



2022
**Corporate
Social
Responsibility**

Chapter 5 of 2022 Universal Registration Document

Forward-Looking Statements

Certain information contained in this press release is forward looking and not historical data. These forward-looking statements are based on opinions, projections and current assumptions including, but not limited to, assumptions concerning the Group's current and future strategy, financial and non-financial future results and the environment in which the Group operates, as well as events, operations, future services or product development and potential. Forward-looking statements are generally identified by the words "expects", "anticipates", "believes", "intends", "estimates", "plans" and similar expressions. Forward looking statements and information do not constitute guarantees of future performances, and are subject to known or unknown risks, uncertainties and other factors, a large number of which are difficult to predict and generally outside the control of the Group, which could cause actual results, performances or achievements, or the results of the sector or other events, to differ materially from those described or suggested by these forward-looking statements. These risks and uncertainties include those that are indicated and detailed in Chapter 3 "Risk factors" of the Universal Registration Document approved by the French Financial Markets Authority (Autorité des marchés financiers, AMF) on April 14, 2023, under number R.23-009. These forward-looking statements are given only as of the date of this press release and the Group expressly declines any obligation or commitment to publish updates or corrections of the forward-looking statements included in this press release in order to reflect any change affecting the forecasts or events, conditions or circumstances on which these forward-looking statements are based.

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CORPORATE SOCIAL RESPONSIBILITY

Chapter 5 of 2022 Universal Registration Document

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5.1 EUROAPI, A NEW GROUP WITH A NEW CSR STRATEGY

The Group believes that sustainable growth and performance go hand in hand with the deployment of an ambitious Environmental Social and Governance (ESG) strategy embedded in its vision and mission.

ESG is about integrating stakeholder expectations into the Group's strategy, which facilitates identifying growth opportunities and positioning ourselves competitively, and improve risk management.

The Group's ESG strategy supports its business purpose, and is aligned with its vision, strategy, and culture.

Building on its experience as part of Sanofi group, the Group has marked the start of a fresh ESG strategy, specific to its core business and geographic footprint in 2021.

As a key player in the pharmaceutical value chain, the Group's business activities impact a wide array of stakeholders. After setting out its business model, vision and mission, and identifying its stakeholders globally and at site level, it conducted a materiality analysis by consulting broadly with stakeholders. The materiality matrix then enabled the Group to identify and prioritize expectations.

The Group's ESG strategy combines the results of its materiality and risk analysis, and its dialogue with the Group's executives and representatives from the business lines and support functions.

The Group places non-financial performance at the heart of its development strategy and its corporate culture.

The Group's ESG strategy is aligned with the 17 United Nations Sustainable Development Goals (SDGs). More specifically, drawing on the Group's added value and its business model, the Group contributes to five of the key SDGs.

The Group has developed a robust ESG organization and governance arrangements, and, in line with its ESG reporting framework, its performance will be reported on each year in its Statement of Non-financial Performance that will be audited by an independent third party.

5.1.1 The Group's business model

As a key player in the pharmaceutical medicine value chain, the Group's business model illustrates the resources it is using, the added value provided by its technology and its know-how, as well as the impact of its business activities on society at large.

Great care and thought was put into the development of the Group's vision and mission, in the process of creating and promoting its new identity.

Once these key elements were established, the next step was to define what values and behaviors would be essential to enable the Group to fulfill its vision and mission.

Our business model

Our resources

People



- ~3,450 employees from 45 different nationalities
- ~330 scientists incl. 45% PhDs or engineers
- 99% of our employees are based in 5 European countries (France, Germany, Hungary, Italy, UK)
- 15 years of seniority on average
- 80+ countries covered by our commercial teams based in 11 countries and a network of agents

Products & Services

EUROAPI offers a large portfolio of approximately 200 APIs and CDMO services covering a wide range of therapeutic areas:

- Anti-infectives
- Prostaglandins
- Corticoids and hormones
- Vitamin B12
- Controlled substances
- Oligonucleotides and peptides
- Particle engineering
- Microbial fermentation
- Drug delivery solutions

Energy and raw materials



We consume energy and natural resources such as water, oxygen, and other raw materials like minerals and solvents. They are key for the manufacture and the delivery of our products.

We continuously keep on optimizing our processes and closely monitor their use in accordance with environmental regulations and health authorities.

Robust partnerships base

20+ years of relationship

Most of our 500+ clients are pharmaceutical and biotech companies with a client loyalty of more than 20 years of collaboration.

59%

Of our raw material spent is sourced in Europe

Our Supplier Code of Conduct ensures their compliance to our ethics, human rights and environmental principles.

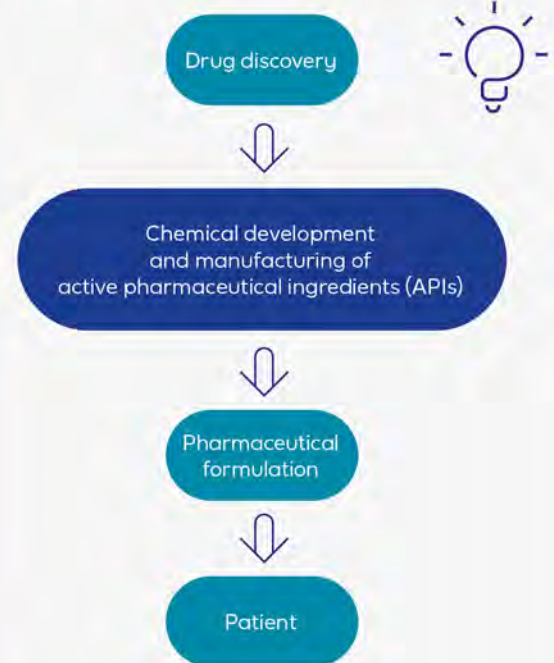
Financials

Strong financials sustaining future innovation and growth

- €976.6 million in revenue and 12.3% core EBITDA margin in 2022
- 79 CDMO projects (at December 31, 2022)
- €510 million in planned investments at our 6 plants (between 2022 and 2025)
- Strong balance sheet
- Independent company with a stable and diversified shareholder base
- Two major shareholders: Sanofi and Bpifrance

Our positioning

Healthcare value chain



Mission

Our core business is to develop, manufacture and supply active-ingredient solutions for our healthcare partners around the world. We combine our scientific excellence with industrial expertise and a wide range of technologies to deliver solutions that meet the highest quality, social and environmental standards.

Culture & values

At EUROAPI, how we do things is as important as what we do

Taking ownership

Caring for all

Achieving together

Driven by our clients

Strategy

A historical leader in the small molecules APIs market, EUROAPI wants to accelerate its development in more complex molecule segments and CDMO activities.

#oligonucleotides #peptides #HighlyPotentAPI #lipids #enzymes

Our assets

Technology platforms & fundamentals

Our know-how in mastering technology platforms

- Complex chemistry
- Highly potent API
- Particle engineering
- Solid chemistry
- Oligonucleotides and peptides
- Microbial fermentation
- Flow chemistry
- Process development
- Pilot scale
- Drug delivery solution
- Unit operational design

Our fundamentals

- Safety of our people
- Business continuity
- Innovation
- Sustainability
- Reliability
- Agility
- Quality and safe products
- Premium customer service

Our impacts

Society, people, healthcare, employees

High therapeutic value
Our API catalog covers multiple therapeutic areas addressing a wide variety of patients' needs.
~55% of the Group's sales come from APIs included in the WHO list of essential medicines.

Contributing to EU Health sovereignty
Candidate to several public repatriation initiatives, we have an established dialogue with national authorities and trade associations.

Responsible economic & social development

14 weeks Our employees can benefit from 14-week parental leave.



We target diversity and gender-balanced representation and opportunities. We aim to have 30% of leadership positions held by women by 2025.

67% of employees participated in the 2022 employee shareholding plan.

We ensure our employees' safety with a Company-wide commitment to a zero-accident goal.

Local communities and the planet



Local communities
We have 14 partnerships with universities and schools in 3 countries. All our industrial sites maintain regular dialogue and collaboration with local stakeholders.



Mitigated impact on the planet
We perform continuous improvement programs by reducing water, solvent and energy consumption to mitigate our environmental impact across the entire value chain. We promote green chemistry, eco-designed and the circular economy in our production processes.

5 Sustainable Development Goals driving our actions
We support the United Nations Sustainable Development Goals.



-30% CO₂ emissions (Scopes 1 and 2)
We aim to decrease our CO₂ emissions by 30% by 2030 compared to 2020.

100% of our sites will be certified ISO 14001 and 50001 by 2023 and will use electricity from renewable sources by 2025.

5.1.2 Bring the Group's corporate culture to life through its four core values

Defining the Group's values was a collaborative process, first initiated in 2021, involving an internal team comprising members representing the Group's various countries and job functions. Workshops were held to brainstorm and gather different points of view, and ultimately define a list of values that are both meaningful and specific to the Group.

As a result of this process, four core values were defined:

Taking ownership

The Group believes that by taking ownership, its employees are accountable for their work and for always acting with the the Group's interest in mind.

Driven by our clients

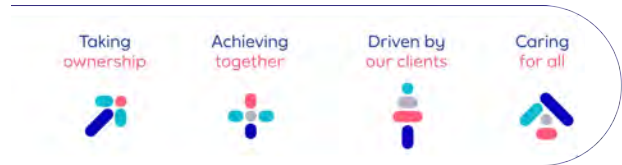
The Group believes that being client-driven, it creates value by putting its clients at the heart of its activities.

Achieving together

The Group believes that by achieving together, it empowers its people for greater positive impact.

Caring for all

The Group believes that caring for all means valuing and respecting its stakeholders, people, clients and patients, its partners and the planet.



These values have been communicated internally and externally, and define how the Group's employees interact together and with stakeholders, make decisions and drive its business.

Led by EUROAPI's Chief Executive Officer and championed by the members of the Executive Committee, these four core values have been instilled throughout the Group with the support of a network of ambassadors.

The Group's employees' behavior towards their stakeholders, and how they conduct business, is determined by these four core values.

The Group's Code of Ethics, inspired by its values and principles, is available on its [website](#).

The Group's policies and standards are also aligned with the values and the culture it wishes to promote.

5.1.3 Dialogue with the Group's stakeholders

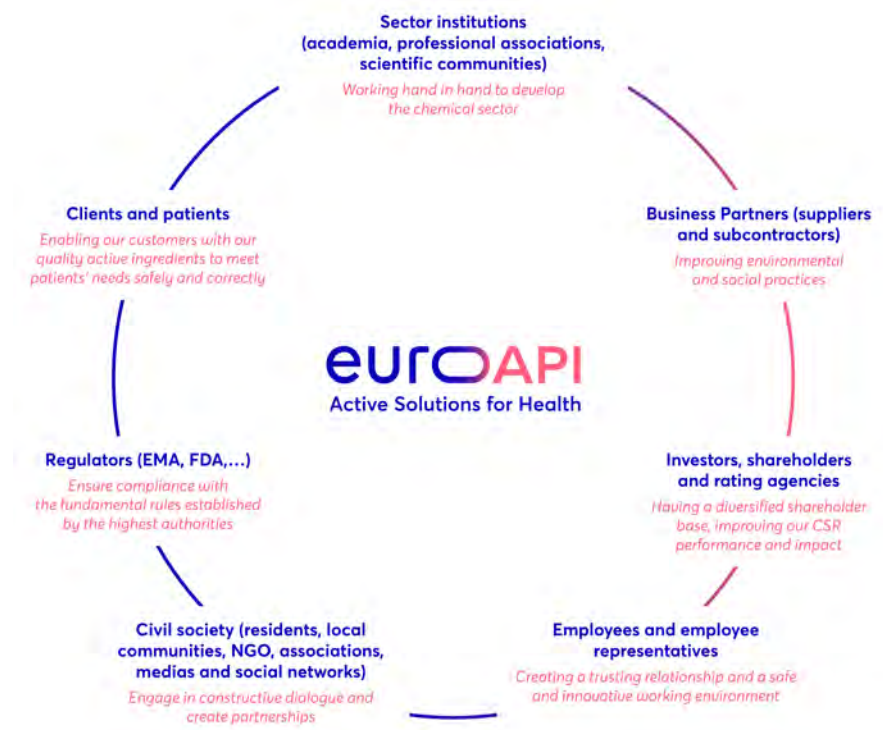
The act of mapping stakeholders adds genuine value because it forces the Group to ask the right questions: What is the impact of the Group's activities on this stakeholder? What expectations does this stakeholder have of the Group's activities? What are the risks and opportunities of these expectations for the Group?

The Group started its ESG strategy construction phase in 2021 by sending a survey to its different internal and external stakeholders through an outside agency, in order to obtain a robust materiality analysis.

The survey was sent to all categories of external stakeholders: clients, suppliers, civil society and industry key opinion leaders, and financial partners.

As for internal stakeholders, in addition to conducting assessment interviews with strategists, the Group's consulted employees and employee representative bodies.

The stakeholder map below shows the specific concerns associated with its stakeholders and the different ways the Group can engage with them.



In 2022, the Group continued to invest heavily in dialogue with its stakeholders, as it was important for its stakeholders to learn more about the Group as a new stand-alone entity.

The Group pays special attention to maintaining dialogue with its clients, conducting regular client surveys and general inquiries, and systematically obtaining feedback after sales visits. The Group collects data on several indicators such as satisfaction rate and net promoter score, and takes corrective action where needed in a spirit of continuous improvement.

The table below illustrates the number and type of interactions the Group has with its stakeholders.

Stakeholders	Topic addressed	Actions in 2022	Examples
Industry institutions (academia, professional associations, scientific communities)	Technological innovations, development of trainees Economic and environmental framework and specific topics for the Group	The Group has partnerships with more than 30 industry associations and scientific universities. The Group's employees were contributors at several scientific events such as the International Symposium on Green Chemistry (La Rochelle, France) and the RNA Leaders World Congress (Basel, Switzerland).	MEDEF Paris SICOS - Synthetic Organic Chemistry and Biochemistry industry France-Chimie Chimie Paris Tech University
Business partners (suppliers and subcontractors)	Quality, order security, innovation, cost, risks and compliance with the Code of Ethics and its ESG roadmap	The Group has a supplier portal, allowing timely interactions with all its suppliers and sharing of updated information. In addition, The Group's procurement team organizes regular business reviews, suppliers premise visits and, for important events, sends direct letters from the CPO. The Group's quality and supply chain teams are also key contacts for suppliers, with quality audits and registration documentation updated on an ongoing basis. The Group is also open to suppliers visiting its own premises. Special attention is given to new and high risk suppliers in the context of the Group's Sustainable & Responsible Procurement Program. An internal supplier evaluation system is under construction.	Procurement teams attended CPhI WW Frankfurt, where they met hundreds of suppliers, and had almost 60 face-to-face meetings during business reviews and visits (internal and external).
Investors, shareholders and ratings agencies	Results, business models/product range, news	The Company's Executive Committee members participated in broker conferences and regular investor roadshows. The Group's investor relations department organized two semi-annual financial and non-financial results conference calls for investors, and interacts with numerous ESG ratings agencies and banks.	The information is available on the Company's website.
Employees and employee representatives	Working conditions, business reviews, safety and environmental protection	The Group launched its first employee survey with a participation rate of 68%. The Group has widely used internal communication channels (Yammer with 3,500 followers from several communities (corporate, countries and internal programs)). Several health and safety campaigns including vaccination and awareness days were organized during the year. Constructive social dialogue generated through 11 workshops since the Company's stock market listing, and the creation of a European Works Council for employee representatives of all Group sites (see Section 5.4.3 "Create a constructive social dialogue").	The group offers opportunities for employees to learn about or have access to health services. For example, numerous sites ran flu vaccination campaigns for employees, provided sessions on mental health and ran breast cancer awareness campaigns. In 2022, strong emphasis was placed on environmental awareness with more than 250 employees spending at least one hour on the topic, through participation in energy-saving programs and workshops of the origin and consequences of climate change.

Stakeholders	Topic addressed	Actions in 2022	Examples
Civil society (residents, local communities, NGOs, non-profits, media and social networks)	Jobs, safety and environmental protection	<p>The Group organized site visits for local schools, employees' families and local non-profits.</p> <p>The Group's employees participated in local non-profit events such as fundraising sports events.</p> <p>The Company's CEO and Executive Committee Members participated in an estimated 10 events with journalists, and the Group published 12 press releases, resulting in articles in the international press.</p> <p>7,500 followers have followed the Group's LinkedIn account since May 2022.</p>	<p>In Vertolaye, regular surveys are carried out by external associations regarding potential disturbances on local communities caused by the site.</p> <p>At the Group's Frankfurt site, regular tree and species inventories, inspection and replanting have been organized since 2009 and 2008, respectively.</p> <p>In Brindisi, the site organizes solidarity lunches, open-air cinema sessions with patient associations and local NGOs.</p>
Regulators (EMA, FDA, etc.)	Compliance, safety and environmental protection	<p>The European Medicines Agency (EMA) audited the Group's Haverhill site in 2022 (details on audits are disclosed in Section 5.2.1 "Ensure product quality").</p> <p>Three Pharmaceutical Supply Chain Initiative (PSCI) audits were carried out at the Group's sites (see Section 5.2.4 "Implement responsible purchasing").</p>	NR
Clients and patients	Product offering, technology innovation, supply, quality of products, sustainability, regulatory services, pricing, etc.	<p>The Group's sales teams attended more than 16 trade fairs and scientific events in Europe and North America.</p> <p>The Group conduct regular client surveys (most recently in 2021), ad hoc pulse surveys and request feedback after sales visits/calls.</p> <p>Clients and prospective clients regularly audit the Group's sites, as is standard in its industry (details on audits are provided in Section 5.2.1 "Ensure product quality").</p>	The Group's sales teams attended CPhI WW Frankfurt, ChemOutsourcing in North America, etc.

5.1.4 Selection of material risks

As part of its work to lay the foundations of its ESG strategy, the Group conducted a survey in March 2021, collecting over 1,200 responses from a broad array of internal and external stakeholders: clients, suppliers, employees and subcontractors, scientific partners, financial partners and influential members of civil society, including NGOs, public institutions, and journalists.

The survey gathered answers from 30 countries, and 19 face-to-face interviews were conducted with senior management and employee representatives.

The 17 material topics given below are ranked by relative importance (or materiality) and round out the risks presented in section 3.2. "Risk Factors" of the Universal Registration Document.

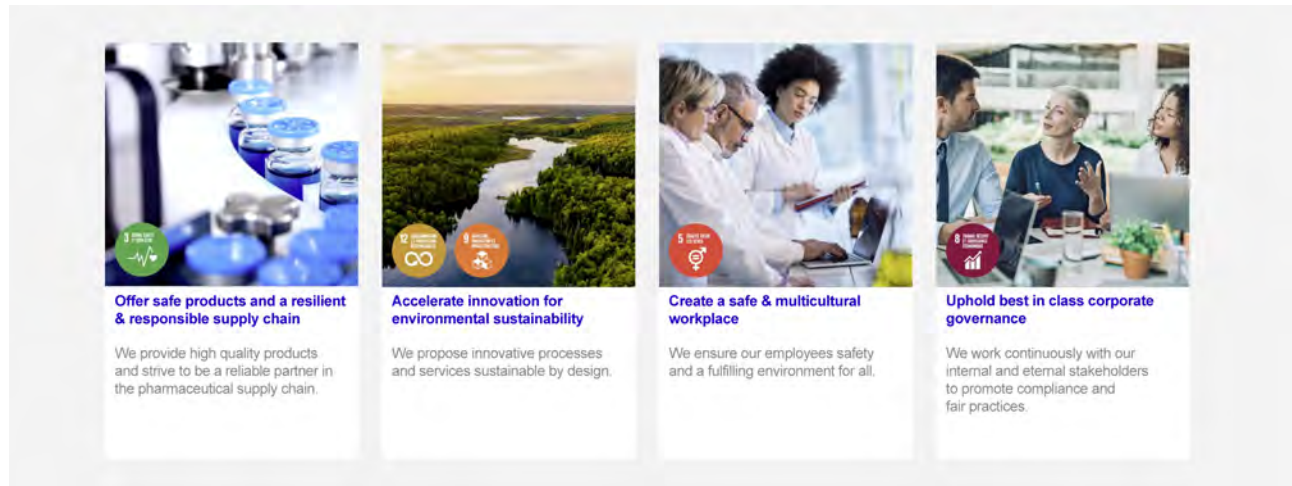


5.1.5 The Group's ESG Strategy

The Group used its materiality matrix, supplemented by the analysis of its strategic risk mapping, to construct its ESG strategy.

As a result, the ESG strategy meets stakeholder expectations, contributes to the Group's performance, and helps mitigate a number of risks categories.

The Group's ESG strategy is based on four commitments:



In order to ensure its non-financial performance, the Group's ESG roadmap is executed through purpose-oriented dedicated programs that are sponsored by Executive Committee members. Most of the programs are managed by a dedicated Program Head with objectives and performance indicators (see Sections 5.2, 5.3 and 5.4 for further details). A few of them are still under finalization due to the new creation of the Group.

To support the teams and provide access to additional know-how and resources, external commitments with relevant ESG partners have been made on specific topics.

For example, in 2022, the Group became a signatory to the United Nations Global Compact (see Section 5.1.7 "Contribution of EUROAPI to the United Nations Sustainable Development Goals") and the Global Responsible Care® Charter (see 5.4.2 "Ensure the health and safety of employees and subcontractors").






Employee mobilization and engagement with the Group's ESG roadmap are supported by the internal communications department.

In order to ensure that the Group roadmap remains relevant, regular dialogue with stakeholders throughout the year is organized ([see Section 5.1.3 "Dialogue with the Group's stakeholders"](#)).

When communicating externally, the Group aims at adopting best practices for the disclosure of relevant performance indicators.

The table below illustrates the link between the Group's ESG strategic pillars, the coverage of material topics and its qualitative commitments and quantitative objectives.

The "Shared value and stakeholder engagement" topic is dealt with in the introductory part of Chapter 5 because it is cross-functional and one of the foundations of the entire Group strategy. This explains why only 16 material topics are presented vs. 17 announced in the introductory paragraph of 5.1.4.

