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„Sustainability cannot be achieved on your own“

Sustainability

Marc Werner, CEO, explains in an interview how Galenica's network philosophy strengthens its sustainable behaviour.



Marc Werner, CEO

Marc Werner, how important is sustainability at Galenica?

We firmly believe that we can only secure our long-term success if we take responsibility for society, take care of our employees and use natural resources consciously and efficiently. This belief is reflected in our three sustainability principles, which underpin our vision and relate to our corporate values, employees and resource efficiency. However, it is important to remember that we cannot achieve sustainability on our own. Our network philosophy strengthens our approach to sustainability, both within Galenica and in collaboration with our partners. Transparency through regular reporting and incentives for environmentally friendly behaviour further reinforce our commitment.

Can you give some examples?

We offer financial incentives to encourage our employees to use public transport and implement resource-efficient mobility measures together with our suppliers and distribution partners. In addition, we are seeking and promoting an ongoing dialogue with industry representatives, authorities and digitalisation partners so that we can work together to develop innovative and sustainable solutions. We raise awareness about sustainability among our employees through various measures such as training and participatory initiatives. The members of the Sustainability Committee play a key role in this, acting as ambassadors, raising awareness, and promoting and implementing sustainable action in their respective areas of responsibility. For example, when renovating our headquarters and pharmacies, we take the approach of reusing building elements and furniture as much as possible with a focus on sustainable materials. State-of-the-art systems such as automated blister packaging at Medifilm help to reduce waste.

„We apply the highest quality standards so that our customers can trust us.“

Patient safety is one of your core sustainability goals. How does Galenica contribute specifically to this?

The safety of our patients is our top priority. Whether in our pharmacies, pharmaceutical logistics, products and services or home care: our customers should always be able to trust that they are receiving the right medication in the correct dosage and that it has been stored and transported under optimal conditions. To achieve this, we apply the highest quality standards, carry out regular audits and rely on digital

innovations. Examples include compliance with GDP (good distribution practice) guidelines and the use of digital solutions such as Documedis® to reduce medication errors. We continuously support our employees in their professional development and training in order to meet the highest standards. This also includes examining interactions, intolerances and support to help patients adhere to their medication regimens. We offer our patients comprehensive advisory services – whether in person in the pharmacy, digitally or through home care.

„Our logistics companies review the warehouse inventory on a daily basis.“

And how does Galenica contribute to ensuring a secure supply of medicines in Switzerland?

Galenica works closely with suppliers to make sure medicines are available at all times. After all, bottlenecks in the supply of medicines are a major challenge around the world and also affect Switzerland. Our logistics companies review the inventory on a daily basis in order to react in good time to supply gaps and increased demand. Galenica has also launched the Safety Stock Initiative to increase the safety stocks of generic medicines for chronic diseases. Pharmacies can bridge short-term bottlenecks by substituting and manufacturing prescriptions or finding suitable alternatives for patients. In the area of home care, Medifilm is helping to reduce medication waste by implementing individual blister packaging. This tailor-made packaging doses medications precisely according to patients' needs.

„We are firmly committed to a servant leadership management style.“

What makes Galenica an attractive employer and how do you support your employees?

Employees stay with a company when they resonate with the corporate culture, have the opportunity to develop and fulfil their potential, and can pursue a meaningful activity. We offer attractive career paths across our network and are firmly committed to a servant leadership management style. For example, we work on a role-model basis in pharmacies, which has a positive impact on employee development opportunities and motivation. We attach great importance to promoting an inclusive working environment that practises diversity and equal opportunities. Trust, flat hierarchies and collaboration networks are the foundation of our corporate culture. Modern working environments, such as the new Swing Space at the headquarters in Bern, also support this philosophy. Open workspaces, state-of-the-art digital infrastructure and diverse meeting areas create the ideal setting for employees to work together in a flexible way.

Business model (GRI 2-6)

About us

Galenica is active in the healthcare industry and offers healthcare services and products throughout Switzerland. Its customers include patients, pharmacies, drugstores, physicians, hospitals, care homes, home care organisations, health insurers and pharmaceutical companies.

The business activities of the Galenica Group comprise two segments.

“Products & Care” segment

The “Products & Care” segment comprises the “Retail” business area with offerings for patients and end customers (B2C) and the “Professionals” business area with offerings for business customers and partners in the healthcare industry (B2B).

“Logistics & IT” segment

The “Logistics & IT” segment comprises the two sectors “Wholesale” and “Logistics & IT Services”. They operate and develop the logistics and IT platforms of the Galenica Group and offer services to all healthcare providers such as pharmacies, drugstores, physicians, hospitals and care homes.

The value chain of the Galenica network comprises the production, logistics, marketing and sale of products and services in the healthcare market.

Inputs

Financial capital

- Equity/shareholders
- Liabilities

KPIs

1.6x net debt

Produced capital

- Buildings (owned/rented)
- Infrastructure (transport/IT)
- Production equipment (internal/external)
- Vehicle fleet (own/partner)

KPIs

15% vehicles with alternative drive systems

376 pharmacies

CHF 72.8 million investments in property, plant and equipment and intangible assets (capex)



Intellectual/innovation capital

- Brands
- Distribution licences
- Proprietary software
- Investments in digital services
- Specialist staff

KPIs

80 own and partner brands

CHF 4.8 million investments in proprietary software

Human capital

- Number of employees
- Training/further education
- Personnel expenses
- Cultural development

KPIs

7,971 employees

CHF 583.2 million personnel expenses

CHF 5.9 million investments in further education

Social capital

- Strong long-term partnerships
- Regulators
- Suppliers
- Customers

KPIs

>2,500 suppliers

39 memberships in associations

Ecological capital

- Energy use
- Fossil fuels
- Renewable resources
- Water
- Land

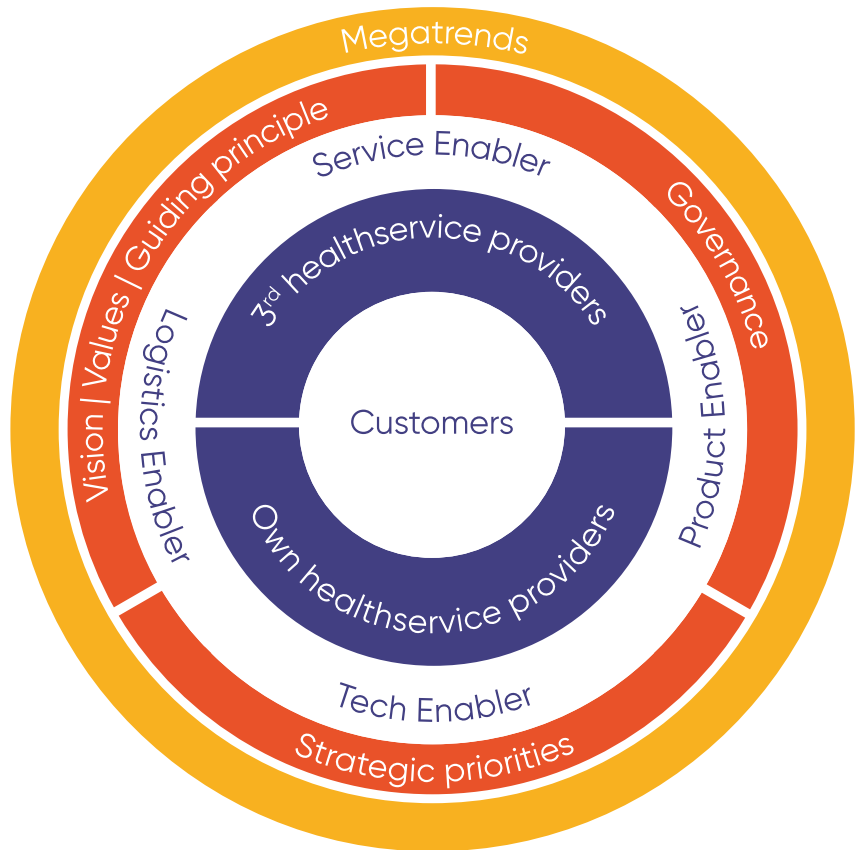
KPIs

100% electricity from renewable sources

15% renewable drives for vehicle fleet

1,419,862m³ water withdrawal

Business model



Outputs/Impacts

Financial capital

- Sales/profit
- Operating Cash Flow
- Dividend

KPIs

5.4% ROS
3.1% dividend yield

Produced capital

- Pharmacy network
- Products
- Security of supply/procurement

KPIs

99.0% availability of medicinal products

Intellectual/innovation capital

- Healthcare services in pharmacies
- Licensing of own software
- Consistent customer experience
- Efficient processes
- Patient safety
- Prevention
- Generics substitution

KPIs

369 million CDS.CE checks

193,000 health services performed

Human capital

- Employee satisfaction
- Motivation
- Recommendations/employer attractiveness
- Safe working environment

KPIs

10.8% turnover rate

53.6% women in management

0.1% absence rate

76 motivation score

75 recommendation score

Social capital

- Broader product range
- Remuneration of health insurers
- Efficiency gains
- Expansion of expertise
- Representation of interests
- Long-term contracts
- Integrity in supply chains
- Reputation
- Customer satisfaction

KPIs

10 partnerships with health insurers

95.5% net promoter score (degree of target achievement)

Ecological capital

- Emissions
- Water consumption

KPIs

23,938 MWh electricity consumption

11,485 tCO₂e GHG emissions**Outcomes****Contribution to the SDGs**



Our approach

Sustainability

Sustainability is an integral part of Galenica's corporate management. This is based on the steadfast belief that proactive and responsible action contributes significantly to the long-term economic success of a company and has an impact both within and outside a company.

Our sustainability principles

Taking a responsible attitude towards society and the environment is the foundation of our economic success.

This conviction is reflected in Galenica's three key sustainability principles. Supported by the Executive Committee, they form an essential part of the corporate culture.

Company value

We increase the value of the company in the long term by having a sustainable impact.

Employees

We oblige our employees to act responsibly and ensure they have a safe, flexible and supportive working environment.

Resource efficiency

We use resources sparingly and efficiently and reduce negative environmental impacts.

With these guiding principles, we sensitise and motivate employees to continuously increase our resource efficiency, capacity for innovation and, ultimately competitiveness. On the other hand, the lively, ongoing dialogue with the various stakeholders helps to identify requirements and expectations at an early stage and to maintain Galenica's strong reputation.

Our key sustainability topics are integrated into the corporate vision and strategic areas of activity and are therefore part of the [corporate strategy](#).

Sustainability organisation (GRI 2-12, 2-13, 2-17)

The Board of Directors bears ultimate responsibility for the economic, environmental and social impact of the Galenica Group, including climate-related topics. The Governance, Nomination and Sustainability Committee (GNSC) advises the Chair of the Board of Directors and the entire Board of Directors on sustainability matters. The GNSC consists of the Chair of the Board of Directors, the Vice Chair and other members of the Board of Directors who are appointed by the entire Board of Directors at the inaugural meeting (first meeting after the General Meeting) for a term of office of one year. The Committee annually reviews the materiality matrix, sustainability goals and potential climate-related risks and opportunities, and ensures that the corporate strategy is aligned with sustainable business management. In the reporting year, the GNSC discussed the topic of sustainability, including climate issues, twice.

The Board of Directors, which approves the sustainability goals and monitors progress in achieving them, discussed the topic of sustainability, including climate-related matters, four times in 2024.

The Executive Committee is responsible for implementing the sustainability goals and integrating them into day-to-day business.

The Sustainability Committee (SC) is led by the Chief Sustainability, Public Affairs & Transformation Officer, who plays an advisory and coordinating role as a member of the extended Executive Committee. The Committee prepares specific proposals on implementing the sustainability strategy for the attention of the Executive Committee and the Board of Directors. The main task is to systematise internal sustainability management and external reporting and to ensure that targets are set and measures implemented. The Committee includes representatives from all key sustainability topics, all companies and company areas as well as the Executive Committee.

The SC met four times in the reporting year. The focus was on TCFD implementation, Scope 3 emissions, customer satisfaction and employee health. In between Committee meetings, several smaller meetings were held by individual working groups to discuss the progress made with the sustainability goals and the implementation of the measures. In 2024, these were further substantiated or already implemented in the responsible areas. The SC coordinates the activities and the Chief Sustainability, Public Affairs & Transformation reports regularly to the Executive Committee and the Board of Directors.

The Executive Committee is responsible for the implementation and management of climate-related risks and opportunities. The Chief Sustainability, Public Affairs & Transformation chairs the Sustainability Committee and is primarily responsible for the sustainability strategy. The CFO integrates climate-related risks and opportunities into risk management and reports to the Executive Committee on progress twice per year.

Conduct			
Board of Directors			
Executive Committee			
Planning & coordination			
Sustainability Committee			
Implementation			
Pharmacies Category Management & Health Services	Pharmacies Marketing	Pharmacies Sales	Products & Home Care
Wholesale & Logistics	IT & Digital Business	Finance	People & Culture
Corporate Communications	Legal & Board Services	Sustainability, Public Affairs & Transformation	

Materiality analysis and matrix (GRI 2-14, 3-1, 3-2)

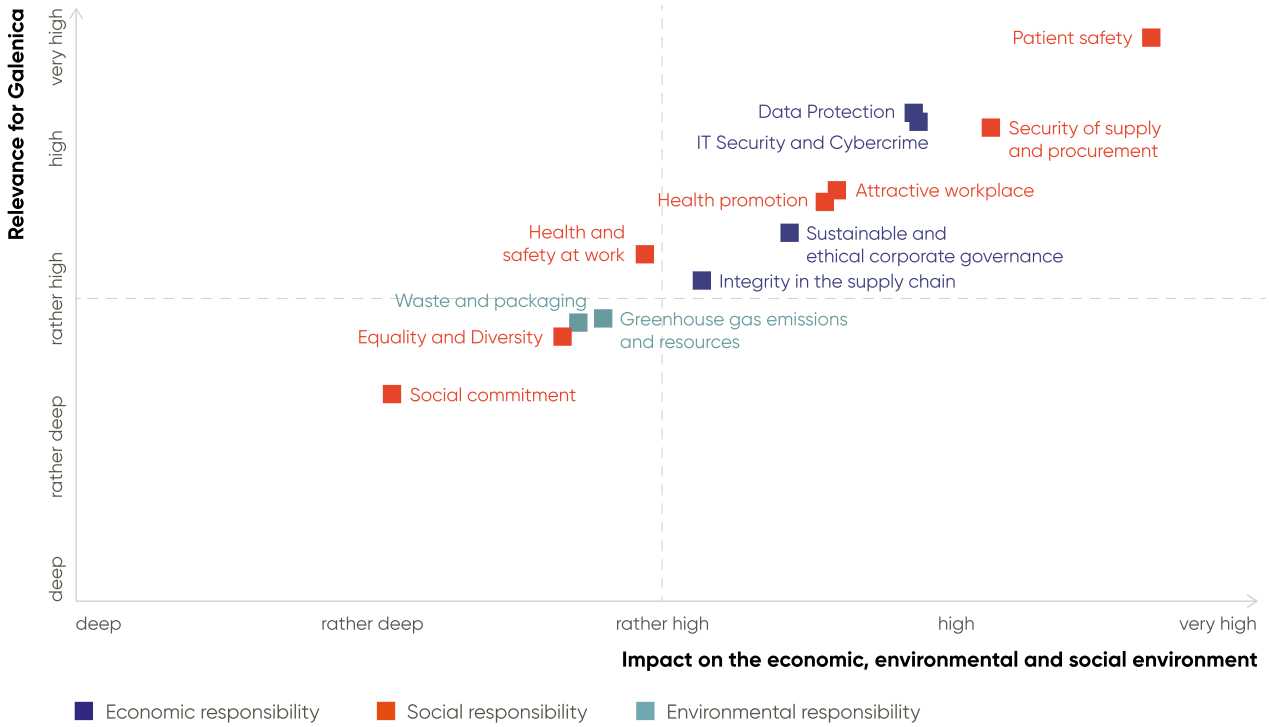
Already in 2023, Galenica conducted a materiality analysis based on the dual materiality principle. First, the impact of Galenica’s business activities on its social, environmental and economic environment was assessed through expert interviews with internal and external stakeholder groups relevant to Galenica. This information was combined with legal requirements, ESG standards and ratings as well as comparisons with other companies. The results were summarised thematically and discussed by the Executive Committee and the Board of Directors. Using an online survey, internal and external stakeholder groups – investors, partners, suppliers, customers, associations, employees and authorities – were asked about the key topics. They had to assess each from two perspectives and assign a score from very low to very high:

- Financial relevance for Galenica (outside-in perspective)
- Relevance for the social, environmental and economic environment of Galenica (inside-out perspective)

The evaluated results of the online survey are summarised in the matrix below. As part of the annual review, the materiality matrix was confirmed and acknowledged by the Executive Commitment and the Board of Directors for the year under review.

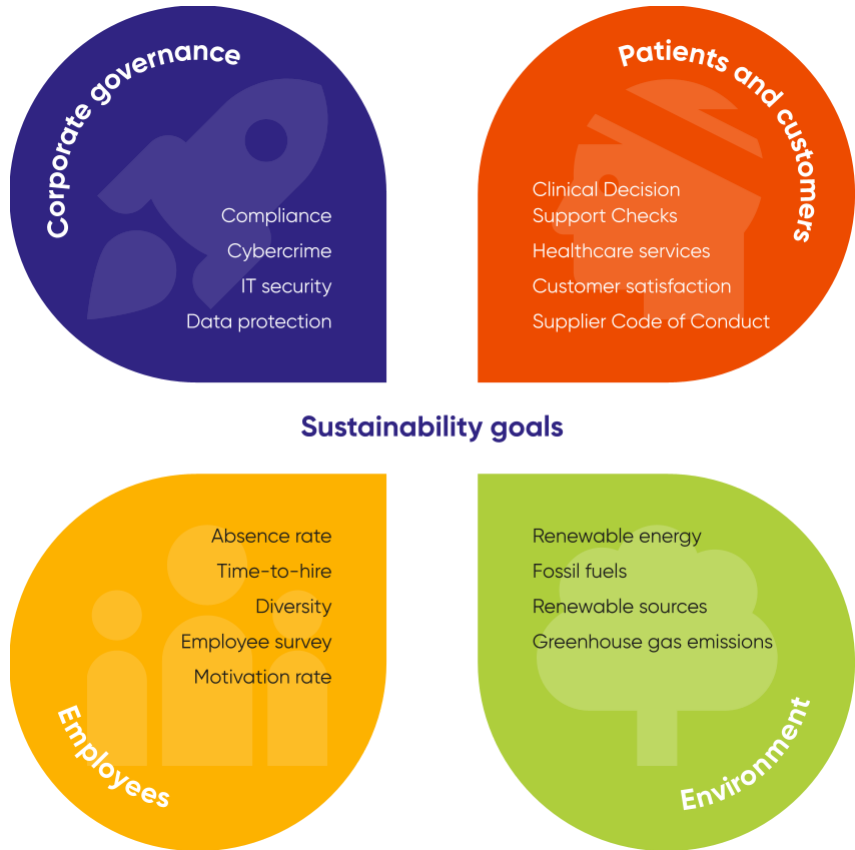
Further information on the management of the material topics can be found in the [Sustainability organisation](#) section and in the [GRI Report](#).

