to environmental protection is focused on optimizing resource utilization, minimizing waste generation, and mitigating our carbon emissions.

Our Contribution to the UN Sustainable Development Goals



05

Our approach

At PharOS, we embrace an integrated approach to environmental protection, placing a strong emphasis on sustainability throughout all aspects of our operations. Our dedication to the environment focuses on optimizing resource utilization, minimizing waste generation, and mitigating our carbon emissions. Acknowledging the inherent challenges in recycling and reusing materials within our manufacturing processes, particularly due to stringent quality requirements set by our clients

and industry standards, we prioritize strategies aimed at reduction and substitution. This entails implementing streamlined analytical testing protocols and transitioning towards the use of less hazardous chemicals. Our unwavering commitment to continual improvement is stimulated by our efforts to educate, train, and actively engage our employees in promoting environmental culture, thereby ensuring their profound contribution to our green initiatives.

Environmental management system



PharOS has instituted a comprehensive environmental management system, aimed at guaranteeing compliance with all relevant legal obligations and fostering continual enhancement in environmental performance. This system integrates robust management protocols and cutting-edge technologies to monitor and regulate emissions, discharges, and waste. Through the implementation of efficient management systems, the Company optimizes natural resource utilization, diminishes waste output, and bolsters resource recovery processes. Regular audits and evaluations are conducted to ensure compliance with regulations, identifying

areas of improvement and upholding transparency via open communication and consistent reporting on environmental initiatives and accomplishments.

The management system extends to external stakeholders, ensuring strict adherence to our thorough environmental standards by all individuals engaged in our operations. Senior management remains consistently committed to providing the requisite resources and backing the realization of the Company's environmental objectives, exemplifying thus our steadfast dedication to sustainability and environmental stewardship.



ENVIRONMENTAL POLICY

Our Environmental Policy is meticulously crafted to mitigate the environmental impact of our operations, while ensuring complete adherence to all relevant legal mandates. Key components of our Policy include optimizing the use of natural resources, minimizing waste generation, and improving resource recovery processes. While acknowledging the constraints on recycling and re-utilization within our manufacturing process due to the operational nature and client-driven quality standards, our focus remains on reduction and substitution efforts. This encompasses adopting efficient analytical testing procedures and transitioning to less harmful chemicals.

We actively engage with our suppliers and subcontractors to identify opportunities for incorporating recycled materials and repurposing waste materials without compromising production or product quality. Pollution prevention takes precedence through extremely strict management practices and cutting-edge technologies, with continuous monitoring and management of emissions, discharges, and waste, to mitigate environmental impact.

Our Policy is anchored in our commitment to continuous improvement, with regular establishment and assessment of environmental objectives and targets. Transparency forms the core of our approach, ensuring open communication and regular reporting on our environmental endeavors and accomplishments. Senior management provides the essential resources and support, while all employees bear responsibility for implementing our Environmental Policy. Through periodic audits and evaluations, we ensure compliance and pinpoint opportunities for further environmental guardianship and sustainability.

Waste management

PharOS remains steadfast in its commitment to environmental protection and conservation by upholding rigorous waste disposal standards. Through responsible waste management practices, we strive to mitigate environmental impact, preserve natural resources, and safeguard the well-being of our communities for generations to come.

Separation of General Waste

At PharOS, we take meticulous care in the separation of waste to ensure optimal resource utilization and reduce environmental impact. Each department is tasked with monitoring its waste streams and promptly separating materials that can be recycled. Dedicated units are assigned within the premises for the orderly segregation and disposal of waste, with strategically positioned skips or boxes

facilitating efficient collection. It is imperative to maintain both the waste area and the waste itself in a clean state, to prevent the harboring of dirt or pests that could compromise product integrity or the staff's well-being. Additionally, any items or materials identified for reuse or recycling are prioritized for sale or donation, promoting sustainability and minimizing landfill contributions.

Checking of General Waste

At PharOS, our warehouse operators play a vital role in ensuring the proper management of waste through regular checks and arrangements for disposal. They meticulously track and log waste generation and disposal, verifying that departments adhere to proper waste separation practices. Waste is carefully

labeled and packed to facilitate efficient handling and disposal. To prevent misuse of the system, operators diligently monitor waste handling activities and report any discrepancies. By upholding strict waste management standards, we uphold our commitment to sustainability practices.

Disposal of Goods

Once waste has been properly segregated and collected, PharOS ensures its responsible disposal, through coordinated efforts with authorized waste contractors. The Warehouse Coordinator or delegate contacts the appropriate waste contractor for disposal, adhering to regulatory requirements and environmental policies. Special attention is given to swiftly disposing of perishable waste,

which can lead to attracting pests. Individuals collecting waste for reuse are required to obtain authorization from management and security, with all waste materials meticulously inventoried and documented. Compliance with regulatory requirements is upheld through the maintenance of detailed records of hazardous waste transfers, ensuring transparency and accountability in our waste disposal processes.

Solid and liquid waste management procedures

Waste minimization

At PharOS waste minimization isn't just a goal; it's a fundamental aspect of our operational ethos. We recognize that preventing waste output is not only environmentally responsible, but also essential for ensuring the safety of our employees and optimizing our resource utilization. In our laboratories, every employee plays a crucial role in reducing waste by carefully planning and preparing only the necessary amount of reagents. Through meticulous attention to detail and adherence to best practices, such as avoiding the accumulation of in-use reagents and prioritizing the use of open containers, we strive

to reduce our environmental footprint while also reducing costs associated with waste transport and disposal. We prioritize proper labeling, sorting, and categorization of waste to ensure accurate disposal and prevent accidents. It is the responsibility of all laboratory personnel to inform superiors immediately if they have disposed of any waste in the wrong container, so that necessary precautions can be taken. By instilling a culture of waste control across all levels of our organization, PharOS remains committed to promoting sustainable practices and safeguarding both the environment and our bottom line.

Segregation and disposal of liquid waste

In our laboratories the classification and disposal of liquid waste are controlled by stringent protocols designed to ensure both safety and environmental compliance. Liquid waste is carefully segregated into different waste streams based on hazard and compatibility, with waste mixtures categorized according to predetermined priorities and major components. To aid in this process, an electronic log of waste stream determinations is maintained, providing analysts with valuable information to identify appropriate disposal categories. Consultation with team leaders or environmental health and safety (EH&S) personnel is also available.

Solid waste management

Solid waste control is an integral part of PharOS' commitment to sustainability and responsible corporate citizenship. Our waste mitigation efforts extend beyond liquid waste to encompass all facets of our operation, encouraging our employees to reduce waste generation through careful planning and efficient resource utilization. Proper segregation of solid waste is paramount, with hazardous materials identified and managed according to strict protocols, to prevent environmental contamination. Special attention is given to the compatibility of chemicals to avoid

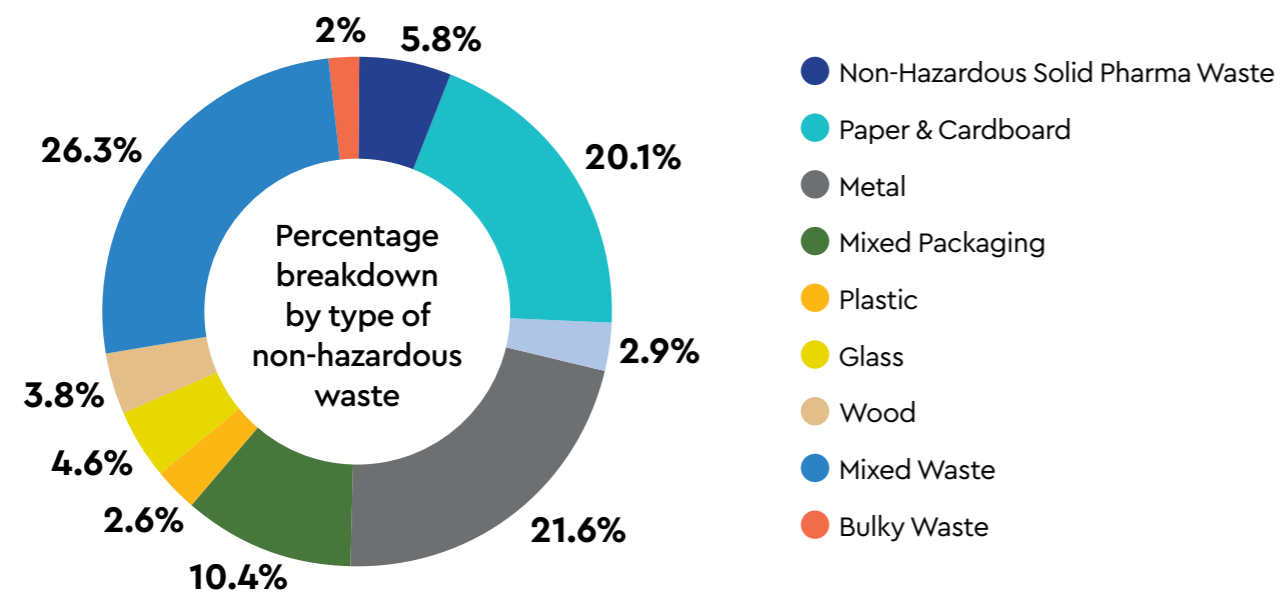
hazardous reactions during disposal; all laboratory personnel have the responsibility to inform superiors immediately if they have disposed of any waste in the wrong container, so that any necessary precautions can be taken. We prioritize safety in all waste management procedures, ensuring that only trained personnel handle hazardous materials, and management processes are conducted in controlled environments. By implementing robust solid waste management practices, PharOS upholds its commitment to environmental and corporate social responsibility.

Measuring our environmental performance

Encapsulated within the tables below are detailed metrics which illuminate the scale and nature of waste production within the Company's operations, distinguishing between hazardous and non-hazardous waste streams.