Commitments	Objectives (Statement of Non-financial Performance)	Material Topics (stakeholder survey)	Programs	Targets	Contribution to SDGs
Offer safe products and a resilient & responsible supply chain	Ensure product quality	<ul style="list-style-type: none"> Highest product quality, safety and traceability Positive impact on society 	Supply Chain Resilience Sustainable and Responsible Procurement	N/A	 Goal 3: Ensure healthy lives and promote well-being for all at all ages
	Secure continuity of supply	<ul style="list-style-type: none"> Supply chain resilience 			
	Ensure data and information system security	<ul style="list-style-type: none"> Data security 			
	Implement responsible purchasing	<ul style="list-style-type: none"> Responsible procurement 			
Accelerate innovation for environmental sustainability	Towards responsible innovation	<ul style="list-style-type: none"> Responsible innovation 	Responsible Innovation Environment Footprint and Waste Reduction	<ul style="list-style-type: none"> -30% CO₂ emissions (vs. 2020) by 2030 (scope 1 & 2) 2050: Net zero emissions target 100% sites electricity from renewable sources by 2025 100% sites ISO14001 / 50001 certification by 2023 	 Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation  Goal 12: Ensure sustainable consumption and production patterns
	Minimize the Group's environmental impact	<ul style="list-style-type: none"> Fight against climate change Environmental footprint of production Responsible waste management 			
Create a safe & multicultural workplace	Ensure the health and safety of employees and subcontractors	<ul style="list-style-type: none"> Occupational health and safety 	Safety and Well-being Internal Development Program Diversity & Equal Opportunity	<ul style="list-style-type: none"> LTI (Lost Time Injury) to 1.5 per 1,000,000 hours worked by 2025 TRI (Total Recordable Injury) to 2.5 per 1,000,000 hours worked by 2025 30% women in leadership position by 2025 	 Goal 5: Achieve gender equality and empower all women and girls
	Create a constructive social dialogue	<ul style="list-style-type: none"> Social dialogue 			
	Promote talent management and personal development	<ul style="list-style-type: none"> Talent management and personal development 			
	Foster diversity and equal opportunity	<ul style="list-style-type: none"> Diversity and equal opportunity 			
	Ensure fair employee compensation and benefits	<ul style="list-style-type: none"> Quality of work life and compensation 			
Uphold best in class corporate governance	Put ethics and compliance at the heart of the Group's business relationships	<ul style="list-style-type: none"> Corporate ethics and compliance 	Compliance and Business Ethics	<ul style="list-style-type: none"> 100% completion rate for Code of Ethics and compliance training in 2022 United Nations Global Compact commitment in 2022 	 Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
	Ensure respect for human rights	<ul style="list-style-type: none"> Responsible governance, transparency and shared CSR culture 			
	Promote data protection				

5.1.6 The Group's ESG governance

ESG governance is integrated at all levels of the Group. It ensures that the strategy is deployed fully via programs on specific topics and dedicated objectives.

To further reflect the importance of ESG strategy performance for the Group's roadmap, in 2022, a specific ESG collective performance criterion was one of the criteria of the annual variable compensation package of the short-term incentive plan of the Extended Leadership Team (ELT), which includes the Executive Committee. This is expected to be maintained in 2023.

The Board of Director's ESG Committee

- Reviews and monitors the Group's corporate social responsibility commitments and orientations, and assists the Board in its decision-making.
- Ensures that ESG issues are taken into account when developing and implementing the corporate strategy.

ESG Steering Committee with Executive Committee members

- Validates the strategy, sponsors the programs deploying the strategy and assigns Program Heads.
- Allocates resources and influences strategy based on performance assessments.

Head of ESG

- Proposes the strategy, and supports the Program Heads deploying the strategy.
- Presents performance monitoring updates to the ESG Steering Committee and consolidates key performance indicators.
- Is responsible for ESG disclosure and interactions ratings agencies, external partnerships and ratings, and ESG audits.

Corporate Affairs network on sites

- Creates and deploys mobilization plans to drive ESG program performance and reinforce employees' sense of belonging.

As a newly listed company with a new ESG strategy, it is worth mentioning that the main activities of the ESG Committee in 2022 were the following:

- Examining the Group's ESG commitments and the extent to which those commitments meet stakeholders expectations;
- Approving the new ESG organization to ensure the implementation of the key programs supporting the ESG roadmap
- Monitoring the rollout of ESG roadmap and its integration in the Group's strategy; and
- Examining draft company reports on governance and ESG matters (all information required by current legislation has been properly prepared).

5.1.7 Contribution to the United Nations Sustainable Development Goals

The Group is keenly aware of the challenges the world is facing and recognizes its share of responsibility in contributing to a better and more sustainable future and in demonstrating its positive contribution to society.

That is why one of the first external commitments taken by the Group was to become signatory to the 10 principles of the United Nations Global Compact initiative (UNGC) in 2022.

WE SUPPORT



The United Nations Global Compact is the largest voluntary leadership platform for the development, implementation and disclosure of responsible business practices.

The Group has decided to join forces with thousands of companies worldwide, which are committed to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labor, environment and anti-corruption, and to contribute to the UN targets embodied in the Sustainable Development Goals (SDGs).

The Group sees the SDGs as a common and consistent framework that will help to achieve future sustainability ambitions.

The Group's ESG roadmap supports the United Nations' 17 SDGs. As a key player in the pharmaceutical medicine value chain, its contribution is especially impactful on the selected five key SDGs described below:



Ensuring healthy lives and promoting global well-being for all age groups

The quality of medicines and the resilience of the pharmaceutical supply chain are key factors for public health. This became more visible with the Covid-19 crisis as it halted or reversed progress in healthcare, especially in the supply of essential medicines.

With a portfolio of more than 200 APIs, the Group addresses a broad range of medical needs, covering each of the 14 anatomical therapeutic classifications defined by the World Health Organization. An estimated 55% of the Group's revenue in 2022 is derived from APIs that are included in the list of essential medicines or medicines with major therapeutic interest.

Located exclusively in highly regulated markets, the Group's industrial sites are certified by the EMA¹, FDA² and PMDA³ and the Group operates in compliance with Good Manufacturing Practices (GMP) standards. One of the Group's main priorities is to maintain the highest quality standards for its large-scale assets, production capacity, and range of innovative technologies.

The Group strives constantly to be a reliable supplier. The Group has a mono-sourcing exit program in order to ensure that it has a diversified raw material purchasing strategy, focusing on critical intermediate availability and product shelf life. The Group has a Responsible Purchasing program to ensure sustainable supply and a sound Business Continuity Plan to address unforeseeable events and adapt its stock to regulatory requirements.

Notably thanks to its Contract Development Manufacturing Organizations (CDMOs), the Group supplies its clients with APIs during their clinical trial phases, and the Group guarantees supply once the patent has been obtained, facilitating patient access to innovation.

¹ European Medicines Agency – except the Haverhill site which is certified by the MHRA (Medicines & Healthcare products Regulatory Agency).

² US Food and Drug Administration.

³ Pharmaceuticals and Medical Devices Agency – except the Saint-Aubin-Lès-Elbeuf site which has not yet been inspected.



Achieving gender equality and empowering women and girls

As part of its ESG policy, the Group is committed to diversity and intends to create an inclusive workplace for all its employees. The objective is to improve the representation of diversity within the Group's HQ and local workforce, both at the hiring stage and in developing professional careers.

The Group also intends to encourage a balanced representation of women and men at all levels of seniority within the hierarchy, as well as to promote equal opportunities for underrepresented employees.

The Group's objective is to promote diversity and a balanced representation of women and men in its extended leadership team (ELT), including the Executive Committee and managers in key positions, with the aim of achieving a 30% representation of women by 2025.

One of the Group's first actions in 2022 was to introduce a global standard for inclusive and equal parental leave that has been implemented worldwide. Since January 1, 2022, 14 weeks of paid parental leave is granted to all employees welcoming a new child, providing the employee is recognized as the child's parent on the basis of local legislation or practice.

Also, regarding the Group's governance and irrespective of the two employee representatives, the Board of Directors is composed of 11 members including six women as at December 31, 2022, which conforms to the combined provisions of Articles L. 225-18-1 and L. 22-10-3 of the French Commercial Code providing for a balanced representation of women and men on the Board of Directors.

8 DECENT WORK AND ECONOMIC GROWTH



Promoting sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all

The safety of the Group's employees and subcontractors comes first:

- The Group has a safety prevention program including Management Safety Visits and mandatory training sessions on all of its sites. This is why by 2025, the Group is committed to reaching a lost-time injury frequency rate (LTI¹) of 1.5 or less and a total occupational injury frequency rate (TRI²) of 2.5 or less.
- The Group also promotes its employees' health and well-being through its Wellness4All programs. In order to monitor the quality of its employees' work life and their engagement rate, an employee survey was conducted in 2022 by an independent external provider.

By becoming a signatory of the United Nations Global Compact initiatives in 2022, the Group has committed to support and respect the protection of internationally proclaimed human rights and make sure that it is not complicit in human rights abuses.

Consequently, the Group collaborates continuously with its external stakeholders to promote decent work for all. The Group's suppliers are expected to comply with its Supplier Code of Conduct (the "Supplier's Code of Conduct") with respect to child labor, forced labor, violence and harm, discrimination, and health and safety. The Group's suppliers must build a management system and train their people in order to:

- implement and comply with the Group's Supplier Code of Conduct;
- ensure compliance with local and national laws and regulations.

By respecting the Group's Code of Conduct, suppliers determine both the onboarding and continuing commercial relationship with the Group.

The Group and their suppliers must comply with regulatory human rights obligations, in particular international standards such as United Nations Guiding Principles on Business and Human Rights. The Group's human rights fact sheet can be found on the corporate website.

¹ For EUROAPI employees per 1,000,000 hours worked.

² For EUROAPI employees per 1,000,000 hours worked.

9 INDUSTRY INNOVATION AND INFRASTRUCTURE



Building resilient infrastructure, promoting inclusive and sustainable industrialization and fostering innovation

The Group is the largest Europe-based small molecules API producer, with more than 150 years of experience in API production. Its six production sites operate in compliance with GMP standards and are certified by health authorities

- France, in Vertolaye since 1939 and Saint-Aubin-Lès-Elbeuf since 1946;
- Germany, in Frankfurt since 1863;
- Hungary, in Budapest since 1910;
- Italy, in Brindisi since 1996;
- United Kingdom, in Haverhill since 1981.

These sites offer a wide variety of state-of-the-art technologies in Europe, and have strong track records, including:

- spray drying;
- micronization;
- solid phase chemistry (peptides and oligonucleotides);
- large-scale fermentation and downstream processing;
- flow chemistry;
- complex organic synthesis;
- high potency product manufacturing;
- development center: from kilo-lab to large pilot industrial.

This expertise, along with its very broad industrial footprint, allows the Group, for example, to be the sole Western manufacturer of vitamin B12 and the world's leading supplier of prostaglandins for large-scale commercial pharmaceutical production. The Group offers the largest corticoid portfolio on the market and a comprehensive suite of anti-infective APIs. The Group is also able to supply approximately 60 small- and complex-molecule API references that span a highly diverse range of therapeutic uses for both humans and animals.

Most of these technologies are unique in Europe, so in order to maintain its technological advantage and expand its production capacity to meet clients' needs, the Group has decided to invest €500 million in its six European sites between 2022 and 2025.

Due to this industrial investment, coupled with an efficiency lifecycle assessment, the Group will benefit from efficient production sites respecting high environmental and sanitary standards. The Group expects all its sites to be compliant with ISO 14001 (Environment management systems) and ISO 50001 (Energy management systems) by the end of 2023.

**Responsible consumption and production:**

The Group recognizes its role in addressing climate change and is committed to minimizing the environmental footprint of its activities by conserving water and energy, and to lessening its residual impact by reducing emissions, effluents and waste. Its environmental goals include:

- 100% of sites with electricity from renewable sources by 2025;
- a 30% reduction in Scope 1 and 2 carbon emissions by 2030 (vs. the 2020 baseline);
- carbon neutrality of its operations by 2050.

The Group seeks to reduce its CO₂ emissions through the decarbonization of its energy supply. It began its transition to renewable energies in 2022 with the initiation of a project to install a 17 MW biomass boiler at its industrial site in Saint-Aubin-lès-Elbeuf.

The Group also implements innovative technologies to reduce its overall environmental footprint. Some examples include:

- micropollutants by a charcoal unit in Vertolaye;
- a Volatile Organic Compound burner in Frankfurt;
- production of one of the largest marketed APIs with continuous process and all solvents replaced by water (Sevelamer on Haverhill site).

To reinforce this trend and improve chemical process efficiency, a Responsible Innovation Program is in the process of being set up to develop existing projects and boost the number of green chemistry projects.

In line with regulations, all substances used and produced by the Group presenting an environmental risk are identified, labeled, stored, handled, and shipped in a manner that prevents and mitigates accidental spills or releases into the environment. Prevention and emergency preparedness plans are in place to treat any chronic or accidental event presenting an environmental risk (air, soil, water, and groundwater) on- or off-site.

5.2 COMMITMENT No.1: OFFER SAFE PRODUCTS AND A RESILIENT AND RESPONSIBLE SUPPLY CHAIN



Raw material mono-sourcing exit program for over 30 APIs



An estimated 55% of sales in 2022 from APIs used in medicines with acknowledged therapeutic interest*



4 EMA inspections in 2022 and more than 110 successful client audits since 2020

OFFER SAFE PRODUCTS AND A RESILIENT AND RESPONSIBLE SUPPLY CHAIN

Ensuring medicine supply is becoming increasingly complex in many parts of the world with a geopolitical context that interferes with raw material availability and prices. With an estimated 55% of its sales from APIs with acknowledged therapeutic interest* and a portfolio of more than 200 APIs addressing a large range of medical needs, the Group has several initiatives in place to be a reliable partner in the pharmaceutical value and medicine supply chain.

With an excellent track record in quality and regulatory management, the Group's portfolio consists largely of molecules that are integrated into long-established standard of care treatment protocols. Through its CDMO capabilities, the Group plays an active role in allowing patients access to innovative medicines. Its service offering covers the production of active pharmaceutical ingredients which allows for clinical trials of medicines prior to their commercialization.

* As compiled by the WHO (Sept 2021), the ANSM (March 2021) and the BfArM (Oct 2021).



Contribution to SDG 3: Ensure healthy lives and promote well-being for all at all ages



↳ Sustainable Procurement Factsheet

↳ Supplier Relationships Charter

↳ Supplier Code of Conduct

5.2.1 Ensure product quality

Product safety is key to being a reliable API supplier, contributing to the improvement of patients' health and well-being.

In the healthcare industry, product quality is non-negotiable, forming the backbone of the Group's production processes, which are aligned with the most stringent standards. The Group has world class quality levels, with its extensive experience of supplying highly regulated countries, a strong track record in dialogue with health and quality authorities, and six manufacturing sites located exclusively in Europe.

In order to improve access to markets of its clients' medicines, the Group also provides clients with support on regulatory affairs as well as drug regulatory filing services in all countries, thereby facilitating the submission of drug product registrations by its clients.

Quality governance

In order to ensure the quality of its products and guarantee compliance with the regulations in force, Heads of Quality support the quality manager network at each site and in each sales team in disseminating and managing the implementation of the Group's quality management system principles, as well as ensuring they are correctly implemented. 15% of the Group's employees are working in the quality function. The Heads of Quality report to the Chief Quality Officer.

The quality management system is designed flexibly to include the standards specific to each family of products in the Group's portfolio, as well as the clients' expectations. It is frequently updated to anticipate regulatory changes. Good Manufacturing Practices (GMP) regulations, regulatory affairs, pharmacopoeia, etc. are monitored on an ongoing basis to ensure that quality, regulatory compliance and standards are always up to date.

Quality Management System

As an API producer for pharmaceutical medicines, the Group is subject to quality regulations designed to protect consumer and employee health.

The Group's quality management system is fully aligned with international guidelines:

- good practice regulations including the GMP, GLP and GDP;
- guidance published by the relevant health authorities, including the FDA, MHRA, EMA and EDQM;
- guidelines of the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH), for the authorities and pharmaceutical industry associations of America (FDA and PhRMA), Europe (EC and EFPIA), and Japan (MHLW/PMDA and JPMA) as initiators, as well as the authorities (regulatory members) of Switzerland, Japan, China, Brazil and Mexico, who define standards in the pharmaceutical industry; and
- WHO guidelines.

Internal policies

The Group has developed its own good practices documentation to ensure quality standards are applied across all operations.

The documentation is aligned with good practice guidelines (GxP) and regulations applicable to its production activities.

These internal standards are grouped in accordance with quality processes covering GxP regulated activities as well as other health-related regulations. The following chart illustrates the hierarchy of the Group's quality management system documentation:



The process to establish, review, approve and distribute internal standards as well as any supporting documents is detailed in a dedicated corporate procedure.

Quality documents are written for each type of GxP and public health-related regulation, as well as for research and laboratory studies, manufacturing and distribution activities, sales activities and information systems.

GxP documents used by the Group are subject to a specific internal management procedure and are available for inspection by regulatory authorities.

At the top of the pyramid, the Group has defined its own quality policy which is the cornerstone of the Group's commitment to regulatory compliance and its clients. This policy describes the overall intentions and direction of the Group with respect to quality. The quality policy is endorsed by the Group's Chief Quality Officer and by the Chief Executive Officer. It is communicated to employees at all levels of the Group.

Regular inspections and audits

The Group's sites are regularly audited internally as well as by external stakeholders, as is customary in the pharmaceutical and biotechnology industry. External stakeholders may be health authorities carrying out official inspections or clients and suppliers conducting audits. Where appropriate, corrective and preventive actions (CAPAs) are implemented.

The outcomes of these inspections and audits generally fall under two main categories:

- critical, which includes high or very high-risk observations that require immediate action to protect human life, employees' health or the environment and require immediate CAPAs; and
- other, which includes major or minor findings and require that CAPAs be implemented by the supplier within an appropriate period of time.

Central to these audits is transparent and continuous collaboration with authorities, clients and suppliers. The following table illustrates audit and inspection outcomes for the Group's manufacturing sites as of December 2022, attesting to the Group's high quality standards. In 2022, a total of 56 client inspections took place at the Group's sites.

	🇺🇸 Last FDA inspection ¹		🇪🇺 Last EMA ² inspection		👤 Clients audits	
	Date	# of critical findings	Date	# of critical findings	# of audits 2020-2022	% success ³
🇫🇷 Vertolaye	2019	No warning letter No 483 form (no observations)	2022	0	34	100%
🇫🇷 St Aubin-lès-Elbeuf	2016	No warning letter No 483 form (no observations)	2021	0	15	100%
🇩🇪 Frankfurt	2019	No warning letter No 483 form (1 observation closed)	2022	0	15	100%
🇭🇺 Budapest	2019	No warning letter No 483 form (no observations)	2021	0	29	100%
🇮🇹 Brindisi	2014	No warning letter No 483 form (no observations)	2022	0	10	100%
🇬🇧 Haverhill	2017	No warning letter 483 form (2 observations, closed)	2022 ⁴	0	8	100%

EUROAPI

1. Since 2019, Mutual Recognition Agreement applies between FDA and Local European Health Authority
 2. EMA inspections are performed by local agencies (ANSM, AIFA, RP, Directorate, OGYEI & NEBIIH)
 3. A client audit is considered a success if it did not lead to client issues
 4. MHRA for UK

Note: All sites have a Japan PMA accreditation.

The Group did not receive in 2022 information from its clients, marketing authorization holders, on drug product recalls from the patient market related to its activities.

API manufacturing processes are now subject to increased monitoring by health authorities with regard to the potential presence of mutagenic impurities.

In order to limit the potential carcinogenic risk of selected APIs, the Group has assessed the potential risk of nitrosamines (classified as cohort of concern impurities) for all its APIs and is now developing a multi-year program to proactively assess the mutagenic impurities risk of its key APIs in accordance with the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH) guideline M7(R1) on assessment and control of DNA reactive (mutagenic) impurities in pharmaceuticals.

The Group received confirmation of the absence of patient risks for several APIs in 2022. For other APIs, where a risk might exist, the Group is developing remediation plans in line with health authorities' expectations.

Animal welfare

No animals are used in the Group's API industrial processes.

The Group does not carry out clinical trials and does not therefore conduct any animal testing.

Likewise, none of the tests that the Group performs on its APIs to guarantee their quality or properties require the use of animals, in accordance with regulatory and health authorities.

Proactive batch pause for certain prostaglandin products

During an internal assessment, the Group identified certain deviations from good documentation practices at its Budapest, Hungary manufacturing facility related to the production batch dossiers for certain prostaglandins manufactured in a dedicated unit at the Budapest site.

After identification, as a precautionary measure, the Group proactively decided on November 30, 2022 to suspend the release of batches and, secondly, to temporarily stop the production of prostaglandins. The Group also immediately put into place the necessary corrective action plans for remediation and to date these are on track.

Subsequently, the Group announced it has gradually restarted the production of prostaglandins at its Budapest site on January 19, 2023. As the restart is by nature gradual, the Group predicts that a majority of prostaglandin production will resume by mid-April 2023.

5.2.2 Secure continuity of supply

The Group was created during a global health crisis which highlighted the strategic importance of API production for public health. Reliability is one of the Group's main contributions to society, in helping its clients to improve patients' health and well-being.

Going forward the Group expects this commitment to be increasingly challenging, based on its experience in 2022 and current forecasts, with the energy crisis and geopolitical tensions having an impact on raw material availability and transportation.

That is why, on top of strict quality standards addressing product safety ([see Section 5.2.1 "Ensure product quality"](#)) and sustainable procurement ([see Section 5.2.4 "Implement responsible purchasing"](#)), the Group's industrial and sales operations deploy initiatives that contribute to its resilience as an API provider.

These include:

- 1) A repatriation and backward integration program aimed at relocating the production of initial or 'starting' raw materials, intermediates and APIs to increase its production resilience. Although the Group's vertical integration of API production is more extensive than its main European competitors, feasibility studies and technology suitability assessments are also being carried out on 10 strategic raw materials, intermediates and APIs that might result in their production reintegration from 2023 onwards.

- 2) A mono-sourcing exit program to reduce single sourcing of raw materials for a selection of critical APIs and APIs used in the composition of essential medicines or medicines of vital importance. This covers more than 500 raw materials entering in the composition of more than 30 APIs.
- 3) The reinforcement of the Group's Business Continuity Plans at all its sites to address a wide range of scenarios of unplanned business disruption in a timely and optimized manner.