Galenica provides information on the development of material topics once a year in its sustainability report. The Board of Directors is responsible for reviewing and approving the reported information.



Our sustainability goals

The SC has set specific sustainability goals, which were approved for the first time at the end of 2021. These goals have been discussed regularly since then. Following the adjustment in 2023, the SC reviewed the goals again in the reporting year and further specified them. The Executive Committee and the Board of Directors approved them in March 2024.



Corporate governance

We **train** our employees in **compliance** several times a year, tailored to the respective target group.

Several times per year, we carry out measures to raise **employee awareness** in the area of data protection.

Several times per year, we make our employees aware of **IT security and cybercrime**.

Patients and customers

We will increase the use of **Clinical Decision Support Checks** (CDS.CE) to 500 million by 2025 and 1 billion by 2030.

We will check compliance with the **Supplier Code of Conduct** annually from 2025 by means of spot checks.

Customer satisfaction is at the centre of all activities. The satisfaction of end customers is systematically measured by their willingness to recommend us to other (rNPS) and the gap compared to the average of the competition is determined.

We will **increase** the number of **healthcare services** provided by 10% each year until 2027 (base year 2023).

Employees

Employee survey "Opinio": We will **increase** the **participation rate** by 1 percentage point per year and **keep the motivation and recommendation rate** at its current level (base year 2023).

We are **reducing the time-to-hire** by 10% by 2027 (base year 2023 for Pharmacies Sales, 2024 for all other areas).

We will improve **diversity** in all units and group companies and keep the proportion of female managers at 50%.

We will **reduce the incidence** of occupational accidents and illnesses (physical and mental) by 10% (base year 2023).

Environment

From 2025, we will be sourcing **100% of our electricity from renewable sources** at all our locations.

We will **reduce** the intensity of our operational greenhouse **gas emissions** (scope 1+2) by 25% by 2025 and 50% by 2030 (base year 2021).

We will **replace** 40% of the **fossil fuels** in our vehicle fleet (in-house and external vehicles contracted by us) with renewable alternatives by 2032.

Specifically, the following changes were made to the way the goals are formulated in the reporting year:

For all three objectives in the area of corporate governance, the specific number of measures implemented has been replaced with the term "several times a year". The relevance of taking measures varies depending on the target group. A fixed number is therefore not appropriate.

The target for the "employee survey" has been adjusted. It is our ambition to convince more employees to participate each time the survey is conducted. In addition to the motivation rate, we also included the recommendation rate, as these correlate with each other. This value is at a pleasing level and should at least be maintained compared to the base year of 2023.

Furthermore, the target of "time to hire" no longer applies specifically only to IT and pharmacy staff, but to all professional groups. In addition, the staff turnover rate has been deleted, as it varies greatly depending on the area and is not meaningful enough as a target in terms of the sum of areas. This is because our job profiles are very different and therefore the relevance of the loss of expertise varies greatly in terms of staff turnover.

Targets for mental illness and occupational and non-occupational accidents have been combined to ensure consistent recording and reporting of absence rates. The new wording reads: "We will reduce the

absence rate of occupational accidents and illnesses (physical and mental) by 10% (base year 2023)."

The wording of the target regarding "customer satisfaction" now also includes the component of measuring the gap compared to the average among competitors. This allows the rNPS recommendation rate achieved to be classified more precisely.

From 2025, we will not inspect the top 10 suppliers every three years, but will instead carry out random checks every year – and not just of the top suppliers. The annual random check, which also includes smaller suppliers, allows a broader analysis and strengthens compliance with the Supplier Code of Conduct.

When it comes to reducing the intensity of greenhouse gas emissions, we now distinguish between Scope 1, 2 and 3. Our current focus is on operational emissions (Scope 1+2). A roadmap to reduce Scope 3 emissions is in preparation. This then forms the basis for submitting the emission targets (all scopes) to SBTi (Science Based Targets initiative).

The target regarding the replacement of fossil fuels in our vehicle fleet has been supplemented by the addition of the phrase "own and contracted" and is now set for 2032. The reason for this is that partner vehicles are increasingly being added to our fleet and the technology for renewable drive systems with the required power is taking a little longer than originally assumed, particularly in delivery transport. The industry is not yet able to offer us broadly applicable solutions that meet all the requirements.

The previous environmental target "We will reduce our municipal waste by 50% by 2025" was deleted completely in 2024. This decision was made based on multiple responses from internal and external stakeholders who had questioned the relevance of the target in relation to the other targets.

With the measures taken and implemented in 2024, achieving the goals is generally realistic and on track. Some goals will be slightly delayed due to new or adapted processes and expanded data bases or have been adjusted due to new findings.

Further information on progress towards our sustainability goals can be found in the GRI Report.

Progress of the sustainability goals

Dialogue with stakeholders (GRI 2-29)

Meaningful stakeholder engagement is characterised by continuous two-way communication and depends on the goodwill of all parties involved. Galenica strives for successful collaboration by promoting regular exchange through various communication channels. This allows the various stakeholder groups to proactively voice their concerns and expectations of the company at any time. Galenica is addressing the topics arising from this and shaping further dialogue in accordance with the current challenges and needs of its stakeholders. This ensures that the topics are relevant to the target group and that the dialogue brings added value for both sides. The Executive Committee regularly discusses the concerns and priorities of the various stakeholder groups and reports to the Board of Directors. In this way, stakeholder concerns are incorporated into the decision-making process as far as possible.



Stakeholder group	Why we are committed	How we are committed	Topics discussed in 2024
Customers	<ul style="list-style-type: none"> – Increase customer satisfaction – Determine potential for improvement 	<ul style="list-style-type: none"> – Customer surveys 	<ul style="list-style-type: none"> – Satisfaction with healthcare services – Low-threshold access to healthcare services
Shareholders	<ul style="list-style-type: none"> – Increase trust in the company – Cashflow – Galenica as an attractive and secure investment 	<ul style="list-style-type: none"> – Dialogue at AGM – Annual communication via Annual Report – Investor Day and roadshows – Direct investor dialogue 	<ul style="list-style-type: none"> – Galenica's role in Swiss healthcare – Further development of the company – Innovation and new business areas
Suppliers	<ul style="list-style-type: none"> – Continuous improvement process in quality management – Transparency – Providing a seamless service – Supply chain integrity – Ensuring ability to deliver 	<ul style="list-style-type: none"> – Code of Conduct for Suppliers – Direct dialogue between Purchasing and delivery partners – Satisfaction survey of key suppliers – Safety Stock initiative 	<ul style="list-style-type: none"> – Quality aspects – Costs and prices – Innovations – Supply chain integrity – Product availability
Scientific institutions	<ul style="list-style-type: none"> – Promoting young talent – Training for healthcare professions 	<ul style="list-style-type: none"> – Financing of the Chair of the University of Bern (Pharmacy) – Lectures on vocational training 	<ul style="list-style-type: none"> – Quality of teaching – Attractiveness of healthcare professions (retail pharmacy)
Current and potential employees	<ul style="list-style-type: none"> – Attracting and retaining qualified employees – Employee satisfaction and motivation 	<ul style="list-style-type: none"> – Active recruitment – Fringe benefits – Fair employment conditions – University marketing/events – Position Galenica as an employer of choice 	<ul style="list-style-type: none"> – Galenica as an attractive employer – Attractiveness of healthcare professions
Authorities and associations	<ul style="list-style-type: none"> – Political influence – Ensuring sustainable business operations 	<ul style="list-style-type: none"> – Membership of association boards – Regular dialogue with relevant associations – Meetings with politicians, authorities 	<ul style="list-style-type: none"> – Galenica's role in Swiss healthcare – Opportunities and risks of liberalisation in the healthcare sector – Costs/cost containment

Memberships of associations and interest groups (GRI 2-28)

Galenica is involved in various healthcare and industry associations in order to represent its interests. Membership in these organisations allows us to help shape the framework conditions for Galenica and strengthen our network. In addition, we gain new insights into our business activities through exchanges with other companies and organisations. In the reporting period, Galenica was a member of the following associations and interest groups:

ASSGP, Association of the Swiss Self-Medication Industry
Association QualiCCare, Association for the Improvement of Quality in the Treatment of Chronic Diseases in Switzerland
ASTAG, Swiss Commercial Vehicle Association
Avenir Suisse, Switzerland's liberal think tank
Blistersuisse, the association of major professional blister packaging companies in Switzerland
Liberal healthcare alliance
CAP, Centre d'Animation des Pharmaciens de Suisse
Fédération des industries Alimentaires Suisses (FIAL) GESKES, Swiss Society for Clinical Nutrition
Gesellschaft für Marketing
GIRP, European Healthcare Distribution Association
GRIP-Pharma – Groupement Romand de l'Industrie Pharmaceutique
GSASA, Swiss Association of Public Health Administration and Hospital Pharmacists
GS1 Switzerland, Organisation for standards and solutions as a basis for digitalisation
Helvecura Genossenschaft, compulsory storage organisation for therapeutic products
HIV, Trade and Industry Association of the canton of Bern
Interessengemeinschaft eHealth
KEIS, Association for Plastic Disposal in Switzerland
Medswiss.net Trägerverein, Swiss Umbrella Association of Physician Networks
pharmalog, Swiss Pharma Logistics Association
pharmaSuisse, Swiss Association of Pharmacists
Refdata, Refdata Foundation
SANI – Swiss Association of Nutrition Industries
SanteneXt, the do tank of the Swiss healthcare system
ScienceIndustries, Business Association for Chemistry-Pharma-Biotech
SGSH – Swiss Society of Hospital Hygiene
Sitem-Insel AG, research and development activities
SKW – Swiss Association for Cosmetics and Detergents
Swiss Healthcare Startups, leading networking organisation for the Swiss healthcare ecosystem
Swiss Medtech, Swiss Medical Technology Association
GFH Healthcare Retailers Association
VEZ, Association of Electronic Payments
VGUA, Association of Independent Pharmacies
VIPS, Association of Pharmaceutical Companies in Switzerland
VSV, Swiss Mail-order Trade Association
VSVA, Association of Swiss Mail-order Pharmacies
SMVO, Swiss Medicine Verification Organisation
SVKH, Swiss Association for Therapeutic Products in Complementary Medicine

Swissholdings, Association of Industrial and Service Groups in Switzerland

VNL Switzerland, Verein Netzwerk Logistik e.V.

VWG, Volkswirtschaftliche Gesellschaft des Kantons Bern

Our contribution to the Sustainable Development Goals

The Sustainable Development Goals (SDGs) form the global reference framework for sustainable development. The Galenica Group is committed to the SDGs. As Switzerland's leading fully integrated healthcare provider, we make an important contribution to SDG 3 (Good health and Well-being). This objective is central to our business activities and is in line with our customer promise to support people at every stage of life on their journey towards health and well-being. Our corporate activities also influence SDG 5 (Gender Equality), SDG 8 (Decent Work and Economic Growth), SDG 12 (Responsible Consumption and Production), SDG 13 (Climate Action) and SDG 16 (Peace, Justice and strong institutions).



Patient safety and health

Patient safety and health are a top priority for us. With personal and competent advice and a unique range of products and services, we support our patients in all aspects of life, promote their well-being and enable people of all ages to lead a healthy life.



Emissions and climate change

We promote the use of renewable energies in distribution, the use of public transport and electric cars by our employees. We are looking to increase energy efficiency and are investigating the installation of photovoltaic systems. In addition, we have defined specific targets to reduce greenhouse gas emissions and replace fossil fuels. We want to use only renewable energy sources at all our operation sites. Furthermore, we rely on supply chain partnerships in accordance with SDG 17 to promote circularity with regard to climate, water and waste. With these measures, we are contributing to the fight against climate change.



Waste and recycling

In addition to traditional municipal waste, we also produce medical and chemical waste. The avoidance, reduction, recycling and professional disposal of waste is of central importance to us. By disposing of medicines properly, we also contribute to preservation of biodiversity. Environmentally friendly waste management forms the basis for responsible consumption and production.



IT security and cybercrime

With the increasing digitalisation of the healthcare system, the risk of cyber attacks is growing. This is why IT security is highly important at Galenica. As a healthcare provider, we process sensitive information and data. We ensure that these are protected against unauthorised access and modifications or loss. Protecting IT systems is key to a peaceful and inclusive society as well as strong institutions.



Data protection

Protecting patients and customer data is a top priority for us. We respect and protect the personal data and privacy of patients when processing their data. Our Data Protection Policy contains general rules on the organisation and responsibilities of the Galenica Group with regard to data protection. Data protection is an important basis of a peaceful and inclusive society as well as strong institutions.



Reliable procurement and supply chain

We work closely with suppliers to ensure the highest possible availability of medicines. An IT-based scheduling system also helps us to optimise procurement and logistics processes. Reliable provision of medicines to the population is essential to promoting health and well-being.



Employee motivation and development

Our employees play a key role in our success. We consistently promote employee motivation and development by offering our employees attractive and fair employment conditions, modern and flexible working models and various programmes and opportunities for further development. We also committed to the next generation of qualified employees and train apprentices. With all these measures, we are supporting sustainable labour and economic growth in Switzerland.



Retention of qualified employees

Retaining skilled employees in the healthcare professions and IT sectors is a major challenge in Switzerland. Our recruitment strategy includes measures to promote the company's image as an employer, positioning and university marketing for pharmaceutical students in order to secure qualified employees. In doing so, we are supporting sustainable labour and economic growth in Switzerland.



Occupational health and safety

The physical and mental health of employees is a high priority at Galenica. We take all possible precautions to protect the health and safety of all employees in the workplace. We also operate a case management system to identify potential health risks at an early stage and enable a rapid return to work after an illness or accident. We are thus making a significant contribution to the health and well-being of our employees.



Diversity and equal opportunity

We are committed to diversity and equality and bring together people from over 85 countries and all age groups. Three-quarters of employees are women. Our Code of Conduct states that we do not tolerate any discrimination or harassment. We also ensure that salaries are equal between men and women. We guarantee equal opportunities and are committed to reducing inequalities. In doing so, we are also contributing to SDG 5 (Gender Equality).



Corporate Governance

Good and transparent corporate governance is crucial for us to manage the company effectively and efficiently. In addition, corporate governance forms the basis for a peaceful and inclusive society based on equal participation of all people, as well as strong institutions.



Compliance

We attach great importance to conducting our business activities in an ethical and legal manner. All our business activities are conducted in accordance with applicable laws and compliance with human rights is essential for us. This is how we contribute to a peaceful and inclusive society.

GRI report

Sustainable and ethical corporate governance

Sustainability

As a company active in the healthcare market and with a long tradition, the Galenica Group bears a social responsibility towards customers, patients, partners, employees, shareholders and the general public.



This social responsibility includes Galenica's compliance with applicable laws at all times, respect for fundamental values and commitment to ethically sustainable action. A commitment to abiding by the law and guidelines and acting with integrity is a fundamental part of Galenica's corporate culture and a consistent focus of its corporate governance. The obligation to comply with the law applies to all employees and is part of day-to-day business. This is how we contribute to a peaceful and inclusive society.

Sustainability is an integral part of Galenica's corporate management. This is based on the steadfast belief that proactive and responsible action contributes significantly to the long-term economic success of a company and has an impact both inside and outside the company.

Management of the material topic (GRI 2-23, 2-24, 2-25, 2-26, 3-3)

Galenica attaches great importance to conducting its business activities in an ethical and legal manner. All business activities are carried out in accordance with the applicable legislation. Compliance refers to compliance with legislation, standards (such as ISO 14001 or good distribution practice, GDP) as well as in-house and industry codes. Specifically, for Galenica this means, for example, compliance with its own Code of Conduct, the laws on therapeutic products, data protection, health insurance, employment, antitrust, tax and criminal law as well as respect for human rights in all business activities. As Switzerland's largest healthcare network, combating corruption and preventing anti-competitive behaviour are key topics for Galenica. Respect for human rights and other legislation is central to sustainable development, peace, security and prosperity. To this end, we train our employees in the area of compliance in a target group-specific manner several times a year.

Responsibilities

The Legal Department of the Galenica Group advises all companies and divisions on the correct interpretation and application of legal provisions. It also assists with the implementation of new legal requirements within the company. Current challenges for Galenica relate to the additional implementation of the new provisions of the revised Therapeutic Products Act (TPA) as well as the Swiss Data Protection Act (nFADP), which entered into force on 1 September 2023, the provisions of the revised Information Security Act (ISA) applicable to Galenica in the area of cybersecurity and the creation of frameworks for the safe use of AI applications.

Code of Conduct of the Galenica Group

In addition to the statutory provisions, the [Code of Conduct](#) of the Galenica Group sets out the ethical rules and standards that all employees must adhere to. It must be accepted by all employees upon taking up employment as part of the employee manual. Among other things, the Code includes provisions on conflicts of interest, insider dealing or corruption, as well as on environmental protection. The Code also contains clear commitments to human rights, such as fair working conditions, the exclusion of child or forced labour, discrimination, and the health and safety of employees. The Code of Conduct thus contributes to the removal of taboos from certain grey areas. The Code of Conduct was approved by the Audit and Risk Committee of the Board of Directors.

Managers are responsible for addressing and dealing with specific conflict situations in day-to-day business.

The Pharmacies unit also has its own specific Code of Conduct. As a binding internal operating procedure, it serves to ensure the pharmaceutical independence of pharmacists at all times and thus always prioritise the health and wishes of patients. The Code also defines how employees must behave towards third parties and which advertising measures are permitted.

Compliance with laws and regulations (GRI 2-27, 205-2, 206-1)

Galenica undertakes to comply with all relevant laws and guidelines and to conduct itself with integrity, as compliance forms the basis for trust, integrity and sustainable success for us. Galenica handles compliance matters in the areas of prevention, discovery and reaction. In particular, this includes awareness-raising measures as well as updated and new working principles. We strive to continuously improve our compliance framework to ensure transparency and accountability in our business practices.

In the year under review, Galenica employees received target group-specific training on key compliance matters such as the Ordinance on Integrity and Transparency in the Context of Therapeutic Products (OITTP), anti-corruption and anti-trust legislation.

All Galenica Group companies operated in compliance with the law in 2024. There were no fines or monetary sanctions for non-compliance with legislation and/or regulations.

Anti-corruption (GRI 205-3)

The [Anti-Corruption Policy](#) sets out the principles and guidelines for combating corruption and regulates their implementation by the employees and business partners of the Galenica Group. Any form of corrupt conduct towards or bribery of public officials and private individuals, whether directly or via third parties, is prohibited. Galenica has a zero-tolerance approach to corruption and bribery on the part of employees, partners, suppliers and representatives of third parties. The policy applies to all employees and works in conjunction with the Group's [Code of Conduct](#) and the [Supplier Code of Conduct](#).

The Galenica Group was not aware of any incidents of corruption in the reporting year. There were therefore no confirmed incidents of corruption.

Whistleblower Reporting Office (GRI 2-16)

Internal and external stakeholders may raise concerns about Galenica's business activities through the external [Whistleblower Reporting Office](#). This offers all employees and business partners the opportunity to anonymously report suspected breaches of the rules. All reports are investigated. One incident was reported in 2024. The report came from an external supplier. As the necessary internal clarifications were carried out immediately and measures taken, the incident was resolved.

