



2023 Non-financial disclosure
Sustainability Report

ZENTIVA



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Message FROM THE CEO

Every year, more than 100 million people in Europe and beyond trust Zentiva medicines. With our activities, we make a significant contribution to public health across Europe by developing, manufacturing and delivering high-quality, affordable medicines to people who depend on them every day.

On October 1, 2023, Zentiva celebrated the 5th anniversary of its carve-out from Sanofi. The Company continued making significant progress on its growth journey, having doubled in size since it had regained its independence. 2023 was yet another year of solid performance.

With the support of members of our new Board of Managers and under my CEO leadership, we have updated our governance framework and organizational set-up to strengthen the foundations for a healthy and sustainable future.

Sustainability remains well-established in our operations with encouraging progress demonstrated in 2023 (see more on page 6). Our Sustainability Strategy is anchored in our commitment to limit the global temperature increase to 1.5 degrees Celsius by 2050, in alignment with the Paris agreement. To this end, we have committed to achieve Carbon Neutrality in Scopes 1 and 2 by 2030 and are progressing well on our journey, contributing with significant reductions of our carbon emissions in 2023. Our efforts include implementing efficiency programs for energy, electricity, water and waste management. In our Prague Site we have achieved a major milestone in waste management, achieving zero waste to landfill 7 years ahead of target. We continue to invest in biodiversity. We registered to the Science Based Targets Initiative to underline our commitment.

Through regular assessments, such as with EcoVadis or with the S&P Corporate Sustainability Assessment, we keep control and oversight on our progress and identify opportunities for further improvement.

The hard work of our team is instrumental in bringing us closer to realizing our long-term goals. This is why we want Zentiva to be a great place to work. We take pride in receiving the Top Employer certification for the second consecutive year in our primary markets, which employ more than 60% of our workforce. Furthermore, the fourth edition of our engagement survey "Heartbeat" achieved over 96% participation, yielding an outstanding engagement index of 84.

Good corporate governance and a structured stakeholder dialogue are key to building a healthy and sustainable business. We remain focused on our ambition, our targets and effective management of risks and opportunities. Our disclosures focus on topics that have been chosen as most material to our business and our stakeholders during our annual risk & materiality assessment and ongoing stakeholder dialogue.

Every small step counts, as we learn about new regulation coming out of the Green Deal, as we care about people and communities around us and as we win together by encouraging people to foster innovation and help us thinking and acting in a healthy and sustainable way.

I would like to thank our partners for their valued contributions and the Zentiva team for their commitment and their strong sense of responsibility. Delivering affordable medicines and ensuring the health and wellbeing to all generations is the purpose we all strive for.

Thanks to the strong engagement of our team and the support of all our stakeholders, I am confident that we make a significant contribution to the sustainability of healthcare.

At Zentiva, we make a difference as we act today for a sustainable tomorrow. Every small step counts to ensure that future generations can enjoy life as much as we do.



Steffen Saltote
CEO



Zentiva AT A GLANCE

100 million

More than 100 million people in Europe and beyond trust Zentiva's medicines. We continue to expand into multiple new territories and enlarge our portfolio in key therapeutical areas, like cardiology and circulation, diabetes, oncology, respiratory, CNS and consumer health

530 years

Zentiva's roots reach back more than 530 years to a small pharmacy named Black Eagle that still exists today in the heart of Prague, in the Czech Republic, where our Headquarters are located

30+ countries

Our footprint includes 4 manufacturing sites and 2 R&D centres as well as 32 active subsidiaries and 6 branches in more than 30 countries

5,000 people

Our team consists of 5,000 dedicated people, highly engaged and united on one common goal: to ensure the delivery of high-quality and affordable medicines to the people who depend on them every day

We provide *health and wellbeing* for all generations

We Develop

- We have 2 R&D centers, based in Prague and Ankleshwar, with more than 50 patent applications submitted in the past 5 years and over 100 regulatory submissions in 2023
- The team actively manages the life cycle of active pharmaceutical ingredients and drive innovation in drug product formulation, focusing on bioequivalent and value-added medicines
- Zentiva is a founding member of The Parc (The Pharmaceutical Applied Research Center), offering a postgraduate program that is based on collaboration between academic and industrial partners
- By the end of 2023, 6 years since the creation of The Parc, 35 students were enrolled in the program and 43 had already graduated

We Produce

- We have 4 wholly owned manufacturing sites: Prague, Bucharest 1, Bucharest 2, Ankleshwar (India) and we cooperate with a network of external manufacturing partners
- We produce solids, injectable solutions, eye drops, sterile ointments and hormones, APIs and intermediates with a production of 641,945,041 SMUs in 2023 (+0.85% vs 2022)
- All our sites actively implement a comprehensive Sustainability program, with all European facilities powered by 100% renewable energy
- We apply our Suppliers Code of Conduct to every partner and review our third-party cooperations on a regular basis

We Deliver

- Zentiva is a pan-European company offering a wide range of INN and branded generics, specialty products and consumer healthcare products
- We deliver tailored strategies for the 3 European market archetypes, including tender/key account markets, pharmacy- and physician-driven markets
- Our strong medical representatives in Western and in Central & Eastern Europe are working hand in hand with doctors, pharmacists and healthcare decision makers
- We offer
 - B2B services via Zent2U as a cost leader in cardiology, urology, oncology and neurology and specializing in hormones
 - Pharmacovigilance and regulatory consulting services via Prague Scientific for prescription and non-prescription (RX / OTC) as well as for non-medical products

We Care

- Zentiva has built a comprehensive Sustainability strategy that is framed around 3 pillars: People, Partners and Planet
- We are aware of our impact on the society and the environment and we take that with great responsibility
- The products we deliver affect the health and wellbeing of peoples' lives, thus we commit to ensure that our medicines meet the quality and safety standards as expected by our stakeholders

OUR SUSTAINABILITY STRATEGY

is framed around

People

We are building Zentiva as a great place to work where authenticity is embraced. We take care of our people, their loved ones, and the people we serve. Through transparent communication and a united approach, we create value as ONE team. We take our role as a corporate citizen with great responsibility.

Partners

We endeavour to establish and maintain trustworthy partnerships across our value chain, working with partners who share our values. We actively encourage our partners to engage in dialogue, sharing experiences, exchanging expectations, and collaborating hand in hand with us towards a more sustainable future.

Planet

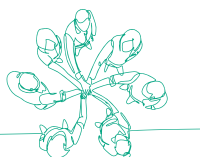
We are dedicated to fostering a greener planet, pledging to achieve carbon neutrality for Scopes 1 and 2 by 2030. This commitment entails implementing a comprehensive climate strategy aimed at reducing carbon emissions, sourcing renewable energy, optimizing water and energy consumption, and investing in circular economy practices to minimize waste. Additionally, we contribute to the planet's health through tree planting initiatives and biodiversity restoration efforts.



Our 2023 KEY ACHIEVEMENTS

- Strengthened ESG governance: CEO sponsors the Sustainability Steering Committee which reviews quarterly progress, with a new dashboard supporting the process
- Corporate sustainability assessment: S&P assessment placed Zentiva within the top 16% of the industry, reported on progress to the United Nations and registered to EcoVadis and to Science Based Targets Initiative (SBTI)
- Meeting carbon targets versus previous year: carbon emissions reduced by 16.9% (Scope 1), 14.7% (Scope 2) and 5.2% (Scope 3 on comparable basis) – well ahead of our Carbon Roadmap 2030

People



- More than 90% of the team is proud to work at Zentiva. And close to 80% is proud of our activities in the area of Diversity and Sustainability.
- Healthy gender balance: ratio of 54:46 (female:male) across the company and 45:55 (female:male) for managerial roles, female and male employees paid at the same level
- #WeHelpOthers: 105 community initiatives delivered (64 local/team initiatives in 18 countries and 41 donations totaling EUR 642,000)

Partners



- Responsible Sourcing program: review of 80% of Top Suppliers
- Audit: first supplier ESG on-site audit initiated with results planned in Q1 2024

Planet



- Renewable energy: all European sites powered by 100% renewables, share of renewable energy use in Ankleshwar Site increased to 60%
- Own renewable energy: new 5,000 m² Prague Campus Solar project installed
- Waste Management: Prague Site achieved zero waste to landfill 7 years ahead of target,
- Reforestation: 100,000 trees planted in 6 countries
- Biodiversity: 180,000 bees adopted in Bulgaria

Our 2024 SUSTAINABILITY GOALS

In 2024 we will continue our efforts, delivering on our commitments and taking care of people, partners and the planet.

Overall Governance

1. As we face new reporting regulations, we **are looking to implement the ESRS Standards**, EU taxonomy and CSDDD into our business processes.

People

2. Embed Sustainability into the company purpose by rolling out a **mandatory training program for the entire Zentiva team** and **empowering Sustainability Ambassadors**
3. Further **strengthen employer branding** and show Zentiva as a **great place to work, re-certify Top Employer and other employer certificates** in the top countries where we employ more than 60% of our workforce
4. **Anchor Diversity, Equity, Inclusion & Belonging (DEIB)** into the purpose and culture of the company and ensure healthy gender balance at all levels (+/- 10 % across all levels)
5. Grow our **volunteering program #WeHelpOthers** and strengthen our community engagement by delivering more than 100 initiatives in 2024

Partners

6. Drive risk & materiality according to the new CSRD requirements together with the leadership team and **engage our stakeholders** in the dialogue
7. **Review 80% of our suppliers** and their status on ESG within our Responsible Sourcing program and embed ESG into our audit program

Planet

8. Drive our **decarbonization program** according to our Carbon Roadmap 2030 following the commitment to become carbon neutral in Scope 1 and Scope 2 by 2030, further reduce Scope 3 emissions on comparable basis versus 2023, hit 2024 targets for carbon reduction
9. Further **drive energy** and **electricity, water** and **waste** management programs.
10. Plant another **100,000 trees** according to our 2030 commitment and **support biodiversity** projects on our Zentiva sites





Our Sustainability GOVERNANCE

2023 was a year of change with regards to Sustainability. Many new regulations were introduced by the European Commission. One of them – the Corporate Sustainability Reporting Directive (CSRD) – provides companies like ours with a strong framework for reporting. Zentiva values a framework where everyone can share insights, compare, and learn from one another. It is only through collective effort that we can address climate change and safeguard our planet so that future generations can enjoy life as much as we do!

Robust governance plays a pivotal role in engraining Sustainability into our ethos and decision-making. Sustainability governance, which includes climate change mitigation and adaptation, is fully integrated into Zentiva's governance structure. These elements are consistently factored into business deliberations and decisions, forming an essential component of our daily operations and management practices.

Sustainability is firmly anchored at leadership level, with the CEO serving as a sponsor of the Sustainability Steering Committee, a Head of Sustainability overseeing the strategy and a Corporate Program Manager Sustainability coordinating the agenda. Related committees include the Ethical Compliance Committee, the Risk Committee, and the Remuneration Committee. The Audit Committee has overall responsibility for approving the Sustainability-related plans.

Sustainability Steering Committee

- **Purpose**
The Sustainability Steering Committee (SSC) fosters the creation of a healthy and sustainable growth of the company combined with long-term shareholder value
- **Members**
CEO (Sponsor), Head of Sustainability (Owner), Head of Strategy and Transformation, CFO, Head of Legal & Compliance, Head of Product Supply, Head of People & Organisation, Head of Risk Management, Chief Quality Officer and Corporate Program Manager Sustainability (Secretary). (8 nationalities represented, 6 of its 10 members are female)
- **Frequency**
Quarterly
- **Responsibilities**
Reviews and approves Sustainability strategic plans and supervises the activities, providing consequent investments and reviewing progress and outcomes

Audit Committee

- **Purpose**
The Audit Committee reviews and approves financial statements, internal control & audit and Sustainability and ensures compliance with regulations
- **Members**
3 members with 3 nationalities represented, whereas 2 of the members are female (all 3 members are also Advisory Committee members and 1 of them is Shareholder's representative)
- **Frequency**
Quarterly
- **Responsibilities**
Reviews and monitor plans, targets and outcomes

Sustainability

TEAM AND RESOURCES

At Zentiva, we have embraced a community-driven approach to Sustainability. Our core team coordinates the agenda and collaborates with experts from different teams across the company, making Sustainability a tangible reality rather than a theoretical concept. We believe in the collective effort, where everyone can contribute with their ideas and skills at their best abilities, recognizing that every small step counts.