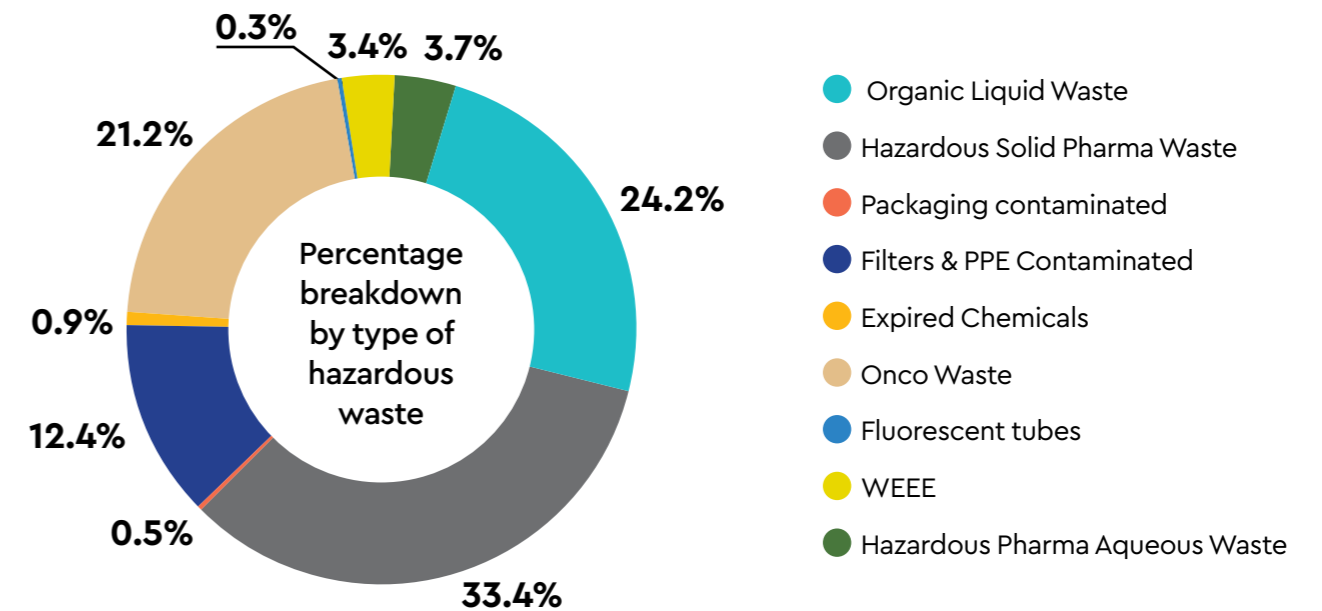
Non-Hazardous Waste (tn)	2022	2023
Non-Hazardous Solid Pharma Waste	0.00	5.04
Paper & Cardboard	9.07	17.28
Plastic	2.25	4.75
Metal	5.00	18.62
Mixed Packaging	20.94	8.94
Glass	2.60	3.96
Wood	0.00	3.26
Mixed Waste	14.16	22.65
Bulky Waste	1.22	1.67
Total weight of non-hazardous waste (tn)	55.23	86.17

*Non-hazardous waste is collected by authorized companies. Recycling is performed whenever possible.



Hazardous Waste (tn)	2022	2023
Other Acids Waste	2.61	0.00
Hazardous Pharma Aqueous Waste	2.38	2.17
Halogenated Liquid Waste	0.00	0.00
Organic Liquid Waste	9.29	14.40
Hazardous Solid Pharma Waste	7.24	19.91
Packaging Contaminated	0.00	0.32
Filters & PPE Contaminated	3.21	7.41
Expired Chemicals	0.48	0.52
Clinical Waste	0.00	0.00
Onco Waste	7.90	12.62
Fluorescent Tubes	0.00	0.16
Batteries	0.01	0.02
WEEE	0.00	2.00
Total weight of non-hazardous waste (tn)	33.13	59.53

*Hazardous waste is collected by authorized companies. Recycling is performed whenever possible.



Energy management

At PharOS, we prioritize energy efficiency as a cornerstone of our environmental sustainability efforts. Recognizing the critical role that energy management plays in reducing our overall carbon footprint, we meticulously track and analyze energy consumption across all our facilities. Our commitment to energy performance is exemplified by our rigorous data collection practices, which encompass all buildings within our operational portfolio. This systematic approach enables us to identify areas for improvement and implement effective energy-saving measures.

Our facility in Malta recently underwent a comprehensive energy performance audit, conducted by accredited experts. This audit assessed various aspects of our energy usage, from lighting and HVAC systems to machinery and process efficiency. The audit affirmed our adherence to high energy performance standards and highlighted our proactive steps towards continuous improvement in this area. Our energy management

strategy includes upgrading to energy-efficient technologies, optimizing operational processes, and fostering an organizational culture that values energy conservation. For instance, we have invested in advanced energy monitoring systems which provide real-time insights into energy use, allowing us to swiftly address inefficiencies. Furthermore, we engage our employees through regular training and awareness programs, emphasizing the importance of energy efficiency and encouraging them to contribute to our sustainability goals. By integrating these practices, we not only enhance our energy performance, but also reinforce our commitment to sustainable development.

Pharos remains dedicated to maintaining and exceeding regulatory energy performance standards, continually seeking innovative solutions to reduce energy consumption and environmental impact. Our efforts in Malta serve as a benchmark for our other facilities, guiding us towards a more eco-conscious and energy-efficient future.

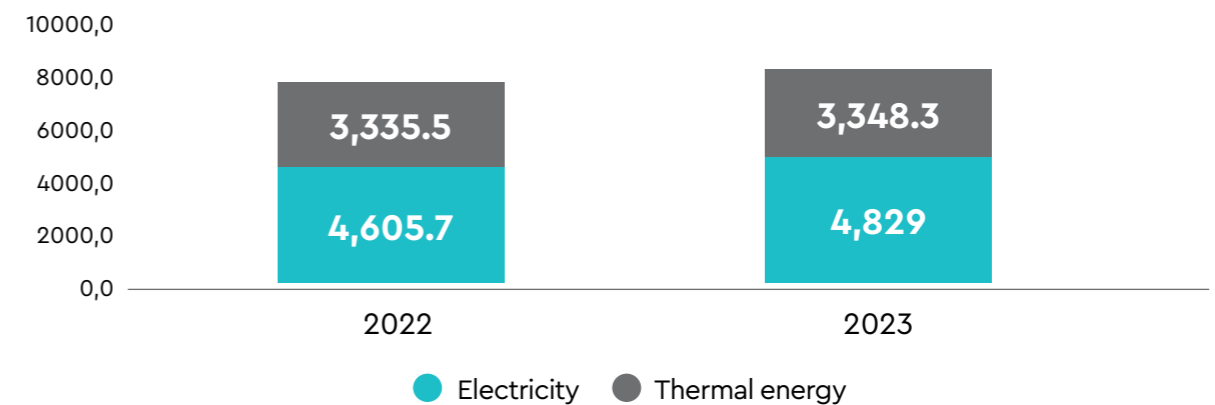
	2022	2023
Electricity (MWh)	4,605.7	4,829
Thermal Energy (MWh)	3,335.5	3,348.3
Thermal Energy (mobile combustion) (MWh)	4	41
Total energy consumption (MWh)	7,945.2	8,181.4
Energy intensity (MWh/m²)	197.38	203.25
Energy intensity (kWh/1000pcs)	97.3	41

* For the energy calculation at the production plant in Malta, 1 kVAh is considered equivalent to 0.8 kWh, while the conversion of fuels to MWh was based on the factors provided by the Greek Ministry of the Environment and Energy



It is worth noting that the energy consumed from the grid at our facilities in Malta included 9.72% from renewable energy sources (450.4 MWh), according to Enemalta. Similarly, the energy consumed from the grid at our facilities in Greece was composed of 42.31% renewable energy (82.6 MWh), according to DAPEEP.

Total energy consumption (MWh)



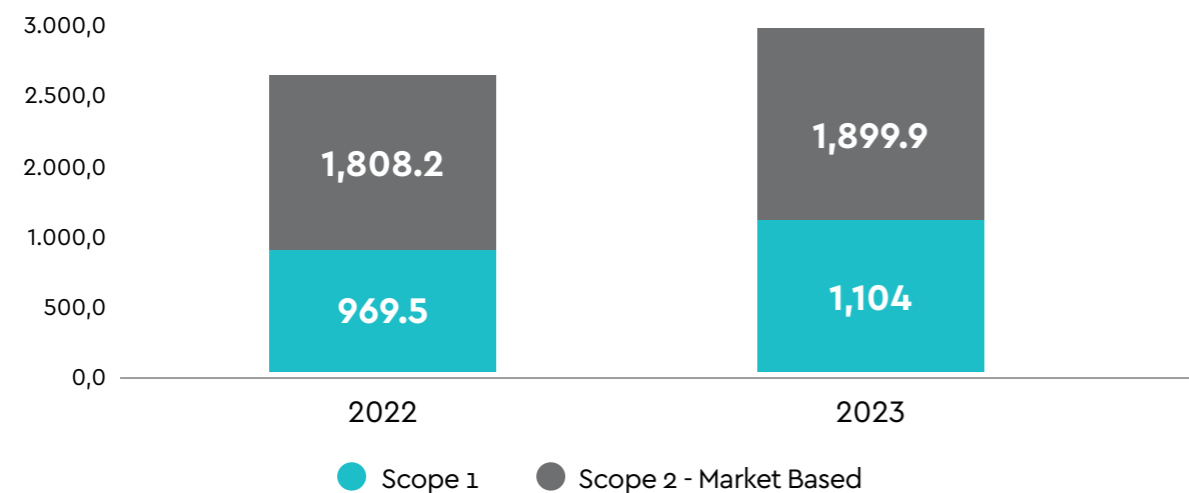
Carbon footprint

PharOS is deeply committed to reducing its carbon footprint as part of its broader environmental sustainability strategy. We actively measure and monitor direct (Scope 1) and indirect (Scope 2) greenhouse gas emissions, identifying key sources and implementing targeted reduction initiatives.

Our approach includes optimizing energy usage, enhancing process efficiency, and transitioning to renewable energy sources wherever possible. Through these concerted efforts, PharOS aims to minimize its environmental impact and contribute positively to combatting climate change on a global scale.

Emissions (tn CO ₂ eq)	2022	2023
Scope 1	969.5	1,104
Scope 2 – Location Based	1,886.1	1,989.1
Scope 2 – Market Based	1,808.2	1,899.9
Total GHG emissions – Location Based (Scope 1+2)	2,855.6	3,093.14
Total GHG emissions – Market Based (Scope 1+2)	2,777.6	3,003.9
Emissions intensity – Location Based (kgCO₂eq/m²)	70.9	76.8
Emissions intensity – Market Based (kgCO₂eq/m²)	69	74.6
Emissions intensity – Location Based (kgCO₂eq/1000 pcs)	35	15.5
Emissions intensity – Market Based (kgCO₂eq/1000 pcs)	34	15.1

GHG Emissions (tnCO₂eq)



For the plant in Malta, direct emissions (Scope 1) were calculated in accordance with the GHG Protocol (Stationary Combustion Tool and Transport Tool). In Malta, Scope 2 location-based emissions were calculated using the AIB residual mix emission factors and market-based emissions were calculated using the conversion factors provided by the [country's energy provider](#). For the offices in Greece, indirect location-based emissions were calculated using the residual energy mix of the country, while market-based emissions were calculated using the chosen energy provider's energy mix provided by [DAPEEP](#) and the CH₄ and N₂O emissions provided by the Greek Ministry of the Environment and Energy.

Water management

PharOS meticulously tracks and manages water consumption across all operational sites to promote sustainability and resource conservation. Our robust monitoring system captures detailed data on water usage, facilitating the identification of trends and the implementation of targeted reduction strategies. Through the adoption of advanced technologies and best practices, we continuously strive to minimize wastage and optimize the efficiency of our water utilization.

is released, it undergoes thorough treatment to meet firm quality standards, ensuring compliance with environmental regulations and safeguarding local ecosystems. Our discharge management protocols include regular quality assessments and adherence to regulatory requirements, ensuring responsible green practices throughout our operations.

In tandem with its consumption management efforts, PharOS rigorously regulates water discharge to mitigate environmental impact. Before any water

By maintaining a balance between efficient water use and effective discharge management, PharOS remains committed to lowering its ecological footprint while upholding sustainable business practices.

	2022	2023
Water bought from water supply networks (m ³)	14,390.2	15,083.2
Water intensity (m ³ /m ²)	0.36	0.37
Water intensity (m ³ /1000pcs)	0.18	0.08

Water bought from the water supply network(m³)



*Although there isn't a meter measuring the discharge, it's safe to approximate that the water usage matches the water discharged, since the product retains negligible amounts of water during the process.