Reports of corruption and bribery must also be reported to the committee appointed by the Board of Directors. Various channels and points of contact are available to employees through which they can report concerns or matters of key importance. These include the People & Culture department, the staff committees, the employee survey and the annual performance reviews. The Executive Committee deals with

key and critical points from the employee survey or the staff committee and derives effective measures.

Objective corporate governance

Goal	Status	Target year	Measurement parameter	2024	2023
We train our employees in compliance several times a year, tailored to the respective target group.	↗	Every year	Number of measures	7	4

- ↗ Realistic
- Partially delayed/critical
- ↘ Critical
- = Achieved
- × Not achieved

In 2024, various awareness-raising measures and training sessions on the topic of compliance were carried out and the goal was thus achieved.

Evaluation of the management approach and measures

- Reporting: Suspected breaches of the rules by employees indicate potential for improvement and possible misconduct. All reports are investigated.
- Audit and Risk Committee: The Audit and Risk Committee of the Board of Directors reviews the company’s compliance and risk management process.
- ISO audits: The ISO-certified companies of the Group are regularly audited.
- Audit and Risk Committee: The Audit and Risk Committee supports the Board of Directors in fulfilling its duties with regard to accounting, financial reporting, risk management, compliance as well as internal and external auditing.
- Audits: Internal Audit carries out audits of operational and strategic risk management and the internal control system (ICS) in accordance with the audit plan determined by the Audit and Risk Committee. In addition, the external auditor audits the consolidated financial statements of Galenica Ltd. and the companies under its ownership on an annual basis.
- Ratings: The Galenica Group is regularly assessed by external rating agencies for its environmental, social and economic (ESG) performance. Galenica has received a credit rating of BBB (investment grade) from ZKB and CS.

Comprehensive quality management

All Galenica Group companies have an extensive quality management system (QMS) in place. Alloga, Medifilm, Mediservice, UFD and HCI Solutions are certified to ISO 9001 (quality management system). Verfora, Bichsel and HCI Solutions are certified to ISO 13485 (quality management systems of medical device manufacturers). The Bichsel Group's QMS is also structured in accordance with the ICH-Q10 standard (pharmaceutical quality assurance system) of the European Medicines Agency. The manufacture of sterile, biological medicinal products filled in an aseptic environment places the highest demands on the implementation and maintenance of a QMS. Due to the critical relevance of the manufactured products, Bichsel generally carries out a major review of compliance with ISO 13485 and the statutory Good Manufacturing Practice (GMP) and Good Distribution Practice (GDP) requirements every two years.

The process management systems of Galexis and the companies in the Pharmacies unit also meet the requirements of the ISO 9001 standard. However, they are not currently certified. Alloga, Galexis, G-Pharma, Mediservice and Verfora are periodically inspected by the regional therapeutic products inspectorates as part of GDP reviews.

The Amavita, Sun Store and Coop Vitality pharmacies maintain a QMS that covers all the key processes of a public pharmacy as well as environmental factors. In 2024, Galenica launched an important quality assurance measure in pharmacies by establishing a new quality management system. Compliance with internal and external standards is monitored by means of regular quality audits, inspections by cantonal pharmacists and test purchases.

Economic performance

As Switzerland's largest healthcare network, Galenica makes an important contribution to the Swiss economy, as an employer and taxpayer. Galenica firmly believes that the Group can achieve long-term economic success only if it bears social responsibility and uses natural resources efficiently and respectfully. Economic performance thus forms the basis for long-term and sustainable business development.

Direct economic value generated and distributed (GRI 201-1)

Galenica discloses information on direct economic value generated and distributed in its Financial Report. The economic value is generated in Switzerland and is mainly distributed in Switzerland. Exceptions are employees who are cross-border commuters and certain investors, partners and suppliers abroad.

Integrity in the supply chain

Sustainability

Galenica aims to significantly improve transparency along the entire supply chain. In doing so, we attach great importance to strict compliance with both international and national laws as well as human rights. The purpose of these measures is to ensure that all business practices are ethical and responsible in order to strengthen the trust of customers and partners and make a positive contribution to the community.



Management of the material topic (GRI 2-23, 2-24, 2-25, 2-26, 3-3)

Galenica ensures that not only the Group and its companies, but also its business partners comply with international and national laws and norms, as well as industry-specific standards, good practices and human rights. This ensures decent work, fair wages and equality in the supply chain, which has a positive effect on the industry and promotes sustainable economic growth in Switzerland.

Supplier Code of Conduct

Galenica updated its [Supplier Code of Conduct](#) in 2023. The aim is to increase transparency in the company's own supply chain and thus ensure that employees can take responsibility seriously. The Code of Conduct is based on internationally enshrined human rights standards and the applicable core conventions of the International Labour Organizations (ILO) and contains, in particular, guidelines on compliance with labour and human rights, ethical business practices and environmental, health and quality regulations. The Code of Conduct applies to suppliers, service providers and consultants of the Galenica Group. It was published on the website and forms part of all newly concluded contracts. The Legal Department is always involved and regularly reviews the contract templates of the Galenica Group to check for compliance risks. Purchasing department employees also receive training covering the content of the Code of Conduct.

Internal and external stakeholders may raise concerns about Galenica's business activities through the external [Whistleblower Reporting Office](#). This offers all employees and business partners the opportunity to anonymously report suspected breaches of the rules. All reports are investigated.

Objective supply chain

Goal	Status	Target year	Measurement parameter	2024	2023
We will check compliance with the Supplier Code of Conduct from 2025 by means of spot checks.	↗	2025	Number of spot checks	11	No review

- ↗ Realistic
- Partially delayed/critical
- ↘ Critical
- = Achieved
- × Not achieved

Galenica conducted its first standardised supplier surveys using spot checks in 2024, all of which were positive. These surveys will also be conducted in 2025 and subsequent years. Measures for non-compliance with the Code are currently being developed.

Evaluation of the management approach and measures

- Reporting: Suspected cases are investigated, and in the event of violations, sanctions are imposed.
- Introduction of supplier audits using spot checks.
- Reporting in accordance with the Ordinance on Due Diligence and Transparency in Relation to Minerals and Metals from Conflict Areas and Child Labour (VSoTr).

Due Diligence and Transparency in relation to Minerals and Metals from Conflict Areas and Child Labour

Galenica has also fulfilled its audit obligations with regard to the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour in 2024, which has applied since the 2023 financial year. In particular, internal and external investigations were carried out to determine the extent to which Galenica is affected by conflict minerals and child labour. There are no points of contact with conflict minerals, which is why Galenica is exempt from its due diligence and reporting obligations in this regard. With regard to child labour, Galenica has written to the most important suppliers and obtained documentation. Investigations have shown that there are no reasonable grounds to suspect child labour and Galenica is therefore also exempt from its due diligence and reporting obligations in this regard.

Data protection

Sustainability

Data protection is a top priority for Galenica as a healthcare provider. Galenica ensures that the privacy and fundamental rights of customers, patients, employees and other persons are fully protected at all times when processing data. Appropriate data protection measures are taken for this purpose. These protect against unauthorised access of customer data and internal company information as well as against cyberattacks.



Management of the material topic (GRI 3-3)

As the Swiss healthcare system becomes increasingly digitalised, the importance of data protection grows and the legal requirements for data processing become more comprehensive. Data protection relates to the handling of data pertaining to natural persons. It aims to protect the privacy of these persons when processing their data; in the case of Galenica this includes customers, patients and employees in particular. Health data classified as particularly sensitive by law is subject to additional requirements, which Galenica specifically takes into account. Galenica ensures compliance with data protection principles, in particular with regard to transparency and security.

Data Protection Policy and employee training

Galenica has a professionally qualified, independent internal Data Protection Officer who acts as a free agent to oversee this important topic. The Data Protection Policy forms the overarching framework and is supplemented by rules and directives for specific matters. All employees and other auxiliary persons are obliged to comply with the Data Protection Policy and by extension the data protection principles. All employees are regularly trained and made aware of data protection issues. In the reporting year, the Data Governance division developed a transparently structured platform for conveying requirements for the processing of personal data. Employees will be able to obtain all the information they need easily themselves. Future e-learning courses will be built on this platform. This will facilitate constant awareness-raising of how to handle personal data responsibly and behave correctly in the event of identified data breaches in the long term.

Focus on revised data protection legislation

The new Data Protection Act entered into force on 1 September 2023. In order to implement this as effectively as possible, we observe the evolving practices in the healthcare industry and beyond, as well as the guidelines and expectations communicated by the authorities. All companies of the Galenica Group have published new privacy policies and thus comply with the higher information requirements. Among other things, it provides points of contact to which data subjects can turn with questions and concerns, such as to object to certain data processing, make a demand for information or request the deletion of data. Internal transparency regarding data processing is being increased by keeping a processing record and documenting the associated application landscape in LeanIX. Risks of new data processing are assessed in coordination with the internal Data Protection Officer and, if necessary, reduced by taking appropriate measures, such as defining policies or regulating access rights. The data governance and security divisions collaborate closely on these matters. Galenica is continuing to work on assessing data protection risks, addressing them in a standardised manner and integrating them directly into processes. The data governance managers, who were appointed in 2023, are the first point of contact in the corporate divisions and Group companies. They are regularly informed, trained and supported by the division in advance of developments.

Data & AI Governance Board

In 2024, Galenica established the Data & AI Governance Board, a new body that helps create a clear regulatory framework for the responsible use of data and AI applications. It ensures the coordination of corporate activities in this area and harmonisation of the data strategy and values of Galenica. The Data & AI Governance Board is chaired by the internal Data Protection Officer and, with other members from the areas of information security, enterprise architecture, data strategy, AI and a member of the Executive Committee, is interdisciplinary and in possession of great expertise.

Objective data protection

Goal	Status	Target year	Measurement parameter	2024	2023
Several times per year, we carry out measures to raise employee awareness in the area of data protection.	↗	Every year	Number of measures	9	6

- ↗ Realistic
- Partially delayed/critical
- ↘ Critical
- = Achieved
- × Not achieved

In 2024, a total of nine awareness-raising measures were carried out on the subject of data protection. The focus of the training courses was tailored to the respective target group, such as a training course on criminal liability under the Data Protection Act for data governance managers.

Evaluation of the management approach and measures

- Reviews: Galenica keeps up to date with the ongoing developments in data protection law and practice and conducts regular audits, thus ensuring that legal regulations are observed and a high standard is maintained in relation to the handling of personal data.

Substantiated complaints concerning breaches of customer privacy and losses of customer data (GRI 418-1)

In the reporting year, there were no substantiated complaints relating to a breach of data protection, and there were no official investigations of data theft or loss.

IT security and cybercrime

Sustainability

Galenica ensures that sensitive information and data are protected against unauthorised access and unauthorised changes or loss. IT security is highly relevant to maintaining the confidentiality, integrity and availability of data, avoiding economic losses and minimise risks.



Management of the material topic (GRI 3-3)

With the increasing digitalisation of the healthcare system, the risk of cyberattacks is growing. People are one of the greatest risk factors in connection with cyberattacks, as many cyberattacks target employees, for example by means of fraudulent e-mails (phishing). IT security is of great relevance at Galenica. As a healthcare provider, the company processes sensitive information and data. Galenica ensures that this data is protected against unauthorised access and unauthorised changes or losses in order to safeguard the confidentiality, integrity and availability of data, avoid financial damage and minimise risks. For logistics companies and pharmacies, the protection of IT systems is particularly important in order to ultimately guarantee the security of supply for the population. In addition, IT security contributes to social acceptance and the satisfaction of customers, partners and suppliers, thus strengthening the Swiss healthcare system.

Responsibilities

At Group level, the topic of IT security is coordinated by the Chief Information Security Officer. The responsibilities and organisation of IT security are regularly reviewed and adjusted in line with current requirements. The IT Security Board is responsible for balancing the interests of IT and the individual Business Units and coordinates IT security-relevant topics and measures. These are implemented by the members in their respective areas. The Board is responsible for the IT security strategy and ensures its implementation. The aim of the strategy is to achieve reliable and efficient IT security across the Group. The Board began its work in 2023 and meets quarterly.

Clear guidelines to govern operations

The IT Security Policy defines the objectives relating to information and IT security, the competencies and responsibilities as well as the IT security principles of the Galenica Group. The Policy applies to all companies of the Galenica Group and forms the basis for all written IT security instructions. In addition, the IT Usage Regulations set out the security-related rules of conduct for using IT work equipment, such as the use of private devices, working on the move and working from home. Finally, the IT Security Manual is aimed at employees in the IT departments and lays down the regulations for secure IT operations.

Raising employee awareness

The cooperation of all employees is required to ensure information and IT security. In addition to technical measures, Galenica also promotes awareness of security among employees by means of specific e-learning modules and intranet news. New employees are made aware of the key elements of the IT user regulations on their induction day. Galenica regularly runs e-learning courses on data security and dealing with phishing and cyberattacks. In addition, information on cybercrime is regularly published on the intranet for employees.

Objective IT security

Goal	Status	Target year	Measurement parameter	2024	2023
Several times per year, we make our employees aware of IT security and cybercrime.	↗	Every year	Number of measures	11	6

- ↗ Realistic
- Partially delayed/critical
- ↘ Critical
- = Achieved
- × Not achieved

In the reporting year, various e-learning courses were offered related to IT security and cybercrime. These were supplemented by several phishing campaigns in order to test and sharpen employees' awareness in a targeted manner. Voluntary training courses are also offered on the training platform to further support the learning initiatives.

Evaluation of the management approach and measures

- Security audit: The IT Security Policy and its implementation are continually reviewed by internal departments or external specialists to ensure they are up to date and effective.
- Monitoring: The security monitoring system monitors all IT systems and triggers an alarm in the event of anomalies. This is performed by an external Security Operation Center (SOC).
- E-learning: E-learning modules on the topics of data and cybersecurity are planned and carried out on a regular basis.
- Phishing campaigns: We regularly conduct targeted phishing campaigns to raise awareness among employees in a targeted and specific manner.

Greenhouse gas emissions and resources

Sustainability

Galenica endeavours to use resources as efficiently as possible, on the basis of economically viable measures, and to reduce the resulting environmental impact of its activities within the market as much as possible. The strategic priority of Efficiency and its associated initiatives, which focus on the sustainable use of resources throughout the Group with the aim of reducing the CO₂ emissions of the entire Galenica Group, form the main basis for this.



Management of the material topics (GRI 3-3)

The high quality requirements, consistent compliance with good distribution practices (GDP) and good manufacturing practices (GMP) as well as the high availability of medications in the Swiss healthcare system require a considerable amount of infrastructure for the storage and distribution of merchandise. High-frequency distribution ("same-day") to consumers throughout Switzerland is energy- and emissions-intensive. Galenica therefore has an intrinsic interest in implementing measures to optimise the sustainability of its emissions profile as part of its core processes of procurement, storage and distribution of medications. External regulatory requirements are also a relevant driver for increasing the efficiency of the use of resources. In addition, we are seeing growing interest from customers in Galenica's ESG initiatives, meaning that efforts to reduce greenhouse gas emissions can ultimately serve as a competitive advantage in the market.

Electricity and fuels are the main energy sources used by Galenica today. Electricity accounts for 46% of total energy consumption. Transport is the main cause (approx. 60%) of direct and indirect greenhouse gas emissions at Galenica. Greenhouse gases in the atmosphere are primarily responsible for global warming and climate change, with serious consequences for humans, animals and the environment.

Binding targets agreed with the FOEN/SFOE

In order to reduce CO₂ intensity and increase energy efficiency, the major consumers (electricity consumption of at least 500 MWh p.a.) Alloga in Burgdorf, Galexis in Lausanne–Ecublens and Niederbipp as well as the Bichsel Group in Interlaken, have defined binding reduction paths for energy consumption with the Federal Office for the Environment (FOEN). In return for this commitment, the companies can apply for a refund of the CO₂ incentive tax on fossil fuels or a subsidy to implement sustainability measures, provided they comply with the agreements. The binding targets are individually tailored to the potential of the individual sites in collaboration with the Energy Agency of the Swiss Private Sector (Energieagentur der Wirtschaft, EnAW) and the FOEN. A binding energy reduction pathway has already been drawn up and implemented in collaboration with the FOEN as of 2016 for the Galexis sites in Niederbipp and Lausanne–Ecublens as well as Alloga in Burgdorf. As a result of these long-term measures, cumulative energy savings of 2,700 MWh at the Niederbipp site, 670 MWh in Lausanne–Ecublens and 1,050 MWh at Alloga could be realised by 2024.

A new binding reduction pathway for Galenica’s major energy consumers is currently being prepared by the SFOE for the years ahead. This is also being developed in collaboration with the EnAW and will be adopted during 2025.

Focus on increasing energy efficiency during renovations

When renovating its infrastructure, Galenica always takes into account potential measures to improve energy efficiency and looks into the feasibility of installing photovoltaic systems.

Thanks to energy-efficient construction, new measurement and control technologies, insulation and the installation of a photovoltaic system during the renovation and new construction of the logistics and administration building at the Lausanne–Ecublens site, annual energy consumption was reduced by 617,695 kWh and 107.4 tCO₂. Furthermore, the site was connected to the local district heating network in addition to the reduction path, resulting in a long-term 80% CO₂ reduction.

At the Galexis site in Niederbipp, a solar installation with around 5,700 solar modules was connected to the grid at the end of 2023. With an output of over 2,100 MWh, this installation covered around one quarter of Galexis’ electricity requirements in Niederbipp in 2024. This is enhanced by the heat pump, which was installed previously and has saved 227,360 kWh and 67.9 tCO₂ per year compared with heating with fossil fuels. Furthermore, the introduction of a new measurement and control technology for climate control in 2024 (as well as climatic influences) enabled Galexis to reduce energy consumption for heating requirements by around 47%.

In early 2022, Alloga put a groundwater heat pump into operation, saving 428,245 kWh/126.6 tCO₂ per year, compared to fossil fuels. A further increase in energy efficiency of approx. 10–15% was achieved by installing new thermal insulation in the 25,000m² flat roof in 2023 and replacing the air compressors.

The UFD headquarters in the canton of Ticino was also fully fitted with a solar installation with 1,210 photovoltaic elements in April 2024, which, with an annual output of 43 MWh for 2024, covered around 7% of the company's own electricity requirements.

Finally, Lifestage Solutions moved into a new company building in 2024 that is certified according to the Minergie Eco standard. The heating and hot water requirements are covered exclusively by the use of natural wood waste produced by the landlord. The cooling requirements are covered by surplus solar power generated by the photovoltaic system installed on the roof. In fact, 85% of the electricity is supplied by the company's own photovoltaic system in combination with a storage battery. The remaining 15% is generated from renewable hydropower.

The Galenica Group's own operational and administrative sites obtain electricity from hydropower and photovoltaics. Almost all of the sites in the Pharmacies unit are rented, which makes it more difficult to influence the electricity mix. However, Galenica has set itself the goal of obtaining electricity from renewable sources for the rented premises as far as possible. Since 2023, the electricity consumption of the pharmacies has been recorded centrally on the Swenex platform, which is used to plan further efficiency measures.

Promotion of renewable energies in distribution

Galenica has set itself the goal of promoting the use of renewable energies in distribution logistics and has embedded this as part of its distribution strategy. Galexis has been successfully using its first biogas-powered vehicle since 2021, followed by another vehicle in early 2022.