Head of Sustainability

- Reports directly to the CEO and is part of Zentiva's leadership team
- Owns Sustainability strategy and agenda; leads core team and coordinates company experts
- Develops and implements ESG policies, objectives, guidelines
- Drives communication and engages with industry associations and initiatives
- Reports achievements/plans to Sustainability Steering Committee and Audit Committee

Corporate Program Manager Sustainability

- Reports to the Head of Sustainability
- Owns the governance of working groups, drives the agenda and tracks the development
- Conducts continuous assessments to identify potential improvements and best practices

9 dedicated Working Groups

Engineering/ Manufacturing Sites

Delivers the carbon reduction targets according to our Carbon Roadmap 2030 and efficiency programs in the areas of energy and electricity

Health, Safety, Environment (HSE)

Delivers safety training and prevention measures, drives awareness campaigns, water and waste management, supports health & wellbeing efforts and works closely with the engineering/manufacturing sites group to implement environmental measures

Research & Development

Conducts research on product composition from API to various manufacturing stages, aiming to enhance value for patients while also benefiting the environment

Procurement

Delivers sustainable procurement and owns third-party risk management to ensure standards and values are respected throughout our entire value chain

Supply Chain & Distribution

Assesses carbon footprint of our portfolio and optimises the product journey to the end consumer

Corporate Affairs

Maps upcoming European regulations to understand and adapt operational processes as necessary, ensures comprehensive compliance through proactive training initiatives

Quality

Identifies the optimal audit process and initiates a pilot scheme for an on-site ESG audit, paving the way for the development and implementation of a robust framework

Artwork & Packaging

Analyses the various components of packaging distributed to end consumers, with the goal of developing reusable packaging aligned with the principles of the circular economy

Finance

Works on the EU taxonomy and reporting of financial and non-financial matters

Our Risk & MATERIALITY ASSESSMENT

Through 2023, Zentiva continued its dialogue with stakeholders to ensure alignment on our material Sustainability topics. This provides a solid basis for critical strategic decisions and underpins our approach to care for people, partners and the planet.

Zentiva reviews risk and materiality on an annual basis with periodical updates to address emerging challenges and to strengthen Stakeholder engagement. The assessment highlights risks and opportunities and allows for prioritization of the topics most material to our business.

Our recent risk & materiality assessment was conducted in Q4/2023 and covers the period of the full year 2023. The double materiality assessment workshop included members of the Sustainability Steering Committee, members of the Zentiva leadership team, customer and supplier-facing functions, development and engineering functions and external partners. External facilitation ensured alignment with new requirements and deeper understanding of the European Sustainability Reporting Standards (ESRS).

The objective of the double materiality assessment workshop was to reflect both potential financial risks caused by external Sustainability factors, as well as potential impacts caused by our operations on society and the environment. These impacts and risks present both opportunities and threats.

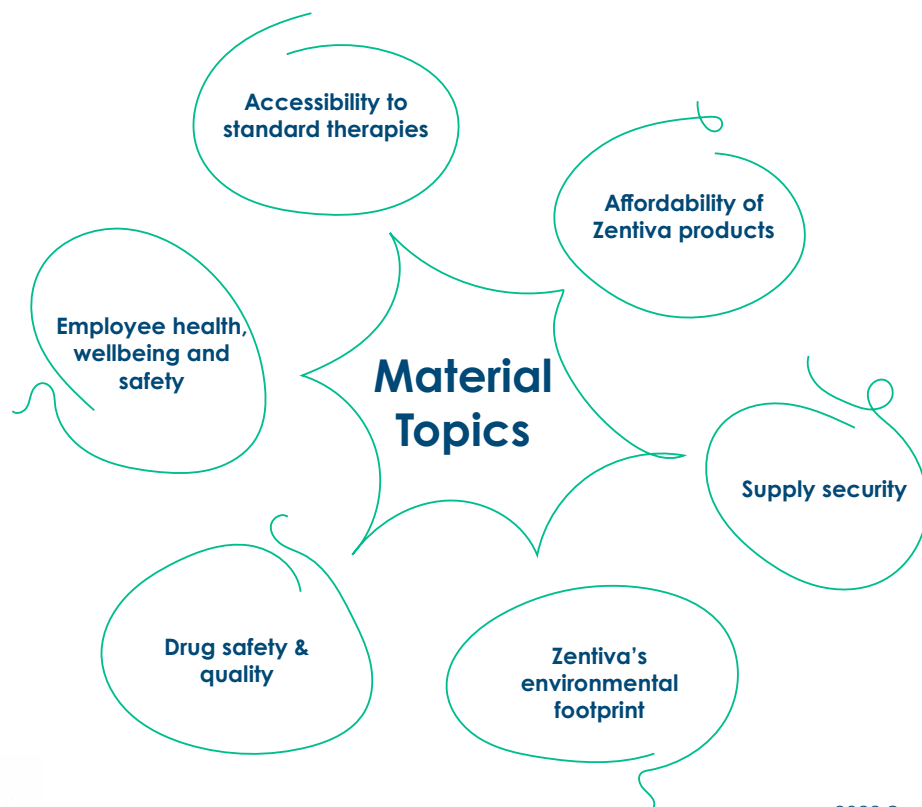
As a result of the analysis, we adjusted our existing objectives and goals.

In our first risk & materiality assessment, back in 2021, we identified over 30 potential material topics for Zentiva. In 2023, based on our analysis, the following 6 topics are deemed most material to Zentiva's operations and growth from an impact and risk perspective: accessibility to standard therapies, affordability of Zentiva products, supply security, environmental footprint, drug safety & quality and employee health, wellbeing and safety.

Zentiva's material topics are aligned with the relevant European Sustainability Reporting Standards (ESRS) disclosure requirements, with examples of the impact and risks and our response as a company. They can be found in the separate [annexe here](#).

Our material risks have common themes that require integrated management across our business functions and operations. These inform strategic questions and decisions for our leadership team and stakeholders. These include how to optimise engagement and communications with the EU and national governments on policies and standards, strengthen supplier relationships, communicate our Sustainability activities to customers to differentiate ourselves, and how to best engage with our people. Alignment and transparency with stakeholders are key to effective action.

Our risk & materiality Map 2023



Overall Governance-related POLICIES

Our business is built on trust and responsibility, with the patients and consumers at the heart of everything we do.

Our Governance-related policies are kept up to date, reflecting changes in law and local regulations as well as potential internal changes. They are valid for the full scope of Zentiva's operations and published on www.zentiva.com.

The Sustainability Steering Committee approves the updates to these policies. They are actively communicated internally and externally: to our employees, our business partners and to other relevant stakeholders.

Anti-bribery and Anti-corruption

Zentiva has a zero-tolerance position against corrupt practices in all activities. We comply with all applicable anti-bribery and anti-corruption laws whilst promoting a culture of ethics and integrity. All our team members follow a regular, mandatory training program to fight against all forms of corruption, including indirect and passive corruption.

The policy is issued by the Head of Legal and Compliance.

Business Ethics Commitment / Code of Ethics

Zentiva has a strong reputation as a fully compliant and trusted partner. On top of the Medicines for Europe Code of Conduct, Zentiva's Code of Ethics is the foundation of all we do. The Code of Ethics is available in 22 languages and applicable to all Zentiva employees and everyone who acts on behalf of Zentiva. In 2023, we refreshed the Code and its related mandatory training for all people working for Zentiva. The operational compliance of the business is regularly reviewed by respective corporate bodies including the Ethical Compliance Committee and the Audit Committee. In December 2023, Zentiva organized a Compliance Day for the entire organization. The event, which featured a webstream, aimed to emphasize the significance of compliance by examining it from diverse team perspectives and by listening to various stakeholders' opinions. As a result, concrete actions were committed to by each team.

The Code of Ethics is issued by the CEO and the Head of Legal & Compliance.

Cyber Security

At Zentiva, cyber security is taken very seriously as it safeguards the integrity of our information, daily operations, and intellectual property. Employees are required to undergo cyber security training to fortify our internal defenses.

The policy is issued by the Head of IT.

Data Privacy

Zentiva is fully compliant with applicable data privacy laws and regulations. We expect all employees to work responsibly with personal data. Our Compliance & GDPR Officer oversees our

data privacy processes and reviews are regularly conducted by the Zentiva Ethical Compliance Committee. We only process personal data for specific, legitimate and necessary purposes and not longer than required. We adhere to high standards in safeguarding personal data during its processing and expect the same approach from our partners.

The Data Privacy policy is issued by the Head of Legal and Compliance.

Trade Compliance

We comply with all applicable export, import and trade compliance laws, including embargos, sanctions, customs and anti-boycott laws. Zentiva has an effective trade compliance program in place that includes screening of denied parties lists. All Zentiva employees are required to follow the Corporate policy on Economic Sanctions.

The Corporate policy on Economic Sanctions is issued by the Head of Legal & Compliance.

Quality Policy

At Zentiva, we strive to exceed industry quality standards by implementing rigorous quality measures and follow-up through our manufacturing processes to ensure the safety, efficacy, and reliability of our products. With a relentless focus on continuous improvement and adherence to regulatory requirements, we are dedicated to delivering high-quality pharmaceuticals that positively impact the lives of patients worldwide.

The Quality policy is issued by the CEO and the Chief Quality Officer.

Tax Policy

At Zentiva, we follow all applicable international and regional tax laws. Our commitment to global tax compliance supports sustainable economic growth and fosters trust with stakeholders.

The Tax policy is issued by the Head of Tax.





Our PEOPLE

Health is precious. By delivering our products we impact the lives of more than 100 million people. We provide health and wellbeing to all generations by developing, producing and delivering high-quality and affordable medicines to those who depend on them every day. The foundation of our success in achieving this impact lies in the dedication and commitment of our team.

Our Vision

We have set ourselves ambitious targets to attract and retain talent, ensuring our workforce thrives in an exceptional work environment. With safety and wellbeing at the forefront, we prioritize providing our 5,000 employees with a workplace aligned with the social progress we actively champion. At Zentiva, diversity is celebrated and equity is promoted, fostering inclusivity where everyone feels a sense of belonging, empowered to contribute their ideas, pursue their aspirations and fulfil their dreams.