In view of the current global geopolitical tensions and environmental impacts affecting its supply chain, the Group has decided to reinforce its competencies and resources with respect to the management and optimization of transportation and distribution in 2023.

The objective is to meet business requirements and develop scenarios to determine optimized delivery plans in the most secure and environmentally friendly way.

Once the appropriate dedicated resources have been recruited, we will conduct in-depth risk mapping analysis, draft action plans and define key performance indicators.

In 2022, no shortages interfered with the Group's delivery commitments.

5.2.3 Ensure data and information system security

The Group has put a reference technical framework in place to protect its IT systems and mitigate the increasingly sophisticated cyberattacks that target healthcare-related companies. The Group is also implementing a program for the governance and monitoring of the security of its IT systems, which includes crisis management plans.

The Group's cybersecurity strategy is built on five pillars:

- protection of the Group's IT assets, with resources such as antivirus and endpoint detection and response (EDR) solutions;
- monitoring of Company terminals using daily compliance indicators;
- detection of threats, using a security operations center (SOC) which relies on the various security tools deployed to detect and qualify security alerts and take appropriate action;

- accountability, which is based on several services available to end users and companies; and
- crisis management preparedness, including data backup and restoration capabilities.

Under the responsibility of the Chief Information/Digital Officer, the IT Cybersecurity Department is overseen by the Head of Cybersecurity who ensures the effective implementation and management of the IT Cybersecurity roadmap. A central team oversees the cybersecurity strategy at global level, with local teams at each manufacturing facility ensuring site-level compliance with the roadmap and strategy.

The IT Cybersecurity Department has a set of standards and procedures defining the security rules to be observed by all users when using the Group's IT systems, and by IT system operation teams when implementing IT solutions on workstations, servers and databases.

In addition, to ensure that the Group's IT policies and standards are known and applied at all levels, the IT Cybersecurity Department is in charge of promoting cybersecurity awareness (including training), publishing an intranet site (where employees can find relevant policies and standards as well as guidance), and conducting simulated phishing campaigns to raise awareness among end users and familiarize them with concepts such as ransomware.

The IT Cybersecurity Department is also setting up an audit program and tools to control vulnerabilities at application and infrastructure levels, to identify threats at the Group's sites.

These activities are carried out alongside other sovereign cybersecurity activities such as integrating security into projects and contracts, evaluating third parties and controlling information flows.

5.2.4 Implement responsible purchasing

The Group considers health, safety, respect of business ethics principles and human rights, as well as the protection of the environment in the conception of its products and over their entire lifespan. This approach involves all actors in the product chain, including raw materials suppliers.

For this reason, supplier selection and cooperation play a decisive role in the sustainability of the Group's business and its ability to be a reliable partner in the pharmaceutical medicine value chain. Accordingly, there is a dedicated Sustainable Procurement Program in the process of being finalized in the Procurement Department under the responsibility of the Chief Procurement Officer.

The Procurement Department consists of purchasing teams located at each of the Group's sites. The procurement teams are responsible for conducting the necessary supplier due diligence and ensuring suppliers have signed all relevant policies. Responsible purchasing metrics and performance are regularly reported to and reviewed by the Executive Committee's ESG Steering Committee. See Section 5.1.6 "The Group's ESG governance" for further details.

The Group's broad portfolio of APIs requires a large and varied number of suppliers. To be able to maintain its production activities, the Group works with an estimated 3,000 suppliers grouped into two categories: raw material (solvents, organic intermediates, natural products, mineral products, acids and bases, etc.) and non-raw material (IT, professional services, scientifics, CAPEX, maintenance repair operations, etc.).

Due to their impact on manufacturing processes and prices, raw material suppliers are under particular scrutiny.

In 2022:

- More than 71% of the Group's total raw material expenditure was in Europe, with 23% in China and India.
- The Group's top 10 raw material suppliers accounted for approximately 32% of its total raw material expenditure, 42% of which was from dual or multiple sources.

Despite the geopolitical tensions and raw material availability constraints in 2022, the Group managed to accelerate the mono-sourcing exit program for raw materials, designed to secure business continuity and prevent operating shutdowns.

After the lessons learned at the start of the Covid-19 pandemic, the Group was also able to be proactive in anticipating deliveries of strategic intermediates arriving from overseas.

Despite several challenges related to raw material and energy price increases, shortages and freight issues, the Group managed to maintain business continuity.

The Group has a Supplier Code of Conduct (available on its website) that outlines its expectations of its suppliers in terms of observing and complying with fundamental principles relating to human rights, working conditions, environmental protection and the prevention of corruption.

Respecting this policy is essential for onboarding new suppliers and their continuing commercial relationship with the Group.

The Group also has a Supplier Relationships Charter (available on its [website](#)) which defines the rules of conduct that must be respected by all employees of the Group in their relationships and exchanges with suppliers.

The purpose of the Charter is to raise awareness about, and discourage, any conduct that could conflict with the Group's ethics and compliance rules as well as to promote respectful relationships with all its suppliers.

In addition to these global policies, the Procurement Department has developed and uploaded onto its digital procurement platform a set of ESG-related questionnaires that are sent to the suppliers that have the higher risk in terms of ESG in order to assess their level of compliance with its expectations.

Qualification process

The supplier qualification process involves several departments including the Procurement, Quality, Development and Finance departments.

The Procurement Department leads the Procurement Risk Management (PRM) process, the aim of which is to identify risks and to minimize both the probability of occurrence and their impact.

This specific process relies on a questionnaire and is based on five criteria:

- 1) Ethics
- 2) Finance
- 3) Corporate Social Responsibility (CSR)
- 4) Health, Safety & Environment (HSE)
- 5) Cybersecurity

This process has been created to incorporate HSE programs and requirements, as well as ESG pillars and goals. It provides the Group with a unique set of tools capable of classifying the Group's suppliers and guiding the remediation process in cases where a supplier might not comply with its required standards.

Responsible procurement program

The Group is committed to respecting human rights, employees health and safety and environmental standards in its own operations and throughout its supply chain, and considers cooperation with its suppliers as an opportunity to integrate sustainability into the entire value creation process.

To ensure alignment with its commitment, the Group is in the process of establishing a responsible purchasing approach structured around the raw material suppliers:

- 1) suppliers risk mapping;
- 2) prioritization (surveillance) of suppliers by risk profile;
- 3) online signature process for the Supplier Code of Conduct for all suppliers;
- 4) online questionnaires about ESG commitments for high risk suppliers (35.5% of raw material suppliers);
- 5) remediation plan based on ESG questionnaire assessments.

Once the Procurement Department has identified a potential supplier, the Quality Department uses a scientific approach based on the critical matters of the "compound" in question. The additional tools at the Group's disposal to strengthen the qualification process are: audits, certificates and GMP verifications, where appropriate. The ultimate goal of these processes is to assess the sustainability of the potential supplier.

In 2022, the Group focused on the creation of the ESG questionnaire, the supplier risk map and setting up the interactive supplier platform.

In 2023, signing the Supplier Code of Conduct will be mandatory for all new suppliers and the ESG questionnaire will be sent to 100% of suppliers characterized as "higher risk". The approach will gradually be rolled out to other suppliers classified as "lower risk" as the Group advances with the program and remediation plans.

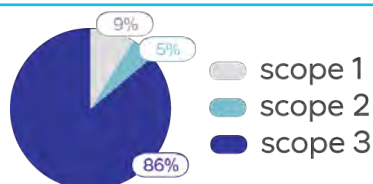
As part of its commitment to implementing responsible purchasing, the Group is seeking to take part in relevant initiatives together with its industry peers, in order to take collaborative action with regard to shared suppliers.

In January 2023, the Group launched the process for joining the Pharmaceutical Supply Chain Initiative (PSCI). This non-profit business membership organization brings together pharmaceutical companies and API producers to promote responsible supply chain practices and share supplier audits.



In 2022, in order to address client requests, three of the Group's sites were audited according to PSCI principles. Audits can be shared with the Group's clients on request.

5.3 COMMITMENT No.2: ACCELERATE INNOVATION FOR ENVIRONMENTAL SUSTAINABILITY



EUROAPI CO₂ emissions in 2022



33% of sites are "zero waste to landfill"



-14% water consumption in 2022 vs 2020



68% solvent recycling rate in 2022

ACCELERATE INNOVATION FOR ENVIRONMENTAL SUSTAINABILITY

Aware of the environmental challenges that society is facing, the Group has established, on the one hand, programs that are incrementally improving existing processes in terms of water consumption, CO₂ emissions, energy consumption and waste management, and on the other hand, a program and partnerships that are significantly changing the process of producing APIs. This twofold approach allows for both a mid-term and long-term vision and will allow sustainable growth for the Group as environmental, physical and transformation risks are addressed.

All of the Group's sites are certified ISO 14001 (environmental management) and will be certified ISO 50001 (energy management) by the end of 2023.

The Group intends to reduce its scope 1 and 2 CO₂ emissions in absolute value by 30% by 2030 (compared to 2020) and the Group started to work on reducing scope 3 emissions with its suppliers and clients. Further external partnerships and assessments will support the Group's environmental strategy and the decarbonization of its activities to reach the goal of Net Zero by 2050.



Contribution to SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

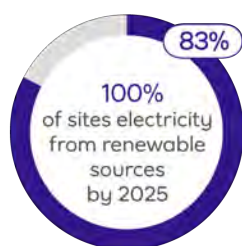


Contribution to SDG 12: Ensure sustainable consumption and production patterns

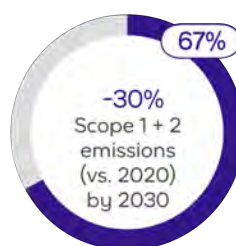
OUR OBJECTIVES



● Achievement 2022



● Achievement 2022



● Achievement 2022



↳ Environmental Factsheet
↳ HSE EUROAPI Policy



Responsible Care®
OUR COMMITMENT TO SUSTAINABILITY

5.3.1 Towards responsible innovation

The Group's ability to provide clients and patients with adapted active-ingredient health solutions is driven by its capacity for innovation. The Group believes that responsible innovation will be critical going forward, leading to sustainable growth and allowing the Group to achieve its environmental commitments, including on carbon emissions, natural resource consumption and waste management.

Sustainable innovation at the Group is focused on making research, development and industrial chemical processes safer and cleaner, and on giving more consideration to energy consumption while continuing to generate economic benefits. It is driven by improved chemical-process efficiency and economics, based on the 12 well-defined "principles of green chemistry"¹.

¹ 12 Principles of Green Chemistry - ACS Green Chemistry Institute®: <http://www.acs.org/content/acs/en/greenchemistry/what-is-green-chemistry/principles/12-principles-of-green-chemistry.html>

With a long history in active ingredient manufacturing, the Group's R&D department, led by the Chief Research and Development Officer, is committed to improving its manufacturing processes in order to minimize the Group's impact on the environment. Governance arrangements for the Responsible Innovation program are to be set up in 2023.

This will involve two main approaches:

- A continuous process improvement program for its commercial products: the purpose of this annual program is to assess and improve the environmental impact and sustainability of API manufacturing processes. New technologies such as data science and online process analytical technology (PAT) support these improvements by allowing faster and more efficient data acquisition, improving yield and shortening the development lead time of processes, contributing to a better environmental impact. The program involves around 12% of the R&D team.
- The Group's dedicated innovation projects specifically target improving the sustainability of its technologies and developing new sustainable technologies that are applicable to its market. These projects involve around 6% of the R&D team. On-site examples include:
 - Flow chemistry (continuous chemistry) at the Haverhill site that produces the largest marketed API with continuous chemistry. It is more energy efficient and reinforces real time analysis for pollution prevention. Flow chemistry reduces hazardous waste generation and designs benign chemistry with utilization of benign solvents and reagents.
 - Biochemistry intensification at two of its fermentation sites (Brindisi and Saint Aubin-les-Elbeuf). Biotechnology requires fewer chemical steps thanks to processes based on fermentation with micro-organisms for the synthesis of active

molecules. For example, the Group is actively working on vitamin B12 process improvement to drastically boost fermentation productivity, halve water consumption and slash the number of technical operations. The Group is making a major investment of €40 million in this project (see its [press release](#) on the subject available on its website for further details).

- Development of biocatalysis to reduce environmental impact and improve the economics of small molecules synthesis at the Group's Budapest site.
- The Group has several ongoing productivity intensification projects designed to reduce the environmental impact of its processes, and the Group is targeting topics that will benefit from major advances. One of these topical areas is the solid phase peptide synthesis, on which the Group is using a combination of a better understanding of the chemistry, improved engineering and PAT advances to drastically improve the environmental footprint.

Next steps

The Group will start measuring PMI (Process Mass Intensity) for new projects, in order to track its environmental performance upstream and implement these criteria on a routine basis. These metrics will allow us to demonstrate and document its commitment to reducing the environmental impact of its products.

The Group also collaborates with external scientists in the search for breakthrough technologies to improve its environmental footprint via more effective and greener processes, including synthetic biology, state-of-the-art separation processes, catalysis, process intensification and new modes of generating solid-form active ingredients, etc.

5.3.2 Minimize the Group's environmental impact

Given its sector of activity and operations, the Group is stepping up efforts to drive constant improvement in industrial practices, using all available means to limit direct and indirect impacts of its activities on the environment.

The manufacture of active pharmaceutical ingredients is energy intensive and involves numerous stages that often require extremely low or high temperatures and products of a petrochemical or mineral nature. Different raw materials required in production phases must be sourced and delivered to the Group's manufacturing facilities in Europe.

The Group operates in a restrictive legislative and regulatory environment with respect to environmental protection, public health and safety.

For example, provisions have been recognized by the Group to cover soil pollution prevention and remediation, amounting to €45.4 million as of December 31, 2022 (see Section 3.3.2 "Risk coverage policy – Group risk management" of the Universal Registration Document). A provision of €29.3 million has also been recognized to address potential restoration costs for leased buildings.

As part of its responsible industrial commitment, the Group is aiming to improve its practices so as to optimize energy and water consumption and reduce waste and emissions. The Group has, therefore, defined short-term (2025-2030) and long-term (2050) objectives with associated action plans.

A dedicated structure exists within the HSE Department to coordinate energy, water, waste and emissions management and responsible consumption programs and initiatives across all operations. These initiatives form an integral part of the Group's global HSE Policy and its Environmental Factsheet which are available on the Company's website.

Under the responsibility of the Chief Operating Officer, the HSE Department is overseen by the Head of HSE who is in charge of the Group's environmental strategy, and whose role is to oversee the implementation and management of the associated programs. The measurement and monitoring of environmental indicators is managed at site level by HSE Site Managers.


Environmental metrics and performance are reported and reviewed regularly by the Board of Directors' ESG Committee ([see Section 5.1.6 "The Group's ESG governance"](#) for further details).

The Group's environmental objectives and associated strategies form an integral part of a global HSE Policy available on the Company's website. The HSE Policy establishes the framework for HSE management across all operations and covers the Group's environmental commitments regarding energy, water, waste, and emissions.

As a first step towards optimizing energy and water consumption and reducing waste and emissions, the Group is pursuing both ISO 14001 (environmental management systems) and ISO 50001 (energy management systems) certification for each of its manufacturing sites. This will ensure that best practices are in place for the management of energy, water, waste and emissions.

During the year under review, the Group site at Haverhill was ISO 14001-certified, bringing the Group total of such facilities to six. With ISO 50001 certification in progress for the Haverhill, Vertolaye and Brindisi facilities, the Group is on track to meeting its target of 100% of sites certified ISO 14001 and ISO 50001 by end-2023.

	ISO 14001 Environmental Management	ISO 50001 Energy Management
 Vertolaye 	 Since 2000	 By 2023
 Elbeuf 	 Since 2022	 Since 2017
 Frankfurt 	 Since 1999	 Since 2012
 Budapest 	 Since 2006	 Since 2016
 Brindisi 	 Since 1999	 By 2023
 Haverhill	 Since 2022	 By 2023

 Seveso site annually inspected by local authorities

Fighting climate change

The Group believes that companies have a crucial role to play in the face of the current climate emergency and that it has a responsibility to take immediate action. A strategy designed to meet the objectives of the 2015 Paris Agreement is in the process of being defined to reduce the Group's carbon footprint. The Group has also set a new strategic environmental objective to reduce greenhouse gas emissions from its business operations, with several programs to reduce CO₂ emissions at selected sites.

The Group has set itself an ambitious target of reducing direct CO₂ emissions from owned or controlled operations (Scope 1) and indirect CO₂ emissions from the generation of purchased or acquired energy such as electricity, steam, heating and cooling, consumed by the Group (Scope 2) by 30% by 2030.

The Group's objective is to achieve carbon neutrality (Scopes 1, 2 and 3) by 2050. Carbon neutrality means having a balance between emitting carbon and absorbing carbon from the atmosphere in carbon sinks.

In addition to its global policies, the HSE Department has developed a set of internal standards outlining the procedures for monitoring, measuring and reporting environmental indicators required to calculate Scope 1, 2 and 3 emissions. The standards are regularly reviewed and updated where necessary to ensure compliance with applicable laws and regulations, as well as to incorporate any specific risks associated with EUROAPI's activities.

With respect to Scope 1 emissions, the Group has the objective of having only electric and hybrid vehicles in its vehicle fleet by 2025, and electric vehicles only by 2035.

With respect to Scope 2 emissions, in 2022 the Group stepped up its efforts to procure a greater share of its electricity from renewable sources, with the ultimate objective of having 100% of its electricity consumption derived from renewable sources by 2025.

In 2022 the Group worked to address the main contributors to its Scope 3 emissions.

- with purchased goods representing almost 50% of Scope 3 emissions, the Group implemented programs focused on solvents, acids, bases, and biotechnology yield;
- with waste representing almost 20% of Scope 3 emissions, the Group rolled out programs focused on waste reduction.

The Group measures and monitors its GHG emissions and reports them in line with the GHG Protocol methodology. Headquarters activities and representative and commercial offices are not included in Scope 1 and 2 calculations, as they are considered negligible in relation to the Group's total emissions. Since 2020, Scope 1 and 2 emissions have decreased by almost 20%.

- Scope 1 emissions were reduced in 2022 thanks to better management and maintenance of cooling facilities as well as the replacement of compressors at the Brindisi site.
- Scope 2 emissions were lower than the baseline year, with a minor increase in 2022 compared to 2021 due to an improvement in the Group's calculation method. These emissions now include purchases of cooling water, chilled water and compressed air for its Frankfurt site, which were previously not accounted for.

These positive results indicate that the Group is on the right track to meet its 30% reduction target by 2030.

Scopes 1 & 2 emissions (in metric tons of CO ₂ e)	2022	2021	2020	Change vs 2020 (%)
Scope 1 GHG emissions	61,317	73,582	74,043	-17.2%
Scope 2 GHG emissions	30,061	27,371	40,003	-24.9%
Total Scopes 1 & 2 GHG emissions	91,378	100,953	114,046	-19.9%

Scope 3 emissions are calculated for each category outlined in the GHG Protocol.

Scope 3 GHG emissions (in metric tons of CO ₂ e)	2022	2021	Change vs 2021 (%)
1. Purchased goods and services	280,661	313,117	-10.4%
2. Capital goods	24,355	22,219	+9.6%
3. Fuel and energy-related activities	24,698	23,650	+4.4%
4. Upstream transportation and distribution	22,906	22,906	—%
5. Waste generated in operations	128,621	132,665	-3.0%
6. Business travel	1,159	2,000	-42.1%
7. Employee commuting	5,445	4,873	+11.7%
8. Upstream leased assets	N/A	N/A	N/A
9. Downstream transportation and distribution	N/A	N/A	N/A
10. Processing of sold products	78,138	117,448	-33.5%
11. Use of sold products	N/A	N/A	N/A
12. End-of-life treatment of sold products	6,885	6,554	+5.1%
13. Downstream leased assets	N/A	N/A	N/A
14. Franchises	N/A	N/A	N/A
15. Investments	N/A	N/A	N/A
Total Scope 3 GHG emissions	572,868	645,432	-11.2%

Scope 3 emissions were in 2022 11% lower than in 2021, a decrease that is attributable to the Group's environmental drive as well as to improvements in data quality and methodology, further to modeling work and support from an external consultant.

According to the GHG protocol, certain Scope 3 categories are not applicable to the Group's business activity or are accounted for under other emissions categories ([see Section 5.7.1 "Methodology note on non-financial reporting"](#)).

Improving energy efficiency and increasing use of renewable energies

To address the challenges of diminishing fossil fuel resources and climate change, the Group has adopted an approach that combines energy efficiency (consume less and consume smarter) with the decarbonization of energy supplies (consume differently).

Within the framework of its ESG Policy, the Group has developed a strategy for improving energy efficiency across its operations and increasing its use of energy derived from renewable sources. The strategy is centered around the following elements:

- integrating energy efficiency in the design and choice of energy consuming equipment;
- choosing carbon-neutral designs for all new buildings;
- implementing energy recovery processes;
- producing renewable energy on company sites (self-generation); and
- increasing purchases of electricity from renewable sources.

In addition to its global policies, the HSE Department has developed a set of internal standards which outline the procedures for monitoring, measuring and reporting environmental indicators including energy consumption and usage. The standards are regularly reviewed and updated if necessary to ensure compliance with applicable laws and regulations as well as to incorporate any specific risks associated with the Group's activities.

For all new buildings, a carbon neutral design is applied, prohibiting the use of fossil fuels for heating purposes (natural gas, fuel oil, etc.) and requiring that buildings be heated using recovered energy, heat pumps and renewable electricity. In line with this strategy, in 2022 a project was approved for the construction of a new building at the Vertolaye industrial facility in France for the production of hormones.

The Group actively seeks opportunities to purchase renewable electricity wherever possible through long-term contracts such as Power Purchase Agreements (PPAs) and certificates such as Guarantee of Origin (GO) and Renewable Energy Certificates (RECs). In 2022, 87% of the electricity purchased by the Group was derived from renewable sources.