Galexis started supplying customers in the greater Zurich area with two electric GDP delivery vehicles in early 2023 for the first time. Another electric vehicle has been in use at the Lausanne-Ecublens site since late 2023. GDP-compliant electric delivery vehicles are still little used in Switzerland. The short range and long charging cycles only result in an efficiency of around 50%, compared to the service life. The higher procurement costs (factor 2) also hinder the company-wide roll-out of an electric GDP fleet from an economic point of view.

The potential of hydrogen technology is under consideration. Nationwide deployment of this technology in GDP distribution is not yet realistic due to the current supply situation in Switzerland.

In order to reduce fuel consumption, companies in the Pre-wholesale and Wholesale units regularly implement energy efficiency measures – both internally and with external logistics partners. This includes the use of commercial vehicles that meet the highest emissions standard (currently Euro VI) and the initiation of joint pilot projects for the use of delivery vehicles with alternative drive systems. Since 2020, Galexis, UFD and Pharmapool have been converting their own fleet of delivery vehicles to more efficient vehicles with a higher load capacity. External logistics service providers are contractually obliged to use only vehicles that meet or exceed the Euro VI standard.

As part of a continuous improvement process, the fixed delivery runs are optimised in order to increase customer service and efficiency in execution. In 2024 alone, Galexis was able to reduce travel by more than 100,000 km. In addition, all drivers from Galexis, UFD, Pharmapool, Bichsel and Alloga regularly attend mandatory driver training courses to learn an environmentally friendly, fuel-efficient driving style in addition to safety. Galenica continues to support sustainability initiatives for logistics companies as part of associations (e.g. GS1) and in collaboration with authorities and other public institutions (e.g. hospitals).

Environmental Code of Conduct and mobility concept

There is an Environmental Code of Conduct that applies to all employees of the Galenica Group. This provides guidance on saving energy and making efficient use of natural resources in the workplace and in transport.

Galenica encourages its employees to use public transport and electric vehicles and has implemented specific mobility concepts at some locations, such as the headquarters in Bern. Employees who commute to work by public transport receive a financial contribution towards their travel costs. In January 2022, a further mobility concept was introduced in Lausanne-Ecublens as part of the renovation work at the site. Only limited parking spaces are available for employees. Galexis encourages employees to organise carpools or use public transport to get to work and provides employees with financial support for the use of public transport. In 2022, Galenica amended its group-wide company vehicle policy in favour of e-mobility. As of late 2024, around 15% of personal company vehicles have electric or hybrid drive systems.

Scope 3 roadmap

In 2024, a Scope 3 screening of Group processes and flows of goods was carried out for the first time as part of Galenica's sustainability strategy. Actual consumption data and activity-based consumption from 2023 as well as estimates based on standards and statistical data were used for the screening, and coverage of more than 80% of emissions relevant to Scope 3 was recorded. Based on this data, a roadmap is to be developed and adopted in 2025. This roadmap aims to establish a net-zero reduction pathway in line with Switzerland's climate targets.

Responsible use of land and water (GRI 303-1, 304-1, 304-3)

Galenica strives to use the vital resources of land and water responsibly. The company pays attention to the careful use of water and does not use groundwater, but feeds it back into the groundwater flow. Alloga, Galexis and UFD use the groundwater for the heating and cooling cycle, either extracting heat or using it directly for cooling. Water also plays a key role at Bichsel as a raw material in the production of vital infusion solutions. The water is sourced from the local primary supplier and only the necessary quantity is pharmaceutically treated and processed by Bichsel. After being used, the water required for production purposes is fed into the wastewater treatment plant and returned to the water cycle.

Galenica has no sites in or near protected areas or areas of high biodiversity value outside protected areas. With the construction of a wild bee park at the Galexis site in Niederbipp, Galenica made a small contribution to protecting these endangered animals and conserving biodiversity in 2023.

Objectives greenhouse gas emissions

Goal	Status	Target year	Measurement parameter	2024	2023
From 2025, we will be sourcing 100% of our electricity from renewable sources at all our locations.	↗	2025	% electricity from renewable sources per location	100%	75%
We will reduce the intensity of our operational greenhouse gas emissions (scope 1+2) by 25% by 2025 and 50% by 2030.	↗	2030	tCO ₂ e/FTE	1.18 tCO ₂ e/FTE	1.49 tCO ₂ e/FTE
We will replace 40% of the fossil fuels in our vehicle fleet (in-house and external vehicles contracted by us) with renewable alternatives by 2032.	→	2032	% renewable propulsion in the vehicle fleet	15%	15%

- ↗ Realistic
- Partially delayed/critical
- ↘ Critical
- = Achieved
- × Not achieved

Galenica is pursuing ambitious targets of keeping greenhouse gas emissions from the main sources as low as possible within its own operations. Galenica wants to work exclusively with electricity from renewable sources in its own operations. For this reason, 100% of the electricity purchased from 2025 onwards is to come from renewable sources.

Furthermore, energy from 40% of fossil fuels is to be replaced by renewable sources by 2032, compared to 2021. These and other measures are intended to reduce direct and indirect (Scope 1+2) greenhouse gas emissions by 25% by 2025 and by 50% by 2030 compared to 2021. In order to take better account of the Group’s organisational development when setting goals and planning measures, the measurement parameter used to track progress towards target achievement was changed to tCO₂e/FTE (intensity) in the reporting year.

Evaluation of the management approach and measures

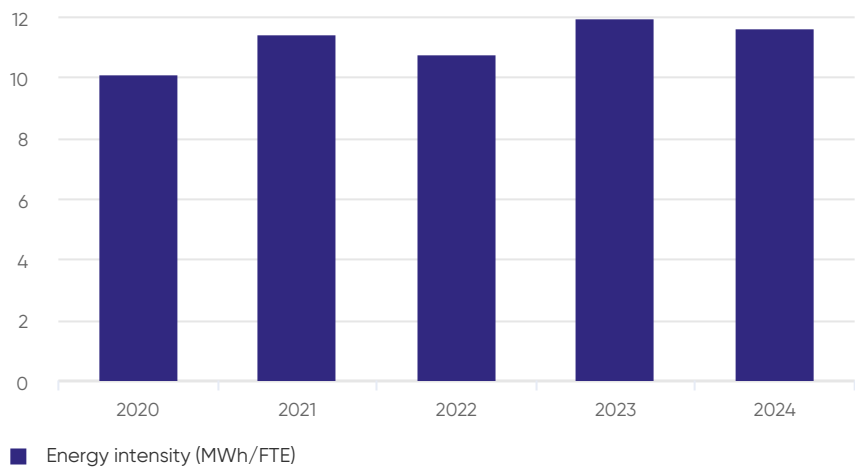
- Key figures: Key environmental figures relating to greenhouse gas emissions and energy consumption by the Group are collected at least once a year in order to check whether the environmental targets are being achieved.
- Galenica's sustainability objectives form part of its collaboration with partners (suppliers, logistics service providers, service providers) throughout the supply chain.
- Targets agreed with the FOEN/SFOE: EnAW provides Galenica with annual feedback and recommendations on how to improve energy efficiency and reduce CO₂ intensity.
- ESG topics are part of the contractual agreements in investment planning and the awarding of contracts.
- CDP: Galenica completes the CDP questionnaire once a year. CDP is an international, non-profit organisation that provides the largest and only worldwide environmental database for companies and cities. Its aim is to encourage as many companies as possible to disclose their impact on the environment and natural resources. This information is collected on behalf of more than 680 institutional investors, who together represent more than USD 130 trillion in assets. In 2024, as in the previous year, Galenica ranked C in its level of engagement score. This certifies that the Galenica Group understands how environmental issues affect the business model. The results are published at www.cdp.net.

Energy (GRI 302-1, 302-2, 302-3, 302-4)

Aspect	GRI Disclosure	Unit	2024	2023 ¹⁾	2022	2021	2020
Energy consumption (within and outside of the organisation)	302-1	MWh	70,914	70,639	57,148	63,437	57,836
Energy consumption within the organisation ▶	302-1	MWh	53,845	57,112	44,185	47,074	41,987
- non-renewable sources (heating oil, natural gas, diesel, petrol)	302-1	MWh	28,630	37,718	23,727	26,877	21,699
- renewable sources (hydropower, solar energy, district heat)	302-1	MWh	25,215	19,394	20,458	20,197	25,022
Electricity consumption within the organisation	302-1	MWh	23,938	23,543	24,584	24,587	24,605
Heat energy consumption within the organisation	302-1	MWh	14,949	18,732	6,882	6,227	7,014
Energy consumption outside of the organisation	302-2	MWh					
- downstream transport and distribution	302-2	MWh	17,068	13,528	12,964	16,363	15,848
Energy intensity	302-3	MWh/ FTE	11.59	11.96	10.77	11.43	10.12

▶ 2024 Data externally assured (limited assurance)
¹⁾ restated

Energy intensity 2020-2024
(MWh/FTE)



In the reporting year, Galenica adjusted its energy consumption analysis (including retrospective adjustments to the figures already published for 2023). In order to avoid double counting in connection with the purchase of guarantees of origin and certified hydropower, electricity purchased from the grid is sometimes now no longer counted as renewable. In addition, electricity consumption is now recorded, excluding the heat pump and electric vehicles. The

energy consumption of the heat pumps is counted as heat consumption. In the reporting year, Galenica recorded the electricity consumption of Padma, which was acquired in 2023, for the first time (536 MWh).

The declared energy consumption outside the organisation is limited to upstream transport. Galenica uses the number of full-time equivalents (FTEs) as the organisation-specific parameter to calculate the energy intensity ratio. The quotient takes into account energy consumption within and outside the organisation.

Reduction of heat requirements in the Group's own operations

In 2024, the Galenica Group's total energy consumption – both within and outside the organisation – amounted to 70,914 MWh (previous year: 70,639 MWh). Total energy consumption per full-time equivalent decreased slightly from 11.96 MWh/FTE to 11.59 MWh/FTE. Heat consumption within the organisation in particular has fallen sharply (approx. 3,800 MWh). This is mainly due to structural measures (use of pellet heating at the temporary site) at the headquarters in Bern (saving approx. 1,400 MWh) and the switch to district heating at the Galexis Lausanne-Ecublens site (saving approx. 500 MWh). The heat consumption of pharmacies was extrapolated and was lower in the reporting year than in the previous year (minus approx. 1,400 MWh).

In contrast, the fuel consumption of transport service providers has increased compared to the previous year (approx. 3,540 MWh), which is why the energy balance within and outside the organisation has only changed slightly overall.

Stable electricity and fuel consumption despite growth

Electricity is the main energy source used by Galenica. Electricity (excluding heat pump and electric vehicles) accounts for almost 46% of total energy consumption within the organisation. In 2024, Galenica's electricity consumption increased to 23,938 MWh (previous year: 23,543 MWh), which corresponds to an increase of 1.7%. Taking into account the first-time recording of Padma consumption (536 MWh) and the estimate of electricity consumption in pharmacies based on the previous year's figures, Galenica's electricity consumption has largely stagnated. Nevertheless, the Group has taken a major step forward in terms of its goals. Through the expanded purchase of guarantees of origin for electricity from hydropower, Galenica obtains 86% renewable electricity for all operational and administrative sites. Galenica will purchase the missing guarantees of origin for 2024 and, therefore, reports a 100% proportion of electricity from renewable sources. Furthermore, the commissioning of the photovoltaic system in Niederbipp at the end of 2023 enabled almost all remaining electricity requirements to be covered by solar energy in the reporting year (2,242 MWh). Only 0.3% of total electricity consumption in 2024 came from fossil sources such as heating oil and diesel, primarily for emergency power generation.

The fuel and electricity consumption of the Group's own delivery and pool vehicles remained stable in the reporting year (14,958 MWh) compared with the previous year (14,830 MWh). Even if they only still make up a small proportion of overall consumption, the energy requirements of electric vehicles increased significantly in 2024 year-on-year to 122 MWh (previous year: 1 MWh).

Emissions (GRI 305-1, 305-2, 305-3, 305-4, 305-5)

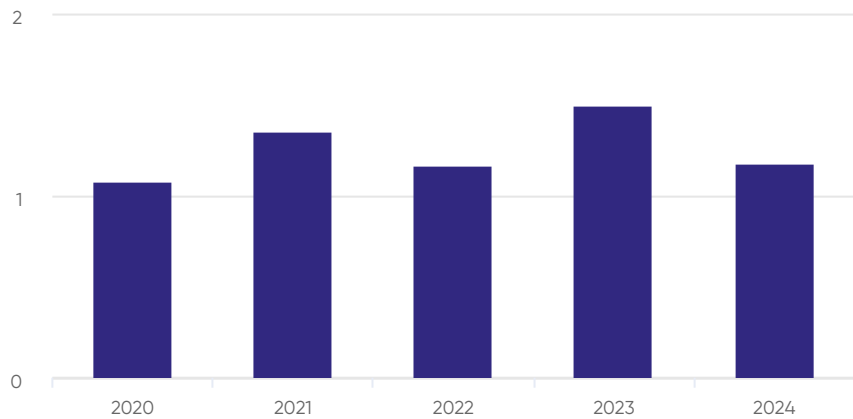
Direct and indirect GHG emissions (Scope 1+2)

Aspect	GRI Disclosure	Unit	2024	2023 ¹⁾	2022	2021	2020
Direct and indirect GHG emissions (Scope 1+2) ▶		tCO ₂ e	7,228	8,774	6,581	7,447	5,964
Direct (Scope 1) GHG emissions: fuels and combustibles	305-1	tCO ₂ e	6,546	7,099	4,876	5,708	4,262
Indirect (Scope 2) GHG emissions: purchased electricity and district heat (market-based approach)	305-2	tCO ₂ e	682	1,674	1,705	1,738	1,702
Intensity of GHG emissions (Scope 1+2)	305-4	tCO ₂ e/FTE	1.18	1.49	1.17	1.35	1.08

▶ 2024 Data externally assured (limited assurance)

¹⁾ restated

Intensity of greenhouse gas emissions (Scope 1+2) 2020-2024 (tCO₂e/FTE)



■ Intensity of greenhouse gas emissions (Scope 1+2) (tCO₂e/FTE)

In the reporting year, Galenica adjusted the evaluation of greenhouse gas emissions (including subsequent adjustment of the previously published values for 2023). The biogenic share of diesel fuel available in Switzerland is now included in the calculations. In addition, refrigerant losses are now included in Scope 1 emissions. Galenica uses the market-based calculation approach when calculating Scope 2 emissions. An emission factor from the International Energy Agency (IEA) is now used for electricity purchased from the grid. This is significantly lower than the previous emission factor (treeze, 2017). If the emissions are calculated using the location-based approach, which does not take into account the specific electricity production by hydropower for Galenica, this results in Scope 2 emissions of 2,638 tCO₂e.

Successes in reducing greenhouse gas emissions

In the reporting year, the heat consumption of the Galenica Group decreased. In particular, the reduction in heating oil consumption at the headquarters in Bern is making a significant contribution to the reduction in emissions (372 tCO₂e). In addition, indirect greenhouse gas emissions were reduced by around 1,000 tCO₂e according to the market-based calculation method due to the additional purchase of guarantees of origin for hydropower.

Emissions Scope 3 (GRI 305-3)

Aspect	GRI Disclosure	Unit	2024	2023 ¹⁾	2022	2021	2020
Direct and indirect GHG emissions	305-1 305-2	tCO ₂ e	11,485	12,148	10,052	11,828	10,207
Direct and indirect GHG emissions (Scope 1+2) ▶	305-1	tCO ₂ e	7,228	8,774	6,581	7,447	5,964
Other indirect (Scope 3) GHG emissions: upstream transport and distribution	305-3	tCO ₂ e	4,257	3,375	3,471	4,381	4,244
Intensity of GHG emissions	305-4	tCO ₂ e/ FTE	1.88	2.06	1.98	2.13	1.76

▶ 2024 Data externally assured (limited assurance)
¹⁾ restated

The Scope 3 emissions analysis includes the CO₂e emissions caused by the contracted drivers of Galexis, Alloga and Pharmapool. Of these, 87% relate to transport services provided for Galexis.

Water and wastewater (GRI 303-3)

Aspect	GRI Disclosure	Unit	2024	2023
Water withdrawal	303-3	m ³	1,419,862	1,149,293
- municipal water supply	303-3	m ³	160,627	78,285
- groundwater	303-3	m ³	1,259,235	1,071,008

For the first time, data on water use by Padma, which was acquired in 2023, is included.

In 2024, water withdrawal by the Galenica Group amounted to 1,419,862 m³ (previous year: 1,149,293 m³), with 88% coming from groundwater and 12% from the municipal water supply. The increase from the municipal water supply can mainly be explained by the fact that data was collected from Padma for the first time (withdrawal of around 89,000 m³). The sharp increase in groundwater demand compared to the previous year is due to the fact that, depending on the weather, more or less water is used to cool or heat the buildings.

Waste and packaging

Sustainability

Galenica is committed to using natural resources respectfully and efficiently, and to reducing and disposing of waste safely, among other things. In addition to the professional disposal of waste, Galenica aims to prevent waste from occurring in the first place wherever possible.



Management of the material topic (GRI 3-3)

For Galenica, the proper handling of medical and chemical waste as well as packaging material is crucial. The company focuses on waste management, i.e. the declaration (toxic/non-toxic), collection, sorting, disposal and recycling of waste. In the downstream business, packaging materials are selected in compliance with the principles of the circular economy, unless covered by regulatory requirements.

Proper disposal of returned medicines

The pharmacies and logistics companies in the Galenica Group take back and properly dispose of expired or unused medicines. In pharmacies, this is done in accordance with internal quality management processes. The pharmacist performs an initial disposal triage of the returned drugs and sorts the products according to specific criteria. They focus particularly on critical ingredients (such as heavy metals, solvents, narcotics or highly active substances), but also on the special characteristics of the dosage form (such as gas pressure vessels). After this pre-selection process, the drugs are disposed of properly at a conventional incineration plant or in a specially designed high-temperature furnace. The disposal of controlled substances such as narcotics must be documented by the pharmacists and reported to Swissmedic. The GDP guidelines, which Alloga, UFD, Pharmapool and Galexis have signed up to, also provide instructions on how to handle returns. The actual disposal of expired and unused medicines is organised centrally by external service providers, depending on cantonal guidelines. An exception is Medifilm, which is the only Galenica company with approval for hazardous waste disposal.

For safety reasons, medicines returned by consumers are disposed of without exception – even if they have not yet expired and/or the packaging is still intact. Controlled disposal prevents people or animals from coming into contact with potentially hazardous pharmaceutical waste, for example through torn rubbish bags at the roadside or from contamination.

Pharmacies therefore make a valuable contribution to the environmentally friendly and controlled disposal of hazardous waste. In addition, our pharmacies provide only biodegradable plastic bags to their customers. The Wholesale & Logistics unit makes continuous efforts to find additional ways of reducing waste. One of the most important measures in this regard is the use of reusable packaging for the delivery of goods; 94% of deliveries are already made in reusable storage containers in a circular process. The remaining 6% is delivered in recyclable cardboard packaging.