Our Targets and 2023 Actions

Area	Target	Action
Diversity, Equity, Inclusion & Belonging (DEIB)	<ul style="list-style-type: none"> Ensure a healthy gender balance company-wide and at managerial level (share of female employees at 40-60%) Diversity at Board and leadership levels as per DEIB and Board Diversity Policies Ensure a healthy gender pay with a difference of no more than +/- 5% Zero tolerance for discrimination 	<ul style="list-style-type: none"> DEIB anchored into People processes through inclusion in relevant policies Well-balanced and diverse candidate lists during recruitment and promotion processes ensured and positions offered to best suitable candidates Gender pay gap analysed, resulting in +0.4% in favour of women Gender balance target of a "healthy" ratio met, 54:46 (female:male) company-wide and 45:55 (female:male) on managerial level and including increased diversity at Board level Total workforce comprising 52 nationalities, 4 generations and an average age of 41 years. DEIB leadership target beyond the Executive level extended to Tiers 1 and 2 of leadership levels Two more Zentiva countries (Poland and Bulgaria) committed to the Diversity Charta - the Charta is based on a set of general principles assumed by the signatory to promote diversity, non-discrimination, inclusion and equal opportunities in the workplace
Corporate Citizenship	<ul style="list-style-type: none"> Deliver over 100 #WeHelpOthers projects per year Strengthen our community-facing activities and build strategic partnerships for our #WeHelpOthers program 	<ul style="list-style-type: none"> Delivered 105 #WeHelpOthers projects At our main locations we have partnered with NGOs to support reforestation and biodiversity restoration efforts
Sustainability Literacy	<ul style="list-style-type: none"> Strengthen our awareness around Sustainability topics and share our knowledge with others 	<ul style="list-style-type: none"> Celebrated UN International Days and Campaigns connected to Diversity and Environmental Sustainability and focused during the year on the introduction of the concept of Circular Economy Training has been done on Health & Safety, complemented by our Health & Wellbeing Academy on topics of My Time, My Mind and My Body Launched our Sustainability Podcast with the first 6 editions

Strengthening our culture of

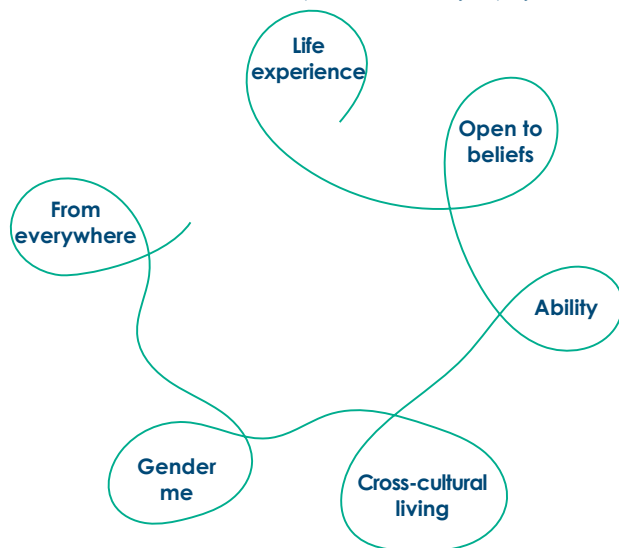
DIVERSITY, EQUITY, INCLUSION & BELONGING (DEIB)

At Zentiva, we are us.

Every one of us brings to bear our unique talents focused on one common goal: Providing health and wellbeing for all generations! Our uniqueness is who we are, what we know and how we act. This sets us apart, fostering collaboration built on strong foundations.

Embracing new ideas and perspectives fuels our success as individuals and as an organization. At Zentiva, we strive to cultivate an inclusive workplace where everyone feels welcomed, valued and empowered to contribute authentically. Recognizing individual differences, we uphold fairness, dignity and respect for all team members. We stand firm against any form of harassment, discrimination, retaliation, intimidation, humiliation, bullying, unfair treatment or inappropriate behavior, maintaining policies and procedures to uphold our commitments.

We continue to look at our 6 pillars of Diversity, Equity, Inclusion and Belonging:



- **Life experience:** Diversity across age groups and generations
- **Ability:** Diversity encompassing cognitive, social, emotional, and physical abilities
- **Cross-cultural living:** Diversity across nationalities and ethnic backgrounds
- **Open to beliefs:** Diversity encompassing various religious and philosophical beliefs
- **Gender me:** Diversity across gender identities and sexual orientations
- **From everywhere:** Diversity in educational backgrounds and professional experience across various industries

Remuneration and PAY EQUITY ANALYSIS

Zentiva's compensation strategy is linked to our business and people strategy with the key principle to reward high performance and results delivery that allow us to further grow. It is designed and developed by our People & Organisation team and approved by the Remuneration Committee (CEO, Head of People & Organisation and shareholder representatives). The committee convenes quarterly to approve and release the Remuneration Report, detailing compensation governance, principles, annual highlights, policies, and structure about compensation and benefits for the leadership team, annually.

To ensure we follow an appropriate, competitive remuneration in line with our values and legal requirements, we perform audits and analyses.

Regarding the gender pay gap, we analysed 2023 data of our active workforce to examine differences between men and women. The findings indicate a balanced remuneration system with women being paid, on average, 0.4% higher than men at Zentiva. This trend remains consistent with our 2022 report, where women were, on average, paid 2.5% higher than men. Also in 2023, no employee has received below adequate wages.

About LEARNING — CARING — WINNING

Our motto “Learning – Caring – Winning” remains a guiding principle. Despite significant external challenges, we have continued to grow as a company, showcasing the resilience of our team and of Zentiva as a whole.

About Learning

Continuous learning and development are among the priorities we have chosen at company level. We are aware of the value that learning initiatives can deliver in maintaining and developing the expertise of our specialists, but also in the effectiveness of our teams.

We are committed to creating tailored learning programs to bridge skill gaps, aligning with Zentiva’s business needs across all levels. Our diverse learning opportunities foster a culture of continuous growth, enabling us to adapt to evolving environments effectively.

In 2023, Zentiva continued its **Zentiva Academy**, collaborating with Coursera to provide access to leading universities worldwide. Through our Summer School and Winter Special Academy, we offered a combination of hard and soft skill training sessions. A total of 311 employees participated in these specialized training programs, focusing on skill enhancement in data analytics and growth mindset. Alongside contributions from other providers, Zentiva invested 88,057 hours and 754,119 EUR into workforce training and development efforts. The amount corresponds to the trainings provided to Zentiva workforce through activities managed by the Group’s People & Organization team. The process is supported by platforms like Workday and Instructor. Zentiva has dedicated central resources for learning & development, talent, and the Zentiva Academy, with additional support locally across our operation units.



For the second year in a row, Zentiva participated in the **Advent Leadership Academy**. The Advent Leadership Academy is a collaboration between Advent International (the shareholder) and Harvard Business School that supports high-potential and diverse leaders from across the Advent portfolio. It provides the next generation of portfolio-company leaders a chance to participate in a tailored program designed and taught by the world’s most prestigious business school. The Advent Leadership Academy empowers Zentiva’s top talent to enhance their skillset and prepare for future leadership roles. Two Zentiva talents participated in the program in 2023.

Zentiva continued its tradition of organizing numerous **awareness campaigns**, aiming to enhance our workforce’s health literacy and empower them as health ambassadors. These initiatives featured external experts or internal best practice sharing with a focus on key therapeutical areas, psychological support post-COVID, and Sustainability.

A new initiative we brought to life is our **Sustainability Podcast** for internal and external awareness. In 2023, we interviewed partners on different topics and published the first 6 editions.



About Trees

An interview with Mihai Zotta, Conservation director at Conservation Carpathia Foundation



About Bees

An interview with Dr. Alexandra Harmon-Threatt, Associate Professor in the Department of Entomology at the University of Illinois



About Waste

An interview with Julia Rokicka, Co-Founder and Board Member of the Biorecycling Association



About City Gardens

An interview with Luca Comino, Creative and Planning Director of I.E.S., Italian Enablers of Sustainability



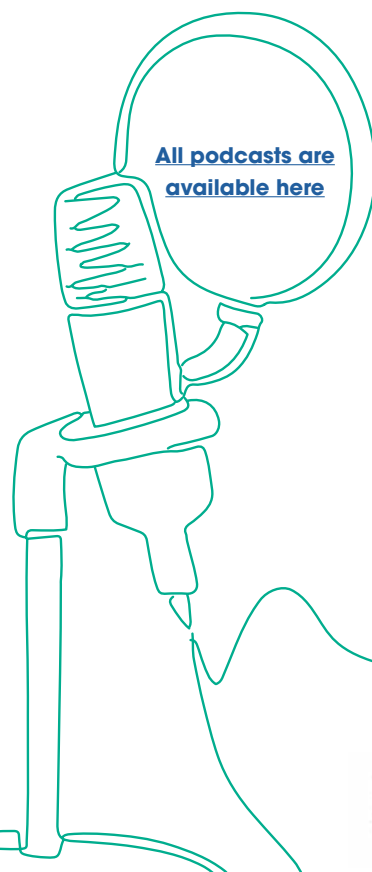
About Food Waste

An interview with Anna Strejcová, Founder and Specialist of the Zachran jídlo civic organization



About Circular Economy

An interview with Roman Gdovjak, Cyrkl



About Caring

It is our responsibility to take care of our workforce by ensuring a safe and healthy workplace for all employees and contractors working at our sites, in our offices and in the field.

Health, Safety, Environment (HSE)

High HSE standards are a result of a strong governance system led by our HSE team represented in each operational unit at Zentiva. Our HSE policy sets forth a framework anchored in our dedication to continuous improvement, the safeguarding of Zentiva employees, the business, our external partners, the surrounding communities and the environment. Established at the Zentiva leadership level, this policy is implemented company-wide.

At Zentiva, our commitment to occupational safety remains unwavering, striving to achieve our vision of zero incidents in both professional and personal life. In 2023, we recorded 2 Lost-Time-Incidents (LTI), demonstrating progress from the 3 reported in 2022 and the 9 cases in 2021. Through regular HSE trainings we continue to fortify our HSE culture, ensuring that everyone understands their role in accident prevention, mitigating health risks, and minimizing environmental impacts.

Health & Wellbeing Academy

In 2023, we continued our Health & Wellbeing Academy, which provides webinars and training on topics such as My Mind, My Body and My Time. External speakers and experts led interactive sessions. Due to high demand from employees, the number of webinars increased to 8 in 2023.



#WeHelpOthers

At Zentiva, Learning – Caring – Winning comes to life through our #WeHelpOthers program.

Launched in 2020, this initiative embodies our commitment to supporting those in need within our communities. Through volunteering, NGO partnerships, sponsorships, donations and more, we extend a helping hand to those around us. This engagement program is a cornerstone of our dedication to being a responsible corporate citizen.

In 2023, we supported others through 105 initiatives, including 64 local and team efforts across 18 countries, and 41 donations totaling EUR 642,000.

About Winning

Our team's engagement drives our performance forward, while diversity ignites innovation. As Zentiva grows, numerous opportunities emerge for our people. That is why we prioritize listening to every team member across our countries and operations. Everyone has a voice in shaping our future. Together.

Heartbeat

We regularly measure the "heartbeat" of our workforce, with the most recent iteration being the 4th edition of our engagement survey conducted in September 2023. With an impressive 96% participation rate from our team members, we achieved an engagement index of 84, a further improvement from the previous Heartbeat Survey. Leadership reviewed a total of 12,400 open comments and suggestions provided by participants, leading to the implementation of action plans aimed at continuous improvement.



Top Employer / GPTW

In 2023, Zentiva was honored to receive multiple awards, underscoring our commitment to fostering a positive company culture and high employee satisfaction. We were awarded the Top Employer Certification by the Top Employer Institute in the Czech Republic and Romania, countries that collectively host over 60% of our workforce. This certification is a result of a rigorous audit, covering 20 key areas including leadership, business and people strategy, human resource strategy, environmental work, talent acquisition, performance, rewards, career, wellbeing, ethics and integrity, diversity and inclusion. Additionally, Zentiva was recognized as a "Great Place to Work" across 6 countries: Croatia, Italy, Poland, Portugal, Serbia and Slovakia. In the Czech Republic, we were also particularly honored to be chosen by students as the most prestigious employer in the pharmaceutical and healthcare sectors for the eighth consecutive year. This recognition fuels our pride and commitment to investing in programs that support young, ambitious talents at the start of their careers.

Workforce across our **VALUE CHAIN**

Zentiva acknowledges the crucial role that individuals play throughout the entire value chain in achieving our Sustainability targets. We are committed to upholding human rights, both within our organization and among our suppliers, as outlined in our internal policy and Suppliers Code of Conduct. Through our due diligence process for partners and suppliers, we prioritize the protection of individuals involved with a focus on the process of continuous risk identification and implementation of preventative and mitigation measures.

End user **PATIENT & CONSUMER**

We improve lives through the development, production, and delivery of our medicines. The quality of our products and the safety of the patients and consumers always remain our highest priorities.

We collaborate closely with regulators, inspectors, and quality organizations to uphold the safety and efficacy of our medicines. Our commitments are embedded in our Quality policy and upheld through rigorous adherence to Zentiva's quality and safety standards. Our processes and systems comply with good operating practices across many domains including good clinical, laboratory, research, manufacturing, pharmacovigilance and distribution practices. We are constantly monitoring product quality and safety parameters and control these parameters regularly. Every step is traceable and correctly recorded to ensure the safety of our medicines. Feedback from partners and patients, including comments, complaints, and claims is diligently reviewed as part of our pharmacovigilance and safety monitoring.