CORPORATE GOVERNANCE

At PharOS, we are driven by the principles of integrity and transparency, and a substantial part of our Company's accomplishments is attributable to the emphasis given on the ethical approach regarding our business dealings and internal policies.

Our Contribution to the UN Sustainable Development Goals



06

Our approach

Corporate governance defines the Company's relationships with its shareholders, Management Team, Board of Directors, and all critical stakeholders. Furthermore, it influences how the Company sets objectives, monitors and assesses risks, as well as how it optimizes its internal performance system.

As organizations navigate an increasingly complex global landscape, governance plays a critical role in ensuring that business decisions align with regulatory requirements, stakeholders' interests and expectations, as well as commitments to sustainability. Strong corporate governance is the backbone of responsible and sustainable business practices, establishing the structures, policies, and ethical guidelines that drive transparency, accountability, and long-term value creation.

At the center of PharOS' governance framework is a commitment to regulatory compliance and ethical leadership, while also integrating Environmental, Social, and Governance (ESG) considerations into its strategic direction and decision-making process.

By fostering a culture of integrity, PharOS ensures that corporate decisions reflect its commitment to sustainable growth and stakeholders' trust, with transparency and accountability as key components of this approach. As such, the Company continuously strengthens its oversight mechanisms, internal controls, and reporting practices to ensure clear communication with all stakeholder groups, while promoting ethical business conduct and responsible corporate citizenship.

Additionally, through strong governance, PharOS upholds high standards of corporate responsibility and ensures that it operates with diligence and a commitment to sustainable progress. This commitment enhances the Company's ability to navigate challenges, mitigate risks, and foster trust with its stakeholders, while continuously advancing toward a future defined by ethical leadership and sustainable growth. With a focus on continuous improvement and collaboration, PharOS is dedicated to strengthening its governance practices and contributing to a more inclusive, resilient, and ethically responsible world.

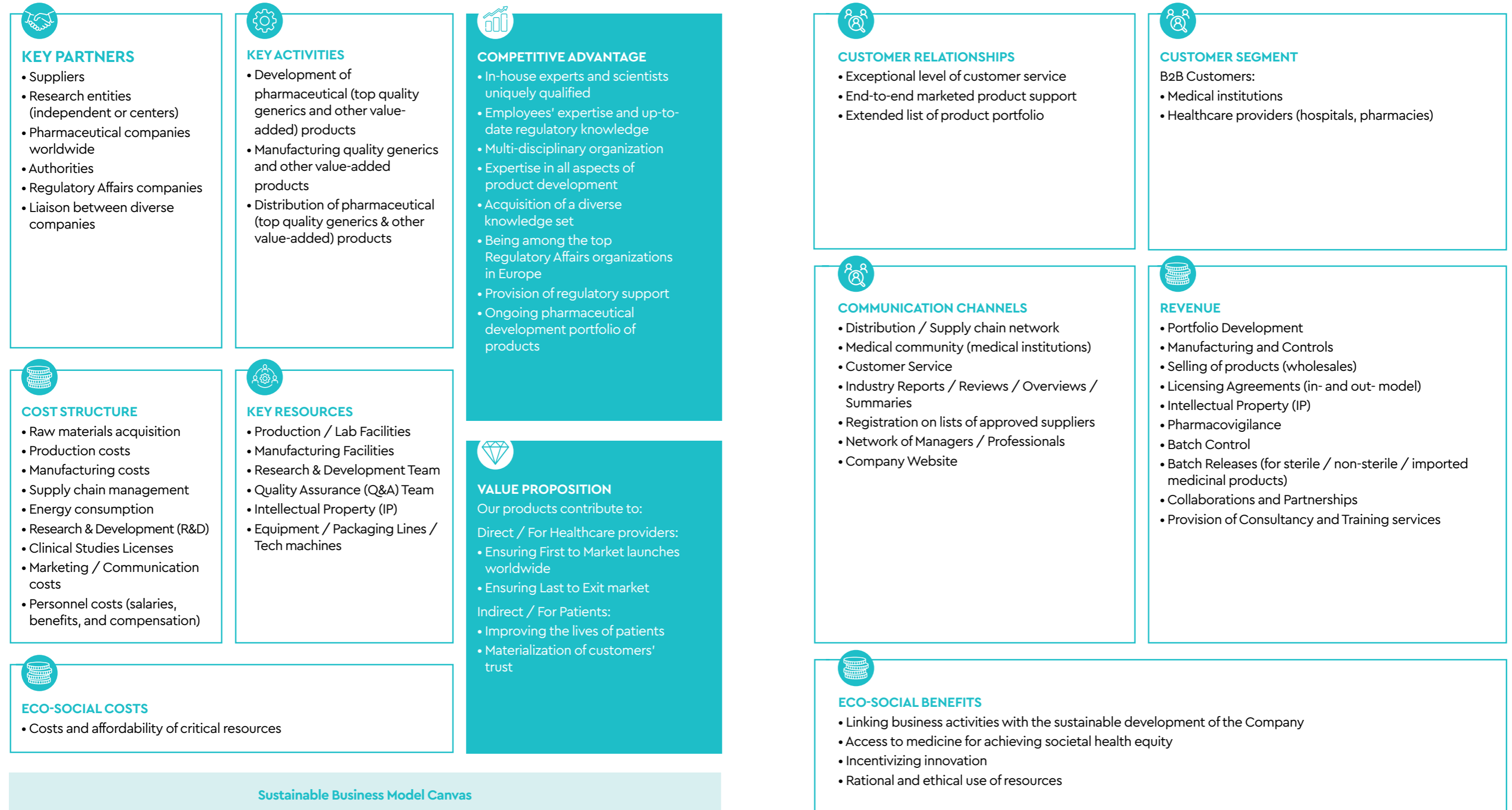
In PharOS corporate governance encompasses everything from corporate ethics to leadership structure, ensuring that the Company operates transparently and responsibly.



Our business model

PharOS works towards its main objective for ethical decision making, aiming to achieve its purpose for delivering breakthroughs to patients, as a way to change their lives and unlock the full potential of human longevity and advanced therapeutics in the field of generics.

The Company's business model is intricately crafted to ensure that value creation spans across every facet of its stakeholders' network. Furthermore, it guides the decision-making process and provides a safe roadmap in mapping the market's needs in order for all products to meet special requirements.



Organizational framework

The organizational architecture in PharOS provides the foundation for better operating procedures within the Company, as well as the structure for concrete corporate processes and the frame within which the Company delivers its competitive advantage, leading to higher levels of productivity and performance.

PharOS Group Directors

PharOS Pharmaceutical Oriented Services Single Member Limited

Regarding the Greek entity, the governing bodies of the Company are the General Assembly and the Directors. The General Assembly is the supreme body of the Company, deciding on every corporate matter and on any issue concerning the Company, for which a decision of the General Assembly is required according to law.

The Company has two (2) Directors, namely:

- Mr. Panagiotis Panagopoulos
- Mrs. Styliani Koukaki

PharOS MT Limited

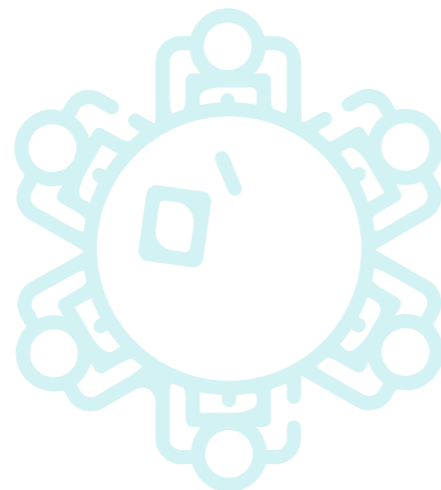
Regarding the entity of Malta, the Company has one (1) Director, namely:

- Mr. Theodoros Panagopoulos

PharOS Polska Sp. z o.o.

Regarding the entity of Poland, the Company has one (1) Director, namely:

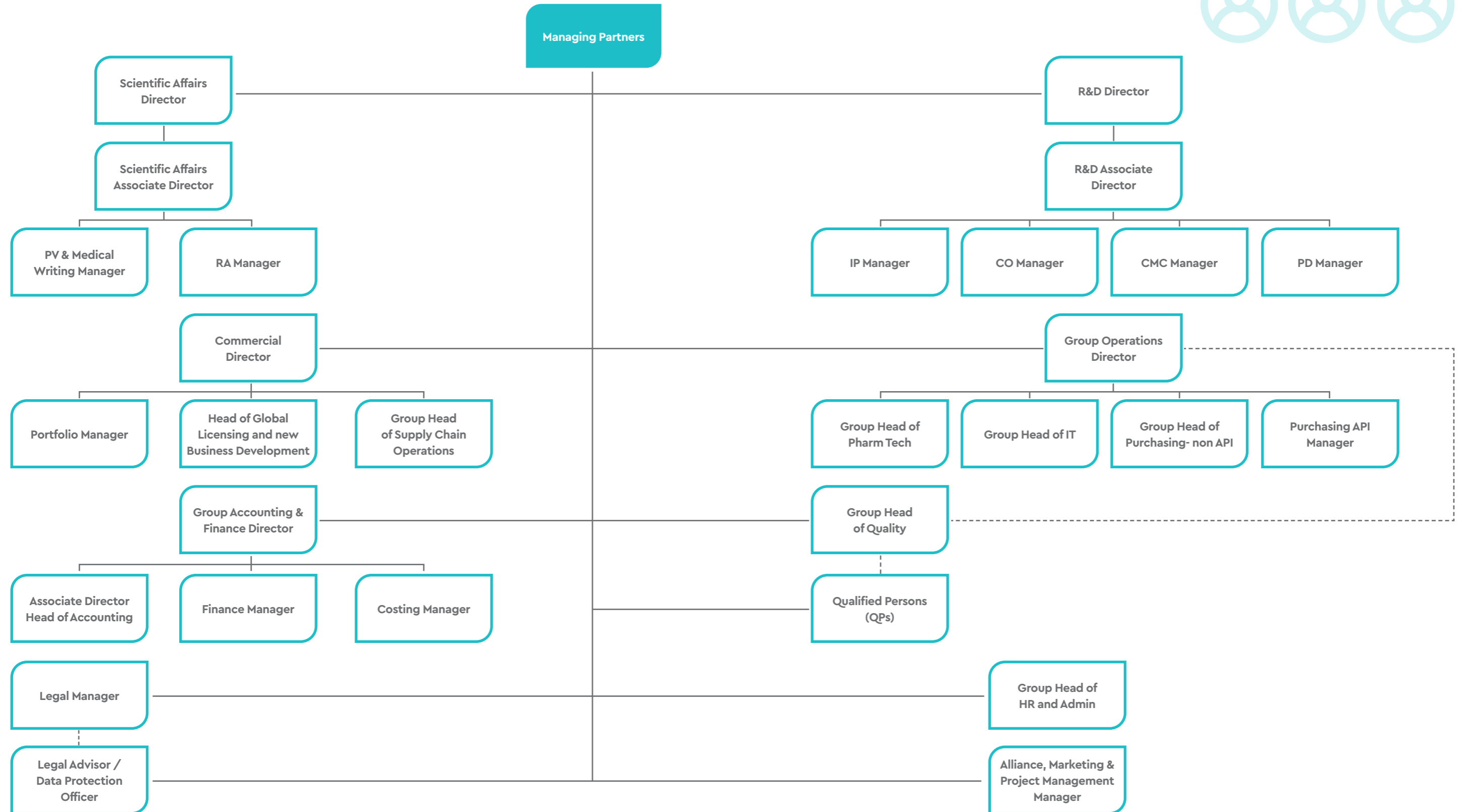
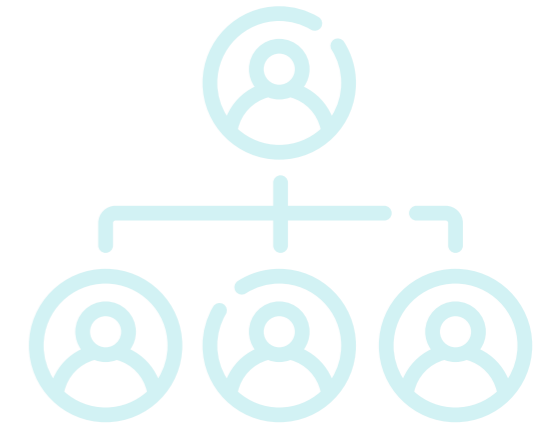
- Mr. Paweł Walkiewicz