Optimisation of packaging

At Galaxis, various initiatives contribute to the optimisation of packaging. This has made it possible to increase the filling level of the delivery containers by 12% by the end of 2024. As a result, fewer containers are being shipped and the transport mass is reduced. Within the scope of the Efficiency priority, a pilot test was carried out in which a printed delivery note was not included in the delivery and a digitally accessible version was made available to the customers instead. This pilot met with a high level of acceptance and will be pursued further in 2025. Due to the planned roll-out of the new SAP operating system at the Lausanne-Ecublens distribution centre, accompanying documents (known as "requisition orders") will no longer be issued from March 2025. This eliminates the need for the corresponding amounts of paper that had previously been included with each container. Furthermore, the process initiated in 2023 with a key supplier to use recyclable packaging instead of cardboard packaging was successfully rolled out at Galaxis in Lausanne-Ecublens in 2024.

When shipping goods from the online shops to customers, recyclable packaging material is used wherever possible. And within the Group, such as between Galaxis and pharmacies, process improvements are also continuously being worked on to reduce product returns. As a result, returns were reduced by more than 18% in the reporting year. This reduces the transport volume as well as the cost and amount of waste of highly refined products produced when processing the returned goods.

Environmental Code of Conduct

The Environmental Code of Conduct contains guidelines on waste separation for all employees who work in the office. In addition, new employees receive a leaflet on waste management and recycling when they join the Group.

Objective waste and packaging

The previous environmental target "We will reduce our municipal waste by 50% by 2025" was dropped in 2024. The decision was made as municipal waste is of little significance in Galenica's overall waste balance sheet. Due to the high level of fragmentation across the different sales locations with their local waste regimes at the municipal level, a central management approach seemed unlikely to be successful with regard to the original goal.

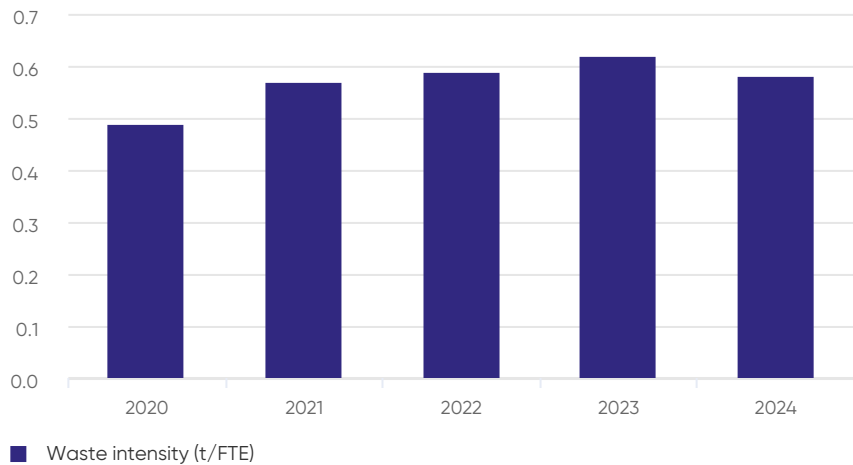
Evaluation of the management approach and measures

- Key figures: Key environmental figures relating to waste are collected at least once a year.
- Quality management: Compliance with quality management processes is monitored on an ongoing basis.

Waste generated and directed to disposal (GRI 306-3, 306-5)

Aspect	GRI Disclosure	Unit	2024	2023	2022	2021	2020
Total weight of waste generated	306-3	t	3,579	3,653	3,228	3,163	2,703
by type:	306-3						
- non-hazardous waste	306-3	t	3,131	3,153	2,842	2,642	2,368
- hazardous waste	306-3	t	448	500	386	521	335
by disposal method:	306-5						
- incineration	306-5	t	1,617	1,664	1,494	1,274	986
- hazardous waste incineration	306-5	t	448	500	386	521	335
- recycling	306-5	t	1,513	1,489	1,348	1,368	1,382
Waste intensity	306-3	t/FTE	0.58	0.62	0.59	0.57	0.49

Waste intensity 2020-2024



With the inclusion of Padma data, all companies of the Galenica Group are included as of 2024.

Almost half of waste is recycled

In 2024, the total weight of waste for the Galenica Group was 3,579 tonnes, a decrease of 2.0%. The weight of waste per full-time equivalent decreased from 0.62 t/FTE in the previous year to 0.58 t/FTE. 87% of total waste was harmless (mainly general waste, cardboard, paper and plastics), with the remaining 13% classified as hazardous waste (mainly medicines). 42% of waste was recycled, 45% was destroyed at waste incineration plants and 13% at a specialist facility for hazardous waste.

Attractive workplace

Sustainability

Employees are crucial to the success of the Galenica Group. Therefore, as an attractive employer, Galenica offers its employees modern employment conditions and benefits. Galenica also promotes an open and inclusive corporate culture as well as modern workplaces and forms of collaboration.



Management of the material topic (GRI 3-3)

A total of 7,971 employees work at Galenica providing professional services to meet a wide range of customer requirements. As a key employer in the Swiss healthcare market, Galenica makes an important contribution to the Swiss economy and supports sustainable labour and economic growth. For Galenica, an attractive workplace is about more than just modern workplaces and employment conditions. In particular, it also means open and respectful interaction with one another. This has a positive impact on the well-being, satisfaction and motivation of employees. Motivated and satisfied employees are more loyal and productive. Furthermore, the emphasis on the corporate values – our three key values – an appreciative management culture and flexible working models (life-domain balance) play an important role. Employee motivation is also closely linked to training and continuous education, which enables both professional and personal development. Galenica therefore summarises all issues relating to the employment of competent and motivated employees under the aspect of employee

motivation and development. Other relevant employee topics are listed under "[Occupational health](#)" and "[Equality and diversity](#)".

The three key values

The three key values provide support for employees in all their work and form the basis for the joint understanding of the way in which they cooperate and interact with one another:

- We delight our customers.
- We act as entrepreneurs.
- We build trust.

Responsibilities and strategy

People & Culture is responsible for HR management and is an important partner for transformation and cultural development within the organisation. Its focal points include advice and coaching for managers, the promotion of young talent, targeted and sustainable personnel development, occupational health and the promotion of an inclusive corporate culture. Positioning Galenica as an attractive and modern employer (employer of choice) is critical in the context of the shortage of skilled workers as well as in terms of attracting young talent. Other relevant topics include promoting and using new forms and methods of work as well as increasing efficiency by digitalising HR processes. The Chief People & Culture has been a member of the Executive Committee since 2023. By making this appointment, Galenica is underlining the strategic relevance of human resources. In the reporting year, People & Culture restructured itself internally and moved forward with the digitalisation of HR processes.

Personnel Policy, Personnel Regulations and Working Time Regulations

The Personnel Policy of the Galenica Group is based on the above-mentioned corporate values and sets out the binding guidelines for human resources management (HRM). These guidelines apply to the entire Group. The Personnel Policy discusses how Galenica, as an employer, wishes to treat its employees and what it expects from its employees. Galenica's Personnel Regulations and Working Time Regulations are aimed at all employees and contain information and rules regarding working hours, salaries and employee insurance.

Collective bargaining agreements (GRI 2-30)

At Galenica, no one is subject to a collective bargaining agreement. Galenica offers all employees fair and attractive employment conditions.

Balancing private life and work

Galenica offers flexible working time models to provide a better work-life balance for its employees. For example, employees are allowed to work from home, depending on their job and in consultation with their manager. Part-time work is particularly common in the area of Pharmacies Sales and it is possible to lead pharmacies as co-managers. Furthermore, female employees can extend their maternity leave with unpaid leave and male employees receive paternity leave of ten days, which is fully paid, in contrast to the statutory obligation.

Opinio employee survey

The “Opinio” employee survey is a permanent fixture at Galenica. Since 2020, it has been held annually rather than every three years, thus enabling Galenica to react more quickly and in a more targeted manner to changes in employee satisfaction and motivation. In 2024, 76% of all employees took part in the survey, meaning the response rate rose by 4% compared to the previous year. With a Group-wide score of 76¹⁾ out of 100 possible points, it is pleasing to see that employee motivation has been maintained and is therefore stable compared to the previous year. At 75 out of 100 points, the employee recommendation score is one point lower than in the previous year. Since 2023, the employee survey has only been conducted online.

¹⁾ ► 2024 data externally assured (limited assurance)

Promote interaction and commitment among employees

The staff committees are important points of contact for the concerns of all employees that are of general interest and are to be discussed with the Executive Committee. Conversely, the Executive Committee consults the staff committee or works committee on relevant personnel matters that concern all or most employees, such as conditions of employment. The works committee is made up of the chairs of all the local staff committees. The operations board and the Chief People & Culture meet twice a year. Depending on the agenda, other members of the Executive Committee may be invited. It addresses topics that go beyond the local concerns of the staff committees in the individual business areas. The staff committees generally meet several times per year and are also informed about the topics and resolutions of the works committee meetings.

Various communication platforms

Direct, personal interaction between employees from all language regions of Switzerland and over 85 countries lies at the heart of Galenica’s communication efforts, with the aim of actively promoting knowledge exchange and cooperation. The various physical and digital information events and management meetings within the business sectors and companies are a good way of ensuring that this happens. Information on current topics from all areas of the company is provided at events and via the intranet, G-Net. The employee magazine “Spot” is also published in digital form. It can also be accessed externally and allows partners and family members to keep abreast of developments in the Galenica world.

Promote knowledge and interaction among employees

When it comes to logistics and the sale of pharmaceuticals, employees and their specialist knowledge play a crucial role. As a successful company, Galenica wants to develop with the market and set trends. Galenica's adaptability is based on the commitment and team spirit of all employees. In order to maintain this, Galenica provides continuous support for the personal and professional development of its employees. New employees are invited to an induction day (Discover Galenica) where the history, culture and strategy of the Galenica Group and its companies are explained. Continuous personnel development and the management work of the future are at the heart of the group-wide personnel development programme "Move". It represents agility and flexibility and reflects the range of employee development options available. This comprises modules in the field of professional training as well as leadership and personal development on various levels. In 2024, Galenica conducted 31 modules with 505 employees.

In order to offer a talent management programme across the Group and at all levels, the "Executive Galenica" talent programme was conceived in 2024. This new format will start in 2025 and is aimed at members of the Senior Management. Participants benefit from personal and professional development facilitated by external coaches or training partners. The participants engage in project work to develop strategically relevant business cases. This programme is another important addition to our medium- to long-term internal succession planning.

The "Expert Galenica" talent management programme is for employees at management level and managing directors. The participants design their own personal course of development and are supported by individual workshops along their learning path. In 2024, 22 employees took part in the "Expert Galenica" talent management programme.

Furthermore, the "Explore Galenica" programme gives talented employees the opportunity to develop personally and professionally, get to know the Galenica Group better and thus expand their network. In 2024, 15 employees took part in this new talent management programme.

The creation of the "Pharmacies Academy" in the reporting year marked a major step towards providing centralised continuing education and training opportunities for pharmacy employees. This offer will be available from 2025 via the e-progress learning platform and is supported by revised and harmonised processes. In future, training priorities will be aligned with Galenica's strategic objectives in collaboration with stakeholders.

Galenica also supports employees with external training by giving them financial aid and/or allowing them the time, provided that the training is related to their current role and offers added value for the company. More information on this can be found in the section [Training and education](#).

Retaining qualified employees

In Switzerland, the retention of qualified employees represents a major challenge, particularly in the healthcare professions and IT. In addition to the shortage of employees, the requirements in terms of training and skills are constantly increasing. For Galenica, retaining specialist staff plays a key role, particularly in the Pharmacies unit, as pharmacies need to be managed by good, qualified staff. As the Swiss healthcare system becomes increasingly digitalised, Galenica is becoming more dependent on IT and e-commerce professionals. We are committed to attracting and retaining skilled workers. This includes promoting and retaining them within the company as well as recruiting skilled workers from outside the company. In doing this, Galenica supports sustainable labour and economic growth in Switzerland.

Galenica reviews its recruitment activities on an ongoing basis and adapts to the constantly changing conditions and noticeable advancement of the shortage of skilled workers in the labour market. Galenica's recruitment strategy includes measures relating to the company's image as an employer, its positioning and university marketing for students. Galenica aims to make contact with students while they are still at university and encourage them to pursue a career within the Galenica Group. Recruitment activities have been centralised across the Group since 2023. In addition to positioning itself as a versatile and modern employer, the increased presence on social media will also strengthen community management in particular.

Employee profit-sharing programme

Galenica shares the success of the company with all employees. The bonus is calculated based on the Group result compared with the previous year. Every year, employees of Galenica living in Switzerland have the opportunity to purchase between 20 and 80 Galenica shares at a preferential price, regardless of their employment level. In 2024, 15.0% of employees participated in the programme (previous year: 19.8%). These shares are blocked for three years after the date of purchase.

Members of the Senior Management (SMT) and Management (MT) receive a profit-sharing bonus pro rata to the annual bonus. This is dependent on attaining quantitative and qualitative targets. The share-based remuneration programme LTI (see [Remuneration report](#)) for members of the Executive Committee and certain members of the SMT is geared towards long-term performance, whereby remuneration is withheld for a period of three years. Since 2023, Galenica has had joint bonus-related goals for the Executive Committee, members of the Senior Management and Management. As well as financial targets, these also relate to customer and employee satisfaction and are intended to strengthen the concept of networking and the focus on social objectives.

Employee benefit plans

The Galenica Pension Fund, which is independent of Galenica, offers its beneficiaries comprehensive second pillar protection against the economic consequences of old age, disability and death. The benefits are governed by the pension fund regulations and exceed the minimum benefits pursuant to the Federal Act on Occupational Old Age, Survivors' and Disability Pension Plans (OPA). The pension fund is managed according to the defined contribution principle.

Objectives attractive workplace

Goal	Status	Target year	Measurement parameter	2024	2023
Employee survey "Opinio": We will increase the participation rate by 1 percentage point per year and keep the motivation and recommendation rate at its current level. (base year 2023)	=	Every year	Motivation rate	76/100 (motivation) ▶	76/100 (motivation)
			recommendation rate	75/100 (recommendation)	76/100 (recommendation)
			Participation rate	76% (participation)	72% (participation)
We are reducing the time-to-hire by 10% by 2027. (base year 2023 for Pharmacies Sales, 2024 for all other areas)	→	2027	Time-to-hire	IT: 126 days Pharmacies: 92 days	IT: 125 days Pharmacies: 90 days

▶ 2024 Data externally assured (limited assurance)

- Realistic
- ➔ Partially delayed/critical
- Critical
- = Achieved
- × Not achieved

As the shortage of skilled workers continued to worsen, the target could not be achieved. The time-to-hire for IT was around 126 days in 2024 and around 92 days for Pharmacies. Galenica will further optimise the recruitment process. The aim is to reduce the time-to-hire and thus contribute to retaining qualified employees.

Evaluation of the management approach and measures

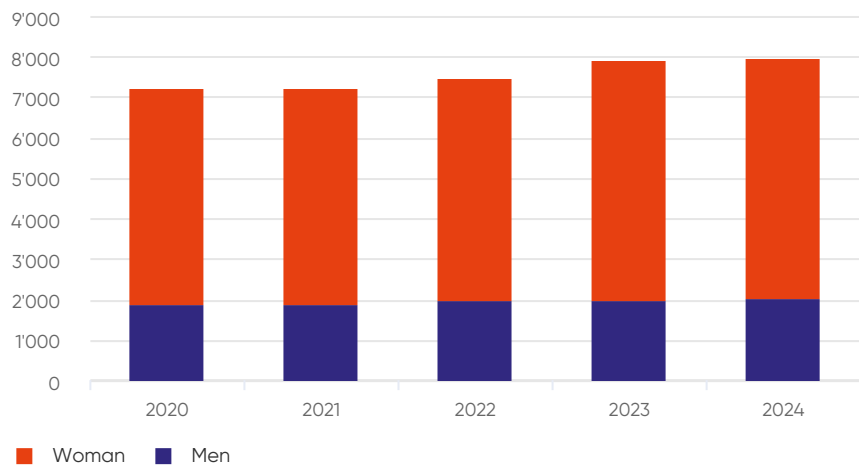
- Key figures: Key personnel figures, such as employee turnover, are collected from across the Group and analysed every six months.
- Key figures: Other key personnel figures, such as time-to-hire, in connection with recruitment are regularly collected in order to check the implementation of the recruitment strategy and the achievement of targets.
- Employee satisfaction and motivation: The satisfaction and motivation of employees is evaluated as part of the annual employee survey. The Executive Committee examines the results, particularly the critical points, and defines effective measures based on their findings.
- Performance reviews: The performance of employees is evaluated and discussed at annual performance reviews. Further training also plays a key role in this.

Employment (GRI 2-7, 2-8, 401-1)

Aspect	GRI Disclosure	Unit	2024	2023	2022	2021	2020
Employees¹⁾	2-7	number	7,971	7,902	7,608	7,239	7,205
by gender	2-7						
- women	2-7	number	5,958	5,916	5,510	5,351	5,308
- men	2-7	number	2,013	1,986	1,981	1,888	1,897
by degree of employment	2-7						
- full-time	2-7	number	4,511	4,459	4,250	4,181	4,166
- full-time (women)	2-7	%	65.0	64.5	74.0		
- part-time (<90%)	2-7	number	3,460	3,443	3,241	3,058	3,039
- non-guaranteed hours	2-7	number	303	293	266		
- non-guaranteed hours (women)	2-7	%	78.1	72.7	66.9		
Employee Turnover	401-1	%	10.8	12.0	14.6	14.5	10.6

¹⁾ at 31 December

Number of employees of the Galenica Group 2020–2024



Galenica continued to grow in 2024. At the end of 2024, the Galenica Group had 7,971 employees, an increase of 0.8% over the previous year. All employees work in Switzerland, which we regard as one region. The data is exported and consolidated from the various personnel management systems. The workforce of the Galenica Group does not undergo significant seasonal fluctuations.

The proportion of women is around 75% and has remained relatively constant over the past five years. 43% of employees work part time, i.e. with a workload below 90%. The proportion of part-time employees has remained stable. The proportion of managers among all employees increased slightly in 2024 to 10%. From 2020 to 2024, the proportion of female managers rose from 51% to just under 54%. Employee turnover at Galenica was 10.8% in 2024, 1.2% lower than in the previous year.

In addition to the company’s own employees, temporary employees are also recruited on an hourly basis if necessary, particularly in logistics and transport. These are sourced via partners and are under contract with them. More detailed information on temporary employees is not available as it is not recorded in all our personnel systems. There are seasonal fluctuations during the reporting year, with temporary employees being particularly in demand prior to the Christmas trading period. Most of the business activities are carried out by employees of the Galenica Group.