We collaborate with regulators to address emerging issues within the healthcare system, conducting patient risk assessments and implementing corrective actions as needed.

Our direct interactions with patients, families, advocates and patient organisations are conducted transparently and in accordance with local laws and regulations. These interactions focus on education and support, avoiding any promotional activities.



People-related POLICIES

Our success as a company is built on the commitment and engagement of our team.

Our People-related policies are kept up to date, reflecting changes in local regulation and internal changes. They are valid for the full scope of Zentiva's operations and published on www.zentiva.com.

The Sustainability Steering Committee approves the updates to these policies. They are actively communicated internally and externally: to our employees, our business partners and to other relevant stakeholders.

Human Rights & Anti-modern Slavery

Zentiva respects and supports the protection of human rights across our business operations extending downstream to the actions and practices of our partners and upstream through our supply chain and sourcing network as embedded in the Universal Declaration of Human Rights. Zentiva is committed to upholding the labour standards as set out by the International Labour Organisation, and to full compliance with local labour laws. We expect every team member to respect human rights as described in our Code of Ethics. We compensate our employees fairly based on market norms and in line with the legal requirements for wages and social benefits. We are dedicated to safeguarding children's rights to education and personal development and oppose any employment that falls below minimum working age. Our employees are empowered to decide whether to be part of a labour union, a workers' council, or any other collective bargaining framework of their choosing. We collaborate closely with the representatives to achieve the best outcome for our people and our company. This policy is issued by the Head of People & Organisation.

Diversity, Equity, Inclusion & Belonging (DEIB)

At Zentiva, we are us. Each of our 5,000 employees brings forth their unique talents, focused on one common goal: Providing health and wellbeing for all generations! Who we are, what we know and how we act – this sets us apart, fostering collaboration built on strong foundations.

Embracing new ideas and perspectives fuels our success as individuals and as an organization. At Zentiva, we strive to cultivate an inclusive workplace where everyone feels welcomed, valued and empowered to contribute authentically.

We have embedded Diversity, Equity, Inclusion and Belonging into all aspects of our work at Zentiva.

This policy is issued by the Head of People & Organisation and embedded into the People processes of Zentiva's employee life cycle.

Board Diversity Policy

At Zentiva, we want to make sure that our company is managed by people who are properly selected based on their competency and skills. We believe that diversity in company boards adds value to our management through differences in perspective and experience. Therefore, the following criteria shall be used during the nomination processes to Zentiva's boards: gender, age, industry experience, race, nationality and cultural background.

This policy is issued by the Chairman of the Board and the Head of Legal & Compliance.

Corporate Citizenship

At Zentiva, we are aware of our responsibility as a good corporate citizen. Every decision we make shapes the future; hence, we act today for a sustainable tomorrow – one where access to essential medicines is a right and not a privilege. Our commitment extends to caring for our people and the people we serve, supporting our partners and preserving our planet. We empower our workforce to engage with their communities and lend a helping hand to people in need.

This policy is issued by the Head of Communications, Corporate Affairs & Sustainability.

Corporate Social Responsibility

Corporate Social Responsibility is a key element of the implementation of the Sustainability Strategy at Zentiva. We make a positive impact beyond providing patients with high-quality medicines at affordable prices. Our engagement & volunteering program #WeHelpOthers is a cornerstone of our commitment. Our employees initiate and conduct most of the activities and this initiative makes our social involvement unique.

This policy is issued by the Head of Communications, Corporate Affairs & Sustainability.

Health, Safety & Environment (HSE) Policy

At Zentiva, the Health, Safety, and Environment (HSE) of our employees, communities, and the planet are of paramount importance. We maintain a strong HSE policy that encompasses rigid safety protocols, environmental programs, and employee wellbeing initiatives. By prioritizing HSE at every level of our operations, we strive to create a secure and sustainable work environment following our Vision Zero approach while safeguarding the health and wellbeing of all individuals impacted by our activities.

This policy is issued by the CEO.

Speak-up / Whistle-blower Process

Zentiva encourages employees to report any concerns they may have regarding compliance with all laws applicable to Zentiva, our Code of Ethics, Zentiva internal rules and/or ethical principles. Zentiva further encourages employees to raise questions related to compliance. The company maintains a strict zero-tolerance policy towards any reprisals against individuals who report in good-faith.

This policy is issued by the Head of Legal and Compliance.



Our PARTNERS

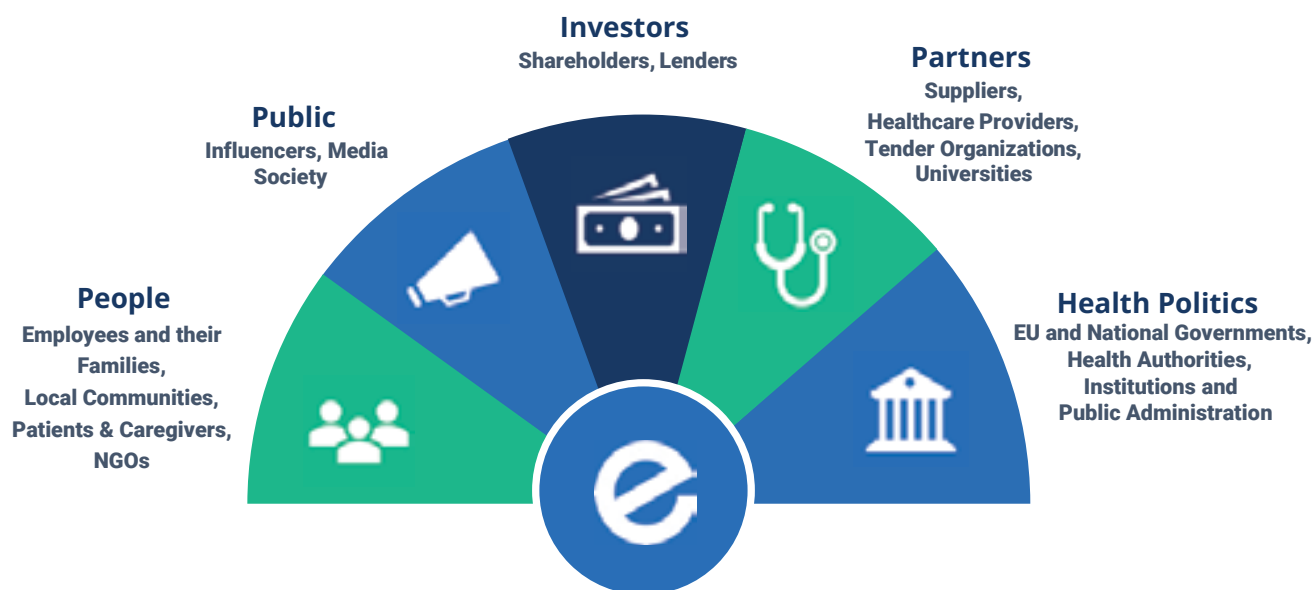
With the active support and trust of our business partners, Zentiva advances along its growth journey. Together, we build the foundations for tomorrow, continuously contributing to sustainable public health in Europe.



Stakeholder ENGAGEMENT AND DIALOGUE

Stakeholder engagement and dialogue are fundamental aspects of our business operations, guiding us in addressing key priorities and achieving desired outcomes. By actively engaging with a diverse range of stakeholders throughout the year, we gain valuable insights, identify trends, mitigate risks and seize opportunities. We listen, collect insights, and align expectations to evaluate risk, identify opportunities and adjust our business strategy.

Stakeholders, whether organisations or individuals, are those impacted by Zentiva's operations or have influence on our strategic goals and targets.



Our engagement methods vary, encompassing online connections, video conferencing, hybrid meetings, and in-person interactions such as meetings, focus groups, workshops, and training sessions. Surveys, on-site visits and participation in congresses further enhance our dialogue. At Zentiva, all leaders, managers and employees play a role in fostering stakeholder relations, emphasizing trust and transparency in our communications.

Sustainability across our VALUE CHAIN

Our colleagues in Procurement, Supply Chain and in External Suppliers Organisation (ESO) serve as the gateway to Zentiva's value chain. Where activities extend outside our direct control, they collaborate with our Legal & Compliance team to ensure the responsible sourcing of goods and services.

Our Vision

We set ambitious targets and seek to establish and maintain trustworthy partnerships throughout our value chain, aligning with partners who share our values. Together, we strive to enhance process transparency and operational resilience. We encourage regular stakeholder dialogue with our partners to share experiences, align expectations and collaborate towards a more sustainable future.

Our Targets and 2023 Action

Area	Target	Action
Supplier Code of Conduct	<ul style="list-style-type: none"> All partners practice good governance, business ethics, and transparency which meet or exceed all applicable laws and regulations and Zentiva's Supplier Code of Conduct 	<ul style="list-style-type: none"> New partners undergo a rigorous due diligence process to ensure alignment with Zentiva's standards before being added to the approved supplier list Sustainability requirements are integrated into contracts that govern the business relations between Zentiva and its supply partners
Risk Analysis	<ul style="list-style-type: none"> Conduct annual risk assessments for third-party cooperations as part of our Responsible Sourcing program to comply with Green Deal regulations pertaining to pollution, water, and deforestation 	<ul style="list-style-type: none"> Continuous risk-based assessment of our supplier base, supported by desk-based responsible sourcing audits conducted, results from the audits reviewed by the Zentiva Ethical Compliance Committee. First on-site ESG supplier audit conducted with our partners at Preferred by Nature. We thank Intrograf for their cooperation during this pilot project!
ESG Strategy	<ul style="list-style-type: none"> By the end of 2030, all our suppliers have a reputable ESG Strategy aligned with the Paris Climate Agreement to limit global warming to 1.5 degrees Celsius 	<ul style="list-style-type: none"> Reviewed our top suppliers under the Responsible Sourcing Program, with no critical cases identified. The program will be upgraded to include new topics and regulations resulting from the European Green Deal (CSRD, CSDDD)

Suppliers are monitored for compliance with local regulations and alignment to Zentiva policies. Topics of specific relevance are human rights including working conditions, anti-modern slavery, code of ethics and compliance, anti-bribery and corruption, health, safety, quality, environmental protection and chemical handling.



Initiatives & COLLABORATION

United Nations Global Compact

Zentiva aligns its strategy and operations with the 10 Universal Principles related to Human Rights, Labour, Environment and Anti-Corruption, and the implementation of the 17 Sustainable Development Goals (SDGs). The 2030 Agenda for Sustainable Development, adopted by all United Nations member states in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future.

As a company we are convinced that the SDGs can accelerate progress towards Sustainability, and we ensure to align our initiatives with global SDG priorities.



ESG Ratings and Certifications

Science Based Targets Initiative (SBTI)

In December 2023, Zentiva committed to the Science Based Targets Initiative (SBTI), aligning our goals with the Paris Agreement's 1.5-degree Celsius emissions scenario.

Additionally, we have taken initial steps to join the Race to Zero, a global campaign led by the United Nations Framework Convention on Climate Change (UNFCCC), aimed at fostering a healthy, resilient, and zero-carbon future.

EcoVadis

Zentiva signed up for a regular Sustainability evaluation by EcoVadis, the world's largest and most trusted provider of business Sustainability ratings. The EcoVadis Sustainability scorecard illustrates performance across 21 indicators in 4 topics: Environment, Labour and Human Rights, Ethics, and Sustainable Procurement.

S&P Corporate Sustainability Assessments

In 2023, Zentiva participated in its second S&P Corporate Sustainability Assessment, joining over 10,000 companies worldwide. This assessment evaluates around 20 financially relevant Sustainability criteria spanning economic, environmental, and social dimensions.

Zentiva uses these insights to review its current standing and identify areas for further improvement.