During the year under review, a new project was initiated for the installation of a 17 MW biomass boiler at the industrial facility at Saint-Aubin-lès-Elbeuf (France). This boiler will replace an existing gas-powered boiler and is estimated to reduce CO₂ equivalent (CO₂e) emissions by nearly 76%. The new boiler, powered with wood waste (Grade B), will be operational in 2026.

Solar photovoltaic panels are scheduled to be installed at the Haverhill industrial site (United Kingdom) in 2023. The Group has also identified other potential projects to bring it closer to its goal of reducing natural gas consumption, including the installation of a biomass boiler system at its industrial site in Vertolaye (France).

The Group's efforts to improve energy efficiency continue to prove effective, as demonstrated by the further 9.2% year-on-year reduction in its total energy consumption versus 2020.

The Group achieved positive results again in 2022 with respect to its objective of reducing consumption of energy from non-renewable sources. In particular, the Group was able to maintain its reduced consumption of natural gas versus 2020. Important maintenance work was completed on the gas turbine at the Haverhill site in 2021. In 2022, the reduction can be attributed to the decreased use of natural gas for heating buildings at all facilities and for the treatment of Volatile Organic Compounds (VOCs) at the Frankfurt site, for which the Group has been successful in reducing emissions in parallel.

In 2022, 87% of the electricity consumed in the Group's industrial facilities was derived from renewable sources. Five out of its six sites are using 100% electricity coming from renewable sources.

Overall, the Group has continued to make progress towards its objective of using 100% electricity derived from renewable sources at all of its industrial facilities by 2025.

However, in 2022, the amount of renewable electricity generated on site through solar photovoltaic systems was less than in previous years, following temporary equipment failure at the Budapest site.

<i>Energy consumption by source (MWh)</i>		2022	2021	2020	Change vs 2020 (%)
Renewable	Renewable electricity (purchased)	143,646	163,553	51,765	+177.5%
	Renewable electricity (generated on-site)	8	12	11	-27.3%
	Total renewable energy consumption	143,654	163,566	51,776	+177.5%
Non-renewable	Non-renewable electricity	21,392	3,734	126,914	-83.1%
	Natural gas	332,470	327,047	378,252	-12.1%
	Waste-to-energy	6,775	5,809	5,530	+22.5%
	Other non-renewable energies (steam, chilled water, compressed air, etc.)	97,646	98,764	100,281	-2.6%
	Total non-renewable energy consumption	458,283	435,354	610,978	-25.0%
Total energy consumption		601,937	598,920	662,754	-9.2%

Optimizing water management

The Group is committed to the responsible management of water in order to have environmentally sustainable and socially equitable usage of this essential resource. The Group's industrial activity requires the use of water which is an essential element in the production of APIs and necessary for the operation of industrial sites and equipment.

There are three types of water usage in the Group's industrial operations: direct use in the synthesis of APIs, thermal use in manufacturing processes (heating or cooling) and sanitary use in the cleaning of equipment and production vessels.

Mindful of the water-dependent nature of API production and in line with its Environmental Factsheet, the Group has developed a water management strategy based on the following elements:

- implementation of a water efficiency program at each industrial site, adapted to site-specific requirements;
- prioritization of industrial sites presenting higher water-related risks;
- continuous assessment of water-related risks; and
- consideration of water use at product level (product water footprint).

In addition to its global policies, the HSE Department has developed a set of internal standards which outline the procedures for monitoring, measuring and reporting environmental indicators including water withdrawal and usage.

Annual action plans aimed at managing water use and reducing water consumption are established and implemented at each manufacturing site. According to the Group's industrial site requirements, plans may include equipment upgrades or the installation of new equipment allowing for greater water conservation.

All sites are encouraged to recycle water in local applications. Different methods are employed such as the implementation of closed water cooling systems with multiple loops.

The prioritization of industrial sites presenting higher water-related risks allows the Group to direct resources where they are most needed and can have the most impact.

The Group's water efficiency program is expected to further reduce water consumption even with a planned increase in production capacity.

Water conservation efforts at individual sites were maintained in 2022 and the Group's total water consumption continues to follow a downward trend.

Water withdrawal by source (in thousand m ³)				Change vs 2020 (%)
	2022	2021	2020	
Public supply	1,411	1,235	1,377	2.4%
Other supplier	19	19	31	-36.7%
Surface water	4,216	4,572	4,903	-14.0%
Groundwater	11,915	11,912	14,692	-18.9%
Total water withdrawal	17,561	17,737	21,004	-16.4%

The quantity of water recycled or reused at the Group's sites is expected to increase due to its water efficiency program. On average, over the three years presented, an estimated 25% of the water consumed on the Group's sites has been recycled or reused.

Water consumption (in thousand m ³)				Change vs 2020 (%)
	2022	2021	2020	
Water recycled / reused on site	4,885	4,809	6,049	-19.2%
Total water consumption	18,352	16,806	21,256	-13.7%

The difference between total water consumption and total water withdrawal is explained in the methodology note (see Section 5.7.1 "Methodology note on non-financial reporting").

Improving waste management and promote responsible consumption

The synthesis of APIs is dependent on chemical processes that generate waste as a by-product. The Group generates, through its industrial activity, hazardous and non-hazardous waste that is classified according to the legislation in force.

The reduction of waste arising from its operations, in particular through greener chemistry, is one of the Group's environmental sustainability priorities. Emissions related to waste account for approximately 20% of the Group's total Scope 3 emissions.

The management of raw materials is also a priority, as purchased goods carry an associated environmental impact. Almost half of the environmental impact of purchased goods is related to three categories of raw materials: solvents, acids-bases and raw materials used in the manufacture of biotechnology products. The Group is therefore implementing programs focused on solvent recovery as well as biotechnology yield that can significantly decrease the environmental impact of these raw materials.

Within the framework of its ESG Policy, the Group has a strategy in place for waste management and responsible consumption, centered around the following elements:

- implementing sustainable chemistry practices and improving manufacturing processes through a continuous process improvement program (see Section 5.3.1 "Towards responsible innovation");
- optimizing consumption of non-renewable raw materials used in manufacturing processes through programs focused on solvents, acids, bases, and biotechnology yield;
- a waste management policy based on reducing the generation of waste at source, reusing and recycling, and using landfill only when necessary;
- prioritization of industrial sites producing greater quantities of hazardous waste; and
- continuous assessment of risks related to raw material consumption and waste production.

In addition to its global policies, the HSE Department has developed a set of internal standards which outline the procedures for monitoring, measuring and reporting environmental indicators related to waste production and raw material consumption.

The Group has identified three industrial sites to prioritize based on the greater quantities of hazardous waste produced related to their respective activities and production processes.

A program for 2023 and 2024 has been developed for these three priority sites:

- the Frankfurt site will have an increased solvent recycling capacity in 2023 with the use of a distillation column that will be able to regenerate 800 tons of toluene per year;
- the Vertolaye facility will conduct a study in 2023 to validate the potential to increase the site's solvent distillation capacity by 3,000 tons and will also implement a project in 2024 to recycle 400 tons of solvent at the site;

- the Budapest site will have new equipment to boost solvent recycling capacity, allowing for the distillation of 240 tons of acetone per year.

Total waste produced in 2022 at the Group's industrial sites fell by 3% versus 2020.

Waste produced (in metric tons)	2022	2021	2020	Change vs 2020 (%)
Hazardous waste	55,307	53,414	57,259	-3.4%
Non-hazardous waste	43,361	42,780	44,410	-2.4%
Total waste produced	98,668	96,194	101,669	-3.0%

The difference between hazardous and non-hazardous waste is explained in the methodology note (see Section 5.7.1 "Methodology note on non-financial reporting").

The rate of material recovery (quantity of waste recycled as a percentage of total waste produced) achieved has been relatively stable over the three years presented. In 2022, a project at the Frankfurt site allowed for an increased recycling rate of hazardous waste. Over 100 tons of solvents were recycled further to the optimization of the waste logistics platform, reducing total waste produced at the site and avoiding approximately 200 tons of CO₂e emissions.

Waste recycled (in metric tons)	2022	2021	2020	Change vs 2020 (%)
Hazardous waste	7,883	7,924	11,263	-30.0%
Non-hazardous waste	26,180	25,794	24,573	+6.5%
Total waste recycled	34,063	33,718	35,836	-4.9%
Rate of material recovery	34.5%	35.1%	35.2%	-0.7%

The total amount of waste sent to landfill by the Group's industrial sites was almost 30% lower than in 2020. Progress in 2022 can be attributed in part to a project implemented at the Brindisi site to reduce the quantity of sludge produced at the site's wastewater treatment plant. The sludge dryer's improved performance drove a significant reduction in the amount of non-hazardous waste sent to landfill by the site.

In line with its waste management strategy, the Group has continued to make progress towards its goal of reducing its landfill disposal rate. As of 2022, two of its six industrial sites have achieved "zero waste to landfill".

Waste sent to authorized landfills (in metric tons)	2022	2021	2020	Change vs 2020 (%)
Hazardous waste	1,539	1,359	1,845	-16.6%
Non-hazardous waste	3,656	5,035	5,548	-34.1%
Total waste to landfill	5,195	6,394	7,393	-29.7%
Rate of landfill disposal	5.3%	6.6%	7.3%	-2.0%

The rate of energy recovery (quantity of waste incinerated with energy recovery as a percentage of total waste produced) for all of the Group's industrial sites has been relatively stable over the three years presented.

Waste incinerated with energy recovery (in metric tons)	2022	2021	2020	Change vs 2020 (%)
Hazardous waste	19,085	16,613	17,030	+12.1%
Non-hazardous waste	2,118	2,450	1,593	+33.0%
Total waste incinerated with energy recovery	21,203	19,063	18,623	13.9%
Rate of energy recovery	21.5%	19.8%	18.3%	+3.2%

Other waste treatment methods are used at the Group's industrial sites depending on the specific nature of the waste to be treated and the most appropriate method available. Total waste treated with other methods as a percentage of total waste produced has been relatively stable over the three years presented.

Waste treated with other methods (in metric tons)	2022	2021	2020	Change vs 2020 (%)
Hazardous waste ⁽¹⁾	26,801	27,518	27,121	-1.2%
Non-hazardous waste ⁽²⁾	11,407	9,500	12,696	-10.2%
Total waste treated with other methods	38,208	37,019	39,817	-4.0%
% total waste	38.7%	38.5%	39.2%	-0.5%

(1) Includes the treatment of water containing chemical agents via incineration.

(2) Includes the off-site treatment of brine water.

The rate of solvent recycling (quantity of solvents recycled as a percentage of total solvents consumed) achieved has been relatively stable over the last two years. The decrease in the solvent recycling rate versus 2020 can be explained by three events that occurred at the Frankfurt site between 2020 and 2022.

- In early 2021, a legacy process for producing the antihistamine fexofenadine at the Frankfurt site was phased out and a new process was implemented. The new process currently does not allow for the same quantities of toluene, a solvent required for the process, to be reprocessed and reused compared to the legacy process.

- 2) The quantity of the analgetic metamizole produced at the site decreased by approximately 30% between 2020 and 2022. The production process for this API has a solvent recycling rate of approximately 95% which contributed to a higher recycling rate in previous years and subsequent decline in the rate due to the decreased volumes produced.
- 3) An increase in the demand for certain products led to greater quantities produced and subsequently, higher demand for solvents. The site does not currently have the ability to reprocess the quantities of solvent required for the production of these products.

In 2022, a project to improve the recovery rate of acetonitrile was implemented at the Group's Budapest site. The project allowed for the regeneration of approximately 54 metric tons of the solvent and reduced hazardous waste produced at the site by 68 metric tons.

Solvent consumption (in metric tons)				Change vs 2020 (%)
	2022	2021	2020	
Solvents consumed	83,275	79,117	107,500	-22.5%
Solvents regenerated	56,213	50,581	78,624	-28.5%
Rate of solvent recycling	67.5%	63.9%	73.1%	-5.6%

Reducing emissions into air, water, soil and subsoil

Solvents are required for API production and are highly regulated due to their volatile nature and associated emissions factor. Solvents used by the Group are either purchased or regenerated on site, and they are used in compliance with the recommendations for proper use established at the Group level. The Group promotes the optimization of processes, and regeneration, where possible, in order to reduce the quantity of solvents consumed (see in particular Section 3.2.2 (b) "Risks related to supply difficulties, raw material and energy costs, and relationships with certain suppliers and subcontractors" of the Universal Registration Document).

The Group aims to reduce emissions of volatile organic compounds (VOCs) resulting from the synthesis of APIs. To achieve this objective, it promotes an integrated approach at each stage of product development, from research to production, which is designed to:

- limit the use of solvents by substituting biological processes for chemical ones;
- promote the recycling of solvents;
- select the least toxic solvents;

- reduce emissions at source by adapting manufacturing processes accordingly and implementing maximum containment of solvent use; and
- capture and appropriately treat any residual VOC emissions through the implementation of abatement technologies such as cryogenic capture, gas scrubbers, thermal oxidizers or activated carbon.

The Group is also committed to controlling wastewater discharge at its industrial sites. It proactively pursues programs that are designed to:

- monitor and control water discharged into the environment according to requirements defined by local permits;
- reduce the quantities of wastewater discharged at source; and
- employ advanced treatment methods at site level, such as ozone or activated carbon, where appropriate.

With respect to soil and subsoil, the Group has implemented a systematic multi-year program of monitoring and studying soil and shallow and deep aquifer water at its sites. The detailed assessments carried out as part of this program can lead to remediation work should it be necessary. The Group continuously reviews any necessary remediation work and implements appropriate rehabilitation work in collaboration with national and local authorities.

In addition to its global policies, the HSE Department has developed a set of internal standards which outline the procedures for monitoring, measuring and reporting environmental indicators related to VOC emissions and other releases into the air, water, soil or subsoil at each site.

In line with its solvent recovery program, the Group has an internal standard for banned solvents which is adhered to by all industrial facilities.

Environmental analysis of the Group's sites is carried out periodically to identify any actual or potential impact on the environment, and to define priorities in terms of environmental protection action plans and monitor progress.

At its Saint-Aubin-lès-Elbeuf site in France, the Group has initiated a new vitamin B12 fermentation process under the name Project ELLA. The objective is to improve the vitamin B12 manufacturing process and reduce at source the quantity of wastewater discharged into the Seine river.

In addition, wastewater from the site will be treated by ozonation at the site's wastewater treatment plant, in order to ensure water quality and suitability for discharge.

At the Vertolaye site, improvements to environmental emissions management are ongoing. To reduce quantities of VOCs discharged into the atmosphere, an incineration system has been installed with collection points at all discharge channels. The Group has also made improvements to the wastewater treatment plant in order to improve the quality of wastewater discharge and reduce the quantity of effluent.

The Group continued to make progress towards reducing its air emissions during the year under review. VOC emissions continued to decrease thanks to initiatives at the Group's sites. In particular, VOC emissions at the Vertolaye site decreased by 67% (127 metric tons versus 381 metric tons in 2020) further to investments in the incineration system; and VOC emissions at the Brindisi site decreased by over 50% (473 metric tons versus 976 metric tons in 2020) further to improvements in measurement techniques. The Group also achieved a significant reduction in Ozone Depleting Substance (ODS) emissions in 2022, attributable to new equipment (cooling compressors) installed at the Brindisi facility.

<i>Air emissions</i>	2022	2021	2020	Change vs 2020 (%)
VOC emissions (in metric tons)	1,413	1,338	2,092	-32.5%
ODS emissions (in kilograms)	261	545	1,696	-84.6%

The Group pressed ahead with programs in 2022 to reduce quantities of wastewater discharged at source at its industrial facilities, which have been cut by 14.5% versus 2021.

<i>Wastewater discharged (in thousand m³)</i>	2022	2021	2020	Change vs 2020 (%)
	21,786	25,492	22,101	-1.4%

Due to the sanitary authorities different requirements for each of its sites, the Group does not report indicators related to the quality of water discharge. However, water quality parameters, notably chemical oxygen demand (COD), are tracked at site level and follow the limits applicable by the local permits.

Mobilizing employees for environmental protection

In order to continuously improve its environmental performance, as well as act as a responsible employer, the Group promotes environmental awareness and mobilization among its employees.

In 2022, more than 250 employees participated in environmental awareness events. Energy saving campaigns took place at almost all the Group's premises, and environmentally friendly soft mobility and commuting were promoted.

Thanks to the on-site HSE network, the Group intends to press ahead with and amplify these efforts by cascading them throughout the organization.



Climate Fresk workshop with the Senior Leadership Team at the Group's Brindisi site.

Protecting biodiversity

The Group is well aware that biodiversity is vital to maintaining the balance of life on the planet and that the world's natural ecosystems are deteriorating at a rate unprecedented in human history.

The Group has rolled out several initiatives to protect and preserve biodiversity at its sites. These include regular flora and fauna inspection and species protection. These initiatives will be structured and organized going forward.

Four of the Group's industrial facilities manage beehives with governance and processes which involve volunteers. In 2022, 180 kg of honey was produced and sold to employees, with the related income donated to charity or reinvested in the initiative.

5.4 COMMITMENT No.3: CREATE A SAFE AND MULTICULTURAL WORKPLACE



68% participation rate for first employee survey



28% women in workforce



67% employees took part in capital offer in July 2022

CREATE A SAFE AND MULTICULTURAL WORKPLACE

The Group's most valuable asset is its nearly 3,500 highly qualified employees based in eleven countries. It is committed to ensuring their health and safety and to providing an inclusive and fulfilling workplace. A good track record in health and safety will be further emphasized through the Group's commitment to decrease the Lost Time Injury frequency rate to 1.5* and the Total Recordable Injury frequency rate to 2.5* for EUROAPI employees at all sites by 2025. Regular social dialogue and employee surveys have laid the groundwork for addressing the challenge of engagement and development in 2023.

The new programs and tools in the pipeline will allow the Group to better recruit and retain employees and to offer more opportunities for professional development.

With the target of 30% women in its Extended Leadership Team (ELT) by 2025 reached in 2022, the Group will continue to promote gender equality and diversity across its operations.

* Per 1,000,000 hours worked.

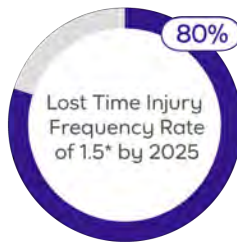


Contribution to SDG 5: Achieve gender equality and empower all women and girls

OUR OBJECTIVES

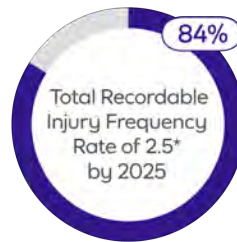


● Achievement 2022



● Achievement 2022

* per 1,000,000 hours worked



● Achievement 2022

* per 1,000,000 hours worked



↳ Diversity, Equity & Inclusion Factsheet

↳ Human Rights Factsheet

5.4.1 Human capital, a key asset for the Group

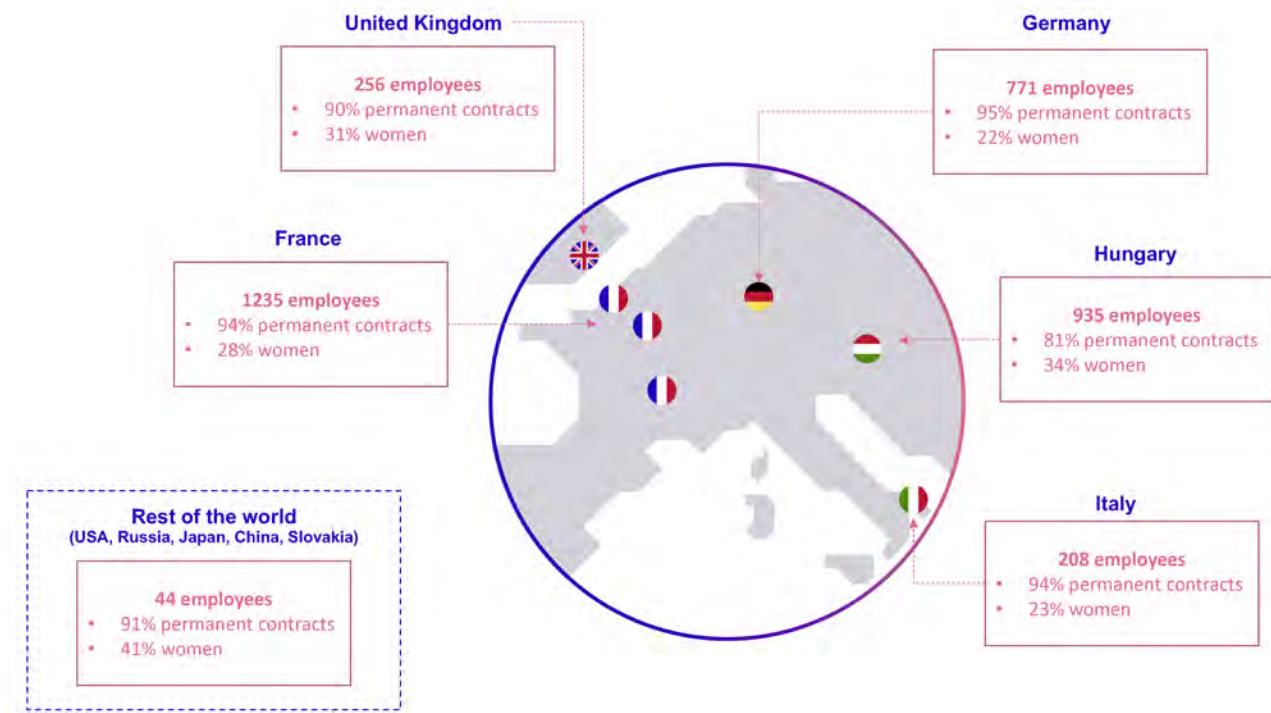
Working conditions and human resources policy

The Group attaches special importance to social issues including health and safety at work, employee engagement and quality of life, the quality of workplace dialogue and promoting diversity and integration into the local social fabric. These themes are an integral part of the Group's ESG strategy, rolled out to each function and production site.

The organization of working hours aims to meet the needs of the Group's clients taking into account the production capacity of its industrial sites. Employees are working in shifts in the production area. In France, some collective agreements about the working time organization are in place. The Group plans to review these agreements with the Works Council to simplify, harmonize and make the working time organization more flexible.

Number and distribution of employees

As of December 31, 2022, the Group had a headcount of approximately 3,450, including approximately 1,235 in France (excluding temporary workers).