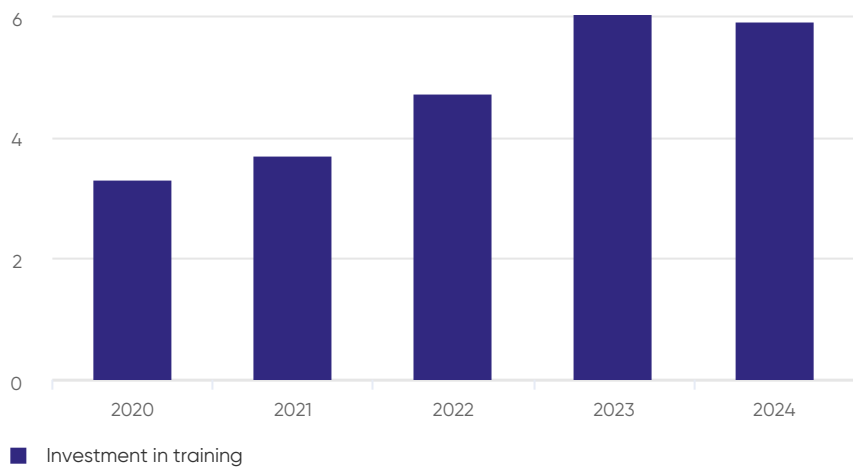
Galenica does not provide a breakdown of newly hired employees by region. Furthermore, due to the different personnel systems, there is no breakdown of employee turnover by age group, gender or region.

Training and education (GRI 404-2)

Aspect	Unit	2024	2023	2022	2021	2020
Investment in training	Mio. CHF	5.9	6.0 ¹⁾	4.7 ¹⁾	3.7	3.3
Apprentices in training	number	944	896	838	823	808
Completed apprenticeships in year under review	number	222	268	278	244	274

¹⁾ restated

Investments in training in million CHF 2020–2024



In total, Galenica invested around CHF 5.9 million in employee training in the year under review.

The Pharmacies unit offers the CAS course “Management for Pharmacists” in collaboration with the University of Basel. 17 employees successfully completed the CAS course in 2024.

Moreover, the Pharmacies unit also covers the costs of further training to become a “Specialist Pharmacist in Retail Pharmacy” (FPH certification in Retail Pharmacy). Based on the revision of the Medical Professions Act (MedPA), qualified pharmacists are required to obtain this federal qualification if they want to work as a responsible person in a pharmacy. Galenica is committed to ensuring that as many pharmacists as possible are able to complete this training. In 2024, 64 employees completed the course.

In light of the revision of MedPA, Galenica has also developed the FPH certificate of competence in patient history in primary care as further training together with an external provider. This further training strengthens the skills of pharmacists in the area of primary care. It enables them to diagnose minor illnesses and dispense the appropriate prescription medication. In 2024, 618 pharmacists already held this certificate.

Additional training opportunities in the pharmacies include the FPH certificate of proficiency in vaccination, specific training courses on rapid antigen tests and an e-learning module on the use of algorithms and software in the field of primary care. In 2024, 813 employees held the certificate of proficiency in vaccination.

Training apprentices

Galenica is strongly committed to the next generation of qualified employees: in 2024, the Group trained 944 apprentices – 839 young women and 105 young men – at its companies. Of these, 222 completed their apprenticeships, many with flying colours. After completing their education, 154 apprentices received an employment contract within the Group, which corresponds to 69.4% of all successful graduates.

Percentage of employees receiving regular performance and career development reviews (GRI 404-3)

All employees with a permanent contract receive a regular review of their performance and professional development as part of the annual performance reviews.

Health and safety at work

Sustainability

Galenica prevents injuries to the physical or mental integrity of its employees in the workplace and endeavours to identify potential health risks in good time and to ensure a swift return from illness or accident. A safe and healthy workplace increases employee satisfaction and efficiency. We are convinced that by avoiding accidents and work-related illnesses, we can save significant costs.



Management of the material topic (GRI 3-3)

It goes without saying that Galenica attaches great importance to the physical and mental health of its employees. The topic covers the effects of business activities on the physical and mental well-being of all employees. There is an increased risk of accidents, particularly in the Wholesale & Logistics and Pharmacies units, which is why occupational health and safety play such a key role in these areas. Galenica has a duty to prevent any violation of the physical or psychological integrity of its employees in the workplace. This keeps both personal suffering and costs to a minimum. Galenica also strives to identify potential health risks at an early stage and ensure a swift return to work after an illness or accident. Galenica thus makes a significant contribution to the health and well-being of its employees.

Health and safety precautions for employees (GRI 403-1, 403-5, 403-6, 403-7)

Galenica puts in place measures to protect employee health and maintain safety in the workplace in accordance with the directives of the Federal Coordination Commission for Occupational Safety (FCOS). In late 2024, Galenica drafted a concept for company-wide workplace health management (WHM). This is to be introduced in 2025 following approval by the Executive Committee. Galenica also uses a case management system in order to identify potential health risks for employees and take appropriate measures. This tool is deployed within the first 30 days of absence. The top priority is to ensure that the employee can return to work quickly following an illness or accident. Galenica is working with the organisations Movis and Carelink to improve health protection. Carelink offers emergency psychological support in crisis situations, for example following a robbery of a pharmacy. Movis provides support for employees concerning the protection of their personal integrity as well as stress management and burnout prevention. The Galenica Group also offers all employees an annual flu vaccination.

Due to the increased risk of accidents, the companies Alloga and Galexis also have a systematic absence management system. In the event of above-average or frequent absences, and even after long absences, a return-to-work meeting is held and documented with the employees. Together with Suva, Alloga and Galexis organise training courses on accident prevention and promotion of a safety culture. For example, various courses on ergonomics and trip hazards were also held in 2024.

An integrated safety system has also been introduced at the Galexis sites in Lausanne-Ecublens and Niederbipp that recognises safety-relevant work and situations and also systematically records accident reports for all employees in a timely manner and presents them transparently (e.g. in an accident barometer).

In 2024, both Galexis and Alloga signed up to the Safety Charter, which was launched by Suva in collaboration with employers' associations, engineers and architects and trade unions, sending a strong signal in favour of a comprehensive safety culture.

In the Galenica Group pharmacies, two employees have been designated as safety officers at each site and have received extensive training on the safety-relevant aspects of the respective location.

The Pharmacies, Healthcare and Wholesale & Logistics units have appointed occupational safety officers. Each Galenica Group site also has fire protection officers who are responsible for fire safety and evacuations, as well as a first aid team that organises first aid.

The [Code of Conduct for Suppliers](#) of the Galenica Group states that suppliers must ensure a safe and healthy working environment and guarantee the protection of their employees in accordance with all applicable health and safety regulations. Further information on the [Code of Conduct for Suppliers](#) can be found in the section [Integrity in the supply chain](#).

Objective occupational health

Goal	Status	Target year	Measurement parameter	2024	2023
We will reduce the incidence of occupational accidents and illnesses (physical and mental) by 10%. (base year 2023)	→	2027	Absence rate (comparison of target hours/lost hours)	occupational accidents: 0.10% illnesses: 4.05%	occupational accidents: 0.09% illnesses: 3.97%

- Realistic
- ➔ Partially delayed/critical
- Critical
- = Achieved
- × Not achieved

The absence rate due to occupational accidents was maintained (+0.01%) in 2024. This result can be attributed to various operational measures.

The total number of cases of long-term absences (>30 days) due to mental illness is known. In order to ensure anonymity, however, Galenica only receives the proportion of cases due to mental illness from the daily allowance insurance records in the event of a large number of cases. The exact illness-related reason for the absence is unknown. This means that no conclusions can be drawn and privacy protection is guaranteed. Compared to the previous year, the number of cases due to mental illness increased by 24%.

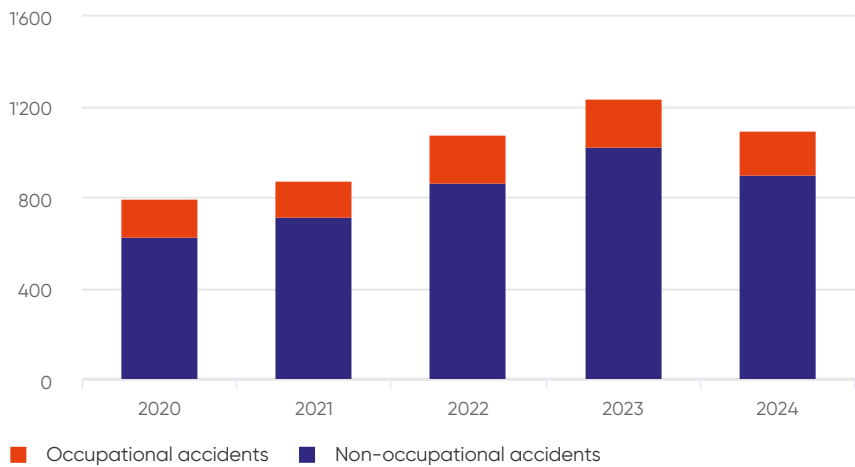
Evaluation of the management approach and measures

- Key figures: Employee absences are regularly analysed by the People & Culture department and appropriate measures are taken.
- Safety audit: External safety consultants regularly carry out safety audits at the Service Unit Wholesale & Logistics.
- At Galexis, internal safety audits (inspections) are also carried out on a monthly basis with the corresponding department heads, and measures to improve occupational safety are identified and documented.

Work-related injuries and illnesses (GRI 403-9, 403-10)

Aspect	GRI Disclosure	Unit	2024	2023	2022	2021	2020
Accidents	403-9	number	1,089	1,233	1,072	871	793
Occupational accidents	403-9	number	195	215	208	163	172
Absence rate of work-related injuries (accidents)	403-9	%	0.10	0.09	0.11	0.07	
Non-occupational accidents		number	894	1,018	864	708	621
Illnesses	403-10						
Cases of illness (long-term, entitled to daily sickness benefits)	403-10	number	499	419	409	434	471
Absence hours due to illness	403-10	number	571,887	546,097	599,540	539,990	519,883
Absenteeism rate	403-10	%	4.05	3.97	4.49	4.85	4.50
Case Management							
Return to work rate		%	76	67	82	75	52

Number of occupational and non-occupational accidents 2020–2024

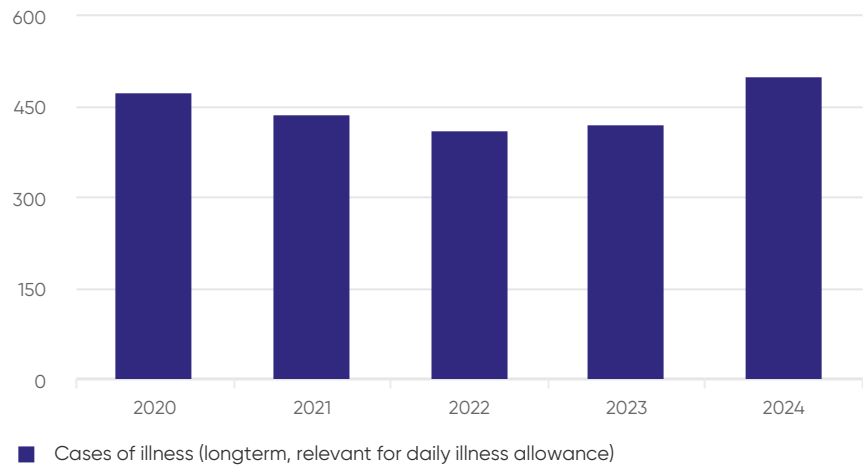


In 2024, Galenica recorded a total of 195 occupational and 894 non-occupational accidents. These figures also include minor accidents, which did not result in an absence of more than three working days. In 2024, minor accidents accounted for 68% of all occupational accidents. The number of occupational accidents decreased by 9% and the number of non-occupational accidents by 12% compared to the previous year. The relative number of occupational accidents per 100 FTEs fell from 3.6 to 3.3.

Most occupational accidents are minor but still have to be reported. Further awareness-raising measures are planned for 2025 to reduce the number of occupational accidents.

The absence rate for occupational accidents was 0.10% in the reporting year and remained relatively constant compared to the previous year.

Number of illnesses 2020–2024



At the end of 2024, Galenica recorded 499 cases of illness. Cases of illness are classed as all long-term absences due to an illness lasting more than 30 days and which are entitled to daily sickness benefits. The number for the reporting year should always be interpreted with caution, as certain cases are usually reported at a later date in the following year. Compared to 2020, cases of illness were 6% higher in 2024.

In 2020, Galenica recorded the absences of all employees for the first time. In 2024, the Galenica Group recorded a total of 571,887 hours of absence, an increase of 4.7% over the previous year. Compared to the target hours, this results in an absence rate of around 4% for the reporting year. The absence rate is therefore relatively constant compared to the previous year.

In 2024, Galenica Case Management provided assistance to 93 employees at risk of illness or already ill in order to prevent absences or shorten them where possible. Of 68 closed cases in 2024, 52 employees were able to return to work thanks to Case Management. This corresponds to a return rate of around 76%, which represents an improvement of around 9 percentage points compared to the previous year.

Equality and diversity

Sustainability

Galenica's diverse employees are the foundation for its success. Galenica brings together people from over 85 countries and of all ages – three-quarters of whom are women. The Galenica Group promotes diversity at all levels and insists on equal opportunities for all. The diversity of employees also boosts the company's ability to innovate, its success and its attractiveness as an employer.



Management of the material topic (GRI 3-3)

It is the employees with their different backgrounds, experiences, perspectives and talents that make Galenica successful. This is why we promote diverse teams at all levels and are advancing the company's inclusive culture. Galenica insists on equal opportunities for all employees – regardless of age, ethnic origin, nationality, gender, gender identity, physical and mental abilities, religion, worldview, sexual orientation or social origin. Galenica has zero tolerance for discrimination or harassment of any kind.

In an inclusive working environment, people in all their diversity are actively involved, respected and valued. Employees who feel safe, are authentic and can openly contribute their ideas and views are more satisfied, motivated and feel comfortable in their workplace. In turn, this has a positive impact on their health and performance. The promotion of diversity, inclusion and equal opportunities also enhances Galenica's

ability to change and innovate, which also improves Galenica's attractiveness as an employer. To underscore its dedication to this matter both internally and externally, Galenica sponsored in 2024 the 8th St. Gallen Diversity & Inclusion Week. This is the leading event for the promotion of Diversity, Equity and Inclusion (DE&I) in Switzerland and combines the latest research results with practical applications for companies.

A holistic concept for diversity, inclusion and health was drawn up in December of the reporting year. This will be reviewed and approved by the Executive Committee in the first quarter of 2025 and then rolled out across the Group.

Code of Conduct

All employees of the Galenica Group have the right to be treated fairly, politely and respectfully by line managers, employees, colleagues, customer representatives and business partners. No one may be harassed, discriminated against or disadvantaged on the grounds of race, skin colour, religion, ideology, political opinion, nationality, descent, disability, gender, age or any other relevant criterion. These principles are set out in the Code of Conduct of the Galenica Group. Further information on the [Code of Conduct](#) can be found in the section [Sustainable and ethical corporate governance](#).

Equal pay

In accordance with the requirements of the Federal Act on Gender Equality (GEA), Galenica carried out an equal pay analysis for companies with more than 100 employees in 2021. The salaries of the Galenica Group were analysed using the Logib method (the federal government's standard analysis tool) on the basis of April 2021. Equal pay is a key concern for Galenica. In 2023, Galenica voluntarily commissioned another comprehensive analysis. The analysis shows that the principle of "equal pay for equal work" is met in all ten companies surveyed. Nine out of ten companies surveyed have also received the "We pay fair" label. The fact that one company did not receive the label is due to imbalances in the distribution of roles. Imbalances in the distribution of roles can lead to employees being divided into the same hierarchical levels and competence levels that are only comparable to one another to a limited extent due to their different roles.

The aspect of equal treatment and diversity among employees is key for Galenica. That is why Galenica is committed to continuous improvement in this area as well. It is planned to carry out the voluntary equal pay analysis on a regular basis.

The statutory formal review of the equal pay analysis was carried out by the statutory auditor Ernst & Young Ltd. According to their reports, the analyses comply with legal requirements in all respects.

Protection of personal integrity in the workplace

Mobbing, discrimination and sexual harassment are three examples of problematic behaviour that can lead to violations of personal integrity. A violation of personal integrity in the workplace affects the well-being of the person concerned and puts their health and ability to work well with others within the company at risk. As an employer, Galenica is legally obliged to protect the privacy of its employees (Art. 328 CO, Art. 6 para. 1 EmpA). The Galenica Group does not tolerate any violations of personal integrity; it prohibits all forms of mobbing, sexual harassment, discrimination, violence and threats, and is committed to non-violent and harassment-free treatment at all levels of the hierarchy. Employees are also trained accordingly. In order to improve the protection of the personal integrity of employees, they also have the option of reaching out to their point of contact in People & Culture or the external counselling centre Movis if necessary. Due to the protection of personal integrity, no official statistics are kept on reported cases in the People & Culture area. Depending on the case, individual measures are agreed and implemented which, depending on the offence, may also lead to immediate dismissal.

Objective diversity

Goal	Status	Target year	Measurement parameter	2024	2023
We will improve diversity in all units and group companies and keep the proportion of female managers at 50%.	=	Every year	Proportion of female managers	53.6% ▶	51.7%

▶ 2024 Data externally assured (limited assurance)

- ↗ Realistic
- Partially delayed/critical
- ↘ Critical
- = Achieved
- × Not achieved

Gender equality is a key concern in the area of diversity. The proportion of female managers in 2024 was over 50%, namely 53.6%¹⁾.

¹⁾ ▶ 2024 data externally assured (limited assurance)

Evaluation of the management approach and measures

- Review of equal pay: Galenica regularly checks the status of equal pay for men and women and takes measures if necessary.

Diversity of governance bodies and employees (GRI 405-1)

Aspect	GRI Disclosure	Unit	2024	2023
Board of directors	405-1	number	6	7
by gender	405-1			
- women	405-1	%	50.0	42.9
- men	405-1	%	50.0	57.1
by age	405-1			
- < 30 years	405-1	%	-	-
- 30 – 50 years	405-1	%	16.7	14.3
- > 50 years	405-1	%	83.3	85.7
Executive Committee	405-1	number	9	8
by gender	405-1			
- women	405-1	%	22.2	25.0
- men	405-1	%	77.8	75.0
by age	405-1			
- < 30 years	405-1	%	-	-
- 30 – 50 years	405-1	%	44.4	37.5
- > 50 years	405-1	%	55.6	62.5
Management	405-1	number	771	739
by gender ▶	405-1			
- women	405-1	%	53.6	51.7
- men	405-1	%	46.4	48.3
by age	405-1			
- < 30 years	405-1	%	3.5	1.9
- 30 – 50 years	405-1	%	63.0	64.7
- > 50 years	405-1	%	33.5	33.4
Employees ¹⁾	405-1	number	6,888	6,862
by gender	405-1			
- women	405-1	%	78.1	78.6
- men	405-1	%	21.9	21.4
by age	405-1			
- < 30 years	405-1	%	37.1	37.4
- 30 – 50 years	405-1	%	42.0	42.4
- > 50 years	405-1	%	20.9	20.2

▶ 2024 Data externally assured (limited assurance)

¹⁾ Without temporary employees

Patient safety

Sustainability

Patient safety and health is a top priority for Galenica. With personal and competent advice and a unique range of products and healthcare services, we support our patients in all life situations at every stage of their lives, promote their well-being and enable people of all ages to lead a healthy life. We are committed to ensuring the quality of our products along the entire value chain. Quality management systems and digital solutions help employees increase patient safety.