ISO Certifications

- Prague Site: ISO 14 001, ISO 45 001, ISO 50 001
- Bucharest Sites: B1 - ISO 14 001, ISO 45 001, ISO 50 001, ISO 9001 | B2 - ISO 14 001, ISO 45 001
- Ankleshwar Site: ISO 14 001, ISO 45 001, ISO 50 001

Memberships in Associations

As an active participant in the evolving landscape of healthcare and pharmaceuticals, our company proudly aligns with key associations to enhance our commitment to ethical practices, regulatory compliance, and sustainable development. Our membership in Medicines for Europe underscores our dedication to ensuring access to high-quality, affordable medicines and advocating for a regulatory environment that fosters innovation and security in medicine supply across Europe.

In collaboration with BusinessEurope and EuroChambres, we engage in dialogues aimed at shaping a competitive and sustainable industrial policy for the EU, emphasizing secure medicines manufacturing and supply chains. These partnerships reflect our proactive stance on political influence and public affairs activities, guided by a stringent code of conduct prioritizing transparency, competition, and ethical engagement. Our efforts are directed towards supporting policies that mitigate drug shortages, enhance healthcare resilience, and advance environmental stewardship within the pharmaceutical sector, in line with our overarching Sustainability objectives.



Partner-related **POLICIES**

Our Partner-related policies are kept up to date, reflecting changes in law and local regulations as well as any potential internal changes. They are valid for the full scope of Zentiva's operations and published on www.zentiva.com.

The Sustainability Steering Committee approves the updates to these policies. They are actively communicated internally and externally: to our employees, our business partners and to other relevant stakeholders.

Due Diligence

Zentiva conducts thorough assessments and investigations to assess potential risks and opportunities before undertaking any business activity. Through the implementation of rigorous due diligence processes, we prioritize compliance, risk mitigation, and ethical considerations, safeguarding the safety and wellbeing of patients, employees, and stakeholders across our operations.

The policy is issued by the CEO.

Responsible Sourcing

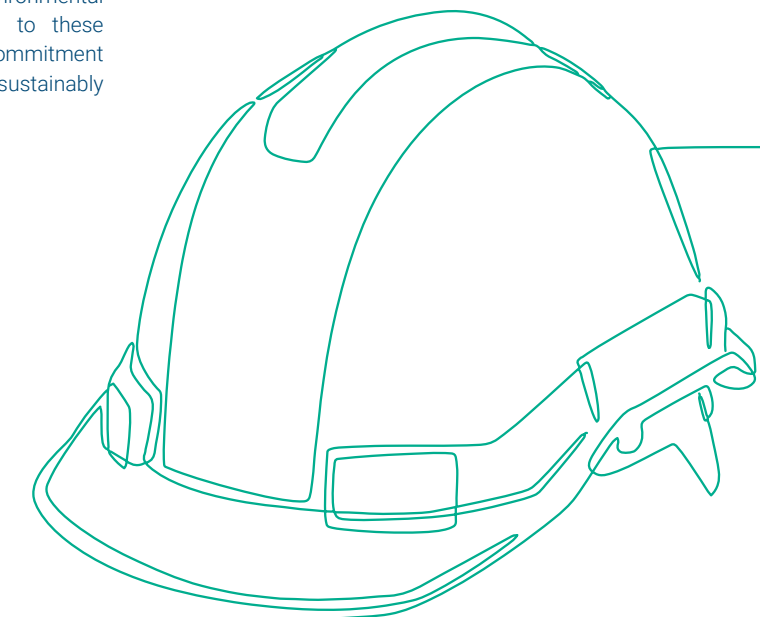
Zentiva is committed to responsible sourcing practices with an emphasis on transparency and ethical supply chains. We have established a program to review and audit our suppliers on a regular basis to ensure that our materials and services come from reputable and sustainable sources. We aim to deliver high-quality pharmaceutical products while reducing our environmental impact and respecting human rights along our entire value chain.

This policy is issued by the CEO.

Suppliers Code of Conduct

At Zentiva, we enforce rigorous ethical standards for our suppliers as outlined in our Suppliers Code of Conduct. This code sets clear expectations for human rights, labour practices, environmental stewardship, and business integrity. By adhering to these standards, our suppliers actively contribute to our commitment to social responsibility, ensuring that our products are sustainably sourced.

This policy is issued by the CEO.





Our impact on the ENVIRONMENT

As a pharmaceutical manufacturer, we recognize our impact on society and the environment and acknowledge our responsibility as a corporate citizen. Zentiva is committed to mitigating risks associated with environmental damage, pollution, and health hazards.

Our Vision

We have committed to a comprehensive climate strategy that defines our contribution to limiting the temperature increase by mid-century to no more than 1.5 degrees Celsius as outlined in the Paris agreement. To underline this commitment, we have signed up for the Science Based Targets Initiative in 2023. At Zentiva, we are committed to act today for a sustainable tomorrow.

Our Targets and 2023 Actions

Area	Target	Action
Decarbonization	<ul style="list-style-type: none"> Become Carbon-neutral in Scope 1 and Scope 2 by 2030 	<ul style="list-style-type: none"> Annual targets on our Carbon Roadmap 2030 overachieved: <ul style="list-style-type: none"> Scope 1 reduction: 16.9% versus previous year Scope 2 reduction: 14.7% versus previous year Scope 3 reduction: 5.2% versus previous year on comparable basis
Efficiency Gains	<ul style="list-style-type: none"> Deliver efficiency programs for the responsible consumption of energy, water and waste 	<ul style="list-style-type: none"> Annual targets for energy, water and waste from routine operations delivered Share of natural gas decreased by 46% during the last 2 years Share of recycled / reused water increased for all manufacturing sites by 63% during the last 2 years External partnerships continued to grow the share of waste that goes to the Circular Economy Zero-waste to landfill target of Prague Site already achieved in 2023, 7 years ahead of target
Biodiversity Restoration	<ul style="list-style-type: none"> Plant 1 million trees by 2030 to support reforestation Contribute to biodiversity restoration 	<ul style="list-style-type: none"> Annual target of planting 100,000 trees in 2023 achieved 180,000 bees adopted as part of our biodiversity program

About POLLUTION

Pollution is an important topic to Zentiva. As a pharmaceutical company we comply with REACH.

REACH is a European Union regulation that came into effect in 2007, standing for Registration, Evaluation, Authorisation and Restriction of Chemicals. Its primary objective is to enhance the protection of human health and the environment from potential risks associated with chemicals. As part of our risk management protocols, we are obligated to identify and manage the risks associated with the substances we manufacture and market within the European Union.

Zentiva has proactively prepared for unforeseen events by developing comprehensive emergency plans. Procedures for such occurrences are outlined in our regularly approved and practiced Business Continuity Plans.

Climate Change

CARBON ROADMAP 2030

All details
can be found
here:



The following Sustainability matters are addressed by Zentiva's policy for climate change:

- Climate change mitigation
- Climate change adaptation
- Energy and energy efficiency

To deliver on our target and become carbon neutral for Scope 1 and for Scope 2 by 2030 we have defined a transformation plan that we call "Carbon Roadmap 2030" which includes actions such as:

- Reduce our reliance on natural gas
- Increase the proportion of electricity generated from renewable sources and
- Increase the share of our own sources of renewable energy, focused on solar and wind energy
- Drive efficiency in our operations
- Invest in modernizing our buildings and equipments

These initiatives encompass a blend of investments sanctioned by investors for approved rates of return, periodic equipment maintenance, upgrades and changes that may temporarily increase operative expenses compared to standard operations (e.g. procuring renewable electricity). The success of these initiatives depends on the availability and allocation of financial resources.

We have set annual targets to deliver our roadmap objectives. In 2023, our focus was on reducing Scope 1 and Scope 2 emissions by 10% while enhancing transparency and data quality for Scope 3. To reach these goals, we implemented various measures across our wholly owned manufacturing sites primarily through engineering and technical solutions, with some involving contractual arrangements.

In 2023, our main achievements were:

- The significant reduction of carbon emissions in Scopes 1, 2 and 3
- Implemented a new contractual arrangement for heat, achieving zero Scope 2 emissions at our European manufacturing sites



Re-negotiated heat supply contracts at our **Prague Site** to secure emissions-free heat, coupled with renewable electricity supply, reducing Scope 2 emissions. Additionally, completed installation of the "Prague Solar Campus" - one of the largest photovoltaic rooftop installations in the Czech Republic with an area of more than 5,000 m². This contributed to a 12% increase of our self-produced renewable electricity consumption



Invested in infrastructure upgrades and installed a heat recovery system from residual steam at our **Bucharest Sites**. Introduced a more efficient boiler which uses the latest heat recovery technology, contributing to a Scope 1 emissions reduction in Romania



Increased renewable electricity procurement to 60% of our total electricity supply at our **Ankleshwar Site** in India, complying with the maximum possible according to current local regulations. This, along with other measures, led to a reduction of Scopes 1 and 2 emissions in India by 17.8% vs. previous year

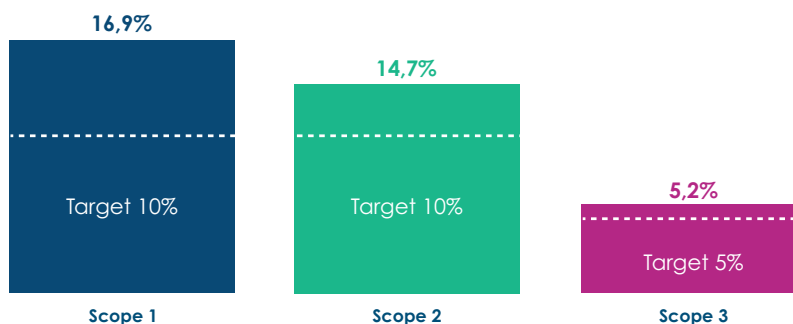


Implemented the Green Office concept and prioritized Sustainability within our car fleet. Procured offset fuel emissions for Zentiva Romania, Zentiva Slovakia and Zentiva Czech Republic, offsetting a total of 1,358 metric tons of emissions

Offset
certification



In 2023, our main achievement was the significant reduction of carbon emissions in Scopes 1, 2 and 3



Emissions intensity

GREENHOUSE GAS

In 2023, Zentiva increased its production volume, reaching 641,945,041 SMUs compared to 636,485,454 SMUs in 2022, an increase of 0.85% despite a maintenance shutdown at the Ankleshwar manufacturing site.

With an absolute decrease in Scope 1 and Scope 2 emissions across our production sites, we successfully reduced our greenhouse gas intensity (for Scopes 1 and 2) from 25.8 tCO₂e to 19.2 tCO₂e per 1 mil. EUR of net revenue, marking a significant 26% reduction. The base year for comparison is 2022, as referenced in annexe E1-1.

About ENERGY EFFICIENCY

Aligned with our Carbon Roadmap 2030, we have invested in energy efficiency projects at our manufacturing sites. Here are a few examples:



The optimisation of our settings related to compressed air parametric and the elimination of leaks through regular compressed air inspection were major efficiency drivers in our **Prague Site**. We optimised the setup of HVAC (Heating, ventilation, and air-conditioning) and its consumption during production-free time. We modernized our lighting infrastructure by replacing a total of 1,695 light bulbs with energy-efficient LED lights.



Zentiva Romania installed an industrial heat pump in May 2023, increasing hot water production efficiency almost threefold. Additionally, we initiated a project to systematically replace outdated air conditioning units without inverters with new, more efficient models.