The following table shows the change over the three years presented in the Group's headcount by country:

Country	Employees at December 31		
	2022	2021	2020
France	1,235	1,175	1,139
Hungary	935	919	794
Germany	771	735	582
United Kingdom	256	245	194
Italy	208	228	214
Other	44	40	43
Total	3,449	3,342	2,966

The following table shows changes in the breakdown of headcount by type of employment contract over the past three financial years:

Breakdown of the workforce by type of contract	Employees at December 31		
	2022	2021	2020
Permanent contracts	90%	88%	91%
Fixed-term contracts	10%	12%	9%
Total	100%	100%	100%

The following table presents the percentage of the headcount by country and by type of employment contract:

Country	Employees at December 31, 2022		
	Employees	Permanent (%)	Fixed-term (%)
France	1,235	33.5%	2.3%
Hungary	935	21.8%	5.3%
Germany	771	21.2%	1.2%
United Kingdom	256	6.7%	0.8%
Italy	208	5.7%	0.4%
Other	44	1.2%	0.1%
Total	3,449	90.0%	10.0%

The following table shows the age breakdown of the Group's salaried workforce over the past three financial years:

Age distribution	Employees at December 31		
	2022	2021	2020
<25	4.8%	5.2 %	4.4 %
25 to 40	35.2%	33.4 %	32.0 %
41 to 55	42.3%	43.7 %	44.4 %
56 to 60	13.5%	13.4 %	14.8 %
>60	4.2%	4.3 %	4.4 %
Total	100%	100%	100%

The following table shows the breakdown of the Group's headcount by business function:

Business function	Employees at December 31, 2022	
	Employees	%
Sales	94	2.7%
Production	2,726	79.0%
R&D	358	10.4%
Support functions	271	7.9%
Total	3,449	100.0%

The absenteeism rate of the Group cannot be disclosed this year as the company is newly created and the tools are not in place to consolidate the data.

5.4.2 Ensure the health and safety of employees and subcontractors

The Group knows that its employees are the drivers of its performance, and accordingly, that caring for their health and safety is paramount. Furthermore, as a chemical company with several SEVESO-classified sites, accident prevention is foremost among the Group's priorities. By limiting the occurrence of disease and injuries, health and safety rules have a critical impact on productivity and costs, preventing interruptions to production, repeated absences, medical expenses and insurance premiums.

HSE departments are responsible for implementing robust occupational health and safety programs designed to meet or exceed the latest health and safety regulatory expectations. Working in close proximity to shop-floor staff, in order to maintain good knowledge of all potential exposure to agents that are hazardous for employees' health, the Group's HSE specialists' network of 50 full-time on-site employees monitor on an ongoing basis the effectiveness of risk control at the factory premises.

Monthly updates are provided to Executive Committee members and senior leadership teams, in order to analyze health and safety results, set and update objectives, react in a timely manner when necessary and share HSE learning experiences.

Policies and audits

As stated in its HSE policy, validated by the Group's senior management and signed by the Chief Executive Officer (available on its [website](#)), the Group uses solid management systems that focus on eliminating or reducing occupational health, safety and environmental risks. These systems promote improved HSE conditions and are audited regularly.

The Group is subject to Regulation (EC) 1907/2006 of the European Parliament and of the Council of December 18, 2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals ("REACH Regulation") that imposes a series of obligations on all industrial sectors, including the chemical industry. It requires the registration, use and restriction of chemical substances used in production processes as well as their potential impacts on both human health and the environment. This is used for the setting up of risk minimization methods that can include minimizing exposure to chemicals.

The Group is a member of the industry association France Chimie. In line with its values, one of the Group's first commitments in 2022 was to become a signatory of the Responsible Care® charter ([News available on the website](#)) that includes its six voluntarily imposed regulations (more details on their [website](#)).

This illustrates the Group's support for the safe management of chemicals throughout their lifecycles. Commitments include continuously improving environmental, health, safety and security knowledge and the performance of the Group's technologies, processes and products to avoid harm to people.



Two of the Group's sites, Brindisi and Budapest, are certified ISO 45001 (occupational health and safety standard). Certification is updated each year, illustrating the high standards of employee safety, reducing workplace risks and creating better, safer working conditions.

Authorities, insurance companies (such as AXA) and customers regularly inspect the Group's sites. These audits test whether the Group meets various requirements with regard to operational safety and fire protection.

In addition, facilities operating on the SEVESO sites are inspected regularly by national authorities.

Actions

In order to achieve the Group's goal of zero accidents across its sites, the Group's HSE experts and management strive every day to reduce workplace accidents and injuries, increase safety awareness and promote healthy lifestyles to all employees and subcontractors.

Reduce workplace accidents and injuries

The Group's safety approach is based on effective risk identification and prevention carried out using a risk-based safety management system. This system is reviewed regularly during site-level Health and Safety committees and whenever any changes to the business occurs.

The approach involves a number of steps:

- a. identifying jobs, activities, and occupational hazards;
- b. assessing workplace prevention practices and regulations;
- c. characterizing residual risk; and
- d. defining risk minimization methods in all situations, for all processes and projects.

In order to better target the types of actions to be implemented, potential events are classified based on international standards according to their severity. Using this classification, potentially serious events (PSE) are targeted as a priority, and human and organizational factors are factored into the in-depth analysis.

Risk minimization methods can include minimizing exposure to chemicals, radiation and biological agents, as well as physical and ergonomic constraints.

Occupational hygiene programs are also run by HSE departments in order to maintain good knowledge of all potential exposure to agents hazardous for employees' health.

Health and safety scenarios are included in its Business Continuity Plans and crisis management framework (see Section 5.2.2 "Ensure continuity of supply"). This allows operations to promptly return to business as usual in the event of business disruption.

Regarding business travel protection, it is worth noting that the Group's business travel assistance program provides expanded protection covering all travel, medical and security needs that may arise around the world. Doctors, security experts and assistance coordinators are available to provide advice in the user's preferred language, and to support in case of emergency.

Increase safety awareness

Training aims to promote the HSE safety culture among all employees, together with the Human Resources Department and managers. Safety is the responsibility of each and every employee and awareness and training programs on prevention and protection are organized on a regular basis.

Mandatory legal training is routinely provided to all where required, and refresher training is provided in line with the legal framework. A total of 30 modules are available online.

Managers at all levels of the organization are responsible for ensuring that safety is promoted through relevant framework conditions and specific measures. To encourage the inclusion of safety topics in routine exchanges with managers, the MSV (Managerial Safety Visits) program is mandatory for most managers. All managers trained must have at least eight MSV per year. The trend improved in 2022, with the average completion rate rising from 54% in the first quarter to 61% in the third.

The quality and frequency of the reporting of weak signals are key to injury prevention. Thanks to the safety culture programs in place, all sites increased their number of reports in 2022 compared to 2021.

In order to learn from experience and reap the rewards of continuous improvement, HSE investigations are held when potential serious events occur. The people involved analyze the events, what went wrong and what can be learned for further improvement. The root cause and action plans are shared between sites during quarterly HSE Forums in the event of any serious or potentially serious events.

Each new employee receives initial health and safety training appropriate for their job profile so that they can perform their work in strict compliance with the rules.

Regular awareness initiatives are held throughout the year. On June 24, 2022 for example, more than 85% of employees participated in the "One Hour Stop for Safety" program in which all the Group's sites suspended their activity to devote time to individual reflection on safety, including individual changes to prevent accidents from occurring and actions to take to help prevent others from having accidents.



Promote healthy lifestyles

Continuous medical surveillance is made available to all employees at the Group sites by a designated clinician or physician. All personnel are monitored under medical surveillance programs that are based on the results of occupational risk assessments linked to their duties. Designated clinicians or physicians also evaluate occupational injuries or illnesses.

In 2022, vaccination campaigns were run at sites, for the flu, for example, as well as for Covid-19 where it was possible for the Group to obtain them.

A well-being program was launched in 2022, called wellness4all, across all sites including headquarters and sales sites. Its objective is to prevent chronic disease and promote mental health. Examples of activities carried out in 2022 include health food deliveries, breast cancer awareness, health screenings, walking challenges, mental health day and psychosocial risk assessment.

wellness4all



Promotion of physical activities. These are small lifestyle changes to be more active, enjoy the outdoors and socialise with others.



Promotion of actions that can be taken to reduce the likelihood of lifestyle related diseases such as lung cancer through smoking or type 2 diabetes.



Promotion of actions that can be taken for positive mental health and advice on how to protect work-life-balance.



Promotion of healthy choices to include vitamin rich foods in a normal eating lifestyle.

To promote fitness, on some sites employees have access to the Group's own sports clubs or shared sports facilities on site.

Indicators for 2022

The Group aims to move toward zero accidents, and therefore plans to maintain the frequency rate of accidents resulting in lost time for its employees and contractors (Lost Time Injury – LTI) at a level less than or equal to 1.5 per 1,000,000 hours worked, and the rate of recordable work accidents (Total Recordable Injury – TRI) at a level less than or equal to 2.5 per 1,000,000 hours worked by 2025.

In 2022, the Group had a 1.8 LTI rate, (in line with its 2022 target to be under 2), and a 2.9 TRI rate (in line with its 2022 target to be under 3.5).

All sites continued to track and report Covid-19 cases and the impact of the pandemic. Data were gathered centrally and reported to the Executive Committee monthly. In 2022, no occupational illnesses or work-

related deaths were recorded.

The main focus going forward will be on operational activities with high potential for harm, with the introduction of the Group's Lifesaving Rules in 2023.

In 2022, all sites were asked to identify lifesaving rules that are specific to their activities. From 2023, the focus will be on rolling out these rules; each year, an independent auditor will assess the impact of the program at the Group's facilities.

In parallel, in 2023, emphasis will be put on each site to increase the number of reports of Potentially Serious Events (PSEs) and analyzing how to improve its safety culture and guarantee a consistent level of safety across all sites and throughout the Group's activities.

		2022
<i>Per 1,000,000 hours worked</i>		
Lost Time Injury frequency rate	Group's personnel	1.6
	Subcontractors	2.2
	Temporary workers	2.9
	Total personnel	1.8
Total Recordable Injury frequency rate	Group's personnel	2.5
	Subcontractors	3.3
	Temporary workers	5.7
	Total personnel	2.9
<i>Per 1,000 hours worked</i>		
Accident severity rate	Group's personnel	0.1
	Subcontractors	0.1
	Temporary workers	0.5
	Total personnel	0.1

5.4.3 Create a constructive social dialogue

The Group aims to uphold local legislation at all times in every country where the Group operates, and to develop the best internal labor standards for its employees.

The Code of Ethics remains the Group's shared standard that applies to employees worldwide. This Code of Ethics is inspired by the 10 principles of the UN Global Compact, the Universal Declaration of Human Rights and international labor standards, especially those concerning forced and child labor.

Social dialogue is managed at country level by local and human resources managers working alongside employee representative bodies and labor unions. At the transnational level, the European Works Council covers most of the Group's sites.

In France, 2022 was marked by very intense social events punctuated by 11 Works Councils meetings, half of which were devoted to the Company's share carried out on May 6, 2022.

In the context of the spin-off from Sanofi to the Group, 89 collective agreements entered into the institutions representing the employees (Group, Chemicals and establishments) were also transferred with a predetermined duration.

These agreements will subsequently be upheld in full, partially or canceled entirely.

The management objective is to allow employees to benefit from social conventions that are in line with what existed at Sanofi, adapted to the size, scope and financial capacity of the Group.

EUROAPI France has negotiated several agreements, each having a strong social impact, in the following areas:

- a. employee savings;
- b. health and provident insurance coverage;
- c. annual salary negotiations for 2023 (signed unanimously);
- d. method agreements; and
- e. establishment of the Special Negotiation Group, which gave rise to the European Economic Committee (two agreements signed).

The year under review was marked by the quality of social dialogue at the Group, which is helping to build the foundations of a solid and socially minded Group.

The first European Works Council meeting was held on December 1, 2022. Three members of the

Executive Board were elected (the Secretary, the deputy and a third member). Accordingly, the Executive Board comprises members from France, Germany and Hungary. The first meeting was mainly focused on the Group's strategic vision, its financial, Human Resources and social situation, and its ESG policy.

The European Works Council is dedicated to sharing information, exchanging views and opinions, and discussing labor issues at the European level. It serves as a veritable transnational entity, with a role that is separate from but complementary to that of the national representative entities and with its own specific prerogatives.

Ordinary plenary meetings are held twice a year and the European Works Council is informed, and if necessary consulted, on all cross-border issues that have an impact on Group employees.

5.4.4 Promote talent management and personal development

Recruitment

The Group's employees represent an essential pillar of its success. The Group must be able to rely on the best teams around the world to maintain a competitive edge, anticipate future trends, remain agile and invest in innovation.

The Group is therefore committed to:

- promoting diversity and inclusion: the Group is convinced that employee commitment and the promotion of diversity are major drivers of performance, representing considerable competitive advantages for the Group;
- developing the employability of its employees throughout their professional lives through learning, mobility, and training;
- attracting and developing talent; and
- supporting employee engagement with local communities.

In 2022 the Group recorded 494 permanent and fixed-term contract hires. The site teams worked intensively to attract the best candidates in a context of tight labor markets in most countries.

The Group plans to reinforce its employer branding to ensure the Group's name is well known, professionalize its approach on the topic and boost its use of social networks to attract candidates. Different events will also be organized to boost recruitment of young graduates in all countries.

	New hires in 2022		
	Permanent	Fixed-term	%
France	125	52	35.8%
Hungary	29	114	28.9%
Germany	63	30	18.8%
United Kingdom	28	22	10.1%
Italy	7	11	3.6%
Other	12	1	2.6%
Total	264	230	100.0%

Sponsorship and patronage

The Group encourages sponsorship and patronage, especially with targeted schools and universities. For example, in 2021, the Group decided to sponsor "Promotion 2024" of Chimie Paris Tech school and in 2022 a partnership was created with the Petrik High School (Chemistry faculty) in Budapest and the Ecole Ingénieurs SIGMA from Clermont-Ferrand. Through strong exchanges on study themes, courses given by the Group's leaders, the sponsorship also includes student visits to the Group's sites, career advice, project management skills reinforcement and interview skills development for future employment research.

Culture and values

As a newly-listed entity, the Group wants to develop a new corporate culture centered on entrepreneurship, agility, empowerment, and customer focus. To start this journey, in 2022, the Group defined its core values: Taking Ownership, Achieving Together, Driven by its Clients, and Caring for All. These values have been shared with all employees across various communication campaigns, and have been promoted at site level through several workshops. The Group's values have been broken down into behaviors enabling it to reinforce the organization's new culture.

Training materials and sessions will be drafted and organized to support managers in their role and ensure behaviors are in line with expectations.

Employee engagement survey

In October and November 2022, the Group conducted "EUROAPI&me" – its first annual engagement survey of all employees. This survey measures and collects employees' feedback from several perspectives, including: their overall perceptions of the Group, their understanding and buy-in to the Group's strategy and values, the quality of their relationship with their direct manager and the Group, their perception of their ability to do their job and thrive, and their confidence in the future.

The survey covered many topics: safety, client focus, empowerment, work life balance, direct manager relationship, corporate culture, strategy, collaboration, sustainable engagement, career and development and compensation. The results were analyzed at Group, country and plant level. Specific action plans are designed at each of these levels, based on the needs expressed by the survey.

Based on this survey, the Group measured the level of employee engagement through a global index of several criteria:

- whether respondents would recommend the Group as a good place to work;
- whether respondents have the means to do their jobs effectively;
- respondents' level of energy;
- respondents' sense of personal accomplishment.

The participation rate in 2022 was 68%, which is good for a first year of implementation, and the engagement rate was 63%, which shows some room for improvement. It should be noted that the results for 2022 came in the wake of the year that was especially intense for all.

A new engagement survey is planned in 2023 for all employees, allowing the Group to measure and identify trends.

Learning organization

The Group is committed to supporting its employees in their learning and development. As in most scientific and pharmaceutical industries, the success of the Group relies on having committed, highly qualified employees.

The Group will ensure that employees acquire new skills through challenging positions and development. The Group's development policy is based on the 70/20/10 approach (70% on-the-job, 20% informal learning, 10% learning) where employees drive their own development with the support of both the Human Resources Department and their line manager.

Training policy

In the context of a rapid and ambitious transformation, the training policy aims to support the Group's strategy, anticipate and support the need for jobs and skills, and to support the development of employees and managers.

In the field, managers are responsible for identifying the needs of their teams, informing them and implementing their training plans with the support of the Group's human resources network.

The training offering is managed at both Group and country level.

Support the training strategy

Training serves to implement the Group's strategic orientations. It also supports changes in organizational methods and operating principles in force within the Group. Changes induced by its new culture and values will be gradually integrated into the Group's training programs.

Following the results of the employee survey and in line with the Group Strategic Plan, the Group has prioritized the training goal of improving managers' skills – especially in the area of change management – and developing a more customer-focused culture while developing women and high-potential individuals within the organization.

Support the development and employability of employees

Training supports employee development and employability at all levels of responsibility. In conjunction with career management, it is an important factor in terms of employee engagement. Accordingly, the Group prioritizes increasing the professionalization of its employees, promoting career development, strengthening employability, developing managerial skills in a continuously changing environment, and increasing customer focus.

In 2023, the Group's digital training system "iLearn" will be extended to all employees in 2023, with an offer around professional skills, leadership skills and diversity. Its library represents 8,500 courses in the Group's five main languages.

In addition, local and global training sessions will be offered (digital, face-to-face or blended).

These different approaches aim at providing employees, and especially managers, with the skills that are vital to the Group's transformation:

- successfully adopting its new values and culture;
- developing new skills;
- developing managerial and leadership skills.

The Group has set itself the goal of ensuring that each permanent employee receives seven hours' training in 2024.

The total number of hours of training cannot be disclosed this year as the company is newly created and the tools are not in place to consolidate the data.

Talent management

The Group's talent management policy consists of supporting employees in their development and as of their recruitment, offering them professional opportunities. This mission is carried out in collaboration with managers and the dedicated human resources network.

Talent retention and acquisition

In 2022, the Group hired 264 permanent contracts and 230 fixed-term contracts.

The Group wants to make sure the Company is attractive and able to retain the talent of tomorrow. Particular efforts will be undertaken in 2023 to define the Group's policies for international volunteers, apprentices and interns, and step up its capacity to welcome and develop them from 2024.

Coordinated at Group level, the recruitment teams in each country will implement local recruitment programs for young graduates and early-career professionals.

Onboarding new employees

In 2023, a global onboarding program will be defined allowing all new employees to follow a specific onboarding program to learn about the Group, its values, strategy and organization, and to familiarize themselves with its culture and operational systems. In some countries, sites have their own onboarding procedures.

Managerial skills model

Aligned with the Group's transformation strategy, its managerial skills model will be developed in 2023 to encourage the development of agile, inspiring and inclusive leadership.

This model will highlight the essential skills that a leader must acquire within the organization. It encourages everyone to develop their own leadership potential and will serve as a reference for employees to build their individual development plan.

Annual performance appraisal

Each year, the Group launches a campaign to assess the performance of employees. The purpose of the annual appraisal between manager and employee is to assess the achievement of individual objectives over the year, as well as managerial skills and behaviors in relation to the Group's values. It is also a key moment to discuss the coming year and jointly define the related individual objectives.

In 2022, 99% of managers were assessed during performance appraisals.

Anticipate and support employment and skills needs

With regard to its strategy, the Group supports the development needs of each employee, with a particular focus on their expected potential over the coming years.

- Once a year, the Executive Committee reviews the Group's high-potential individuals with a particular focus on potential executive managers.
- The Group conducts an annual review of the teams ("People Review") at all levels: sites, functions and Group. This is used to identify high-potential individuals, define succession plans for key positions and discuss career opportunities for them.
- Once a year, the Group's succession plan is presented to the Board of Directors.

The Group is willing to anticipate the development of new skill sets to support its business plan and plan to conduct Strategic Workforce Planning analysis in some areas such as CDMO, Sales, R&D and Supply Chain. Based on the needs identified, additional training will be offered.

Coaching and mentoring

The Group offers coaching and mentoring opportunities to its high-potential talent.

In 2022, the Group initiated a mentoring program at Group level and proposed a consistent approach on the topic across all HR sites. The Group takes particular care to ensure that these programs benefit female talent in order to ensure visibility and accelerate their career. The Group also intends to offer its mentors unconscious bias training concerning diversity.

Career opportunities

The Group's internal promotion policy is to offer career opportunities to successful managers and employees with demonstrated potential. It is based on:

- annual performance reviews;
- annual talent and succession reviews; and
- personal development plans.

While the Group remains a young company, it plans to offer diverse career paths to its employees, including inter-function and inter-site mobility, project assignments and short-term missions, and international opportunities and projects. The aim is to take talents outside their comfort zone and enable them to develop their skills.

Lastly, the Group plans to build a specific career management policy for its experts. The Group recognizes and values expertise in new technology and innovation, which is required in order to strengthen product-line business skills and to boost future R&D efforts.

Talent retention

Development of leadership career opportunities, but also training, coaching and mentoring, help to retain high-potential talent. Retention is also increased by developing the Group's leaders' skills and their capacity to develop and engage their teams.

In 2022, the turnover rate of the Group was at 12.9%, including permanent and fixed-term contracts. The table below show the turnover rate per country.

Country	Turnover in 2022
France	12.4 %
Hungary	14.5 %
Germany	9.9 %
United Kingdom	18.9 %
Italy	9.2 %
Other	26.2 %
TOTAL	12.9 %

	Departures in 2022		
	Permanent contract	Fixed Term contract	%
France	71	43	32.0%
Hungary	73	46	33.4%
Germany	41	11	14.6%
United Kingdom	23	19	11.8%
Italy	12	8	5.6%
Other	7	2	2.5%
Total	227	129	100.0%

	Departures in 2022
Voluntary resignation (fixed-term contracts)	38
Voluntary resignation (permanent contracts)	102
Mutual agreement	48
Involuntary dismissal	19
Expiration of fixed-term contracts	76
Retirement	43
Other	30
Total departures	356

Employment

The table below shows the Group employment trends over the past two financial years:

Employment	2022	2021
Hiring rate ⁽²⁾	14.3%	14.4%
Percentage of employees with disabilities/average workforce ⁽¹⁾	6.9%	6.9%

(1) Data are presented for France only. Given the applicable legislation in other countries in which the Group operates, the corresponding data are not available or are calculated using different methods. The Group considers that France, which represents its largest pool of employees, constitutes a homogeneous and reliable basis for the presentation of this data.