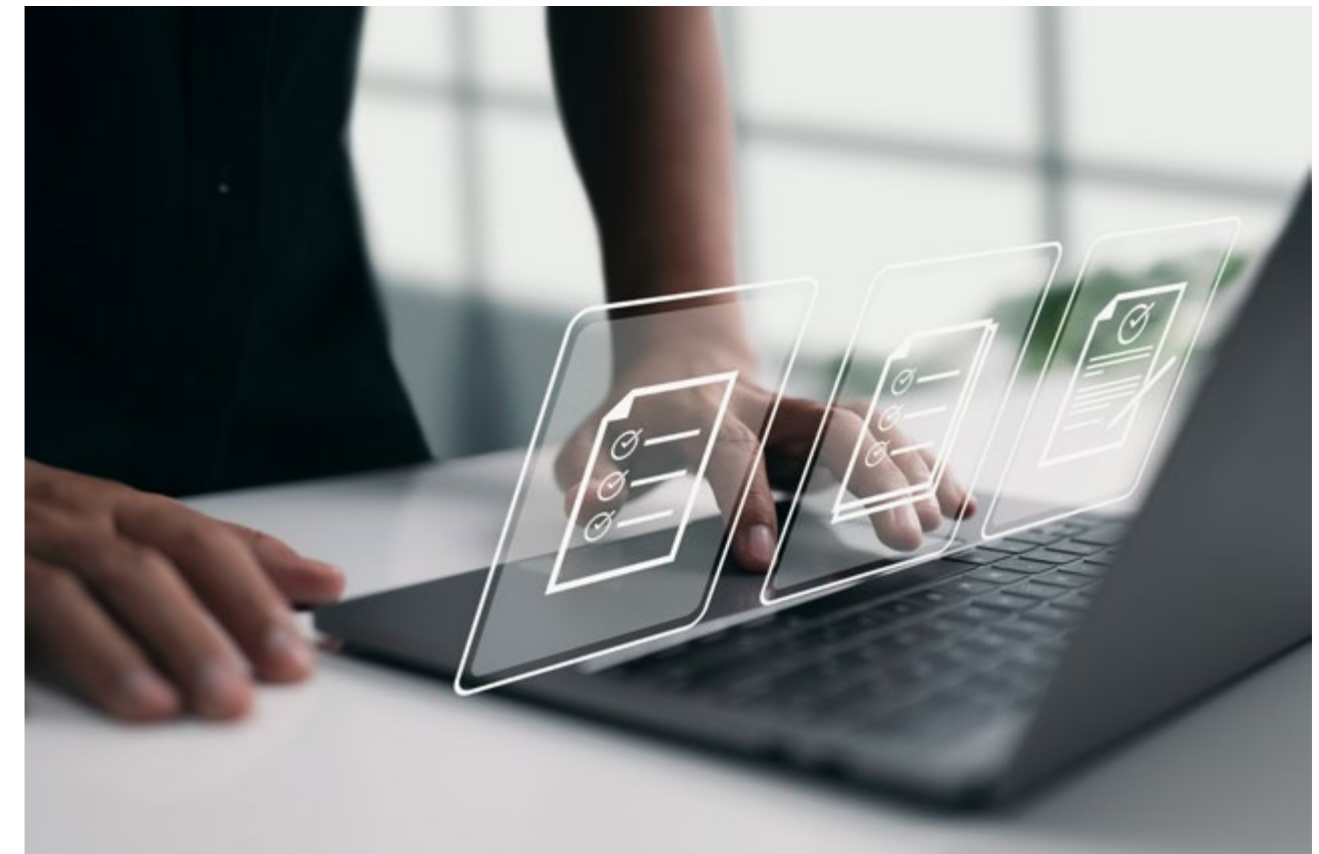
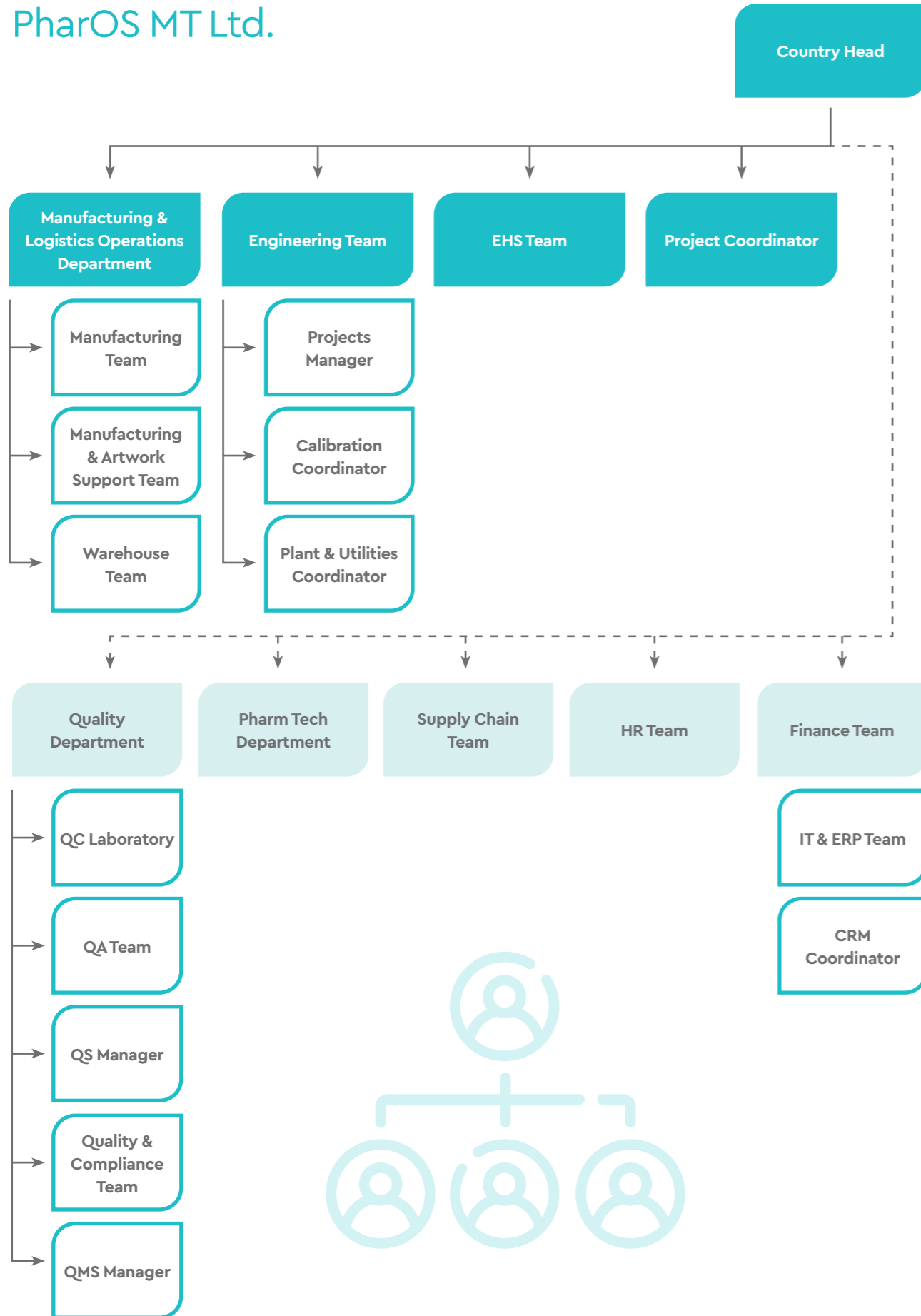


Organizational chart

The organizational chart as an internal structure in PharOS constitutes a way of illustrating reporting relationships and chains of command within the Company, helping in the implementation of efficient decision-making.

PharOS Pharmaceutical Services Single Member Ltd.





Management team

The Management Team of PharOS consists of three (3) Managing Partners. Their combined expertise covers a broad spectrum of areas, such as Regulatory Affairs, R&D, and Business Development, among others, all with a deep understanding of the pharma industry. Through their knowledge and skillset, they lead and oversee PharOS' operations and facilitate the decision-making processes. Concurrently, they ensure that decisions are taken in the best interest of the Company, while conducting effective management and setting the overall direction.

The Management Team is also responsible for overseeing Environmental, Social, and Governance (ESG) matters, as well as the Sustainability Reporting, with each member bringing unique insights to these ESG initiatives. All three members of the Management Team are also members of the ESG Team of PharOS.