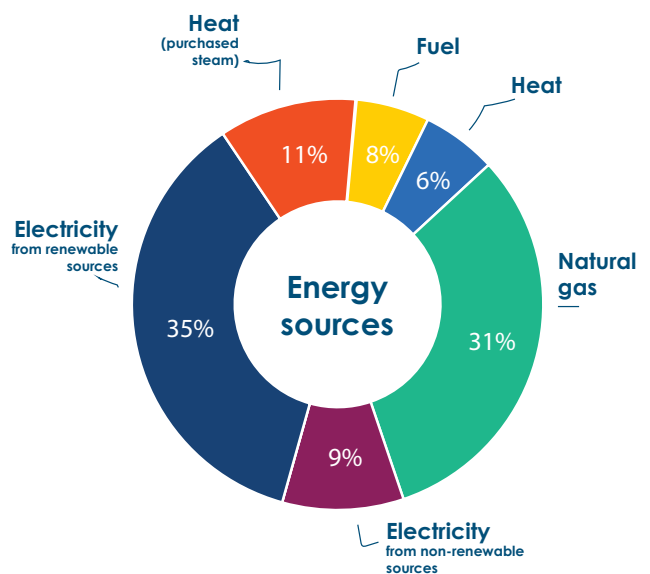


Our **Ankleshwar Site** optimised its energy consumption by replacing an old screw air compressor with an IE4 Motor high-efficiency screw air compressor. Further efficiency gains have been made with the replacement of conventional lights by LED lights in the chemistry plant. The biggest reduction in gas consumption was achieved by the switch to steam provision from an external supplier. Phase 1 of heat pumps installation began in August 2023, significantly reducing the volume of steam consumed for hot water systems in the pharmaceutical plant.



Affiliates: At our affiliates, we focused on energy and electricity data collection and evaluated opportunities to switch to renewable energy sources.

Breakdown of our energy needs by source, 2023



During the last 2 years, the share of natural gas on our total consumption has decreased by 45.9 p.p.

Electricity, both renewable and non-renewable, accounts for the second-largest share of energy supply across Zentiva, representing up to 44% of our total energy consumption. We have been working on several initiatives to improve our electricity usage efficiency and shift further to renewable energy.

Since 2022, our European manufacturing sites are powered by 100% renewable electricity and we have upgraded the Ankleshwar site to a level of 60% renewable energy, the maximum allowed under current legislation.

About WATER

The following Sustainability matters are addressed by Zentiva's policy for water stewardship:

- Water consumption
- Water withdrawals
- Water discharges

Water is an essential resource for all life and business, both directly and indirectly. The development and production of high-quality medicines require high-quality ingredients, of which fresh, high-quality water is a key input. As a pharmaceutical company, having access to enough high-quality fresh water, both now and in the future, is critical to our business. Water is used throughout our value chain. We use it as a direct ingredient in many of our products and as a key utility in manufacturing, cleaning, and sanitation. Access to high-quality water is vital for high standards of pharmaceutical safety and quality.

Therefore, we strive to preserve and reuse as much of this resource as possible. To identify suitable approaches for improvement, we have worked closely with various stakeholders. We drive actions to reduce our water consumption across all sites and offices at Zentiva.

Water consumption was determined as water withdrawn minus water discharged. These volumes are based on the invoices of the water companies that provide water and sewage services. Rainwater is included only in India where it is used in limited volumes. The figures include water used at our manufacturing sites as well as in our business affiliates. Rainwater discharged in our Prague and Bucharest facilities was subtracted from the invoiced water discharge (a change in methodology from last year).



A comprehensive water audit was carried out at our **Prague Site**. One key finding indicated that although the region may experience issues such as drought or groundwater depletion, these risks are immaterial for Zentiva. The company relies on water supplied from a municipal water source, ensuring adequate coverage. We continued our efforts to reduce our reliance on the municipal system by increasing the volume of water we reuse or recycle.

Some initiatives include: adjusting vacuum station operations and redirecting cooling water from our laboratories for reuse.



Minimizing water evaporation from cooling towers in **Ankleshwar**

Upgrading drinking water distribution pipes to stainless steel piping with optimised routes, reducing piping length and promoting rainwater reuse during monsoon season in Ankleshwar.

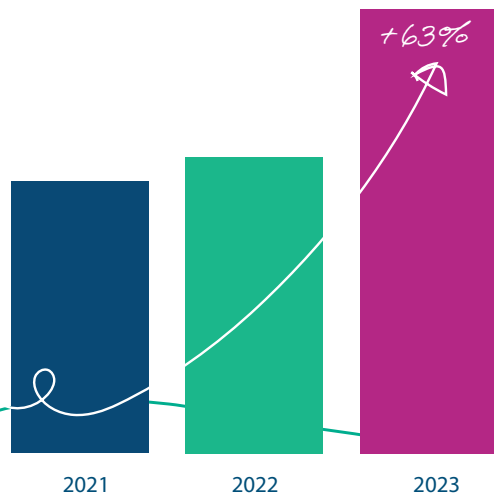


Minimizing water evaporation from cooling towers in **Bucharest**



At our affiliates, we launched awareness campaigns to promote responsible water consumption practices in offices.

Increase of recycled / reused water use from 2021 to 2023 for all manufacturing sites of Zentiva



About WASTE

The following topics are addressed by Zentiva's waste management policy:

- Resource use
- Circular economy

We envision a future without waste: our objective is to achieve zero landfill disposal from routine operations by 2030 and a complete repurposing of 100% of our plastic waste.

As a producer of medicines, we buy various elements, such as packaging, laboratory chemicals, and raw materials – encompassing API and excipients, among others.

We aim to reduce and minimize waste through effective waste management practices. Our waste management strategy consists of 3 steps: **Prevent, Reduce, and Replace**.

We partner with experts on the topic of circular economy. Our strategy and actions are formulated in our Waste Management policy.

In 2023, our waste consumption experienced a temporary increase due to a one-time project at our Prague Site. The long-term trajectory looks promising however, with a notable increase in the share of reused and recycled materials. A significant milestone was reached this year at our Prague Site, achieving zero waste to landfill, surpassing our target by 7 years.



In **Prague**, we conducted a circular waste scan to identify opportunities to prevent unnecessary waste generation. We presented our findings to our local partner CYRKL (a public waste management marketplace) and together developed a more efficient waste disposal strategy.

We initiated a new partnership with Mateo Packing, a local company in the Czech Republic, to recycle low-density polyethylene (LDPE) foils. These materials are transformed into recycled bags or sacks. Additionally, we piloted a project with Obal Centrum in Prague, to repurpose larger quantities of our used barrels.



In **Bucharest**, our team initiated a pilot project to sell carton barrels to an external company and continued our Green Office initiatives. We implemented selective waste collection in the office and started using coffee grounds from our machines for landscaping around the site.



In **Ankleshwar**, we focused on reducing the amount of low-density polyethylene (LDPE) pallet covers generated by our manufacturing processes. We produced 18.6 tons of waste in 2023. As a result of this project, we achieved an impressive 84% reduction in that waste category.



Across our affiliates, we organized educative events and devised new solutions to promote recycling and waste reuse, along with increasing office digitization. We repeated our "Plastic-free" employee campaign over the summer and proudly celebrated our "Trash Heroes".

About BIODIVERSITY

Biodiversity encompasses the various forms of life in an ecosystem including animals, plants, fungi, and microorganisms. These organisms collaborate to maintain balance and support life. Crucially, biodiversity provides essential resources in nature for human survival, such as food, clean water, medicine, and shelter.

Human activities like overfishing, deforestation, pollution, and climate change are impacting biodiversity.

Yet, biodiversity is remarkably resilient and can recover. Our individual choices regarding food, consumption, energy use, and transportation greatly impact our planet. Together we must act, but it starts with each of us.

At Zentiva, we raise awareness to upgrade the knowledge of our ambassadors and share experiences. Our "Every small step counts" campaign aims to break down Sustainability into small steps that each and of us can start doing today.

Zentiva welcomes the EU's Biodiversity Strategy 2030, a long-term plan to protect nature and reverse the degradation of ecosystems and the recent EU Regulation on Deforestation-Free Supply Chains. Zentiva is committed to contributing to these plans and is focused on reforestation and the support of bees, who play a significant role.

2023's REFORESTATION

Following our commitment to plant 1 million trees by 2030 we continue to deliver according to the target. In total, in 2023, we have planted 100,000 trees in various countries with our teams and experts training us to do so correctly. We follow the 10 principles of the Forest Stewardship Council (FSC) to guide our activities.

Forests cover more than 30% of the planet's land surface. They are vital for the survival and wellbeing of humans and for the protection of biodiversity. Forests are home to more than three quarters of the world's life on land. They are naturally occurring carbon sinks and remove greenhouse gas from the air. Carbon dioxide emissions from fossil fuels and vehicles are absorbed by forests and trees.

Trees planted by Zentiva...



Romania
38,800



India
30,406



Czech Republic
29,744



Poland
1,000



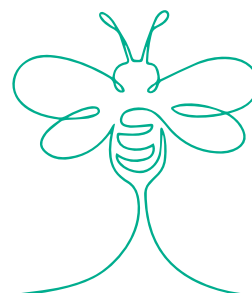
Slovakia
30



Kazakhstan
20

About BEES

At Zentiva, we care for bees. In 2023, we grew our project in Bulgaria by broadening its scope. For the second consecutive year, we have supported the bee population in Bulgaria by adopting 3 hives, home to more than 180,000 bees. With this project we support 5 beekeepers and apiaries across Bulgaria.



Planet-related POLICIES

Our Planet-related policies are kept up to date, reflecting any changes in external regulation or internal priorities. They are valid for the full scope of Zentiva's operations and published on www.zentiva.com.

The Sustainability Steering Committee approves the updates to these policies. They are actively communicated internally and externally: to our employees, our business partners and to other relevant stakeholders.

ESG Policy

The ESG policy describes our strategy, our commitments, our governance, our reporting, and the related Sustainability policies at Zentiva for the areas of overall governance, the environment, the social and the governance part.

The policy is issued by the Head of Communications, Corporate Affairs & Sustainability.

Water Stewardship

Our policy on water stewardship describes our commitments and actions towards responsible, sustainable, and socially equitable water management and use. Water is essential to our manufacturing operations and ensures the production of our high-quality products for people who depend on them.

The policy is issued by the Head of Communications, Corporate Affairs & Sustainability.

Waste Management and Circular Economy

At Zentiva, we imagine a world without waste and want to contribute with the best of our ability. We follow the principle of prevent, reduce, and replace, taking good care when purchasing materials and handling waste and including the topic of circularity. Our Strategy and actions are formulated in our Waste Management policy.

The policy is issued by the Head of Communications, Corporate Affairs & Sustainability.

Biodiversity and De-/Reforestation

As a manufacturer of pharmaceuticals, we have an impact on nature and biodiversity. Our commitment is to minimize our impact, restore biodiversity and protect certain species.

We want to avoid deforestation caused by developing, producing or delivering Zentiva products. We commit to reforestation by planting 1 million trees by 2030.

The policy is issued by the Head of Communications, Corporate Affairs & Sustainability.

Zentiva's Sustainability DISCLOSURE ANNEXE

Click [here](#) to access our separate Sustainability Disclosure annexes document which contains the detailed material topics, EU taxonomy, data and disclosures sections and can easily be accessed via this link and Zentiva's website.



Scan to access or go to
bit.ly/3V6qenh



About the REPORT

The report is presented by Al Sirona (Luxembourg) Acquisition S.à r.l. (hereinafter "the Company") registered number: B223382, located at 5 rue des Capucins, 1313 Luxembourg City, Luxembourg, parent company of Zentiva Group.

The Company was incorporated by Advent International as a "Société à responsabilité limitée" for an unlimited duration on 28 March 2018. On 30 September 2018 the Company acquired Zentiva Group and by this acquisition, Zentiva started to operate as an independent, consolidated and integrated group.

Scope, Material Topics, and Boundaries

This Sustainability Report is a non-financial disclosure published annually and is the third published by Zentiva. It provides a comprehensive overview of Zentiva's Sustainability strategy and its implementation with the support of environmental, social and governance (ESG) tools. The report covers the scope of Zentiva and its affiliates for the fiscal year 2023 and was published in May 2024 without audit verification. It outlines our key ambitions and targets over the past year, summarizing our performance as well as learnings and opportunities. We are progressing well in our preparations for future reporting requirements, including CSRD (Corporate Sustainability Reporting Directive).