(2) Hiring rate is calculated taking all employees in permanent contracts or Fixed-term contracts in 2022 divided by the number of employees at 31 December of the report year.

5.4.5 Foster diversity and equal opportunity

Diversity and inclusion

Diversity is one of the Group's strengths and convictions. It is both a source of motivation for employees and a source of innovation.

It has a positive impact on the Group's performance and on the development of its employees.

The Group has employees of 45 different nationalities in 11 countries.

The Group is committed to promoting diversity as a strength and asset, to acting for inclusion, and to combating all forms of discrimination. Within the Human Resources team, the head of talent management coordinates the diversity and inclusion policy, reporting to the Vice-President in charge of Human Resources, an executive officer of the Group. They define, lead and coordinate initiatives and implement training and awareness-raising actions at the Group level.

All the Group's diversity policies and initiatives are validated, sponsored and monitored by both the Board of Directors and the Executive Committee.

An internal diversity and inclusion ambassador network will be created in 2023 to promote diversity in their businesses, countries and sites. The Group also plans to draft and publish a Group diversity charter.

The Group plans to have all its Executive Committee, Extended Leadership team and senior leaders trained on unconscious bias by 2024 as well to raise manager awareness of inclusive culture.

Gender equality

The Group is committed to gender equality. Since 2022, the Group has been a signatory of the United Nations Global Compact for the elimination of discrimination.

One of the Group's first actions in 2022 was to introduce a global standard for inclusive and equal parental leave that has been implemented worldwide. Since January 1, 2022, 14 weeks of paid parental leave is granted to all employees welcoming a new child, providing the employee is recognized as the child's parent on the basis of local legislation or practice.

Proportion of women	Employees at December 31		
	2022	2021	2020
Proportion of women in the Group's salaried workforce	28.2%	27.1%	24.3%

The Group has set itself the goal of boosting the recruitment and internal promotion of women in order to increase their presence at all levels of the Group.

For the Extended Leadership Team (ELT), the Group has met in 2022 its initial objective of 30% of women by 2025, as a result of the determined promotion and recruitment of women to executive positions.

At Executive Committee level, the representation of women in the workforce increased from 9% in 2021 to 15% in 2022.

	Total	% women
Board of Directors	13	53.8%
Executive Committee	13	15.4%
Extended Leadership Team	30	30.0%
Senior leadership position	165	33.9%

New initiatives will be launched in 2023 around gender and diversity. In addition to existing processes aimed at ensuring that women are promoted within its organization, the Group intends to launch women's networking initiatives at site level to facilitate communication and experience sharing. The Group also intends to organize presentations around the Group's female leadership role models in order to inspire and discuss how to overcome possible obstacles.

The Group encourages the recruitment of talented women. The Group proactively works towards making it more attractive, particularly to female engineering students, by regular attendance at school and college events.

The Group encourages its partner recruitment agencies and recruitment managers on the issue of gender diversity to ensure there is at least 50% of women among its shortlisted candidates.

	New hires in 2022	%
Women	195	39.6%
Men	297	60.4%
Total	492	100.0%

In 2022, the result of the index for professional equality between females and males in France (Index Pénicaud) is 76/100. To improve the results in 2023, the Group will make a dedicated focus on salary gaps.

Support women in leadership development

In 2023 the Group will roll out a training offer to strengthen female leadership for both “young talent” and “experienced” groups. Delivered by diversity experts, these training courses are aimed at women who have the potential and the ambition to grow within the Group.

The Group will be particularly attentive to the implementation of coaching and mentoring for female talent, and will support a women’s network designed to connect women when they arrive within the Company, to encourage communication and co-development, and to guide them in their career journey within the Group. The network coordinates three Group-wide initiatives: local exchanges, large-scale digital events around inspiring women’s career paths, and small group discussions with a leader role model.

Disability

Thanks to its non discrimination approach in recruitment, the Group has been able to maintain a stable percentage of recruitments of disabled people in 2022.

At most of the Group’s sites, employees with disability are supported by several internal and external professionals to ensure job suitability and adaptations to the work environment when necessary.

All actions towards this specific population is followed at site level by designated Disability Committees.

Awareness campaigns are done for all employees at all site levels to ensure people with disability are well integrated and successful in their job function.

5.4.6 Ensure fair employee compensation and benefits

The main underlying goals of the Group’s compensation policy are to strengthen employee engagement, reward skills acquisition and encourage individual and collective performance.

Compensation policy

The Group’s compensation policy is driven by the principles of competitiveness in local markets, fairness within the organization and differentiating compensation based on performance to attract, motivate and develop the skills of its employees. By regularly consulting compensation surveys and taking into account the Group’s financial resources and local market trends in each country concerned, the policy aims to ensure that the Group’s entities offer fair and competitive compensation packages and effectively define salary increases. The policy is adapted in every country where the Group operates, in line with local legislation (collective bargaining, application of industry-wide collective agreements on compensation, etc.).

The Group has chosen a grading methodology from international standard methodology (Global Grading System from WTW).

Initiated in 2022, this system is currently in the process of being deployed.

In accordance with the Group’s policy, the compensation structure may include fixed and variable components.

The Group has implemented short-term variable compensation (for managerial and specialist staff). The amount paid is calculated by reference to the achievement of both individual and Group objectives. See section 2.3. “*Remuneration and benefits*” of the Universal Registration Document.

Individual salary raises of fixed compensation are granted based on the set budget as well as each employee’s pay positioning by reference to both the market and in-house practices. They also take into account assessments of employees’ actual and potential performance as well as the skills they have acquired and demonstrated.

Information on the Group’s total payroll and changes in payroll is available in the statutory financial statements (wages and salaries) presented in Section 4.7 “*Statutory financial statements*” of the Universal Registration Document.

The Group’s long-term compensation policy is aligned with its three-year strategic objectives. This policy is based on the attribution of performance shares, the vesting and payment of which are contingent on the Group’s share performance and financial performance and on the implementation of free share and/or stock option plans, the characteristics of which are determined by the shareholders’ meeting and by the Board of Directors of the Company. In this context, the Company has granted, on the occasion of the admission of its shares to trading on the regulated market of Euronext Paris, in the form of an exceptional allocation, free shares of the Company and is planning to establish recurring performance share plans. See section 2.3. “*Remuneration and benefits*” of the Universal Registration Document.

Employee benefits

Employee benefits are an essential component of the Group's compensation system and reflect the different needs of its employees.

Employee benefit plans can vary significantly from one country to the next, as the Group tailors its employee benefits programs to each country to take into account the different levels of legal and tax regulations.

All compensation and employee benefit policies comply with local regulations and collective agreements. They also include employee savings plans (see "Group savings plans and similar plans" hereafter).

Profit-sharing plans

In France, the Group plans to set up a profit-sharing agreement to collectively associate eligible employees with the results of the Group. The profit-sharing agreement will be calculated on the basis of performance indicators (related to the employees' activities), under the conditions provided for by law or negotiated between employees and management in 2022.

Group and other savings plans

Under an agreement dated February 25, 2022, the Group set up in France a Group Savings Plan (*plan d'épargne groupe* or PEG) allowing eligible employees to participate, if necessary with the help of the Company or its participating subsidiaries, in the constitution of a collective portfolio of securities benefiting from tax and social advantages attached to this form of collective savings, in return for the temporary unavailability of the amounts invested. This scheme also allows eligible employees to participate in any employee stock ownership opportunities offered by the Company. The Group's foreign subsidiaries may also participate, under the conditions provided for by the Group Savings Plan (PEG).

In France, the Group plans to set up:

- a time savings account;
- a collective retirement savings plan (*plan d'épargne retraite d'entreprise collectif*, or PERCOL), which allows eligible employees to invest, including through payments from the equity-interest agreement and the incentive agreement for their retirement. This scheme offers eligible employees the option of benefiting from certain tax and social advantages in return for a lock-up period ending at retirement.

Employee stock ownership plans

On June 3, 2022, the Group launched two different plans:

- a restricted share plan for all eligible employees of the Group, (i) in France for 446 shares per beneficiary, subject to a continuous service condition over a one-year vesting period, followed by a one-year holding period, and (ii) in certain countries outside France for 223 shares per beneficiary, subject to a continuous service condition over a two-year vesting period, with no holding period;
- a capital increase reserved for employees of the Group, in France and in certain countries outside France, for which the main terms and conditions were as follows:
 - the possibility to subscribe to the capital increase offered within the framework of the Group Savings Plan (PEG);
 - the capital increase was opened to all employees of the Company and of its participating subsidiaries who had an employment contract on the last day of the subscription period and who met a seniority condition;
 - the subscription price of the shares was equal to the average of the daily volume-weighted average prices of the Company's shares over a period of 20 days from May 6, 2022, less a 20% discount;
 - individual payments by eligible employees could not exceed a ceiling in shares or the limit of 25% of their estimated gross annual compensation for 2022;
 - eligible employees could receive a contribution in the form of shares, which will be capped; and
 - the consideration received in the context of the transaction is subject to a five-year lock-up period, except in the event of early withdrawal.

After these initiatives, at December 31, 67% of eligible employees owned shares in the Company, representing 0.63% of the share capital at that date.

5.5 COMMITMENT No.4: UPHOLD BEST IN CLASS CORPORATE GOVERNANCE



95% of employees trained on alert management in 2022



95% of employees trained on GDPR personal data protection in 2022



Alert management system implemented ↪

UPHOLD BEST IN CLASS CORPORATE GOVERNANCE

Ethical values are embedded into the Group's day-to-day activities in order to set robust standards, protect its employees, preserve the trust of its stakeholders, and safeguard its image and reputation.

The Group is committed to respecting the highest standards of ethics and integrity in its business conduct, internally and with its business partners, and has implemented a dedicated program to ensure risks related to compliance and business integrity are properly managed. The program includes corruption risk identification and mitigation, due diligence, an alert system, policies such as a Code of Ethics and Supplier Code of Conduct as well as mandatory training for all employees.

While navigating its first year as an independent entity and having a high recruitment rate, the Group provided to 95% of its employees training on the Code of Ethics, the alert management system and personal data protection (GDPR). The Group's ambition is to provide this training to 100% of its employees.



Contribution to SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

OUR OBJECTIVES



● Achievement 2022



● Achievement 2022

WE SUPPORT



↪ Code of Ethics

↪ Ethics and Business

↪ Integrity Factsheet

↪ Human Rights Factsheet

↪ Supplier Code of Conduct

↪ Supplier Relationships Charter

↪ EUROAPI Ethics Lines

5.5.1 Put ethics and compliance at the heart of the Group's business relationships

The Group is committed to upholding the highest standards of ethics and integrity in its business dealings. The Group understands that ethical values must be embedded in its day-to-day activities, thereby setting robust standards, preserving the trust of its stakeholders, safeguarding its image and reputation, and protecting its employees.

To ensure alignment with this commitment, the Group developed and implemented a comprehensive Ethics and Compliance program. In line with Sapin II law expectations, it is structured around the following pillars:

- education and training;
 - active monitoring;
 - dedicated whistleblowing system ("Ethics Line") to collect and manage alerts; and
 - internal investigation, corrective or disciplinary sanctions.
- dedicated organizational structure, including a compliance network;
 - Code of Ethics, policies, and standards;

Governance

The Ethics and Compliance Department's core mission is to promote business integrity at every level of the corporate culture. Its role is to partner with the functional teams and all employees to support the achievement of business objectives while ensuring compliance with laws, regulations and industry codes, as well as with the ethics, values and policies of the Group. The Ethics and Compliance Department also provides the internal support required to identify, assess and mitigate risks that might impact the Group's activities.

The Ethics and Compliance Department leads a global network of local coordinators – "Compliance Champions" – that supports all functions including corporate teams, sales sites and manufacturing facilities. Led by the Chief Legal, Compliance and IP Officer, the department is overseen by the Head of Ethics and Compliance, who provides strategic compliance input to the Executive Committee and to the Board of Directors, and ensures the effective implementation and management of the Ethics and Compliance program.

Several divisions work alongside the Ethics and Compliance Department to implement the Group's business integrity culture and policies. These include the Global Quality Organization, the HSE Department, the Internal Control Department, Risk Management, the Internal Audit Department and the Procurement Department. All of these departments contribute to the success of the Ethics and Compliance program.

Policies and standards

The rules of conduct and compliance with the Group's values and principles are set out in the Group's Code of Ethics, which serves as a guide for taking appropriate decisions that help establish trusting relations and achieve sustainable growth. The different topics covered by the Code of Ethics, such as corruption, discrimination and harassment, as well as antitrust, treatment of confidential information and prohibition of insider trading, provide guidelines for acting appropriately in all circumstances.

The Code of Ethics applies to all employees and contractors of the Group and anyone conducting business on the Group's behalf. In addition to the Code of Ethics, the Ethics and Compliance Department has developed a comprehensive set of procedures and policies which are designed to provide guidance on a range of situations specific to the Group's industry. The procedures and policies address key business ethics subjects including anti-bribery, entertainment of third parties, contribution to third party events, conflicts of interest, gifts and invitations, donations and contributions to organizations, responsible lobbying and alert management.

These policies and standards are continuously reviewed, updated and supplemented if necessary, in order to ensure alignment with applicable laws and regulations, as well as with the risks associated with the Group's activities. They are not intended to be exhaustive: if a particular situation is not covered or if the provisions of the policies and standards are not clear to an employee of the Group, the latter must consult their manager or the Ethics and Compliance Department.

The Group is committed to fostering a culture of integrity throughout the organization and clearly communicating expectations to reduce the risk of violation of the rules set out in the Code of Ethics. The Group's policies and standards define clear rules that must be complied with by all employees and, when applicable, by third parties. The Group also takes steps to prevent corruption in its interactions with third parties and may be required to carry out preliminary checks to avoid or to mitigate the risk of third-party misconduct.

To reinforce the effectiveness of the Group's policies and standards and to ensure their application, the Ethics and Compliance Department runs a dedicated training program. The Group's employees are required to complete mandatory training sessions that address fundamental topics in the areas of compliance and business integrity.

In 2022, a risk mapping intended to identify, assess and prioritize the corruption risks to which the Group is exposed was carried out. It took into account the specificities of the Group and the existing company Risk Management Framework.

Corresponding remediation plans were defined according to the level of exposure of the different functions within the Group.

Alert management

The Group has established a alert management system to ensure employees understand when and how to raise a concern. If employees have a concern or believe in good faith that a law, a regulation, an industry code of conduct, a Group policy or standard or one of the principles in the Group's Code of Ethics has been or is about to be violated, they have the duty to raise the concern through one of the channels available to them.

Employees who raise concerns will not be subject to disciplinary action or discrimination, provided they act in good faith and without malicious intent, even if the facts reported turn out to be inaccurate and no further action is taken. The procedure for raising a concern and the protection that is assured to anyone raising an alert are detailed in the Group's Code of Ethics which is received by all its employees and contractors as well as anyone conducting business on the Group's behalf. Employees can also consult the Group's global alert management procedure that describes the steps to be followed to submit an alert.

The Group's Ethics Line, a secure helpline system, is available 24/7 with a dedicated web page and toll-free numbers available in all languages spoken by the Group's employees. The helpline system allows users to raise concerns anonymously should they choose to do so. An access link to the Group's Ethics Line is available on its intranet site. External stakeholders are equally encouraged to report any information that could constitute a violation of the Code of Ethics or of applicable rules or regulations. The EUROAPI [Ethics Line](#) and telephone numbers (USA: (800) 461-9330) can be accessed via the Company [website](#).

All reported allegations are investigated by the Ethics and Compliance Department with support from other departments or external forensic investigators when necessary. Should an investigation confirm a reported allegation, the Group will address the violation with corrective or disciplinary action, and if appropriate, legal proceedings.

All relevant metrics such as the number of alerts, alert types, time-to-close for each docket are collected from the external provider. As the system was launched at the time of the stock market listing, these indicators are not representative for 2022 and accordingly, the Group has elected not to disclose them. More extensive disclosure is planned for 2023.

In its first year as a new stand-alone entity, the Group successfully established an Ethics and Compliance program that is aligned with its commitment to uphold best in class corporate governance as well as with the eight pillars of the Sapin II law applicable in France.

With ethics and business integrity being core components to long-term success, the Group set the objective of training all its current employees as well as all new employees on fundamental ethics and business integrity subjects.

95% of employees had completed the training on the Code of Ethics and Alert Management System (whistleblowing protocol) by year-end 2022. Although below the 100% level targeted, the Group considers it is a successful rate when considering the recent establishment of the Company and that the sessions were only launched in September 2022. Further actions will be deployed in 2023 to ensure the remaining employees and all new employees continue to receive the training.

5.5.2 Ensure respect for human rights

As a new multinational entity, the Group is committed to respecting the principles of the United Nations Global Compact and other international standards concerning human rights. With employees on several continents and relationships with suppliers and subcontractors across the globe, the Group understands and assumes its duty to respect the rights of employees in its own operations and supply chain.

Other global training programs addressing key compliance subjects, notably anti-corruption measures and anti-bribery due diligence, were launched in 2022 and are ongoing.

Fight against tax evasion

As a multinational entity, the Group must apply the laws and regulations in force in the countries where it operates and pay the amounts of tax therein in accordance with them. Its primary responsibility is to pay its taxes and file the corresponding tax returns within the time limits set with the various tax authorities, in compliance with laws and regulations.

The Tax Team reports to the Group CFO on tax strategy and provides regular updates to the Audit Committee on the Group's effective tax rate, tax provisions, key tax matters and compliance with its tax principles. Internal controls and processes have been developed to ensure that the tax policy is effectively implemented and that decisions are taken at the appropriate level. Training programs have been developed in 2022 and are implemented on an ongoing basis to the Tax Team.

The Group applies professional care and judgment to ensure decisions are well-considered and documented. It ensures proper compliance with all taxes and ensure all returns are reported accurately and on time.

The Group complies with both the letter and spirit of tax law in a responsible manner and align the tax strategy with the business strategy. The Group carefully aligns its obligation to comply with tax laws in a responsible manner with the need to support competitive business growth. The Group uses business structures that are driven by commercial considerations, aligned with business strategy and have genuine substance. The Group does not engage in or become involved in aggressive tax arrangements, and does not have any companies in countries identified as tax havens on the EU list of non-cooperative jurisdictions.

The Group respects and promotes the five principles and rights outlined in the 2022 International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. These include freedom of association and the effective recognition of the right to collective bargaining, elimination of all forms of forced or compulsory labor, effective abolition of child labor, elimination of discrimination in respect of employment and occupation, and a safe and healthy working environment.

To ensure human rights are respected throughout its operations, the Group has taken a structured approach which includes:

- global policies and dedicated internal policies;
- due diligence processes;
- grievance mechanisms;
- monitoring of policy implementation; and
- education and training.

Governance

The Group ensures that adequate resources are available to meet its commitments concerning respect for human rights. Various internal departments have a role in ensuring the proper implementation of its human rights policies and the respect for human rights within the Company, as well as with its suppliers ([Section 5.2.4 "Implement responsible purchasing"](#))

The Human Resources Department coordinates the implementation of the global and internal policies and ensures that all human resources policies, processes, and practices respect provisions for these global policies. The HSE Department establishes procedures and processes to ensure a safe and healthy working environment for the Group's employees and subcontractors. The Procurement Department establishes processes to ensure that suppliers respect the Group's commitments outlined in the global policies. Lastly, the Environmental, Social, and Governance (ESG) Department provides support to operational teams, promotes best practices, and consolidates data for regulatory and voluntary reporting purposes.

Policies

For the Group, it is essential that the policies that govern its activities and its business relationships factor in its commitment to respect human rights. Accordingly, the principles of the Group's commitment to respect human rights are found in the Code of Ethics and Supplier Code of Conduct. The Group's human rights commitments are publicly available and communicated internally and externally to all of its employees, business partners, suppliers and other relevant stakeholders.

These policies present human rights as a core element of the Group's values and help embed human rights principles into its corporate culture. They also set out expectations for the Group's stakeholders to fulfill their responsibility to respect human rights by explicitly stating that the criteria listed in the policies are to be considered as the minimum applicable standard in cases where local regulations are less stringent in any of the countries where the Group has operations. For further information on the Group's human rights commitments and monitoring processes, please refer to the Group's Human Rights Policy available on the Company's [website](#).

The Group has also adopted three internal policies on freedom of association and collective bargaining, prohibition of forced and compulsory labor and prohibition of child labor. Based on the UN Guiding Principles, these policies define the Group's commitments to respect ILO standards and describe operational due diligence processes and grievance mechanisms to be established. These policies complement the existing diversity policy to create a comprehensive framework on human rights in the workplace, both for the Group and for its suppliers.

The Group has implemented a global due diligence process to ensure that its policies concerning freedom of association and collective bargaining, prohibition of child labor and prohibition of forced or compulsory labor are respected at every level. The process includes reinforced vigilance in dealings with countries where the risk of non-respect is considered high, having adequate internal control measures in place to ensure respect of the policies, and a procurement risk management model to assess suppliers on their compliance with human rights regulations.

For more information on procedures and actions taken to provide a safe and healthy working environment and to eliminate discrimination in the workplace, please see 5.4.2 "Ensure the health and safety of employees and subcontractors" and 5.4.5 "Foster diversity and equal opportunity", respectively.

As mentioned, grievance mechanisms are also in place, notably the Group's Ethics Line, a secure compliance helpline system, available 24/7 with a dedicated web page ([here](#)) accessible from the Company's website and intranet with toll-free numbers available in several languages. The compliance helpline system is equipped to manage human rights concerns, including those related to preserving health and safety (including discrimination, harassment and violence), freedom of association and collective bargaining, the prohibition of child labor and forced or compulsory labor, and respect for human rights and the 10 principles of the Global Compact. The compliance helpline system is available to all of the Group's employees and external stakeholders should they have concerns related to any human rights issues.