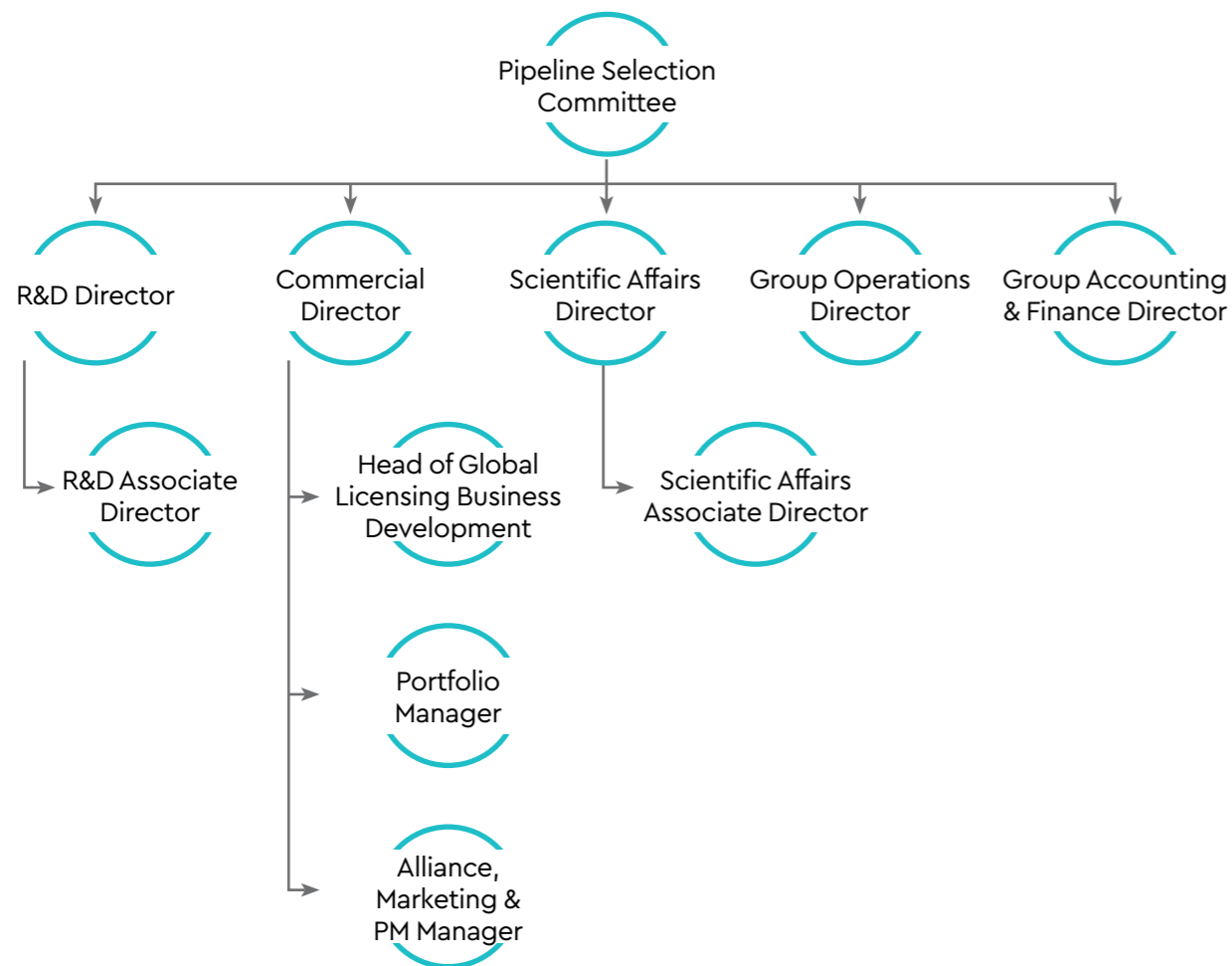
Name	Position
Stella Koukaki	Scientific Affairs Director and Managing Partner
Panagiotis Panagopoulos	Research and Development Director and Managing Partner
Theodore Panagopoulos	Commercial Director and Partner

PharOS' committees

Committees are essential as they play a critical role by providing specialized expertise and diverse perspectives to guide decision-making processes. They ensure thorough evaluation of key issues, promote transparency, and help align strategies with long-term goals. PharOS has recognized the importance of Committees and has established specific Committees to improve the management and oversight of strategic decisions and processes.

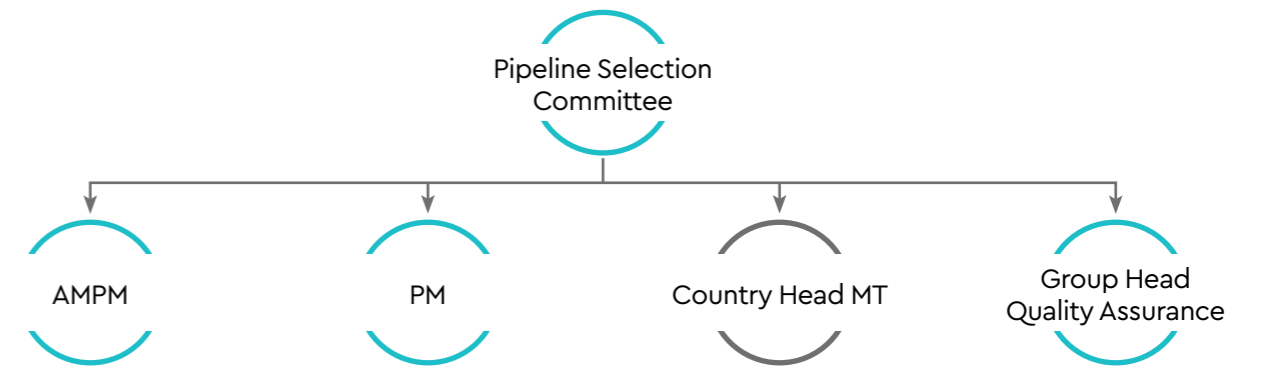
Pipeline selection committee

The Pipeline Selection Committee consists of the key decision makers regarding the strategic initiatives, as well as whenever a project is falling out the predefined thresholds. Several new Business Opportunities (BOs) are shortlisted and discussed on Top management level by the Pipeline Committee, with only few business opportunities to be selected to proceed, based on the business case, as well as specific criteria.



Project review committee

The Project Review Committee (PRC) is the Team that participates in the meetings to get a full overview of all projects that are active for review, decision making, and prioritization. The Project Team serves as a forum to discuss any changes and / or problems arising before escalating to Top Management. All members are responsible for giving feedback and for being informed on the progress of all strategic initiatives. Some of the members' participation can be optional on specific Gate meetings.



Regulatory compliance

PharOS operates in an environment where compliance and safety are of paramount importance. The Company always strives to stay ahead through its genuine commitment to health progress and improvement, as well as its in-depth understanding of the sector and its complexities. Navigating the current regulatory landscape is both challenging and promising, allowing the Company to lead the way with confidence in its areas of expertise.

During 2023, PharOS had zero incidents of non-compliance concerning product information and labeling and zero warnings and fines from regulatory authorities

During 2023, PharOS had zero incidents of non-compliance concerning marketing communication resulting in fines, warnings, and penalties from regulatory authorities

Ethics and professional business conduct

Pharos is committed to conducting its business activities with integrity and always in compliance with applicable national and European legislation, regulatory framework, Company policies and procedures, the "Code of Professional Ethics and Conduct", as well as any other Code that the Company implements and follows.

Irregularities and deviations from corporate policies and procedures, as well as misconduct that

violates applicable national or European laws and regulations or the Code of Ethics and Professional Conduct that may occur in the workplace, are not in line with the Company's commitments.

Thus, Pharos acknowledges it has a duty to provide its employees with the necessary means of defense and protection against such incidents and behaviors, encouraging them to speak openly and make relevant reports and complaints.



Pharos encourages all employees to report any form of inappropriate behavior



Pharos' Whistleblowing Policy constitutes a source of guidance for anyone interested in raising concerns



Genuine concerns, when reported honestly, can be raised without fear of retaliation



Confidentiality is maintained throughout the entire process

Conflicts of interest

Conflicts of interest arise when personal, social, financial, or political interests are placed before those of Pharos. The Code of Conduct that the Company maintains describes in a clear and concise way what constitutes a conflict of interest, as well as what the obligations of its employees are.

Commitment to integrity and transparency

At Pharos, it is widely known that an ethical and transparent culture requires openness, communication, and accountability, in order to build, develop, and maintain transparency in the form of general attitude and mindset. The Company is always operating by displaying reliability and integrity - core components of ethical decision-making.

Furthermore, the Company is committed to achieving the highest standards of ethical conduct and professional integrity and to ensuring that its employees and third parties, who may provide professional services on its behalf, act in compliance with applicable laws and jurisdictions where Pharos' operations are rendered, to the extent that such laws are applicable.



Anti-bribery and anti-corruption

Pharos recognizes that it shall uphold at all times all applicable laws relating to anti-bribery and anti-corruption, as well as all international principles embodied in the OECD Convention of Combating Bribery of Foreign Public Officials and, on this basis, the Company has developed an "Anti-Bribery and Anti-Corruption Policy", while educating its people through training.

Pharos has a strict policy against corruption, prohibiting employees from engaging in bribery or accepting bribes from public officials or private individuals, including those working for companies that do business with the Company.

Pharos makes no distinction between public officials and private individuals, and bribery is not tolerated under any circumstances.

Furthermore, employees are encouraged to report any concerns as early as possible through the following channels. This approach supports transparency and upholds Pharos' commitment to ethical conduct.

- » The respective Manager or Director
- » The Human Resources Department
- » The Legal Department



Whistleblowing

Along the same path, PharOS considers whistleblowing as one of the most effective ways of increasing transparency and accountability and simultaneously stop any type of wrongdoing that may occur in the form of corruption, fraud, or bribery. The Company shows zero tolerance to such behaviors or any other illegal conduct through business dealings and relationships and firmly encourages its employees

to raise concerns and proceed with reporting any form of inappropriate behavior, always in respect of the principles of anonymity and confidentiality and without fear of retaliation.

PharOS' well-crafted "Whistleblowing Policy" serves this purpose and acts as a guiding path for everyone involved.



PharOS is committed to conducting business in an ethical and honest manner, in order to detect corrupt, illegal or other undesirable conduct. The Company undertakes its activities in a professional and equitable manner and with integrity in all business dealings and relationships, where involved.



PharOS recognizes that weak processes can make the Company vulnerable to loss or legal actions. In case the Company fails to comply with legal or compliance obligations imposed under the applicable laws and regulations, it may be exposed to unlimited liability, be excluded from commercial activities and transactions in sectors of its operation and face serious damage to its reputation.

Combating violence and harassment

PharOS is committed to building and preserving a safe, productive, and healthy working environment, based on mutual respect for its employees. In pursuit of this goal, the Company does not condone or tolerate any acts of violence or harassment / bullying against or by any PharOS employee. PharOS has created the "Anti-Violence - Anti-Harassment Policy", that applies

to all individuals working at the Company, while educating its people, seeking to prevent, correct, and discipline behaviors that act as violations. In the event that an employee directly or indirectly experiences or witnesses an incident of violence and / or harassment in the workplace, they are required to report the incident, in accordance with the Company's "Policy for Reporting Misconduct".

PharOS is committed to providing a safe and healthy work environment free from violence, threats of violence, discrimination, harassment, intimidation, and any other misconduct.