Management of the material topic (GRI 3-3)

Medication errors or quality issues with medications can have serious consequences for the health of patients. At the same time, they also pose a reputational risk for the companies involved. Digitalisation offers new opportunities for innovative solutions to improve patient safety. Galenica is committed to ensuring the quality of medicines along its entire value chain and takes the appropriate measures along the supply chain in terms of infrastructure, processes, and employee training and education. This helps prevent medication errors, reduce side effects and lower healthcare costs. With personal and competent advice and a unique range of products and services, Galenica supports its patients in all life situations and helps to enable people of all ages to lead a healthy life. Galenica thus makes an important contribution to the well-being and health of the Swiss population.

GDP guidelines for a good distribution practice

Alloga, Galexis, UFD, Pharmapool, Verfora and the Bichsel Group adhere to the GDP (Good Distribution Practice) guidelines for human medicinal products in an exemplary manner. On the one hand, these legal requirements are intended to prevent counterfeit drugs from entering legal supply chains. On the other hand, control measures within the distribution chain ensure the quality and integrity of medicines. Drug temperature is recorded and analysed in real time throughout the entire life cycle, from production through to delivery. If there are deviations in temperature, the causes are investigated and suitable measures are taken in accordance with GDP guidelines. In addition to these guidelines, the aforementioned companies apply their own standards and processes in their day-to-day work to ensure patient safety at all times.

Galexis, UFD, Pharmapool and the Bichsel Group each operate their own fleet comprising 178 delivery vans (up to 3.5 tonnes) and 5 lorries (14 to 22 tonnes). All vehicles are GDP-compliant and are fitted with an air conditioning system in the loading space, which is mandatory for the transport of pharmaceutical products.

Uninterrupted cold chain for medicines

All Wholesale & Logistics companies, as well as Medifilm, Mediservice and Bichsel, provide an uninterrupted cold chain for the storage and transport of temperature-sensitive medicines. At Alloga, this also applies to so-called ultra-deep-freeze logistics, in other words, storage and dispatch at -80°C , the required temperature for a new generation of cancer drugs. Temperature control is ensured by using dry ice in special containers. Alloga and Galexis also use paraffin-filled cooling elements, which, in contrast to water-based cooling elements, ensure a more stable temperature for the medicines.

Quality systems

HCI Solutions provides master data for the Swiss healthcare market. The company is also active in the area of e-health with the aim of increasing patient and medication safety in the Swiss healthcare system. With innovative digital solutions such as Documedis[®], HCI Solutions makes a significant contribution to safe and efficient healthcare in Switzerland. To guarantee the quality of medication data, HCI Solutions carries out process-integrated checks. The company verifies the recording of pharmaceutical data according to the four-eyes principle, while the six-eyes principle applies to sensitive active substances (such as blood thinners). HCI Solutions conducts random quality checks on a daily basis and a more comprehensive inspection every two weeks. Any error discovered is documented and its cause investigated. HCI Solutions is certified to ISO 9001:2015 and ISO 13485:2016.

The quality management system (QMS) of the Pharmacies has standard operating procedures (SOPs) for all relevant pharmacy processes. These include the manufacturing and dispensing of drugs, data protection, confidentiality, hygiene and the disposal of medicines. Compliance with SOPs in the individual pharmacies is regularly checked. In addition to these announced audits, anonymous test purchases and phone calls and inspections by cantonal pharmacists take place in all pharmacies. Several times a year, Galenica conducts QMS and legal requirements courses for pharmacy employees. Employees complete certified courses and obtain certificates of competence for specific healthcare services including various checks and vaccinations.

As a company specialising in pharmaceutical manufacturing and home care with its own certified general pharmacist, the Bichsel Group places great importance on the quality of its products and services. The company carries out numerous chemical and microbiological analyses on a daily basis to check end products, raw materials and packaging materials and holds manufacturing licenses, EU GMP certificates for medicinal products and EC certificates for medical devices in accordance with Directive 93/42/EEC of the European Council.

Further information on certifications and quality systems can be found in the section [Sustainable and ethical corporate governance](#).

Continuous monitoring of all products

Product safety is checked and safeguarded at Verfora using a variety of approaches. Verfora checks the qualification of contract manufacturers through initial and regularly recurring audits, whereby compliance with the GMP guidelines is assessed and must be adhered to so that safe products can be manufactured for patients at all times. The audits also take into account environmental, health and safety factors within the partner companies. The products are then carefully examined before being placed on the market to ensure that they have been manufactured and tested in accordance with the GMP guidelines and that they meet all applicable specifications. As with all medications, Verfora products undergo preclinical and clinical trial to ensure their safety and efficacy. Once the products are on the market, pharmacovigilance is at the heart of Verfora's safety efforts, i.e. the continuous monitoring of all products. All new Verfora employees are trained in pharmacovigilance and receive a checklist of steps to be taken in the event of side effects. In addition, pharmacovigilance training is held for all employees every year. The company also systematically checks advertisements and advertising posters for products to ensure they are correct. In parallel with pharmacovigilance, the products are regularly analysed in the laboratory until the end of their shelf life so that any deviations in quality can be identified and remedied at an early stage.

Promoting the technical competence of employees

In 2024, 101 pharmacists successfully completed the quality management course. Quality management and patient safety are also key issues in the basic training of pharmacy assistants working towards their Federal Proficiency Certificate.

Where required, Verfora offers training sessions for pharmacies when new medications are launched in order to promote employees' skills and ensure patient safety and health. In 2024, Verfora conducted 126 training sessions for around 11,000 pharmacy assistants and pharmacists.

Increased patient safety using e-medication solution

Digitalisation is leading to new, innovative ways to improve patient safety. Documedis® is a process-integrated solution for increased medication and patient safety in the healthcare system. Documedis® offers specific e-health applications and services relating to the medication process based on INDEX data. Documedis® has already been implemented in pharmacy, medical and hospital software.

Documedis® includes clinical decision support checks (CDS.CE). These checks enable health specialists from medical practices, hospitals, pharmacies, home care organisations and care homes to check the patient's used or planned medication for known risks, duplication or allergies to active substances. There are currently 14 such CDS.CE checks. The CDS.CE Check thus supports service providers when prescribing new medications or when supplementing existing medication. HCI Solutions is constantly expanding the functionality of Documedis®. In 2023, the Documedis® Vaccination module also became available. In the Vaccination module, vaccinations can be documented and checked. The Documedis® module Primary Care Algorithms (PCA.CE) provides the option of offering precise identification of health disorders and illnesses using algorithms. There are 31 algorithms in total.

Objectives patient safety

Goal	Status	Target year	Measurement parameter	2024	2023
We will increase the use of Clinical Decision Support Checks (CDS.CE) to 500 million by 2025 and 1 billion by 2030.	↗	2030	Number of CDS.CE checks (Clinical Decision Support)	369 million ▶	278 million
Customer satisfaction is at the centre of all activities. The willingness to recommend rNPS is used to systematically measure the satisfaction of end customers and determine the gap compared to the average of the competition.	→	Every year	Target achievement rNPS	95.5% ▶	92.5%

▶ 2024 Data externally assured (limited assurance)

- ↗ Realistic
- Partially delayed/critical
- ↘ Critical
- = Achieved
- × Not achieved

In 2024, Galenica was able to further increase patient safety. In the reporting year, 368,813,628 CDS checks¹⁾ were carried out by the service providers, which amounts to an increase of 33% (previous year: 277,609,287). It is realistic to achieve the target by 2025 to 2030.

The satisfaction of our customers is at the heart of all our activities. To measure this, the net promoter score (NPS) of the Amavita, Sun Store and Coop Vitality pharmacies is used and the gap compared to the average of the competition is calculated. The NPS measures the extent to which consumers would recommend a product, a service, a brand or company. Compared to the competition, the ambitious target was not fully achieved at 95.5%¹⁾. For competitive reasons, Galenica does not disclose the actual figure or distance to the best competitor.

¹⁾ ▶ 2024 Data externally assured (limited assurance)

Evaluation of the management approach and measures

- Quality management: The QMS of the Galenica Group companies are regularly and systematically reviewed.
- GDP guidelines: Regional agencies for therapeutic products periodically perform audits to determine GDP compliance.
- Pharmacovigilance: At Verfora, all employees have a duty to submit to the responsible internal department any reports of side effects received from specialists and patients promptly and in full. Information on the duration, progression and impact of the side effect and on the dosage and duration of product use plays a key role in this. Verfora documents and investigates each report, taking appropriate measures where necessary.

Pharmacovigilance: forwarding reports

Aspect	Unit	2024	2023	2022	2021	2020
Pharmacovigilance:						
forwarding of reports of side effects						
- compliance with deadline for forwarding a report of side effects						
	%	91	97	98	92	97

In 2024, Verfora employees met the deadline for the internal forwarding of reports of side effects in 91% of cases (target: >90%). At Bichsel, the responsible parties met the deadline for forwarding reports of side effects to the authorities in 100% of cases.

Reliable supply chain and procurement

Sustainability

Supply bottlenecks in the pharmaceutical supply chain are becoming more and more frequent worldwide, including in Switzerland. We make every effort to ensure the greatest possible availability of medicines in order to guarantee the reliability of supplies to the population. We work closely with suppliers to ensure the greatest possible availability of medicines. An IT-based scheduling system also helps us to optimise procurement and logistics processes.



Management of the material topic (GRI 3-3)

Causes of the increasing supply bottlenecks include centralised manufacturing at just a few locations in the world as well as outages and quality problems in the value chain. As a leading fully integrated healthcare provider, Galenica depends on the ability of manufacturers to deliver. As a result, the reliable procurement and supply of medicines to the population are becoming increasingly important for Galenica. The challenges posed by the COVID-19 pandemic have further reinforced the relevance of reliable procurement and a reliable supply chain. A reliable supply of medicines is crucial to the health and well-being of the Swiss population.

Scheduling system and cooperation

Galenica works closely with suppliers to ensure the greatest possible availability of medicines. As a result of coordinated processes, the suppliers provide information about possible supply bottlenecks at an early stage. An IT-based scheduling system helps Galenica optimise its procurement and logistics processes.

Responding to critical bottlenecks in good time

The logistics companies of the Galenica Group review the inventory range in the pharmaceutical sector on a daily basis, enabling them to respond in good time to bottlenecks and increased demand. If critical bottlenecks occur or there is an increased demand for specific products, as has been the case time and again due to COVID-19, logistics companies quickly change the way they work. If necessary, the delivery of non-essential products, such as cosmetics or perfumes, is temporarily discontinued in order to guarantee the supply of essential products. In addition, the amount that each customer can order is reduced to prevent stockpiling.

Evaluation of the management approach and measures

- Key figures: Key figures relating to the availability of medicines are collected on a daily basis to allow the Galenica companies to respond in good time to bottlenecks and increased demand.

Availability of medicinal products

Aspect	Unit	2024	2023	2022	2021
Reliable procurement and supply chain					
Availability of medicinal products on average	%	99.0	98.8	99.0	99.6

The availability of medicines is a major global challenge and naturally also affects the Swiss market. In recent years, COVID-19 has clearly demonstrated how disruptions in global supply chains have a negative impact on local availability. This makes it all the more important that medications that are available in principle or will be available again can be delivered to service providers as quickly as possible. Here, Galenica's logistics operations manage to make and keep over 99% of these medications available throughout Switzerland within 24 hours. The Safety Stock initiative launched at the end of 2022 was continued in the reporting year. This is a joint solution between Galexis and Sandoz to increase the safety stocks of Sandoz generic medicines for the treatment of chronic diseases in order to bridge short- and medium-term supply bottlenecks in Switzerland as effectively as possible. As part of the Safety Stock initiative, stocks at Galexis were increased by almost half a million packs.

Health promotion

Sustainability

Galenica's aim is to be the first point of contact for people in pharmacies, digitally or at home for healthcare advice, thus guaranteeing nationwide, low-threshold access to healthcare services. This ambition is clearly formulated in the company's vision: "Health and well-being are at the heart of what we do. They are the reason we give our best every day." It summarises what makes our work in the entire Galenica network so meaningful.



Management of the material topic (GRI 3-3, 203-2)

Particularly in view of the ageing population, preventive health care and prevention are important measures to promote the well-being and health of the Swiss population. Galenica has embedded this approach in its strategy.

Thanks to Galenica's healthcare services, customers receive the necessary advice in the pharmacy in the event of acute ailments and, if necessary, the appropriate medication based on the diagnosis. This may also include prescription medicines. Advice is straightforward and cost-effective and helps patients to recover quickly. To simplify the billing of these services, Galenica cooperates with various health insurers to promote the pharmacy as a location of primary care in alternative health insurance models.

Vaccination is another approach to health promotion. In addition to flu and tick vaccinations, other vaccinations, such as against COVID-19, tetanus, whooping cough and shingles, can also be administered in pharmacies in many cantons. Before a vaccination is given, the suitability is always clarified and advice is provided. Companies are also increasingly interested in the option of having flu vaccines administered in pharmacies. In 2024, we concluded cooperation agreements with almost 100 companies that offer their employees free flu vaccination as part of their health initiatives. Pharmacies can document vaccinations digitally and check vaccination status electronically using Documedis® Vaccination and the Vac Check by HCI Solutions. On this basis, customers can be provided with comprehensive advice and recurring vaccination appointments can be scheduled.

Galenica offers various other check-ups in its pharmacies to prevent diseases. HerzCheck® (CardioTest) is the prevention service offered by the Swiss Heart Foundation and can help to determine the risk of heart attacks and strokes and, if possible, to prevent them. Galenica also offers blood pressure and blood sugar measurements in its pharmacies as well as rapid allergy tests that check the blood for antibodies against allergens. Once the results of these checks are available, customers are advised by trained specialists.

Objective health promotion

Goal	Status	Target year	Measurement parameter	2024	2023
We will increase the number of healthcare services provided by 10% each year until 2027 (base year 2023)	↗	2027	Increase in % compared to previous year	39%	14%

- ↗ Realistic
- Partially delayed/critical
- ↘ Critical
- = Achieved
- × Not achieved

The range of healthcare services is continuously being built upon, which comes hand in hand with the further training of specialist staff, measures to promote awareness of the offer and investments in discreet consultation zones.

Evaluation of the management approach and measures

- Targets from the corporate strategy for expanding paid consultations, vaccination and prevention.
- Increasing the number of services and advice used in pharmacies.
- Increasing sales through services and consultations offered in pharmacies.

Healthcare services

Aspect	Unit	2024	2023	2022
Healthcare services				
Number of healthcare services	number	193,000	138,000	121,000
Increase of the number of healthcare services compared to prior year	%	39	14	

Basic care provided by pharmacies is a key pillar of the Swiss healthcare system. Galenica successfully rolled out the "Consultation Plus" concept in 2024, following a successful pilot project at several pharmacies with a view to improving the customer experience in pharmacies and further establishing the pharmacy as the first point of contact for health issues. The concept was developed in collaboration with customers. "Consultation Plus" is not a new service, but a holistic approach to developing and positioning healthcare services in Galenica pharmacies. The figures show that there is strong demand among customers for both consultation and healthcare services. In the 2024 financial year, 193,000 paid advisory and service consultations were conducted in Galenica pharmacies, 39% more than in the previous year. The focus is on consultations for common health problems such as urinary tract infections, skin problems, conjunctivitis and erectile dysfunction.

Social commitment

Sustainability

As a corporate group, Galenica aims to live up to its social responsibility. Since January 2022, the focus of our social commitment as the Galenica Group has been on the partnership with the crowd-donating platform “there for you”. This commitment suits Galenica well, as a wide range of projects are supported, digital fundraising is in line with Galenica’s digitalisation strategy and the applicants play an active role. Individual Galenica companies have their own resources and other opportunities to get involved so that regional social initiatives and events can be taken into consideration.



Management of the material topic (GRI 3-3)

As a strong partner in the Swiss healthcare market, Galenica is committed to the well-being of patients at all levels. This is why the company is also involved in various social and humanitarian projects – whether as the Galenica Group or through its individual companies. This also includes donations and sponsoring social initiatives and events. These philanthropic activities contribute to the well-being and cohesion of the communities being assisted.

Main partner of the crowd-donating platform "there for you"

"there for you" is a neutral platform on which social and humanitarian projects as well as initiatives from the fields of climate protection, animal welfare and children's aid are presented. Galenica is focusing its commitment in this area on current social and humanitarian projects. The specific projects that Galenica supports are determined together with the employees of the Galenica Group.

The aim of "there for you" is to enable as many crowd-donating projects as possible to be implemented and thus actively help where help is needed. The platform is committed to the careful and conscientious selection of individual projects. With regular updates and videos at the start and end of the project, "there for you" ensures maximum transparency and shows supporters where and how their money is used. In 2024, several projects were presented on the intranet in both spring and autumn, and employees got the chance to vote on how to distribute the proportion of the total amount donated. The projects also included ones submitted by Galenica employees to "there for you" and which received support from Galenica as a result.

Other commitments

Galexis has been supporting the Sternschnuppe Foundation for many years with an annual contribution of CHF 10,000. The foundation uses this money to make the wishes of children with illnesses or disabilities come true. Alloga has been working with SAZ Burgdorf for several years and employs a small team in our packaging department as part of a social commitment.

The "Social Kilometre" programme designed by Pharmacieplus SA and its partners Galexis Ltd. and UFD counts every kilometre driven during the year by the vehicles of the Pharmacieplus pharmacies that work with us wholesalers. The common goal is to pay a selected association one centime for every kilometre driven.

UFD also supports the Ticino Association of Pharmacy Assistants (ATAF) in a variety of ways to promote professional development and the quality of training. In addition to financial support, this commitment also includes logistical support and the provision of practical training in collaboration with partners.

As the main sponsor, Verfora supported the creation and production of a book for children. Together with children's book author Alexander Volz, the University Children's Hospital Zurich (Kinderspital Zürich; KISPI) has created a "Courage Guide", which they want to distribute to all children admitted to hospital in Switzerland due to serious illness – because a seriously ill child is often cared for in several hospitals.

As a result of the clear-out prior to the relocation of the Galenica headquarters, various items of furniture and works of art were sold to employees. This sale generated proceeds of more than CHF 10,000, which were donated to four organisations in Bern.

Evaluation of the management approach and measures

- Employees decide on specific project participation at "there for you".
- Various companies of the Galenica Group primarily support regional organisations that are relevant to them.

Calculation basis

Sustainability

Through systematic data collection and analysis, we aim to provide transparent insights into our environmental, social and economic impacts.

Reporting principles (GRI 2-3)

Galenica's sustainability reporting is carried out annually and covers the period from 1 January to 31 December 2024. This report was approved by the Board of Directors on 5 March 2025 and published on 11 March 2025. It follows the GRI Standards, supplemented by the requirements of the revised Swiss Code of Obligations (Art. 964a et seq.) and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The [GRI content index](#) can be found in the Annex. In addition, the [TCFD Index](#) and the [Non-Financial Disclosure Index](#) provide detailed insights into the respective disclosures.

The list of material topics based on the principle of dual materiality was drawn up in 2023 and is disclosed in the section [our approach](#) of the Annual Report.

Reporting scope (GRI 2-2)

The sustainability report of Galenica Ltd. covers all subsidiaries that are fully consolidated in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). Associated companies and joint ventures are excluded. Further details on the Group companies can be found in [note 32 "Group Companies"](#) to the consolidated financial statements. Exceptions to the scope of this reporting are explicitly marked.

Acquisitions and divestments

Newly acquired or sold companies in the current financial year are not included in the key figures unless this is explicitly stated in the notes to the report.