Implementation of the global and internal policies is monitored by various departments including the Human Resources Department, the HSE Department, the Procurement Department and the ESG Department. These departments ensure the proper implementation of the global and internal policies and the respect for human rights within the Group as well as with its suppliers.

In order to fulfill its commitment to respecting human rights across its operations, the Group has run awareness raising initiatives and dedicated human rights training for its employees. Online training modules have been developed to promote a better understanding of human rights concerns in all business activities and to promote the respect for human rights as an integral part of doing business.

5.5.3 Promote data protection

Protecting the privacy and personal data of employees, clients, and business partners is of paramount importance for the Group. Privacy and personal data protection is a fundamental right and ensuring the protection and the compliant use of data across all its operations is critical for maintaining the trust of its stakeholders.

The Group has a data protection program in place to ensure that any personal data processed complies with the applicable regulations (notably the General Data Protection Regulation). The program consists of the following elements:

- a designated organizational structure including a data protection team;
- policies and standards;
- education and training;
- a dedicated intranet site with employee resources;
- a detailed process for handling questions and complaints; and
- corrective actions as necessary.

The Group has a designated Data Protection Team whose role is to support employees and functional teams in understanding and applying corporate policies related to data protection and to ensure compliance with all data protection regulations applicable to the the Group.

The Data Protection Team is led by the Data Protection Officer who ensures the compliance and efficiency of the data protection program and oversees a global network of local coordinators who support local teams in the understanding and application of data protection laws and regulations applicable in their given jurisdiction.

The Data Protection Officer and the local coordinators are responsible for handling questions and complaints concerning the processing of personal data by the Group. They may be assisted, as necessary, by the Legal Department, the IT Department or any other relevant department of the Group, in the evaluation and management of any incident concerning personal data.

The Group has implemented a Global Data Privacy Policy which represents the minimum standards that the Company and its subsidiaries have defined with respect to data privacy to ensure that any personal data that is collected, used, stored or disclosed is done so in a fair, transparent and secure way.

The Global Data Privacy Policy defines the minimum standards required for the processing of personal data in accordance with applicable data protection laws, notably the European General Data Protection Regulation (GDPR). As certain of the Company's subsidiaries are located in countries outside Europe and are subject to different privacy and data protection rules, the Global Data Privacy Policy may be supplemented as appropriate to comply with applicable laws and regulations.

The Group's commitment to protect privacy and personal data and the rules and procedures that should be applied by every employee, every contractor and anyone conducting business on behalf of the Group are detailed in the Code of Ethics.

With the steady development of information and communication technologies, data privacy regulations are increasing and becoming an important factor to consider in the Group's day-to-day business activities. To ensure that all applicable standards and rules are easily accessible, a dedicated intranet site has been created where employees can find relevant corporate resources to familiarize themselves with data privacy rules that apply to the Group as well as related procedures to follow in case of any data privacy concerns.

To promote data privacy awareness and access to the dedicated intranet site, communications are addressed to the Group's employees via email and on its internal communications platform. In addition, a training program covering the principles of the European General Data Protection Regulation (GDPR) was created and assigned to all employees in Europe via the Group's online learning platform.

Concerning the protection of third-party data, the Privacy and Cookies Policies on the Company's website are updated to provide the Group's clients and any visitors with greater choice and security in full compliance with applicable standards. Moreover, the Group makes sure that the personal data of its commercial partners are collected and processed in compliance with the applicable standards, in full transparency in order to build a sustainable trust.

Among the global training programs addressing key compliance subjects launched during the year was a training program on Personal Data Protection (GDPR compliance). The session was assigned to all of the Group's employees in Europe and had a completion rate of 95% by the end of 2022.

5.6 EU TAXONOMY

Regulation 2020/852 of June 18, 2020 (the "Taxonomy" Regulation) published by the European Union (EU) establishes a framework to facilitate sustainable investment in the EU². To date, sustainable activities are described in light of the first two climate objectives of mitigation and adaptation (Annexes I and II of the Climate Delegated Acts³). This will be extended to cover the other four environmental objectives in 2023, and these will be included in the report on 2024 operations.

Annexes I and II provide a definition of eligible activities, including the corresponding Nomenclature of Economic Activities (NACE) codes, as well as the technical screening criteria for qualifying these activities as sustainable. Accordingly, activities that do not meet these definitions are considered not to be defined in the framework (or "non eligible").

The 2022 reporting requirements for climate-related key performance indicators (KPIs) in this first year address "eligibility" as well as "alignment".

The Group is required to publish indicators highlighting the proportion of its Taxonomy-eligible and Taxonomy-aligned revenue, capital expenditure (CapEx) and operating expenditure (OpEx) resulting from products and/or services associated with environmentally sustainable economic activities, as defined in Annexes I and II of the Climate Delegated Acts^{4 5}.

The Company has analyzed the technical screening criteria for determining whether its Taxonomy-eligible activities are Taxonomy-aligned. For the time being, the scope of its eligible activities primarily concerns the activities described in Section 7.

In the context of this first alignment exercise, the Group's approach may need to evolve as regulations stabilize and data becomes more widely available, particularly in terms of technical screening criteria.

Assessment and methodology

Within the framework of the first two objectives (climate change mitigation and climate change adaptation) applicable from 2021 onwards, the European Commission has prioritized those sectors with the most greenhouse gas emissions in the European Union.

The Group's activities essentially concern the development, manufacture, marketing and sale of active pharmaceutical ingredients. These activities are not currently considered as substantially contributing to the two climate objectives defined by the Taxonomy. A detailed analysis of industrial raw material production activities did not reveal any link between the Group's activities and the economic activity "3.14 Manufacture of organic basic chemicals" covered by the Taxonomy.

In addition to the disclosure requirements introduced by the European Taxonomy Regulation, the Group has defined a policy to limit the direct and indirect impacts of its activities on the environment.

In light of the regulatory framework described above, the Group did not identify any Taxonomy-eligible revenue, CapEx or OpEx related to its activity of manufacturing active pharmaceutical ingredients.

However, the Group identified CapEx and OpEx related to "individual measures," corresponding to purchases and capital expenditure related to other eligible activities – mainly real estate activities described in section 7 of the Annex to the climate change mitigation objective – as defined in the Taxonomy Regulation.

The scope of eligible activities in 2022 thereby concerns the following activities:

- 7.3 Installation, maintenance and repair of energy efficiency equipment;
- 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings);
- 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings;
- 7.6 Installation, maintenance and repair of renewable energy technologies.

Based on these definitions, the Group identified the different Taxonomy-eligible activities in light of the two environmental objectives in force (climate change mitigation and adaptation). CapEx and OpEx amounts were selected for the corresponding project codes.

² European Regulation 2020/852 of June 18, 2020. Available at: <https://eur-lex.europa.eu/legal-content/FR/TXT/PDF/?uri=CELEX:32020R0852&from=F>

³ EU Climate Delegated Act of 4 June 2021 and its annexes supplementing Regulation (EU) 2020/852 by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation. Available at: [https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=PL_COM:C\(2021\)2800](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=PL_COM:C(2021)2800)

⁴ Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council in

⁵ Annex I of the Delegated Act on the climate change mitigation objective. Available at: https://ec.europa.eu/finance/docs/level-2-measures/taxonomy-regulation-delegated-act-2021-2800-annex-1_en.pdf

Besides the “substantial contribution criteria”, to determine whether economic activities are Taxonomy-aligned, the activities’ impact on each of the five other environmental objectives (circular economy; pollution; water and marine resources; biodiversity and ecosystems) also needs to be analyzed. Economic activities should also demonstrate compliance with OECD and UN guidelines and principles on human rights, anti-corruption, taxation and competition

In the context of this first statement of non-financial performance and in view of the Company’s recent creation, no analysis was performed in 2022 to determine the Taxonomy-alignment of activities, capital expenditure and operating expenses. This will change in future reporting periods.

The financial data used for the eligibility and alignment indicators are taken from the Group’s information systems used to track the Group’s capital expenditure and consolidate the Group’s figures at the end of the 2022 financial year.

The data were analyzed and verified by both local and central teams to ensure that they were consistent with consolidated revenue, CapEx and OpEx for the 2022 financial year and to avoid any double counting of eligible activities in the numerator for Taxonomy key performance indicators.

Efforts are underway to fine-tune the reporting system so that it can better capture the individual measures aligned with the European Taxonomy in future reporting periods.

Revenue key performance indicators

Consolidated revenue used as the denominator for Taxonomy key performance indicators amounts to €976.6 million (Section 4.2.1 “Group income statement analysis” of the Universal Registration Document).

As the Taxonomy does not at this stage cover the manufacture of active pharmaceutical ingredients, the Group does not present Taxonomy-eligible revenue for the first two climate objectives.

CapEx key performance indicators

In accordance with the Taxonomy Regulation, the CapEx denominator includes the acquisition of property, plant and equipment (IAS 16) and intangible assets (IAS 38), the acquisition of right-of-use assets (in accordance with IFRS 16, with right-of-use assets recognized at the inception of a lease)).

In 2022, the denominator for the CapEx key performance indicators amounted to €120.9 million, as detailed

Investments related to	Amount (in millions of euros) ^(a)
Property, plant and equipment (IAS 16)	106.3
Intangible assets (IAS 38)	7.4
Rights of use (IFRS 16)	7.2
Total CAPEX Denominator	120.9

In 2022, the numerator for the CapEx key performance indicators amounted to €1.8 million, as detailed below.

Scope of eligible activities	2022 CAPEX M€s
7.3 Installation, maintenance and repair of energy efficiency equipment	1.4
7.4 Installation, maintenance and repair of charging stations for electric vehicles inside buildings (and in parking lots attached to buildings)	0.0
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	0.2
7.6 Installation, maintenance and repair of renewable energy technologies	0.1
Grand total	1.8

OpEx key performance indicators

In accordance with the Taxonomy Regulation, the OpEx denominator covers direct non-capitalizable costs, which include equipment maintenance and upkeep costs, building renovation costs, repair costs, rents reported in the income statement and any other expenses related to the day-to-day upkeep of assets.

The OpEx denominator represents an amount of €85.8 million in absolute value terms (see details below).

Operating expenses related to	Amount (in millions of euros)
R&D expenses	21.8
Maintenance & reparations	61.9
Uncapitalized rents	2.1
Total OPEX Denominator	-85.8

In 2022, the OpEx numerator amounted to €0.85 millions in absolute value terms (see details below).

Scope of eligible activities	2022 OPEX M€s
7.3 Installation, maintenance and repair of energy efficiency equipment	0.79
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	0.06
Grand total	0.85

Eligibility and alignment results for 2022

The results of the Taxonomy KPIs for 2022 are summarized below. More details can be found in the Taxonomy tables at the end of the sections.

In 2022, Taxonomy-eligible CapEx amounted to €1.771 million, or 1% of total CapEx in the denominator. However, as a precautionary measure and given the fairly recent creation of the Group and its stock exchange listing, as well as the difficulty of demonstrating the “substantial contribution” criteria, the Group prefers to submit a 0% alignment for 2022.

Investments related to	2022 M€s
Eligible and aligned investments	uninvestigated alignment
Share of aligned investments in TOTAL CAPEX	uninvestigated alignment
Share of investments aligned with eligible investments	0 %
Eligible and non-aligned investments	1.8
Eligible investments	1.8
Share of eligible investments	1 %
Non-eligible investments	119.1
Total CAPEX Denominator	120.9

Taxonomy-eligible OpEx amounted to €84.6 thousand. The Group's analysis showed that the OpEx ratio was not significant for the Group as a whole (less than 10% of total Group OpEx). This will change as needed going forward.

Operating expenses related to	2022 K€s
Taxonomy-eligible and Taxonomy-aligned OpEx	OpEx not analyzed for alignment
Taxonomy-aligned OpEx as a proportion of total OpEx	OpEx not analyzed for alignment
Taxonomy-aligned OpEx as a proportion of Taxonomy-eligible OpEx	OpEx not analyzed for alignment
Taxonomy-eligible but not Taxonomy-aligned OpEx	85.8
Taxonomy-eligible OpEx	0.9
Proportion of Taxonomy-eligible OpEx	1 %
Taxonomy non-eligible OpEx	84.9
Total OPEX Denominator	85.8

Regulatory Tables

Economic activities	Codes	Absolute turnover M€'s	Proportion of turnover %	Substantial contribution criteria						DNSH criteria								Taxonomy-aligned proportion of turnover year N	Taxonomy-aligned proportion of turnover year N-1	Category (enabling)	Category (transitional)**
				Climate change mitigation %	Climate change adaptation %	Water and marine resources %	Circular economy %	Pollution %	Biodiversity and ecosystems %	Climate change mitigation Y/N	Climate change adaptation Y/N	Water and marine resources Y/N	Circular economy Y/N	Pollution Y/N	Biodiversity and ecosystems Y/N	Minimum safeguards Y/N					
A. Taxonomy eligible activities																					
A.1. Taxonomy aligned																					
Turnover of taxonomy aligned activities (A.1.)		0	0%	0.0	0.0	0.0	0.0	0.0	0.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%			
A.2. Taxonomy eligible but not taxonomy aligned activities																					
Turnover of taxonomy eligible but not taxonomy aligned activities (A.2.)		0	0%																		
Total A (A.1. + A.2.)		0	0%														0%	0%			
B. Taxonomy non-eligible activities																					
Turnover of taxonomy non eligible activities (B)		0	0%																		
Total A + B		976.6	100%																		

Codes	Chiffre CapEx en millions d'euros	Part du Capex %	Critères de contribution substantielle							Critères d'absence de préjudice important							Part des CapEx alignée sur la taxonomie année 2022 %	Part des CapEx alignée sur la taxonomie, année 2021 %	Catégorie (activité habilitante) E/T
			Atténuation du changement climatique %	Adaptation au changement climatique %	Ressources aquatiques et marines %	Économie circulaire %	Pollution %	Biodiversité et écosystèmes %	Atténuation du changement climatique O/N	Adaptation au changement climatique O/N	Ressources aquatiques et marines O/N	Économie circulaire O/N	Pollution O/N	Biodiversité et écosystèmes O/N	Garanties minimales O/N				
A. Taxonomy eligible activities																			
A.1. Taxonomy aligned																			
Installation, maintenance and repair of equipment promoting energy efficiency	7.3	–	0%	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%
Installation, maintenance and repair of charging stations for electric vehicles inside buildings (and in car parks attached to buildings)	7.4	–	0%	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%
Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	7.5	–	0%	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%
Installation, maintenance and repair of renewable energy technologies	7.6	–	0%	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%
CapEx of taxonomy aligned activities (A.1)	N/A	–	0%	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%
A.2. Taxonomy eligible but not taxonomy aligned activities																			
Installation, maintenance and repair of equipment promoting energy efficiency	7.3	1.38	1%																
Installation, maintenance and repair of charging stations for electric vehicles inside buildings (and in car parks attached to buildings)	7.4	0.04	0%																
Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	7.5	0.24	0%																
Installation, maintenance and repair of renewable energy technologies	7.6	0.11	0%																
CapEx of taxonomy eligible but not taxonomy aligned activities (A.2.)	N/A	1.77	1%																
Total A (A.1. + A.2.)	N/A	1.77	1%															0%	0%
B. Taxonomy non-eligible activities																			
CapEx of taxonomy non eligible activities (B)	N/A	119.1	99%																
Total A + B	N/A	120.9	100%																

Economic activities	Codes	Substantial contribution criteria										DNSH criteria								
		Absolute Opex K€s	Proportion of Opex %	Climate change mitigation %	Climate change adaptation %	Water and marine resources %	Circular economy %	Pollution %	Biodiversity and ecosystems %	Climate change mitigation Y/N	Climate change adaptation Y/N	Water and marine resources Y/N	Circular economy Y/N	Pollution Y/N	Biodiversity and ecosystems Y/N	Minimum safeguards Y/N	Taxonomy-aligned proportion of Opex year N %	Taxonomy-aligned proportion of Opex year N-1 %	Category (enabling) E/T	Category (transitional)**
A. Taxonomy eligible activities																				
A.1. Taxonomy aligned																				
Installation, maintenance and repair of equipment promoting energy efficiency	7.3	0.0	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%		
Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	7.5	0.0	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%		
OpEx of taxonomy aligned activities (A.1.)	N/A	0.0	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%		
A.2. Taxonomy eligible but not taxonomy aligned activities																				
Installation, maintenance and repair of equipment promoting energy efficiency	7.3	0.8	1%																	
Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	7.5	0.1	0%																	
OpEx of taxonomy eligible but not taxonomy aligned activities (A.2.)	N/A	0.9	1%																	
Total A (A.1. + A.2.)	N/A	0.9	1%														0%	0%		
B. Taxonomy non-eligible activities																				
OpEx of taxonomy non eligible activities (B)		84.9	1.0																	
Total A + B		85.8	1.0																	

5.7 METHODOLOGY NOTE AND THIRD-PARTY VERIFICATION

The Group's ESG performance will be closely monitored and assessed, both internally and externally. It follows a detailed reporting framework that is available to all contributors.

The reporting framework and key performance indicators used in this statement are governed by the following regulations:

- European Directive 2014/95/EU on the disclosure of non-financial and diversity information (the "Non-financial Reporting Directive" (NFRD)) and the upcoming Corporate Sustainability Reporting Directive (CSRD), which amends the existing reporting requirements of the NFRD;
- French Ordinance 2017-1180 of July 19, 2017 and Decree 2017-1265 of August 9, 2017, implementing European Directive 2014/95/EU in France, and requiring companies to set out a Statement of Non-financial Performance, incorporating criteria on climate change;
- Regulation (EU) 2020/852 (the "Taxonomy Regulation") of July 12, 2020 that standardizes definitions and processes to be used when determining whether an activity is environmentally sustainable for disclosure under the NFRD;
- Article 173 of Act 2015-992 of August 17, 2015, on energy transition for green growth; and
- Law 2021-1774 of December 24, 2021, concerning the annual publication of differences in gender representation among senior executives, and members of governing bodies.

The Group Global Operating Procedure describes the different indicators that must be reported and the related deadlines.

These frameworks specify the methods to be used for reporting indicators throughout the Group, including definitions, methodological principles, calculation formulae, and emission factors. The resulting indicators provide:

- a comprehensive overview of the different reporting indicators associated with environmental, social and governance criteria that are measured and monitored by the Group; and
- a basis for reporting key performance indicators (KPIs), and the related trends, to executive management and to external stakeholders.

These various indicators are published in the Statement of Non-financial Performance prior to the Company's Annual General Meeting, and can be used by external rating agencies and stakeholders.

As the disclosure of these main indicators is mandatory, the supporting data are audited by an independent third party. The list of key performance indicators reported may evolve over time in line with new laws and regulations.

5.7.1 Methodology note on non-financial reporting

This Universal Registration Document includes all elements of the statement of non-financial performance as listed in Articles R. 225-102-1 and R. 225-105 of the French Commercial Code.

LEGISLATION	REQUIRED ITEMS	SECTION
DECREE NO. 2017-1265 FOR THE TRANSPOSITION OF EUROPEAN DIRECTIVE 2014/95/EU	Consequences of the Group's activity on climate change and the use of the goods and services it produces	See Section 5.3.1 "Towards responsible innovation" and Section 5.3.2 "Minimize the Group's environmental impact"
	Circular economy commitments	
	Societal commitments in favor of sustainable development	See Section 5.1.5 "The Group's ESG Strategy"
	Commitments to combat food waste	This information, mentioned in Article L. 225-102-1 of the French Commercial Code, is not presented in this chapter because it was considered not applicable to the activity of the EUROAPI group. The Group's activity does not generate food waste beyond employee meals.
	Collective agreements concluded in the Group and their impact on the economic performance of the Group as well as on the working conditions of employees	See Section 5.4.3 "Create a constructive social dialogue" and Section 5.4.4 "Promote talent management and personal development"
SUSTAINABLE FOOD LAW OF OCTOBER 30, 2018	Actions aimed at combating discrimination and promoting diversity and measures taken in favor of people with disabilities	See Section 5.4.5 "Foster diversity and equal opportunity" and Section 5.5.2 "Ensure respect for human rights"
	Commitments to combat food insecurity	This information, mentioned in Article L. 225-102-1 of the French Commercial Code, is not presented in this chapter because it was considered not applicable to the activity of the EUROAPI group. The Group's activities do not have an impact on consumers' access to food.
	Commitments to respect animal welfare and responsible, fair and sustainable food	This information, mentioned in Article L. 225-102-1 of the French Commercial Code, is not presented in this chapter because it was considered not applicable to the activity of the EUROAPI group.
LAW NO. 2022-296 OF MARCH 2, 2022 AIMED AT MAKING SPORT MORE ACCESSIBLE	Actions aimed at promoting physical activity and sports	See Section 5.4.2 "Ensure the health and safety of employees and subcontractors"

Non-financial performance indicators

Indicator	2022	2021	2020	Section
ENVIRONMENT				
Energy				
Total energy consumption in MWh	601,937	598,920	662,754	5.3.2 Improving energy efficiency and increasing use of renewable energies
Renewable energy consumption in MWh	143,654	163,566	51,776	
Non-renewable energy consumption in MWh	458,283	435,354	610,978	
Sites with 100% electricity from renewable sources (% Group sites)	83%	/	/	
GHG emissions				
Scope 1 GHG emissions in metric tons CO ₂ e	61,317	73,582	74,043	5.3.2 Fighting climate change
Scope 2 GHG emissions in metric tons CO ₂ e	30,061	27,371	40,003	
Scope 1 + 2 GHG emissions in metric tons CO ₂ e	91,378	100,953	114,046	
Scope 3 GHG emissions in metric tons CO ₂ e	572,868	645,432	/	
Other emissions				
VOC (volatile organic compound) emissions in metric tons	1,413	1,338	2,092	5.3.2 Reducing emissions into air, water, soil and subsoil
ODS (ozone-depleting substances) emissions in kilograms	261	545	1,696	
Wastewater discharge in thousand m ³	21,786	25,492	22,101	
Water				
Water withdrawal in thousand m ³	17,561	17,737	21,004	5.3.2 Optimizing water management
Water consumption in thousand m ³	18,352	16,806	21,256	
Water recycled in thousand m ³	4,885	4,809	6,049	
Waste				
Total waste produced in metric tons	98,668	96,194	101,669	5.3.2 Improving waste management and promote responsible consumption
Hazardous waste produced in metric tons	55,307	53,414	57,259	
Non-hazardous waste produced in metric tons	43,361	42,780	44,410	
Waste recycled in metric tons	34,063	33,718	35,836	
Waste sent to landfill in metric tons	5,195	6,394	7,393	
Waste incinerated with energy recovery in metric tons	21,203	19,063	18,623	
Waste treated with other methods in metric tons	38,208	37,019	39,817	
Zero waste to landfill sites (% Group sites)	33%	/	/	
Solvents				
Total solvents consumed in metric tons	83,275	79,117	107,500	5.3.2 Improving waste management and promote responsible consumption
Solvents regenerated in metric tons	56,213	50,581	78,624	
Solvent recycling rate (%)	67.5%	63.9%	73.1%	
Certifications				
ISO 14001 certification (% Group sites)	100%	67%	67%	5.3.2
ISO 50001 certification (% Group sites)	50%	50%	50%	
ISO 14001 and ISO 50001 certification (% certification)	75%	58%	58%	