Speak-Up

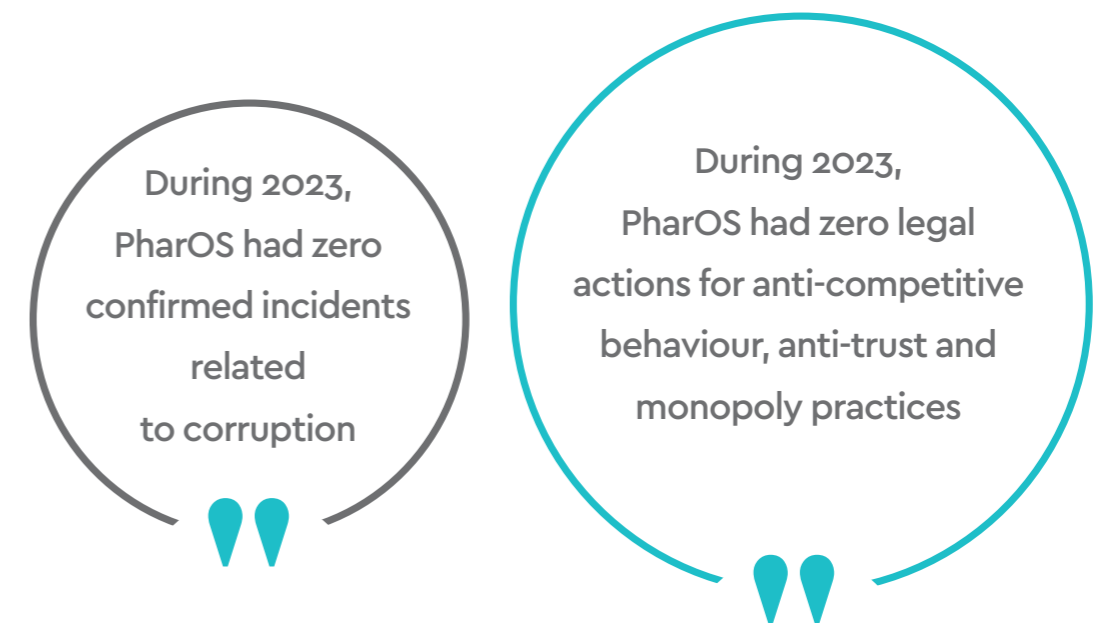


At PharOS, we are committed to building and preserving a **safe, productive, and healthy** working environment for our employees based on **mutual respect**. In pursuit of this goal, we provide our employees, business partners, clients, consumers, and others with the necessary means of defense mechanisms and **encourage** them to **speak openly** and make reports of misdemeanors they may have identified. By detecting and reporting misconduct using our **Speak Up Platform** or any other reporting channel, you can help PharOS maintain all its key principles by taking **immediate remedial action** to correct any misconduct, preventing future incidents and ensuring a healthy and friendly work environment for all employees.

The Company has created the Speak Up service which aims to establish channels of communication and guidance for the submission and monitoring of internal reports and complaints based on the following channels that operate 24 hours a day, 7 days a week:



Upon submission of the report through the Speak Up service, an investigation is conducted, based on the principles of protection, security, and confidentiality.



Data privacy and protection

The Company respects the legal rights and freedoms, privacy, and trust of all individuals with whom it interacts, thus it carefully and securely processes their data in accordance with all legal obligations. Furthermore, PharOS values and protects the information and intellectual property rights (sensitive or proprietary information) of third parties, such as suppliers, customers, and other business partners that are confidential. PharOS maintains the following Policies:



Privacy Policy

The Policy states that the Company complies with national and European data protection laws, ensuring appropriate measures for the lawful, fair, and proper processing of personal data, while respecting the rights, privacy, and trust of all individuals it interacts with. The Privacy Policy aims to set principles and rules to ensure the collection, processing, and storage of personal data in accordance with the General Data Protection Regulation (GDPR) and relevant legal and regulatory frameworks.



Data Protection Policy

The Policy states that the Company commits to strict compliance with data protection laws and sets high standards for the lawful, fair, and proper processing of personal data, respecting the rights, privacy, and trust of all individuals it engages with. This Policy outlines how personal data is collected, managed, processed, stored, and deleted.



Acceptable Use and Media Communication Policy

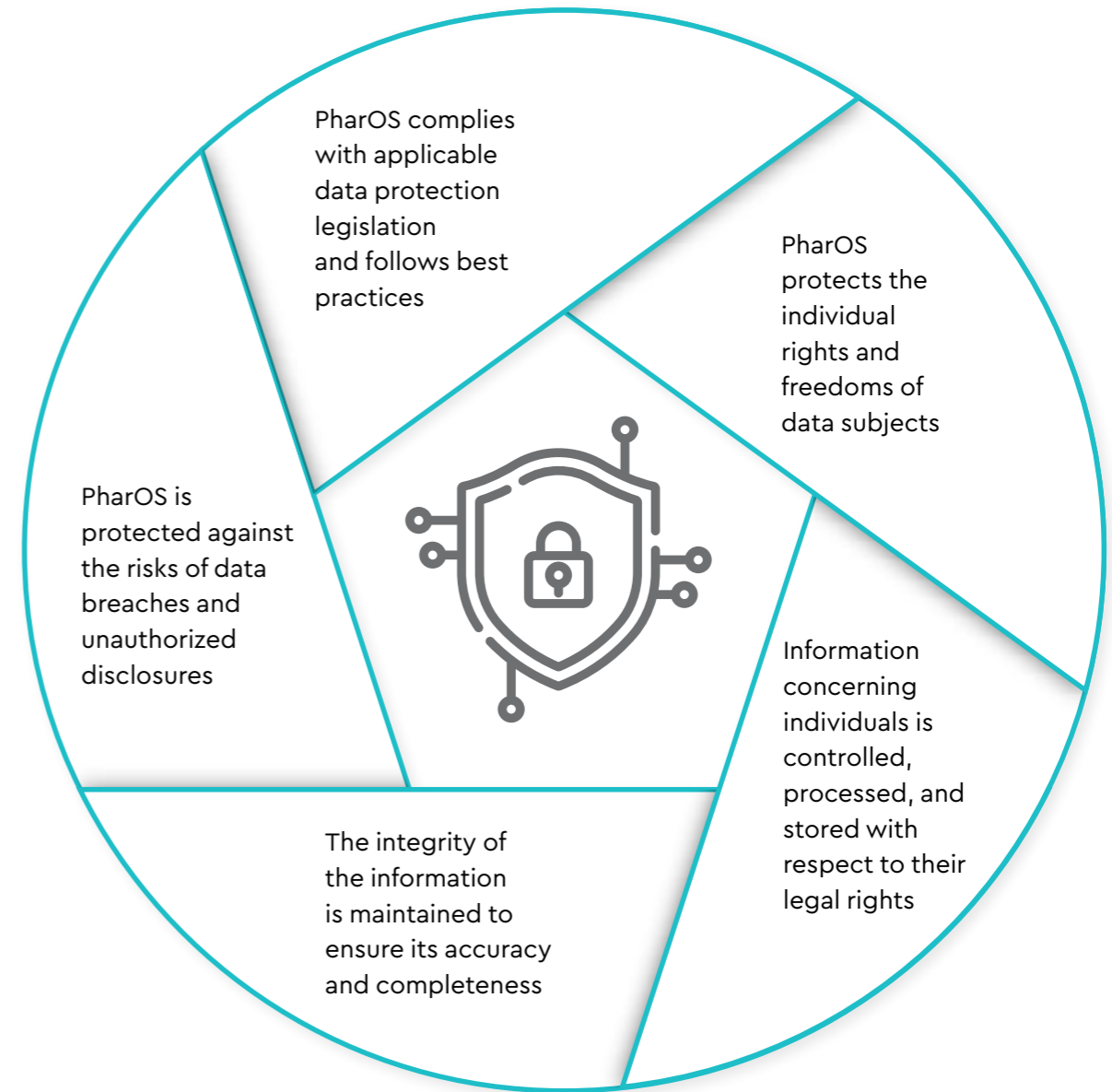
The Policy defines the rules, procedures, and guidelines that the Company applies, regarding permissible and non-permissible uses and activities of users who are granted access to information and communication data, as well as the Company's Information and Communication Systems.

PharOS is committed to protecting the privacy and security of information of all employees, workers, and contractors, during and after their business relationship with the Company



During 2023, PharOS had
ZERO COMPLAINTS
 concerning breaches of customer privacy
 and losses of customer data

Consequently, PharOS manages to ensure the following:



PharOS has received the following awards:



- Industry Cloud Project / **Bronze**
- The Cyber Shield: Protecting Your Business in the Cloud / Pharmaceutical
- Identity Access Management / **Silver**
- The Cyber Shield: Protecting Your Business in the Cloud



Robust framework of policies and procedures

The Policies that PharOS has created act as a navigator in establishing rules, as well as in communicating appropriate information to all parties. These Policies are also accompanied by the respective procedures in order to assure responsible governance. The Company is committed to keeping its staff well-informed about the introduction of any new policies, as well as the renewal or updating of existing ones, both through training sessions and the induction process.

- » Code of Professional Ethics and Conduct
- » Anti-Bribery and Anti-Corruption Policy
- » Whistleblowing Policy
- » Anti-violence and Anti-harassment Policy
- » Speak-Up Procedure
- » Quality Policy
- » Privacy Policy
- » GDPR Privacy Notice for Employees workers & contractors
- » Data Protection Policy

Financial performance

The financial performance is considered as an important indicator of the health and viability of the Company, proving the level of profitability, liquidity, and solvency among others. Besides being a key element of attracting investors and of providing access to capital, it also helps in the operational decision-making process, through the optimization of allocation of resources that ultimately enhances creditworthiness and employee morale and retention.

The Tables below presents amounts of the financial performance of PharOS Group for fiscal years 2022 - 2023.

	2022	2023
FINANCIAL DATA IN €		
Revenue (net sales)	82,203,397	98,735,489
Operating profit	16,599,329	18,791,298
Operational costs	-66,913,199	-82,835,880
Payments to providers of financial capital	-3,856,314	-7,193,131
Profit / Loss before taxes	15,037,912	16,685,259
Profit / Loss after taxes	10,041,857	15,731,921
Payments for taxes - indirect (VAT, etc.)	-2,953,389	-6,277,628
Payments for taxes - direct (income tax, etc.)	-561,657	-2,417,679
Total payments to government bodies (total of direct and indirect taxes paid)	-3,515,046	-8,695,307
Equity	55,583,024	71,328,483
Total investments	0	6,077,590
Total assets	103,455,054	141,819,225



SOCIAL IMPACT

PharOS is committed to positive societal impact through initiatives that promote health equity and enhance community wellness. The Company prioritizes actions that benefit society by supporting community health programs.

Our Contribution to the UN Sustainable Development Goals



08

PharOS places particular emphasis on local communities, supporting the citizens through actions and initiatives which aim to improve their daily lives, contributing at the same time to the social progress, economic development, and environmental awareness. On an annual basis, the Company supports local communities and

implements a series of actions aimed at further empowering them by remaining engaged to the corporate values. CSR Initiatives are mainly implemented and carried out by PharOS Can-Do team, which is a team consisting of 10 employees aiming to address the needs of stakeholders and to safeguard the well-being of local communities.

PharOS Can-Do

The "PharOS Can-Do" team, established in 2021, is a vibrant force dedicated to amplifying PharOS' Corporate Social Responsibility (CSR) efforts through impactful social and environmental initiatives. Our mission is to conceive, coordinate, and execute all CSR activities from the ground up.



Every year in January, a new "PharOS Can-Do" team is formed, comprising 10 enthusiastic members selected through a fair draw among all interested employees. This structure ensures equal opportunity and fresh perspectives, while maintaining continuity and shared expertise. Three seasoned members from the previous year remain to mentor the new team, sharing their knowledge and experiences to foster a seamless transition and effective teamwork. Our approach is dynamic and collaborative. During regular team meetings, members brainstorm and plan upcoming activities. Once an idea is solidified, a sub-team liaises with relevant Non-profit Organizations to iron out details, while seeking approval from

PharOS management. Upon approval, the plan is communicated to all employees, inviting participation from them, as well as their families and friends. This inclusive strategy broadens our reach and amplifies our positive impact on society and the environment.

Our initiatives span a wide range of causes, including animal welfare, environmental sustainability, and social betterment. Each project is meticulously planned and executed, ensuring every action is meaningful and constructive. Upon completion, we share our achievements through photos and digital content on social media, celebrating our collective efforts and inspiring others to join our cause.