Data collection process

Each key figure is based on defined internal guidelines, processes, controls and responsibilities. The data originates either from the internal systems of the Galenica Group or, if necessary, from the systems of third parties. Unavailable data are estimated in line with recognised processes and industry standards.

Assumptions and estimates

For each estimate made, the underlying methodology is disclosed in the report.

Data on environmental impact (GRI 302-1, 302-2, 305-1, 305-2, 305-3)

As Galenica is constantly optimising the system of environmental indicators and gradually expanding the system boundaries (due to primarily inorganic corporate growth), the data is only comparable to a limited extent from year to year.

For Amavita, Sun Store and other Galenica Group pharmacies, the electricity consumption in 2024 was estimated based on consumption in 2023. Almost all premises are leased, which is why only the annual costs are provided for each location, and not the actual consumption. The electricity consumption of the pharmacies was therefore calculated in 2023 on the basis of electricity costs and the average electricity prices per region according to the Federal Electricity Commission (ElCom). In 2024, the heat consumption of all pharmacies was extrapolated, also based on a representative sample of 21 affiliates. Among other things, differences in heat source (32% district heating, 38% natural gas and 30% heating oil) were also taken into account. The amount of municipal waste generated was extrapolated based on a representative sample of a total of 20 pharmacies. The medium-sized pharmacy generated around 4 tonnes of waste in 2024. The water consumption of all affiliates was also extrapolated based on the available data from 5 locations.

The CO₂e emissions caused by energy consumption are calculated using scientifically recognised emission factors (Switzerland's greenhouse gas inventory of the Federal Office for the Environment and the UK Department for Environment, Food & Rural Affairs, as well as International Energy Agency (IEA) and [Alig, M., Tschümperlin, L., & Frischknecht, R. (2017). Greenhouse gas emissions of the electricity and district heating mixes in Switzerland according to the GHG Protocol. Commissioned by Sustainserv GmbH, UBS Fund Management, Swiss Post and pom+ Consulting. treeze Ltd., Uster]). The calculated CO₂e emissions relate to direct and indirect emissions. According to the Greenhouse Gas Protocol, Galenica's direct sources of emissions are the generation of space heating and the operation of its own vehicle fleet (= Scope 1). The production of purchased district heating and electricity (= Scope 2) and the logistics services of contract drivers (= Scope 3) are recognised as important indirect sources of emissions.

When calculating Scope 1–3 emissions, it is taken into account that diesel with a biogenic content of up to 7% is available at filling stations in Switzerland. In addition, the compressed propellant gas (CNG) used contains 20% biogas. The biogenic proportion of greenhouse gases produced is not accounted for in Scopes 1–3. The global warming potentials of the IPCC are used to calculate the greenhouse gas effect of refrigerant losses.

Scope 2 emissions are calculated using both the market-based and location-based approaches. For the latter, the producer mix according to IEA is decisive. This is refined with energy trade corrections to better reflect the GHG footprint of the energy actually available from the grid. Direct contracts between companies of the Galenica Group and producers of renewable electricity can play a role in the market-based method. In this case, the emission factor available from the producer is used wherever possible. Otherwise, as is also the case for the purchase of electricity from hydropower which is certified by guarantees of origin, a corresponding emission factor from a study by treeze Ltd. is used.

Data on our employees & diversity among staff (GRI 405-1)

The key figures on the number of employees include all companies of the Galenica Group with a majority holding as of 31 December 2024 (including apprentices and interns).

More detailed key figures on employees, such as information on diversity (GRI 405-1), refer exclusively to companies that are fully integrated into the Galenica Group's HR system. Temporary and external employees are not included in this disclosure. Companies that have only recently become part of Galenica will be integrated into the Galenica Group's HR system at a later date. Due to systemic challenges and depending on the size of the company to be integrated, full HR integration may take some time. Companies domiciled abroad are not integrated. For 2024, the employees of Bahnhof Apotheke Langnau, Medinform, Padma and Dr A&L. Schmidgall are not included in the detailed disclosures. Detailed key figures on employees cover 96.2% of the total employee population.

Data on the Opinio employee survey

The Opinio employee survey is conducted annually by an external body in a standardised online format. In 2024, the survey took place between 15 October and 20 November, based on the number of employees as of September. All employees were surveyed, including apprentices and interns, but excluding temporary and external employees. Data from the Opinio employee survey also includes associated companies and joint ventures Coop Vitality, Coop Vitality Management, Curarex swiss, Mediservice and Emeda as well as employees of the Galenica Pension Fund. However, companies that are not fully integrated into the HR system of the Galenica Group, such as the employees of Aquantic and Dr A&L. Schmidgall are not included. A total of 8,856 employees were surveyed.

The key figure for employee motivation is calculated from the arithmetic average of 16 questions from the Opinio employee survey. This average is then converted into a scale from 0 to 100.

Customer satisfaction data

Twice a year, an external market research institute is commissioned to survey the net promoter score (NPS) by means of representative market surveys. Data is collected via online interviews as part of panels. Data is collected from over 2,000 pharmacy customers who are asked how likely they are to recommend a pharmacy format to others. People answer with a number between 0 (highly unlikely) and 10 (highly likely). Responses between 0–6 are classed as “detractors,” 7–8 are classed as “indifferent” and 9–10 are classed as “promoters”. To calculate the NPS, the percentage of “promoters” is subtracted from the percentage of “detractors”. The NPS can therefore be between -100 (very poor) and +100 (very good). The rational net promoter score (rNPS) positions the NPS of Galenica in relation to the NPS of competitors. For competitive reasons, Galenica does not disclose the actual figure or distance to the best competitor.

The NPS is collected for the Amavita, Sun Store and Coop Vitality pharmacy formats and is included in the key figure accordingly. The decisive measurement for target achievement is the second measurement in the year, which was taken in the third quarter of 2024. The degree of target achievement is based on the calculated rNPS of the second measurement compared to the rNPS target defined by the Board of Directors.

Correction or restatements of information (GRI 2-4)

Investment in training and education (GRI 404-2) was adjusted for 2023 and 2022. The reason for this is that, in the past, intra-group training and education costs (e.g. incurred by the company medinform Ltd., which was acquired in 2022) were not included. From 2024 onwards, these are taken into account and previous years have been adjusted accordingly.

The information on energy consumption (GRI 302-1, 302-2) and emissions (GRI 305-1, 305-2, 305-3, 305-4) was restated for 2023 on the basis of newly available information. Details can be found in the section on [greenhouse gas emissions and resources](#).

Independent audit (GRI 2-5)

Ernst & Young Ltd. was appointed by Galenica to perform a limited independent audit of selected key figures in the GRI report. Ernst & Young Ltd. is also the external statutory auditor of the [Remuneration report](#), the [consolidated financial statements in accordance with IFRS](#) and the statutory [financial statements of Galenica Ltd.](#)

Further details on the audit can be found in the [independent audit report](#).

All audited figures in the sustainability reporting are marked in the report with the symbol ► data externally assured (limited assurance).



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To the Board of Directors of
Galenica Ltd., Berne

Berne, 5 March 2025

Independent Assurance Report on selected KPIs in the GRI-Report 2024

We have been engaged to perform assurance procedures to provide limited assurance on selected indicators (including GHG emissions) included in Galenica Ltd.'s and its consolidated subsidiaries' (the Group's) GRI-Report 2024 for the year ended 31 December 2024 (the Report).

Our limited assurance engagement focused on selected indicators (including GHG emissions) marked with the check mark "▶" in the corresponding tables in the GRI-Report 2024, and the GRI content index (the Indicators).

We did not perform assurance procedures on other information included in the Report, other than as described in the preceding paragraph, and accordingly, we do not express a conclusion on that information.

Applicable criteria

The Group defined as applicable criteria (the Applicable Criteria):

- as defined by the Group and summarized in the Disclosure chapters and the chapter "Calculation method"
- Global Reporting Initiative Sustainability Reporting Standards (GRI Standards)

A summary of the standards is presented on the GRI homepage.

Inherent limitations

The accuracy and completeness of selected indicators (including GHG emissions) are subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. In addition, the quantification of the non-financial matters indicators is subject to inherent uncertainty because of incomplete scientific knowledge used to determine factors related to the emissions factors and the values needed to combine e.g. emissions of different gases. Our assurance report should therefore be read in connection with the Group's "Calculation method" chapter including its definitions and procedures on non-financial matters reporting therein.

Responsibility of the Board of Directors

The Board of Directors is responsible for the selection of the Applicable Criteria and for the preparation and presentation, in all material respects, of the selected indicators (including GHG emissions) in accordance with the Applicable Criteria. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation of the Report that are free from material misstatement, whether due to fraud or error.



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Independence and quality control

We have complied with the independence and other ethical requirements of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* of the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies *International Standard on Quality Management 1*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibility

Our responsibility is to express a conclusion on the selected indicators (including GHG emissions) based on the evidence we have obtained.

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the selected indicators (including GHG emissions) are free from material misstatement, whether due to fraud or error.

Summary of work performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

The Greenhouse Gas (GHG) quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs. Additionally, GHG procedures are subject to estimation (or measurement) uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

Our limited assurance procedures included, amongst others, the following work:

- Assessment of the suitability of the Applicable Criteria and their consistent application
- Interviews with relevant personnel to understand the business and reporting process, including the sustainability strategy, principles and management
- Interviews with the Group's key personnel to understand the sustainability or non-financial reporting system during the reporting period, including the process for collecting, collating and reporting the indicators and non-financial information
- Checking that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Applicable Criteria



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- Analytical review procedures to support the reasonableness of the data
- Identifying and testing assumptions supporting calculations

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusions.

Conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the selected indicators (including GHG emissions) in the Report of the Group have not been prepared, in all material respects, in accordance with the Applicable Criteria.

Restriction on use

This report is prepared for, and only for Galenica Ltd., and solely for the purpose of reporting to them on selected indicators (including GHG emissions) of Galenica Ltd. disclosed in the Report and no other purpose. We do not, in giving our conclusion, accept or assume responsibility (legal or otherwise) or accept liability for, or in connection with, any other purpose for which our report including the conclusion may be used, or to any other person to whom our report is shown or into whose hands it may come, and no other persons shall be entitled to rely on our conclusion.

Ernst & Young Ltd

Mathias Zeller
Executive in charge

Daniel Zaugg
Partner

Appendix

GRI content index



**CONTENT INDEX
ESSENTIALS SERVICE**

2025

Galenica Ltd. has reported in accordance with the GRI Standards for the period 1 January 2024 to 31 December 2024. For the Content Index – Essentials Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders.

GRI 1 used: GRI 1: Foundation 2021

Applicable GRI Sector Standards: None

GRI Disclosure	Description	Reference / Information
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GRI 2 General Disclosures 2021

The organization and its reporting practices

Disclosure 2-1	Organizational details	Group structure and shareholders
Disclosure 2-2	Entities included in the organization’s sustainability reporting	Scope of the report
Disclosure 2-3	Reporting period, frequency and contact point	Group companies
		Reporting principles
Disclosure 2-4	Restatements of information	Impressum
		Calculation bases
Disclosure 2-5	External assurance	Independent assurance

Activities and workers

Disclosure 2-6	Activities, value chain and other business relationships	Business model
		Website
		Value chain
Disclosure 2-7	Employees	Employment
Disclosure 2-8	Workers who are not employees	Employment

Governance

Disclosure 2-9	Governance structure and composition	Board of Directors
		Members of the Board of Directors
		Organizational Regulations
Disclosure 2-10	Nomination and selection of the highest governance body	Board of Directors
Disclosure 2-11	Chair of the highest governance body	Members of the Board of Directors
Disclosure 2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability organisation
		Articles of Association
Disclosure 2-13	Delegation of responsibility for managing impacts	Sustainability organisation
Disclosure 2-14	Role of the highest governance body in sustainability reporting	Materiality matrix
Disclosure 2-15	Conflict of interest	Group structure and shareholders
		Board of Directors
		Other remuneration

		Code of Conduct
Disclosure 2-16	Communication of critical concerns	Whistleblower Reporting Office
Disclosure 2-17	Collective knowledge of the highest governance body	Sustainability organisation
Disclosure 2-18	Evaluation of the performance of the highest governance body	Letter from the Chair of the Remuneration Committee
Disclosure 2-19	Remuneration policies	Principles and responsibility in setting compensation Articles of Association
Disclosure 2-20	Process to determine remuneration	Remuneration system of the Board of Directors Remuneration system of the Corporate Executive Committee Articles of Association
Disclosure 2-21	Annual total compensation ratio	Confidentiality constraints: Due to the heterogeneity of the occupational fields within the Group, Galenica does not communicate details of median salaries.

Strategy, policies and practices

Disclosure 2-22	Statement on sustainable development strategy	Foreword
Disclosure 2-23	Policy commitments	Sustainability and ethical corporate governance Integrity in the supply chain
Disclosure 2-24	Embedding policy commitments	Code of Conduct Sustainability and ethical corporate governance Integrity in the supply chain
Disclosure 2-25	Processes to remediate negative impacts	Code of Conduct Sustainability and ethical corporate governance Integrity in the supply chain
Disclosure 2-26	Mechanisms for seeking advice and raising concerns	Sustainability and ethical corporate governance Integrity in the supply chain Code of Conduct
Disclosure 2-27	Compliance with laws and regulations	Compliance with laws and regulations
Disclosure 2-28	Membership associations	Memberships of associations and interest groups

Stakeholder engagement

Disclosure 2-29	Approach to stakeholder engagement	Dialogue with stakeholders
Disclosure 2-30	List of material topics	Collective bargaining agreements

GRI 3: Material Topics 2021

Disclosure 3-1	Process to determine material topics	Materiality matrix
Disclosure 3-2	List of material topics	Materiality matrix

Sustainable and ethical corporate governance

GRI 3: Material Topics 2021

Disclosure 3-3	Management of material topics	Management approach
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GRI 201: Economic Performance 2016

Disclosure 201-1	Direct economic value generated and distributed	Economic performance
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GRI 205: Anti-corruption 2016

Disclosure 205-2	Communication and training about anti-corruption policies and procedures	Compliance with laws and regulations
Disclosure 205-3	Confirmed incidents of corruption and actions taken	Anti-corruption

GRI 206: Anti-competitive Behavior 2016

Disclosure 206-1	Legal actions for anti-competitive behavior; anti-trust, and monopoly practices	Compliance with laws and regulations
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Integrity in the supply chain

GRI 3: Material Topics 2021

Disclosure 3-3	Management of material topics	Management approach
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Data protection

GRI 3: Material Topics 2021

Disclosure 3-3	Management of material topics	Management approach
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GRI 418: Customer Privacy 2016

Disclosure 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer privacy
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IT security and cybercrime

GRI 3: Material Topics 2021

Disclosure 3-3	Management of material topics	Management approach
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Greenhouse gas emissions and resources

GRI 3: Material Topics 2021

Disclosure 3-3	Management of material topics	Management approach
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GRI 302: Energy 2016

Disclosure 302-1	Energy consumption within organization	Energy Calculation bases
Disclosure 302-2	Energy consumption outside of the organization	Energy Calculation bases
Disclosure 302-3	Energy intensity	Energy
Disclosure 302-4	Reduction of energy consumption	Energy

GRI 304: Biodiversity 2016

Disclosure 304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Responsible use of land and water
Disclosure 304-3	Habitats protected or restored	Responsible use of land and water

GRI 305: Emissions 2016

Disclosure 305-1	Direct (Scope 1) GHG emissions	Emissions Calculation bases
Disclosure 305-2	Energy indirect (Scope 2) GHG emissions	Emissions Calculation bases
Disclosure 305-3	Other indirect (Scope 3) GHG emissions	Emissions Calculation bases
Disclosure 305-4	GHG emissions intensity	Emissions
Disclosure 305-5	Reduction of GHG emissions	Emissions

GRI 303: Water and Effluents 2018

Disclosure 303-1	Interactions with water as a shared resource	Responsible use of land and water
Disclosure 303-3	Water withdrawal	Water and Effluents

Waste and packaging

GRI 3: Material Topics 2021

Disclosure 3-3	Management of material topics	Management approach
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GRI 306: Waste 2020

Disclosure 306-3	Waste generated	Waste generated and directed to disposal
Disclosure 306-5	Wast directed to disposal	Waste generated and directed to disposal

Attractive workplace

GRI 3: Material Topics 2021

Disclosure 3-3	Management of material topics	Management approach
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GRI 401: Employment 2016

Disclosure 401-1	New employee hires and employee turnover	Employment
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GRI 404: Training and Education 2016

Disclosure 404-2	Programs for upgrading employee skills and transition assistance programs	Training and education
Disclosure 404-3	Percentage of employees receiving regular performance and career development reviews	Training and education

Health and safety at work

GRI 3: Material Topics 2021

Disclosure 3-3	Management of material topics	Management approach
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GRI 403: Occupational Health and Safety 2018

Disclosure 403-1	Occupational health and safety management system	Health and safety precautions for employees
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Disclosure 403-5	Worker training on occupational health and safety	Health and safety precautions for employees
Disclosure 403-6	Promotion of worker health	Health and safety precautions for employees
Disclosure 403-7	Prevention and mitigation of occupational health and safety impact directly linked by business relationships	Health and safety precautions for employees
Disclosure 403-9	Work-related injuries	Work-related injuries and illnesses
Disclosure 403-10	Work-related ill health	Work-related injuries and illnesses

Equality and diversity

GRI 3: Material Topics 2021

Disclosure 3-3	Management of material topics	Management approach
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GRI 405: Diversity and Equal Opportunity 2016

Disclosure 405-1	Diversity of governance bodies and employees	Diversity of governance bodies and employees Calculation bases
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Patient safety

GRI 3: Material Topics 2021

Disclosure 3-3	Management of material topics	Management approach
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Security of supply and procurement

GRI 3: Material Topics 2021

Disclosure 3-3	Management of material topics	Management approach
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Health promotion

GRI 3: Material Topics 2021

Disclosure 3-3	Management of material topics	Management approach
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GRI 203: Indirect Economic Impacts 2016

Disclosure 203-2	Significant indirect economic impacts	Management approach
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Social commitment

GRI 3: Material Topics 2021

Disclosure 3-3	Management of material topics	Management approach
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Impressum

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Forward-looking statements (GRI 2-3)

The combined Annual and Sustainability Report 2024 is published on 11 March 2025. It is published once a year and covers the reporting period from 1 January to 31 December. This Annual Report contains forward-looking statements. In this Annual Report, such forward-looking statements include, without limitation, statements relating to our financial condition, results of operations and business and certain of our strategic plans and objectives. Because these forward-looking statements are subject to risks and uncertainties, actual future results may differ materially from those expressed in or implied by the statements. Many of these risks and uncertainties relate to factors which are beyond Galenica's ability to control or estimate precisely, such as future market conditions, currency fluctuations, the behaviour of other market participants, the actions of governmental regulators and other risk factors detailed in Galenica's past and future filings and reports, in past and future filings, press releases, reports and other information posted on Galenica Group Companies' websites. Readers are cautioned not to put undue reliance on forward-looking statements, which speak only of the date of this communication. Galenica disclaims any intention or obligation to update and revise any forward-looking statements, whether as a result of new information, future events or otherwise.