The disclosures were prepared with reference to the Global Reporting Initiative (GRI) standards. The disclosures focus on topics deemed most material to the business and stakeholder groups during Zentiva's materiality assessment performed in 2023. Where possible, it presents a series of data over 3 years (2021 to 2023) to provide transparency, structure, standardization and relevance to stakeholders. In 2024, Zentiva will further adjust its Sustainability reporting in accordance with the new ESRS requirements.

The data presented in the report is consolidated at Group level and covers all Zentiva operations, concretely all affiliates: Zentiva Pharma Albania sh.p.k, AL; HERBS Trading GmbH, AT; Zentiva Pharma d.o.o., BA; Zentiva Pharma Bulgaria EOOD, Alvogen Pharma Trading Europe EOOD, Zentiva Pivot EOOD, BG; ALVOGEN CYPRUS LIMITED, RUTENGO INVESTMENTS LIMITED, CY; Zentiva Group, a.s., Zentiva, k.s., CZ; Zentiva Pharma GmbH, Winthrop Arzneimittel GmbH, GE; Zentiva Denmark ApS, DK; Zentiva Spain, S.L.U., ES; Zentiva France, FR; Zentiva d.o.o., HR; Rutengo Hungary Kft., ZENTIVA PHARMA Kft, HU; Helvepharm AG, CH; Zentiva Private Limited, IN; Zentiva Italia S.r.l., IT; Al Sirona (Luxembourg) Acquisition S.à r.l., Al Excalibur (Luxembourg) S.à r.l., LUX Alvogen IPco S.à r.l., Alvogen Balkans Luxembourg S.à r.l., LU; Alvogen Malta Operations ROW Holdings Ltd., Alvogen Malta Operations (ROW) Ltd., M; Zentiva Pharma Macedonia DOOEL Skopje, MK; Zentiva Netherlands B.V., NL; Zentiva Polska Sp.z.o.o, PL; Zentiva Portugal, Lda, PT; Zentiva S.A., LaborMed-Pharma SA, LABORMED PHARMA TRADING S.R.L, RO; Zentiva Pharma d.o.o, RS; Zentiva Pharma LLC, Bittner Pharma LLC, RU; Zentiva, a.s., Zentiva International a.s., SK; Zentiva Sweden AB, SE; Zentiva Ukraine LLC, UA; Zentiva Pharma UK Limited, Creo Pharma Holdings Limited, Creo Pharma Limited, UK. – and all branches: Zentiva Group, a.s. (ES, LV, LT); Zentiva Pharma d.o.o. (ME, MK); LaborMed-Pharma SA (MD); Alvogen Pharma Trading Europe EOOD (KZ, UA); Zentiva International a.s. (RO); Alvogen Malta Operations (ROW) Ltd. (UA)

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External Assurance

- The Carbon Footprint Calculation has been verified by Preferred by Nature.

GRI Content Index

Zentiva has reported the information cited in the GRI content index for the period from January 1st, 2023 until December 31st, 2023, with reference to the GRI standards.

GRI content index follow the instructions from GRI 1: Foundation 2021.

At the time of the creation of the report, there were not any Sector Standards applicable to the organization's scope of business.

Role of the highest governance body in Sustainability reporting

The Sustainability Report 2023 has been summarized by the Sustainability Community under the leadership of Ines Windisch, Head of Communications, Corporate Affairs & Sustainability and approved by Steffen Saltofte, CEO of Zentiva as well as the members of the Audit Committee.

Sources

Internal data from Zentiva Group a.s. unless indicated otherwise.

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Disclosures Annexes

ZENTIVA





This separate annexe document contains the detailed Material Topics, EU taxonomy, Data and Disclosures sections of Zentiva's 2023 Sustainability Report which you can easily access from this QR Code or at www.zentiva.com/sustainability



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European TAXONOMY

The EU taxonomy is a European sustainability classification framework. It enables companies to communicate to stakeholders which of their business activities can potentially be considered sustainable (i.e. taxonomy-eligible) and report the extent to which eligible activities fulfill EU requirements to be considered sustainable (i.e. taxonomy-aligned). For each relevant business activity, the company must disclose how much of its turnover, Operating Expenditures (OPEX) and Capital Expenditures (CAPEX) can be considered eligible and aligned, respectively.

In 2023, we identified eligible economic activities based on one of the six published environmental objectives: Pollution prevention and control.

Contextual Information about the KPIs

We consider all Zentiva's revenue related to Manufacture of medicinal products and hence consider all Zentiva revenue as taxonomy-eligible. This is the reason for reported eligibility at 100%.

Eligible CAPEX relates to the expansion of production capacity, maintenance, BD in-licensing & product rights and R&D.

Total OPEX consists of direct non-capitalized costs that relate to research and development, building renovation, short-term lease, maintenance and repair and any other direct expenditures relating to the day-to-day servicing of property, plant and equipment assets.

Environmental objective	Economic activity	Turnover [mil. EUR]	CAPEX [mil. EUR]	OPEX [mil. EUR]
Total turnover, CAPEX, OPEX		1,491	79.5	418.2
Pollution prevention and control	1.2. Manufacture of medicinal products	1,491	60.4	94.2
Eligible (A.2. / A.1.+ A.2.)		100 %	76 %	23%

Risk and MATERIALITY TOPICS

Accessibility to Standard Therapies

Impact	Financial Risk	Responses from Zentiva
Zentiva plays an important part in Europe's public health provision. Any failure to deliver on our business targets could exacerbate medicinal shortages and have a negative impact on the access to standard therapies, increase the burden on state healthcare budgets and lead potentially to greater health inequalities.	As witnessed in 2023, medicinal shortages can spur calls for more oversight and regulation of pharmaceutical companies, increasing pressure to maintain more stock, broaden supplier base and implement measures that may have an impact on financial performance.	Zentiva is committed to delivering products to market reliably and supplying over 100 million people with the products they need. Accessibility to therapies is core to our business strategy and as such material to Zentiva going forward.

Affordability of Zentiva products

Impact	Financial Risk	Responses from Zentiva
The affordability of Zentiva products is critical for the health of millions. Inaccessibility to affordable options may exacerbate illness severity, strain state healthcare budgets, overwhelm healthcare providers, and deepen health disparities.	Failure to provide medicine at affordable prices may drive customers to seek alternatives from other suppliers, adversely impacting our economic performance.	While Europe is typically viewed as a mature market, many people still cannot afford state-of-the-art therapies. Our commitment to offering these therapies at accessible prices aims to broaden access for all. Zentiva prioritizes streamlining processes throughout the entire value chain to deliver maximum value to every customer. However, persistent inflationary pressures, geopolitical factors, and supply chain complexities continue to present ongoing challenges to affordability, making it a significant concern.

Supply Security

Impact	Financial Risk	Responses from Zentiva
Managing the supply chain is a critical challenge for Zentiva, as any misstep could have far-reaching negative consequences. Temporary shortages of essential medicines could result in heightened illness rates and exacerbate health disparities. Conversely, disposing of obsolete stock could harm the environment. Dependence on sole sourcing or a lack of transparency with suppliers may conceal human rights violations, hindering our ability to drive meaningful change.	Lack of continuous supply could result in associated lost revenue. Potential human rights issues in our supply chain could cause reputational damage that impacts demand for our products.	Medicine shortages, persistent inflation in certain regions and conflicts continue to disrupt our supply chain. To increase our supply security, Zentiva has increased stock capacity of certain drugs and the materials needed to manufacture them as well as broadened our supplier base. Establishing multiple sources of supply and effective stock management can create significant competitive advantage and market growth. In all our interactions with suppliers, we apply the Supplier's Code of Conduct and methods described in our Responsible Sourcing Program. However, risks to supply security, remain a material concern for our business.

Zentiva's environmental footprint

Impact	Financial Risk	Responses from Zentiva
<p>The use of chemical products, adherence to stringent manufacturing standards, and the packaging and transportation of our products inevitably contribute to environmental impacts. However, by optimizing the use of active ingredients and resources throughout the manufacturing and packaging stages of the product lifecycle, we can minimize our carbon footprint, mitigate plastic pollution, enhance product resilience to temperature fluctuations, decrease the necessity for stock disposal, and advance materials towards circular economy practices.</p>	<p>Any environmental impact necessitates diligent monitoring, reporting, and long-term adaptation. As environmental regulations continue to tighten, the imperative to innovate and mitigate our footprint grows. While managing and reducing our environmental impact incurs costs, neglecting investment in this area could ultimately diminish the company's long-term value.</p>	<p>Zentiva continues to make great progress on reducing emissions. All our European manufacturing sites are powered by 100% renewable energy. We are actively exploring opportunities to increase the share of renewable electricity in India. Additionally, our application to the Science Based Targets Initiative (SBTI), underscores our dedication to environmental stewardship. However, we recognize that our environmental footprint is broader than our emissions and must be addressed as a material risk.</p>

Drug safety and quality

Impact	Financial Risk	Responses from Zentiva
<p>Enhancing the efficiency and positive impact of our products including minimizing side effects, holds the potential to significantly benefit the health of our customers and communities. Moreover, by reducing our reliance on scarce natural resources in active pharmaceutical ingredients (APIs), we can mitigate the adverse environmental effects associated with our products.</p>	<p>The possibility of future bans on specific ingredient sources poses a potential risk to our manufacturing and supply chain, which could impact our growth and revenue.</p> <p>Conversely, enhancing the shelf life of our products to meet or surpass market demand has the potential to bolster supply resilience, as well as drive growth and revenue.</p>	<p>At Zentiva, we strive to exceed industry quality standards by implementing rigorous quality measures throughout our manufacturing processes. Ensuring the safety, efficacy, and reliability of our products is critical to our success.</p>

Employee health, wellbeing and safety

Impact	Financial Risk	Responses from Zentiva
<p>Our ability to manage our HSE directly impacts the physical and mental safety as well as the security of our people in our manufacturing facilities and other areas of the business. The demands to meet changing requirements potentially increases demands on our people that could lead to wellbeing issues. Changes to working patterns such as remote working can potentially result in loneliness and other related social factors.</p>	<p>The ability to enhance employee's health, wellbeing and safety directly impacts recruitment, retention, productivity and engagement within the workforce. The potential unknown costs and benefits of new working practices could significantly impact our operating efficiencies and profitability.</p>	<p>It is our responsibility to ensure a safe and healthy workplace for all employees and contractors working at our sites, in our offices and during their duty 'in the field'. We have a robust Health and Safety and Environment (HSE) framework, a strong commitment to occupational safety, and we continue to work to support our teams holistically in their professional and personal life through our Employee Health, Wellbeing and Safety program. We are measuring the engagement of our teams on a regular basis. However, employees are central to our collective current and future success and managing key risks will underpin this.</p>

DATA TABLES

Energy

Energy consumption within the organization	Unit	2023	2022	2021
Total non-renewable fuel consumption	MWh	52,159	66,295	76,150
Natural gas	MWh	40,785	58,106	75,364
Gasoline in vehicles	MWh	8,692	5,998	-
Diesel in vehicles	MWh	2,564	1,613	-
Diesel for emergency power	MWh	118	531	786
Oil combustion	MWh	-	47	-
Total renewable fuel consumption	MWh		-	-
Total electricity		59,282	57,288	57,404
Electricity from renewable sources	MWh	46,844	43,493	44,078
Electricity from non-renewable sources	MWh	12,438	13,795	13,326
District heating	MWh	21,830	12,417	4,372
Total energy purchased	MWh	133,271	136,000	137,926
Electricity self-produced from renewable sources	MWh	-	-	-
Total Energy Consumption	MWh	133,271	136,000	137,926

Waste Management

Waste diverted from disposal and waste directed disposal by recovery	Unit	2023	2022	2021
Waste diverted from disposal	tonnes	1,949.3	1,705.7	1,735
Preparation for reuse	tonnes	-	-	-
Recycling	tonnes	1,901.3	1,705.7	1,731.6
Recycling	tonnes	1,867.2	1,537.4	1,497.0
Compost	tonnes	34.1	37.0	34.5
Other recycling	tonnes	-	131.3	200.1
Other recovery operations	tonnes	48.0	-	3.4
Waste directed to disposal	tonnes	2,628.4	2,554.7	3,045.2
Incineration	tonnes	1,941.1	1,794.0	1,827.7
Landfilling	tonnes	635.6	760.7	1,217.5
Other disposal operations	tonnes	51.7	-	-
Total weight of waste generated	tonnes	4,577.7	4,260.4	4,780.2
of which hazardous	tonnes	1,849.8	1,933.5	
of which non-hazardous	tonnes	2,727.9	2,326.9	
Volume produced	SMU	641,945,041.0	636,485,454.0	628,677,134.0

Water Management

Total quantity of water withdrawal	Unit	2023	2022	2021
Surface water	megalitres	0.79	0.40	1.40
Fresh water	megalitres	0.79	0.40	1.40
Other water	megalitres	-	-	-
Groundwater	megalitres	-	-	-
Fresh water	megalitres	-	-	-
Other water	megalitres	-	-	-
Third-party water	megalitres	312.17	299.50	303.70
Fresh water	megalitres	311.04	299.50	303.70
Other water	megalitres	1.13	-	-
Total water withdrawal	megalitres	312.96	299.90	305.10

Total water discharge to all areas				
Total water discharge	megalitres	233.60	224.90	223.00
Surface water	megalitres	-	-	-
Ground water	megalitres	-	-	-
Seawater	megalitres	-	-	-
Third-party water	megalitres	233.60	224.90	223.00

In 2023, Prague and Bucharest reported 99,809 m³ of rain water which has been deducted from discharged water. Rainwater, that falls on the paved surfaces of the manufacturing sites, is collected by the on-site sewage system. A fee is then collected by Bucharest and Prague's municipal water companies. In 2022, rain water in Prague and Bucharest Sites were 100,875 m³, in the 2022 Sustainability Report, rain water were included in discharged water. Rain water in 2021 was included in Prague site into discharged water 62,394 m³.