Indicator	2022	2021	2020	Section
SOCIAL				
General				
Number of employees by country				
France	1,235	1,175	1,139	
Hungary	935	919	794	
Germany	771	735	582	
United Kingdom	256	245	194	
Italy	208	228	214	
Other	44	40	43	
Total	3,449	3,342	2,966	
Breakdown of workforce by contract type (%)				
Permanent contracts	90%	88%	91%	
Fixed-term contracts	10%	12%	9%	
Total	100%	100%	100%	5.4.1 Human capital, a key asset for the Group
Breakdown of workforce by age (%)				
<25	4.8%	5.2%	4.4%	
25 to 40	35.2%	33.4%	32.0%	
41 to 55	42.3%	43.7%	44.4%	
56 to 60	13.5%	13.4%	14.8%	
>60	4.2%	4.3%	4.4%	
Total	100%	100%	100%	
Breakdown of workforce by business function (%)				
Sales	2.7%	/	/	
Production	79.0%	/	/	
R&D	10.4%	/	/	
Support functions	7.9%	/	/	
Total	100%	/	/	
Changes in workforce				
Hiring rate	14.3%	14.4%	/	
New hires by country				
France	177	/	/	
Hungary	143	/	/	
Germany	93	/	/	
United Kingdom	50	/	/	
Italy	18	/	/	
Other	13	/	/	
Total	494	/	/	
Turnover rate	12.9%	/	/	
Departures by country				
France	114	/	/	
Hungary	119	/	/	
Germany	52	/	/	
United Kingdom	42	/	/	
Italy	20	/	/	
Other	9	/	/	
Total	356	/	/	5.4.4 Promote talent management and personal development
Departures by motive				
Voluntary resignation (fixed-term contracts)	38	/	/	
Voluntary resignation (permanent contracts)	102	/	/	
Mutual agreement	48	/	/	
Involuntary dismissal	19	/	/	
Expiration of fixed-term contracts	76	/	/	
Retirement	43	/	/	
Other	30	/	/	
Total	356	/	/	

Indicator	2022	2021	2020	Section
SOCIAL				
Health and Safety				
Lost Time Injury frequency rate per 1,000,000 hours worked	1.8	/	/	5.4.2 Ensure the health and safety of employees and subcontractors
Total Recordable Injury frequency rate per 1,000,000 hours worked	2.9	/	/	
Accident severity rate per 1,000 hours worked	0.1	/	/	
Employee development				
Number of training hours completed	Consolidated data unavailable. To be disclosed in 2023.	/	/	5.4.4 Promote talent management and personal development
Average number of training hours per employee		/	/	
Employees provided training (% total employees)		/	/	
Employee engagement				
Share capital held by employees (%)	0.63%	/	/	5.4.4 Promote talent management and personal development
Proportion of employee shareholders (%)	67.0%	/	/	
Employee engagement survey participation rate (%)	68.0%	/	/	
Employee engagement rate (%)	63.0%	/	/	5.4.6 Ensure fair employee compensation and benefits
Absenteeism rate (%)	Consolidated data unavailable. To be disclosed in 2023.	/	/	
Diversity and inclusion				
Women in total workforce (%)	28.2%	27.1%	24.3%	
Women members of Board of Directors (%)	53.8%	/	/	
Women members of Executive Committee (%)	15.4%	/	/	
Women in Extended Leadership team (%)	30.0%	/	/	5.4.5 Foster diversity and equal opportunity
Women in senior leadership positions (%)	33.9%	/	/	
Women in new hires (%)	39.6%	/	/	
Gender equality index: Index Pénicaud, for France	76/100	/	/	
Employees with disabilities/average workforce, for France (%)	6.9%	6.9%	/	
Number of nationalities in the Group	45	/	/	

Indicator	2022	2021	2020	Section
ETHICS + COMPLIANCE				
General				
Employees trained on Code of Ethics (%)	95%	/	/	5.5.1 Put ethics and compliance at the heart of the Group's business relationships
Employees trained on Alert Management (%)	95%	/	/	
Personal data protection				
Employees trained on GDPR (personal data protection) (%)	95%	/	/	5.5.3 Promote data protection
Product quality + client satisfaction				
Number of product recalls	0	/	/	5.2.1 Ensure product quality
Number of regulatory inspections ⁽¹⁾	4	/	/	
Number of client audits ⁽²⁾	56	/	/	
Responsible supply chain				
Raw material expenditure: Europe vs non-Europe	71% vs 29%	/	/	5.2.4 Implement responsible purchasing

(1) inspections conducted by the European Medicines Agency and/or the US Food and Drug Administration

(2) inspections conducted at Group sites

Indicator	2022	2021	2020	Section
GOVERNANCE				
General				
Number of members of the Board of Directors at December 31	13	/	/	
Independent members* of the Board of Directors at December 31 (%)	63%	/	/	Chapter 2
Women on the Board of Directors (%)	53.8%	/	/	Sections 2.1 and 2.2
Women on the Executive Committee (%)	15.4%	/	/	of the Universal
Number of meetings of the Board of Directors held during report year	4	/	/	Registration
Directors present at Board meetings held during report year (%)	98%	/	/	Document

*A member of the Board of Directors is considered "independent" when she/he has no relationships of any kind with the Company, its Group or its Management, which could impair the free exercise of her/his judgement.

Social data

Scope of consolidation

Social data are consolidated for all companies of the Group that are also fully consolidated for financial reporting purposes. The reporting covers all activities of the Group (industrial, sales and administrative) and all site locations.

Social data is reported for all employees of the Group, which includes all personnel with an employment contract, either permanent or fixed-term, with the Group at December 31, 2022.

Reporting methods

Three reporting methods are used to collect social data:

- most of the social data indicators are collected and consolidated with the Workday Global HR platform, which is used to record workforce numbers and movements for all site locations;
- certain indicators (notably the gender pay gap and absenteeism rate) are collected via the payroll systems used in each country where the Group has operations and are consolidated for reporting purposes; and
- certain indicators (participation in programs and events, etc.) are collected by the department concerned on individual sites and are consolidated for reporting purposes.

These data are reported for the year ended December 31, 2022.

Indicators

Employee distribution by country

Indicates the number of employees distributed by country of work: France, Hungary, Germany, United Kingdom, Italy and Other. Other includes countries with commercial operations only and proportionally fewer employees: United States, Slovakia, Russia, China and Japan.

New hires and departures

New hires and departures for the Group exclude all intragroup movements such as international, inter-company or inter-site transfers. The reporting includes new hires and departures for companies that were consolidated for the first time or acquired during the year. Conversions of fixed-term contracts into permanent contracts are not included unless there is a gap of more than one day between the two contracts, in which case they are counted as a departure and a new hire.

Turnover

Indicates the turnover rate for the Group distributed by country of work: France, Hungary, Germany, United Kingdom, Italy and Other. Other includes countries with commercial operations only and proportionally fewer employees: United States, Slovakia, Russia, China and Japan.

Women in extended leadership team and senior leadership positions

The extended leadership team includes Executive Committee members, Country Heads and key senior leadership positions. A senior leadership position is defined based on grading. Persons in these positions have an impact on the attainment of financial objectives.

Gender pay gap

The data are effective December 31, 2022 and include all employees in France. The data exclude temporary workers and members of the Executive Committee.

Health and safety data

Scope of consolidation

Health and safety data are consolidated for all companies of the Group that are also fully consolidated for financial reporting purposes. The reporting covers all activities of the Group (industrial, sales and administrative) and all site locations.

Health and safety data are reported for all employees of the Group, as well as for subcontractors and temporary workers, for the year ended December 31, 2022.

Reporting methods

The Group applies standard reporting frameworks for health and safety information so that the indicators monitored across all operations are consistent and reliable. The frameworks specify the methodologies to be applied for reporting indicators throughout the Group and include definitions and calculation methods. The Group also uses standard data collection tools.

The SHERPA system is used to collect and consolidate health and safety data for all sites.

The data are reported for the full year ending December 31, 2022.

Indicators

Lost Time Injury frequency rate

Lost Time Injury (LTI) frequency rate is the number of accidents resulting in lost time of one day or more during the report year, per one million hours worked.

Hours worked refers to the time during which any employee, subcontractor or temporary worker is exposed to professional risks. Accidents occurring during a home-workplace commute are not included in this indicator; however, they are included for traveling medical representatives, in accordance with internal reporting rules. Work accidents occurring when working remotely are included in this indicator.

Total Recordable Injury frequency rate

Total Recordable Injury (TRI) frequency rate is the number of occupational injuries with or without lost time during the report year, per one million hours worked.

Accident severity rate

Accident severity rate is the number of lost days per one thousand hours worked. Lost days are the number of calendar days during which a person does not work following a work-related injury.

Environmental data

Scope of consolidation

Environmental data are consolidated for all companies of the Group having an industrial activity, specifically six industrial sites located in Europe, that are also fully consolidated for financial reporting purposes.

In order to evaluate environmental impact at group level, environmental reporting is extended to sales and administrative sites for certain indicators when feasible. Certain sites share their premises with other companies and are unable to obtain the information required for the Group's reporting purposes. Data pertaining to the Group's sales and administrative sites were considered in the calculation of Scope 3 GHG emissions.

Reporting methods

The Group applies standard reporting frameworks for environmental information so that the indicators monitored across all operations are consistent and reliable. The frameworks specify the methodologies to be applied for reporting indicators throughout the Group and include definitions, calculation methods and emission factors. The Group also uses standard data collection tools.

The SHERPA system is used to collect and consolidate environmental data for the Group's six industrial sites. Most data are collected on a quarterly basis with the exception of wastewater discharge, solvent consumption and VOC emissions which are collected annually.

The data are reported for the full year ending December 31, 2022 with the exception of GHG emissions (scope 1, scope 2, and scope 3) and wastewater discharge which are reported for the 12-month period from October 1 of the previous year to September 30 of the current year.

Certain environmental data, notably data required for the calculation of Scope 3 GHG emissions, are collected by the department concerned using different systems, and are consolidated for reporting purposes.

Indicators

Greenhouse gas emissions

CO₂ emissions associated with the Group's activities are calculated in accordance with the concepts defined by the GHG Protocol. The GHG Protocol establishes comprehensive global standardized frameworks to measure and manage greenhouse gas (GHG) emissions from private and public sector operations, value chains and mitigation actions. The data are reported for the 12-month period from October 1 of the previous year to September 30 of the current year.

Direct emissions (Scope 1) include emissions from the use of natural gas, fuels and refrigerants at the Group's six industrial sites. Emissions of energy sold are subtracted from the Group's emissions. Scope 1 does not currently include emissions from chemical processes, such as fermentation, which are estimated to be negligible, given that the Group is an organic chemistry company rather than one active in the areas such as cement, aluminum, or ammonia.

Indirect emissions (Scope 2) are calculated according to the energy sources purchased from external suppliers, such as electricity and external production of steam, using appropriate emission factors. Emission factors are obtained from data published by the International Energy Agency (IEA) and the Department for Environment, Food and Rural Affairs (DEFRA), and are updated annually for our six industrial sites. Emissions generated by the production of steam are calculated based on site-specific factors or estimated using the Group's own internal standards.

Indirect emissions (Scope 3) that occur in the Group's value chain primarily include emissions associated with purchased goods and services, waste disposal and processing of sold products. Scope 3 emissions are not directly tracked in the SHERPA system but are calculated using standard calculation methods and emission factors:

- purchased goods and services (category 1) is calculated based on quantities purchased;
- waste generated in operations (category 5) is calculated based on quantities and type of waste generated and type of treatment; and
- processing of sold products (category 10) is calculated based on quantities sold.

Emission factors used to calculate Scope 3 emissions are obtained from official databases including those provided by Ecolnvent, the Intergovernmental Panel on Climate Change (IPCC), the International Energy Agency (IEA) and the Department for Environment, Food and Rural Affairs (DEFRA).

Although the Group has made continuous efforts to improve the reliability of the data related to its Scope 3 emissions, a certain degree of uncertainty remains. Unlike Scope 1 and 2 emissions, changes in Scope 3 emissions from one year to the next could be attributed to the methods of calculation employed or to the quality of the data available and not necessarily to a change in performance.

- According to the GHG protocol, certain Scope 3 categories are not applicable to the Group's business activity or are accounted for under other emissions categories. These categories include:

- Category 8 (Upstream leased assets): associated emissions are included in Scope 1 and 2 calculations for energy use;
- Category 9 (Downstream transportation and distribution): the Group does not sell products directly to consumers; all transportation and distribution are included in Category 4.
- Category 11 (Use of sold products): the Group does not sell products directly to consumers;
- Category 13 (Downstream leased assets): this category is not relevant to the Group's business activities;
- Category 14 (Franchises): the Group does not operate franchises; and
- Category 15 (Investments): associated emissions are included in other categories when relevant.

Regarding the calculation of Category 4 (Upstream transportation and distribution), the best estimation that we were able to provide for 2022 is the replication of 2021 data that was calculated for the Group scope before the carve-out from Sanofi. The methodology used by Sanofi has been audited and is available in Sanofi's 2021 Statement of Non-Financial Performance.

Systems and monitoring tools are in the process of being implemented to ensure that reliable data is collected in 2024 for the calculation of Category 4 and Category 9 (Downstream transportation and distribution).

Carbon neutrality

Carbon neutrality can be achieved through the use of renewables, by generating energy directly or by purchasing energy from suppliers that can provide zero emissions energy. The carbon-neutral objective covers Scope 1, 2 and 3 emissions and includes production sites, R&D sites and tertiary sites. Other local specific emissions factors can also be used in line with the statements of suppliers.

Water consumption and withdrawal

The difference between our total water consumption and total water withdrawal is due to differences in data collection equipment. Certain sites have closed water loop systems that are not included in water withdrawal data.

Waste

The distinction between hazardous and non-hazardous operational waste corresponds to that used in European regulations for European Union member countries and that used in local regulations for other countries. Radioactive and medical waste, as well as waste containing solvents, is reported as hazardous waste.

Hazardous waste is defined as any waste having one or more of the hazardous properties listed in Annex III of European Directive 2008/98/EC and US CFR part 261 subpart C.

Waste arising from soil decontamination, construction and deconstruction operations (one-time waste) is reported separately in the SHERPA system, only for generated quantities and is not included in the published total for the Group's operating activities.

Recovery rate concerns operational waste only and corresponds to waste (both hazardous and non-hazardous) that is recycled (material recovery) or incinerated off-site using waste-to-energy technology (energy recovery).

A site is considered to be "zero waste to landfill" when its landfill disposal rate is less than 1%.

Wastewater discharge

The data presented correspond to effluents at the discharge point of the industrial sites. The data reported cover all sites of the Group (other than tertiary and logistics sites, which contribute only marginally to COD (Chemical Oxygen Demand) releases). The data are reported for the 12-month period from October 1 of the previous year to September 30 of the current year.

5.7.2 Independent third-party report

Independent third party's report on consolidated non-financial statement

Euroapi

Year ended December 31, 2022

Independent third party's report on consolidated non-financial statement presented in the management report

This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the General Assembly,

In our quality as an independent third party, accredited by the COFRAC under number n° 3-1681 (scope of accreditation available on the website www.cofrac.fr), and as a member of the network of one of the statutory auditors of your company (hereinafter "entity"), we conducted our work in order to provide a conclusion expressing a limited level of assurance on the compliance of the consolidated non-financial statement for the year ended 12/31/2022 (hereinafter the "Statement") with the provisions of Article R. 225-105 of the French Commercial Code (*Code de commerce*) and on the fairness of the historical information (whether observed or extrapolated) provided pursuant to 3° of I and II of Article R. 225-105 of the French Commercial Code (hereinafter the "Information") prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), included in the management report pursuant to the requirements of articles L. 225 102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

Conclusion

Based on the procedures performed, as described in "Nature and scope of the work", and on the elements we have collected, we did not identify any material misstatements that would call into question the fact that the consolidated non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Preparation of the non-financial performance statement

The absence of a generally accepted and commonly used framework or established practices on which to base the assessment and measurement of information allows for the use of different, but acceptable, measurement techniques that may affect comparability between entities and over time.

Therefore, the Information should be read and understood with reference to the Guidelines, the significant elements of which are presented in the Statement.

Limitations inherent in the preparation of the Information

The information may be subject to uncertainty inherent in the state of scientific or economic knowledge and the quality of external data used. Certain information is sensitive to the methodological choices, assumptions and/or estimates made in preparing it and presented in the Statement.

The entity's responsibility

It is the responsibility of the Board of Directors to:

- select or establish appropriate criteria for the preparation of the Information;
- prepare a Statement in accordance with legal and regulatory requirements, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with regard to these risks as well as the results of these policies, including key performance indicators and, in addition, the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- and to implement the internal control procedures it deems necessary to ensure that the Information is free from material misstatement, whether due to fraud or error.

The Statement has been prepared in accordance with the entity's procedures, the main elements of which are presented in the Statement.

Responsibility of the independent third party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of article R. 225-105 of the French Commercial Code;
- the fairness of the information provided in accordance with article R. 225 105 I, 3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks.

As it is our responsibility to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information, as this could compromise our independence.

However, it is not our responsibility to comment on:

- the entity's compliance with other applicable legal and regulatory requirements, in particular the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy), the French duty of care law and anti-corruption and tax avoidance legislation
- the fairness of the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy)
- the compliance of products and services with the applicable regulations.

Regulatory provisions and applicable professional standards

The work described below was performed in accordance with the provisions of articles A. 225-1 et seq. of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements and with ISAE 3000⁶.

Independence and quality control

Our independence is defined by the requirements of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and French professional guidance.

Means and resources

Our verification work mobilized the skills of six people and took place between September 2022 and March 2023 on a total duration of intervention of about eleven weeks.

We conducted a dozen of interviews with the persons responsible for the preparation of the Statement including in particular the Procurement, Supply Chain, Health Safety and Environment, Research and Development, Quality, Business Ethics and Legal, Human Resources and Industrial Operations departments.

Nature and scope of the work

We planned and performed our work taking into account the risks of material misstatement of the Information.

In our opinion, the procedures we have performed in the exercise of our professional judgment enable us to provide a limited level of assurance:

- we obtained an understanding of all the consolidated entities' activities and the description of the principal risks associated;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Statement includes each category of social and environmental information set out in article L. 225 102 1 III of the French Commercial Code as well as compliance with human rights and anticorruption and tax avoidance legislation;
- we verified that the Statement provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code;
- we verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;

⁶ ISAE 3000 - Assurance engagements other than audits or reviews of historical financial information

- we referred to documentary sources and conducted interviews to
 - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix 1; concerning certain risks (Supply continuity, Data protection, Responsible procurement, Responsible innovation, Business ethics, Human rights), our work was carried out on the consolidating entity, for the others risks, our work was carried out on the consolidating entity and on a selection of entities : the Budapest site (Hungary) and the Vertolaye site (France);
- we verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code;
- we obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information;
 - for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix 1, we implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
 - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities and covers between 11% and 75% of the consolidated data relating to the key performance indicators and outcomes selected for these tests (11% of wastewater quantities, 24% of total energy consumption, 48% of employees, 75% of hazardous waste quantities);
 - we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We believe that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

Paris-La Défense, March 13, 2023

French original signed by:

Independent third party
EY & Associés

Christophe Schmeitzky
Partner, Sustainable Development

Appendix 1 : The most important information

Social Information

<i>Quantitative Information (including key performance indicators)</i>	<i>Qualitative Information (actions or results)</i>
Turnover (%)	Employment (attractiveness, retention)
Share of women managers (%)	Health and safety of employees
Share of women in the Group's salaried workforce (%)	Social relations (social dialogue, collective agreements, talent management and personal development)
Frequency rate of accidents at work, severity rate of accidents at work (number/million hours worked)	Diversity and equal opportunity, fight against discrimination

Environmental Information

<i>Quantitative Information (including key performance indicators)</i>	<i>Qualitative Information (actions or results)</i>
Scopes 1 & 2 GHG emissions (tCO ₂ e)	The results of the environmental policy Measures to reduce waste (water, air, soil, etc.) Climate change (significant emission sources due to activity, reduction targets) and energy efficiency Waste management Water management
Scope 3 GHG emissions (categories 1, 2, 3 and 5) (tCO ₂ e)	
Energy consumption (MWh)	
Share of renewable electricity (%)	
Percentage of ISO14001 and ISO50001 certified sites (%)	
Quantity of hazardous and non-hazardous waste produced (tons)	
Percentage of waste landfilled (%)	
Percentage of waste recycled (%)	
Water withdrawals (cu.m.)	
Quantity of wastewater discharged (cu.m.)	
Quantity of organic solvents consumed (t)	
Percentage of solvents recycled (%)	
Emissions of Volatile Organic Compounds (t)	

Societal Information

<i>Quantitative Information (including key performance indicators)</i>	<i>Qualitative Information (actions or results)</i>
Share of employees trained in the code of conduct and compliance (%)	Responsible Procurement Actions in favor of human rights, in particular respect for fundamental ILO Conventions Measures implemented to promote responsible innovation Measures taken to combat corruption
Share of employees trained on GDPR and data security (%)	
Share of employees trained in anti-corruption (%)	
Number of customer quality audits	
Number of product recalls	

Notes

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Notes

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French joint-stock company (Société anonyme)
with a share capital of €94,549,488

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