PharOS Can-Do actions

Beach clean-up with HELMEPA

The PharOS Can-Do team participated in a beach clean-up in Anavissos and gathered 17 Kg of waste in cooperation with the Hellenic Marine Environmental Protection Association (HELMEPA). What is more, a presentation about the consequences of sea life pollution was scheduled in order to inform employees and raise their awareness.



In an effort to become part of the solution for the marine pollution issue, PharOS' employees, friends, and their children joined forces with HELMEPA in a 1-day action, when Kavouri Beach was cleaned, after being informed of what can be pollutant for the marine environment. Our volunteering team made an important impact by collecting 20 kg of waste, including 4 kg of recyclables. Some of the waste

collected were straws, bottle caps, cigarette buds, plastic fragments, cartons, and food wrappers. The children joining the action had a chance to learn about marine pollution and participate in a workshop organized by Helmepea to raise awareness for both present and future generations.

Reforestation at Botanical Garden (Chaidari / Attica)

As long as environmental awareness is concerned, the Company implements various actions in order to protect the environment and biodiversity of land. PharOS' employees and friends visited the Botanical Garden in Chaidari on March 2023 and learnt about the purpose of the botanic garden, the history of its creation, its plant wealth and discovered the Hellenic flora & fauna hosted in the garden. In order to enrich the botanical garden with even more trees, knowing the value and importance of tree planting, 50 trees, mainly cypresses, oaks, and pines, were planted. Additionally, an amount of around 360 € was donated by PharOS' employees.



Animal welfare

The protection and care of animals and the promotion of the best possible level of physical and psychological well-being for them constitute a significant aspect of the Company's CSR activities. PharOS Can-Do team visited an animal shelter in Keratea and gathered food and medicines for the

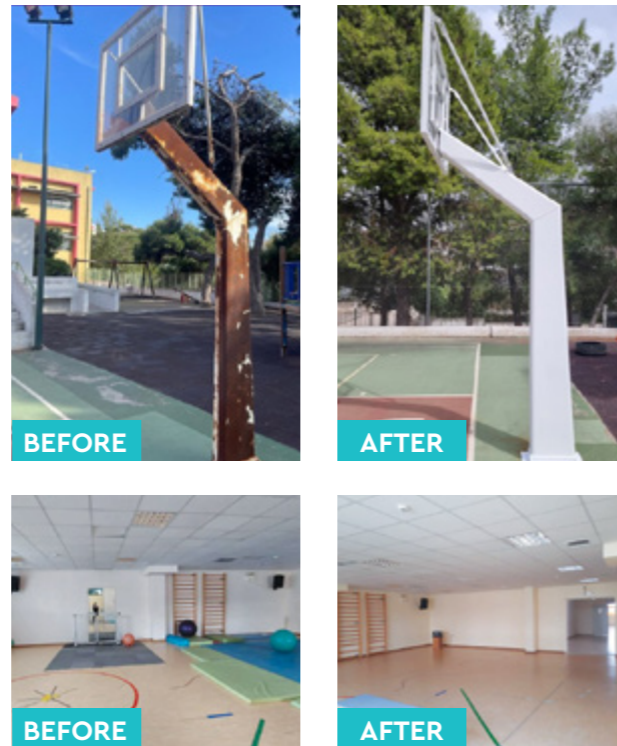
65 animals accommodated in this shelter. They helped, also, with the cleaning of the animals and their crates. Additionally, the team supported the adoption day by walking the dogs in the park and sharing information about the animals and the activities of the animal shelter with other people.

Support to Special Elementary School of Heraklion / Athens

Heraklion Attika special primary school is a public school having students with developmental disorders, mostly in the autistic spectrum, aged from 6 to 14 years old. The children attend it after they have been referred by public pediatric hospitals or by specialized diagnostic and evaluating centers.

In January - February 2023, PharOS employees, with a sense of responsibility for these kids, proceeded to various actions, including financial aid. The actions are described below:

- » Donation of an amount of around 1,000 € by PharOS' employees and another 1,000 € added by the Company. Part of the amount was used to cover the cost of certified escorts that were needed to be able to organize a small excursion for the kids
- » PharOS Can-Do team, with the guidance of the school management, bought specialized educational toys for the students
- » PharOS Can-Do team was invited to the school's annual Carnival fest where employees had the honor to meet these special kids and handed them their toys
- » In September 2023, PharOS' employees attended a 2-days action where selected areas, suggested



by the school's management, were painted. These areas include the indoor gym, classrooms, and the entrance of the school. In continuation to the above, the external baskets of the basketball field were painted.

"The Smile of the Child" - Easter Bazaar

It was a pleasure to accommodate in the Company's offices an Easter Bazaar of the non-profit child welfare organization "The Smile of the Child". An amount of 1,200 € was donated through the purchase of gifts at this kids' Bazaar. In this way, the Company and its employees contributed to the important work of the organization in supporting children experiencing exploitation, abuse, and neglect. All children, regardless of the environment they are grow up in, are the future, so the Company strives to make them smile, especially on festive days. The smiles of the kids are the hope that the world can still become better.



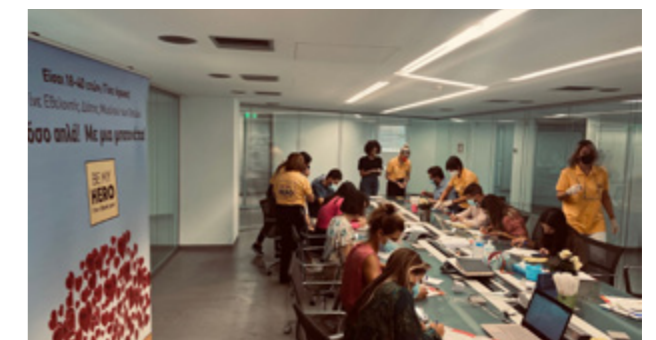
Non-profit organization "Frodida" - Christmas Bazaar

Frodida (The Care Association) is a Panhellenic Association, to prevent, inform and support people with cerebral palsy, mental handicap and down syndrome. On Christmas days, PharOS had the honor to accommodate the Christmas Bazaar of The Care Association, at its main offices. Every purchase made provided resources for the organization to continue their efforts in prevention, information and support of these people. An amount of 1,240 € was collected and donated to the non-profit organization through the purchase of gifts.



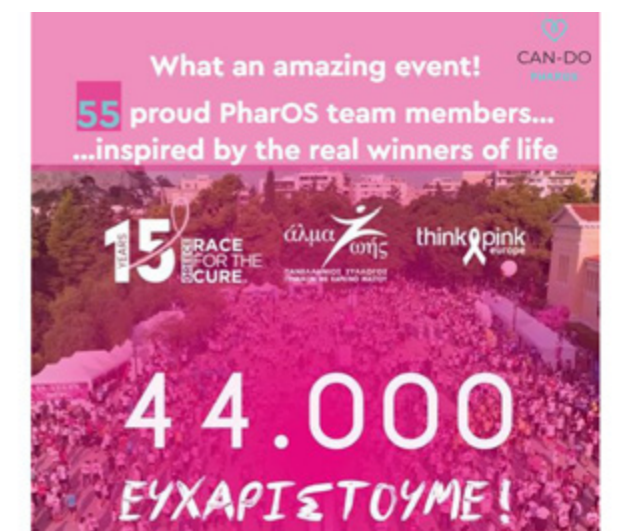
Be my Hero

The Company proceeded to a supreme act of social solidarity, informing employees about the importance of the Bone marrow donors database and how simple is to be included with just a simple saliva sample. In this way, those who participated became potential bone marrow donors. PharOS colleagues' response was amazing, and Company is proud that it has contributed to this life saving pool of donors.



Race for the Cure®

Race for the Cure® is Europe's biggest sporting event for women's health. It helps breast cancer organizations and hospitals to collect funds and raise awareness about the importance of breast cancer prevention and early diagnosis. The Company supports the actions of awareness for Breast Cancer, empowering brave women that fight against it. PharOS' employees were able to participate in Race for the Cure event, while the participation fees were covered by the Company, so that all employees along with their friends and families were able to celebrate this action. The participation in this event is a good opportunity for enrichment of employee team bonding.



Fabric Republic

PharOS, for a second year, participates in and runs the activity of gathering clothes for vulnerable social groups. Some of the significant and multiple benefits of FABRIC REPUBLIC are described below:

- » Donation of clean clothing to solidarity organizations
- » Active contribution to the social economy of clothing

- » Employment of socially vulnerable people through the Housing and Reintegration Program
- » Raising awareness of the public through promotional activities
- » Decongesting the waste system
- » Reduce the overuse of natural resources

Meal of Love – "Karkinaki" and "On Hold"

Company employees had the chance to participate in the event "Meal of Love". All profits from this event were allocated to the reinforcement of "Karkinaki" and "On Hold" nonprofit organizations. PharOS also donated the amount of 2,500 €, as well as the free of charge participation of the singer and her musicians, who entertained the public.

Turkey-Syria Earthquake victims' support

Responding to emergencies, after the devastating earthquakes affecting both Turkey and Syria, PharOS' employees gathered essential items, medicines, and food, and dispatched them where responsible authorities indicated, which were then forwarded to the victims of these earthquakes. The Company intends to help society in any way, especially people in urgent need.

Celebrating international days



PharOS is aware of all International Days and tries to inform and raise awareness of the public through social media platforms, especially LinkedIn. The posts aim to educate the public and people who will read them, with a view to support affected people. The Company, through posts, informs about each International Day and their importance.

Some of the International Days included in these posts are:

- » **World AIDS Day 2023**
- » **World Diabetes Day**
- » **World Mental Health Day 2023**
- » **Alzheimer's Disease International Day**
- » **International Day of Persons with Disabilities**



PharOS actions in Malta

European Mobility Week - Cycling at Work

European Mobility Week is the European Commission's flagship awareness-raising campaign on sustainable urban mobility that promotes behavioural change in favour of active mobility, public transport, and other clean, intelligent transport solutions. With more towns and cities joining each year and substantial media attention, the campaign promotes greener transportation options and a shift towards healthier urban living.

In support of European Mobility Week, PharOS encouraged its employees to cycle to work. By empowering its workforce to adopt sustainable commuting practices, PharOS demonstrates its commitment to reducing environmental impact and fostering a culture of well-being and responsibility, reflecting PharOS' proactive approach in advancing global sustainability goals and promoting a healthier, more sustainable future.

Clean-up and feeding for a bunnies' sanctuary

As part of its commitment to social responsibility and animal welfare, PharOS organized a volunteer initiative to support a local bunny sanctuary through a day of cleaning and feeding, with employees dedicating their time to maintaining a clean

and safe environment for the rabbits, while also providing food and care to the animals. This effort not only reflects PharOS' dedication to community engagement, but also highlights its compassion toward animal welfare.



APPENDIX

07

About the report

Report profile

The ESG Report 2023 for PharOS is the Company's first ESG Report and covers the period 01.01.2023 - 31.12.2023. In this Report, the Company presents how it responds to the various economic, social and environmental challenges, as well as the expectations/requirements of its stakeholders. It also presents its policies, procedures, strategy, management practice, goals, and ESG programs. The Company publishes its performance on each sustainability axis, with the ultimate goal of an open and transparent dialogue with its social partners. PharOS' ESG Report 2023 is available on the corporate website (www.pharosgr.gr).