GHG Emissions

GHG Emissions	Unit	2023	2022	2021
Direct GHG emissions - Scope 1				
Direct emissions	tonnes CO ₂ e	15,038	18,117	17,636
Biogenic CO ₂ emissions	tonnes CO ₂ e	-	-	-
Energy indirect GHG emissions - Scope 2				
Energy indirect emissions (location based)	tonnes CO ₂ e	-	-	-
Energy indirect emissions (market based)	tonnes CO ₂ e	13,607	15,964	12,911
Other indirect GHG emission - Scope 3				
Other indirect emissions	tonnes CO ₂ e	52,799	55,656	44,607
Offsets purchased by suppliers	tonnes CO ₂ e	1,358	769	-
Offsets purchased by Zentiva	tonnes CO ₂ e	-	5,500	-
Total Scopes 1&2	tonnes CO₂e	28,645	34,081	30,548
Total Scope 1 & 2 incl. offsets purchased by suppliers	tonnes CO ₂ e	27,287	33,312	30,548
Total Scope 1 & 2 incl. all offsets	tonnes CO ₂ e	27,287	27,812	-
Total	tonnes CO₂e	81,444	89,738	75,154
Total incl. all offsets	tonnes CO ₂ e	80,086	83,469	75,154

Workforce

Total number of employees by employment contract	2023			2022			2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent	2,088	2,421	4,509	2,043	2,263	4,306	2,078	2,284	4,362
Temporary	256	352	608	277	217	494	139	199	338
Total	2,344	2,773	5,117	2,320	2,480	4,800	2,217	2,483	4,700

Total number of employees by employment contract	2023			2022			2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Full-time	2,276	2,585	4,861	2,307	2,400	4,707	2,204	2,404	4,608
Part-time	68	188	256	13	80	93	13	79	92
Total	2,344	2,773	5,117	2,320	2,480	4,800	2,217	2,483	4,700

Total number of employees by employment contract by site or organisation type	2023						2022						2021					
	CZ	RO	IND	BG	Other	Total	CZ	RO	IND	BG	Other	Total	CZ	RO	IND	BG	Other	Total
Full-time	1,492	1,291	589	152	1,337	4,861	1,249	1,137	533	106	1,281	4,306	1,260	1,161	541	90	1,311	4,363
Part-time	224	2	0	0	30	256	197	96	91	5	105	494	169	21	0	15	132	337
Total	1,716	1,293	589	152	1,367	5,117	1,446	1,233	624	111	1,386	4,800	1,429	1,182	541	105	1,443	4,700

Percentage of internal employees by gender and employee category	2023			2022			2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Executives	72%	28%	100%	69%	31%	100%	68%	32%	100%
Managers and Field Force Area Managers	56%	44%	100%	56%	44%	100%	52%	48%	100%
White collar and Field Force Representatives	39%	61%	100%	41%	59%	100%	37%	63%	100%
Blue Collar	58%	42%	100%	58%	42%	100%	61%	39%	100%
Total	46%	54%	100%	48%	52%	100%	47%	53%	100%

Internal employees by age group and employee category		Unit	2023				2022				2021			
			<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Number of employees by age group			791	3070	1256	5117	804	3033	963	4800	766	3036	898	4700
Executives	head count	0	12	13	25	0	14	12	26	0	15	10	25	
Managers and Field Force Area Managers	head count	23	488	205	716	22	501	150	673	14	445	125	584	
White collar and Field Force Representatives	head count	527	1988	585	3100	473	1772	394	2639	366	1717	343	2426	
Blue Collar	head count	241	582	453	1276	309	746	407	1462	386	859	420	1665	
Percentage of employees by age group		15%	60%	25%	100%	17%	63%	20%	100%	16%	65%	19%	100%	

Injuries	2023	2022	2021
Internal workers injuries			
Work-related injuries	2	3	9
of which fatalities	0	0	0
External workers injuries			
Work-related injuries	5	1	0
of which fatalities	0	0	0

GRI STANDARDS

Material topics and related GRI standards

Material Topic	GRI Topic	GRI Standard
Accessibility to Standard Therapies	GRI 3: Material Topics 2021	3-3 Management of material topics
Affordability of Zentiva Products	GRI 3: Material Topics 2021	3-3 Management of material topics
Supply Security	GRI 3: Material Topics 2021	3-3 Management of material topics
Zentiva's Environmental Footprint	GRI 302: Energy 2016	302-1 Energy consumption within the organization
		302-4 Reduction of energy consumption
	GRI 303: Water and effluents 2018	303-1 Interactions with water as a shared resource
		303-3 Water withdrawal
		303-4 Water discharge
	GRI 305: Emission 2016	305-1 Direct (Scope 1) GHG emissions
		305-2 Energy indirect (Scope 2) GHG emissions
		305-3 Other indirect (Scope 3) GHG emissions
		305-4 GHG emissions intensity
		305-5 Reduction of GHG emissions
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	
	306-2 Management of significant waste-related impacts	
	306-3 Waste generated	
	306-4 Waste diverted from disposal	
	306-5 Waste directed to disposal	
Drug Safety and Quality	GRI 3: Material Topics 2021	3-3 Management of material topics
Employee Health, Wellbeing And Safety	GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system
		403-4 Worker participation, consultation, and communication on occupational health and safety
		403-5 Worker training on occupational health and safety
		403-6 Promotion of worker health
		403-9 Work-related injuries

GRI content index

Zentiva has reported the information cited in this GRI content index for the period from 1st January 2023 till 31st December 2023 with reference to the GRI Standards.

GRI content index follows the instructions from GRI 1: Foundation 2021

At the moment of creation of the report, there were not any sector standards applicable to the organisation's scope of business.

GRI Standard	Disclosure	Page	Omission/ Comment
GRI 2: General Disclosures 2021	2-1 Organizational details	32	
	2-2 Entities included in the organization's sustainability reporting	32	
	2-3 Reporting period, frequency, and contact point	32	
	2-4 Restatements of information		No restatements
	2-5 External assurance	32	External verification of carbon footprint calculation
	2-6 Activities, value chain and other business relationships	6-7	
	2-7 Employees	12-16	
	2-9 Governance structure and composition	8	
	2-11 Chair of the highest governance body	8	
	2-12 Role of the highest governance body in overseeing the management of impacts	8	
	2-13 Delegation of responsibility for managing impacts	9	
	2-14 Role of the highest governance body in sustainability reporting	32	
	2-20 Process to determine remuneration	14	
	2-22 Statement on sustainable development strategy	4-5	
	2-23 Policy commitments	11, 18, 23, 30	
	2-24 Embedding policy commitments	8-9	
	2-25 Processes to remediate negative impacts	A4-5	
	2-26 Mechanisms for seeking advice and raising concerns	16	
	2-27 Compliance with laws and regulations		No non-compliance reported
	2-28 Membership associations	22	
2-29 Approach to stakeholder engagement	20		

Material Topics

GRI Standard	Disclosure	Page	Omission/ Comment
GRI 3: Material Topics 2021	3-1 Process to determine material topics	10	
	3-2 List of material topics	10, A4-5	
	3-3 Management of material topics	A4-5	
TOPIC: AFFORDABILITY OF ZENTIVA PRODUCTS			
GRI 3	3-3 Management of material topics	A4	
TOPIC: ACCESSIBILITY TO STANDARD THERAPIES			
GRI 3	3-3 Management of material topics	A4	
TOPIC: SUPPLY SECURITY			
GRI 3	3-3 Management of material topics	21, 23, A4	
TOPIC: ZENTIVA'S ENVIRONMENTAL FOOTPRINT			
GRI 3	3-3 Management of material topics	25, A4	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	27, A6	
	302-4 Reduction of energy consumption	27	
GRI 305: Emission 2016	305-1 Direct (Scope 1) GHG emissions	A7	
	305-2 Energy indirect (Scope 2) GHG emissions	A7	
	305-3 Other indirect (Scope 3) GHG emissions	A7	
	305-4 GHG emissions intensity	27	
	305-5 Reduction of GHG emissions	26	
GRI 303: Water and effluents 2018	303-1 Interactions with water as a shared resource	28	
	303-3 Water withdrawal	A7	
	303-4 Water discharge	A7	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	29	
	306-2 Management of significant waste-related impacts	29	
	306-3 Waste generated	A6	
	306-4 Waste diverted from disposal	A6	
	306-5 Waste directed to disposal	A6	
TOPIC: DRUG SAFETY AND QUALITY			
GRI 3	3-3 Management of material topics	A5	
TOPIC: EMPLOYEE HEALTH, WELLBEING AND SAFETY			
GRI 3	3-3 Management of material topics	13-16, A5	
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	16	
	403-4 Worker participation, consultation, and communication on occupational health and safety	16	
	403-5 Worker training on occupational health and safety	13, 16	
	403-6 Promotion of worker health	15-16	
	403-9 Work-related injuries	A9	

ABBREVIATIONS

API	Active pharmaceutical ingredient
B2B	Business-to-Business
BD	Business development
CAPEX	Capital Expenditures
CEO	Chief Executive Officer
CSDDD	Corporate Sustainability Due Diligence Directive
CSRD	Corporate Sustainability Reporting Directive
DEIB	Diversity, Equity, Inclusion & Belonging
EEA	European Economic Area
ESG	Environmental, Social, and Governance
ESRS	European Sustainability Reporting Standards
EU	European Union
FSC	Forest Stewardship Council
GDPR	General Data Protection Regulation
GHG	Greenhouse Gas
GoO	Guarantee of Origin
GRI	Global Reporting Initiative
HSE	Health, Safety, Environment
HVAC	Heating, ventilation, and air-conditioning
IE	International efficiency
ISO	International Organization for Standardization
IT	Information Technology
LDPE	Low-density polyethylene
LTI	Lost-Time-Incidents
NGO	Non-Governmental Organization
OPEX	Operating Expenditure
OTC	Over-the-counter
R&D	Research and Development
REACH	Registration, Evaluation, Authorization and Restriction of Chemicals
S&P	Standard & Poor's
SBTI	Science-Based Target Initiative
SDGs	Sustainable Development Goals
SMU	Single Manufacturing Unit
SSC	Sustainability Steering Committee
UN	United Nations
UNFCCC	United Nations Framework Convention on Climate Change



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