Scope and limits

There is no restriction on the scope or boundary of the Report that affects the comparison of information from year to year. The data included in the Report relate to the overall activity of PharOS. In the case of revisions, special reference is made to the individual sections, tables or diagrams and the reasons for the revision are specified in the corresponding points.

Methodology

Pharos' ESG Report 2023 has been prepared in accordance with the GRI Standards (2021) guidelines of the international organization Global Reporting Initiative (GRI), at the Core level, following both the principles of defining the content and the principles of determining the quality of the Report set out in the guidelines.

The identification, analysis, and prioritization of the most important issues were performed in accordance with international and European standards, such as the Global Reporting Initiative (GRI) guidelines and the Sustainability Accounting Standards Board (SASB). The Company supports the United Nations 2030 Agenda, as expressed by the 17 Sustainable Development Goals for 2030 (SDGs), having the intention to actively contribute to their achievement, through promoting prosperity, safety and security of the population and protection of the environment.

Project team

The Company's ESG Team is responsible for collecting and recording all necessary data and information regarding PharOS' performance in the pillars of Sustainable Development. The members of the ESG Team come from all departments of the Company.

The development of the Report was carried out with the support and scientific guidance (data collection, evaluation, and writing) of Grant Thornton (www.grant-thornton.gr).



Sources of information

The data and information published in the Report have been collected on the basis of monitoring procedures applied at PharOS, as well as from the databases maintained in the context of the implementation of the Company's management systems. Where data obtained after processing or based on assumptions are listed, the way or method of calculation shall be indicated, according to the guidelines of the GRI Standards.


External assurance

The data in this Report has not been externally verified by a third independent party. Nevertheless, recognizing the usefulness and added value that the external verification of the Report's data can offer, the Company will consider the possibility of an external audit, in its next edition.

Contact about the Report

Contact about the Report: Please send any comments or suggestions to the following address.

Georgia Karavoulia, Director | Group Operations

 **Tel:** +30 210 6664 667

 **E-mail:** gkaravoulia@pharosgr.gr

GRI Table

GRI 1: Foundation statement of use	The information provided in this Report reflects the activities of PharOS as of 31 December 2023 and presents the Company's economic, environmental, and social performance. The Report is prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	No applicable GRI Sector Standard

GRI 2: General Disclosures 2021		
GRI Standards	Disclosure	Reference
2-1	Organizational details	PharOS pp. 10-11
2-2	Entities included in the organization's sustainability reporting	pp. 10-12
2-3	Reporting period, frequency and contact point	pp. 120-121
2-4	Restatements of information	There were no restatements of information as it is the first ESG Report of the Company.
2-5	External assurance	p. 121
2. Activities and workers		
2-6	Activities, value chain and other business relationships	pp. 10-27, 90-91
2-7	Employees	pp. 44-61
2-8	Workers who are not employees	The Company does not employ workers who are not employees
3. Corporate Governance		
2-9	Governance structure and composition	pp. 92-99
2-11	Chair of the highest governance body	p. 92
2-12	Role of the highest governance body in overseeing the management of impacts	p. 97
2-13	Delegation of responsibility for managing impacts	pp. 98-99

GRI 2: General Disclosures 2021		
GRI Standards	Disclosure	Reference
2-14	Role of the highest governance body in sustainability reporting	p. 97
2-15	Conflicts of interest	p. 100
2-16	Communication of critical concerns	pp. 94-99
2-17	Collective knowledge of the highest governance body	p. 97
2-18	Evaluation of the performance of the highest governance body	The specific information is not included in the report as it constitutes confidential data.
2-19	Remuneration policies	The specific information is not included in the report as it constitutes confidential data.
2-20	Process to determine remuneration	The specific information is not included in the report as it constitutes confidential data.
2-21	Annual total compensation ratio	The specific information is not included in the report as it constitutes confidential data.
4. Strategy, policies and practices		
2-22	Statement on sustainable development strategy	p. 5
2-23	Policy commitments	p. 108
2-24	Embedding policy commitments	pp. 36, 48-49, 59, 66-68, 77, 100-108
2-25	Processes to remediate negative impacts	pp. 60, 100-107
2-26	Mechanisms for seeking advice and raising concerns	pp. 60, 102-105
2-27	Compliance with laws and regulations	p. 100-101
2-28	Membership associations	pp. 28-29
2-29	Approach to stakeholder engagement	pp. 36-38

GRI 3: Material Topics 2021		
GRI Standards	Disclosure	Reference
GRI 3: Material Topics 2021	3-1 Process to determine material topics	p. 39
	3-2 List of material topics	p. 40
Energy Efficiency and Emissions Reduction		
Material Topic for Stakeholders: Shareholders, Customers, Co-development partners, Government and Regulatory Bodies, Suppliers, Civil Society and Local Community, Media		
GRI 3: Material Topics 2021	3-3 Management of material topic	pp. 39-41, 76-85
GRI 302: Energy 2016	302-1 Energy consumption within the organization	pp. 82-83
	302-3 Energy intensity	p. 82
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	p. 84
	305-2 Energy indirect (Scope 2) GHG emissions	p. 84
	305-4 GHG emissions intensity	p. 84
Water and Effluent		
Material Topic for Stakeholders: Shareholders, Customers, Co-development partners, Government and Regulatory Bodies, Suppliers, Civil Society and Local Community, Media		
GRI 3: Material Topics 2021	3-3 Management of material topic	pp. 39-41, 76-85
GRI 303: Water and Effluents 2018	303-5 Water consumption	p. 85
Waste Management		
Material Topic for Stakeholders: Shareholders, Customers, Co-development partners, Government and Regulatory Bodies, Suppliers, Civil Society and Local Community, Media		
GRI 3: Material Topics 2021	3-3 Management of material topic	pp. 39-41, 76-85
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	pp. 78-79
	306-2 Management of significant waste-related impacts	pp. 78-79
	306-3 Waste generated	pp. 80-81

GRI 3: Material Topics 2021		
GRI Standards	Disclosure	Reference
Health, Safety and Well-being		
Material Topic for Stakeholders: Shareholders, Employees		
GRI 3: Material Topics 2021	3-3 Management of material topic	pp. 39-41, 64-73
GRI 403: Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	pp. 69-70
	403-3 Occupational health services	pp. 64-65
	403-5 Worker training on occupational health and safety	p. 71
	403-6 Promotion of worker health	pp. 64-72
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	pp. 66-72
	403-9 Work-related injuries	p. 73
Talent Attraction and Retention		
Material Topic for Stakeholders: Shareholders, Employees, Patients & Healthcare providers, Customers, Co-development partners		
GRI 3: Material Topics 2021	3-3 Management of material topic	pp. 39-41, 44-61
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	pp. 19, 47-48
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	pp. 56, 58
	401-3 Parental leave	p. 59
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	p. 52
	404-2 Programs for upgrading employee skills and transition assistance programs	pp. 52-53
	404-3 Percentage of employees receiving regular performance and career development reviews	pp. 54-55

GRI 3: Material Topics 2021		
GRI Standards	Disclosure	Reference
Diversity and Equal Opportunities		
Material Topic for Stakeholders: Shareholders, Employees, Patients & Healthcare providers, Customers, Co-development partners, Government and Regulatory Bodies, Suppliers, Civil Society and Local Community, Media		
GRI 3: Material Topics 2021	3-3 Management of material topic	pp. 39-41, 44-61
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	pp. 44-46
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	p. 59
Social Contribution		
Material Topic for Stakeholders: Civil Society and Local Community, Media		
GRI 3: Material Topics 2021	3-3 Management of material topic	pp. 39-41, 112-117
Company's Indicator	Number of "PharOS Can-Do" actions	pp. 112-117
Product Safety and High-quality Standards		
Material Topic for Stakeholders: Shareholders, Patients & Healthcare providers, Customers, Co-development partners, Government and Regulatory Bodies, Industry Associations, Suppliers, Civil Society and Local Community		
GRI 3: Material Topics 2021	3-3 Management of material topic	pp. 39-41, 30-31
Company's Indicator	Quality Management System	p. 31
RnD and Innovation		
Material Topic for Stakeholders: Shareholders, Employees, Patients & Healthcare providers, Co-development partners, Government and Regulatory Bodies, Financial Institutions, Industry Associations		
GRI 3: Material Topics 2021	3-3 Management of material topic	pp. 39-41
Company's Indicator	PharOS contributes to achieving the SDGs by leveraging its expertise	pp. 24, 34-35

GRI 3: Material Topics 2021		
GRI Standards	Disclosure	Reference
Responsible Supply Chain Management		
Material Topic for Stakeholders: Shareholders, Suppliers, Civil Society and Local Community, Media		
GRI 3: Material Topics 2021	3-3 Management of material topic	pp. 25-27, 39-41
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	p. 27
Business Ethics and Integrity (Transparency & Anti-corruption)		
Material Topic for Stakeholders: Shareholders, Employees, Patients & Healthcare providers, Customers, Co-development partners, Government and Regulatory Bodies, Financial Institutions, Industry Associations, Suppliers, Civil Society and Local Community, Media		
GRI 3: Material Topics 2021	3-3 Management of material topic	pp. 39-41, 88-109
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	p. 105
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	p. 105
Risk Management		
Material Topic for Stakeholders: Shareholders, Employees, Patients & Healthcare providers, Customers, Co-development partners, Government and Regulatory Bodies, Financial Institutions, Industry Associations, Suppliers, Civil Society and Local Community, Media		
GRI 3: Material Topics 2021	3-3 Management of material topic	pp. 31, 39-41
Company's Indicator	Number of Risk Management Plans (RMPs)	p. 19
Resilient Business model and Digitization (incl. Data Protection & Cyber-security)		
Material Topic for Stakeholders: Shareholders, Employees, Patients & Healthcare providers, Customers, Co-development partners, Government and Regulatory Bodies, Financial Institutions, Industry Associations, Suppliers, Civil Society and Local Community, Media		
GRI 3: Material Topics 2021	3-3 Management of material topic	pp. 39-41, 88-109
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	p. 106

Feedback form

Which PharOS' stakeholder group do you belong to?

- Shareholders
- Employees
- Patients and Healthcare Providers
- Suppliers
- Government and Regulatory Bodies
- Financial Institutions
- Industry Associations
- Media
- Customers
- Civil Society and Local Community
- Co-development Partners

Based on the information presented in the ESG Report 2023, how would you evaluate PharOS' Sustainability responsibility?

- Excellent
- Good
- Average
- Needs improvement

How easy was it to find information on topics of interest to you in the Report?

- Very easy
- Quite easy
- Relatively easy
- Not easy at all

With respect to the information presented in the Report, how closely do you agree with the following statements?

(1) Completely disagree, (2) Disagree, (3) Neither agree/Nor disagree, (4) Agree, (5) Completely agree

	1	2	3	4	5
1. The principles and topics you consider necessary for the Company's sustainable development are sufficiently covered					
2. There is a good balance and clarity among the different Report sections					
3. The structure has a nice flow and the Report is easy to read					
4. The graphical representation of the information is clear					
5. The visual aspect is satisfactory and the infographics included positively enrich the Report					


Please highlight any topics that have not been reported and should be included in the next Report:

Please describe your key concerns and/or issues that you have identified during your collaboration with PharOS.

Please send the completed evaluation form (by post or digital) to the following address:



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