

Key figures

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Financial key figures

Net sales
in million CHF



■ Products & Care ¹⁾: 1,908.1
■ Logistics & IT ¹⁾: 2,831.4

EBIT adjusted²⁾
in million CHF



■ Products & Care ^{1) 2)}: 154.5
■ Logistics & IT ^{1) 2)}: 61.0

Number of employees
at 31 December 2021



■ Products & Care: 5,330
■ Logistics & IT: 1,667
■ Group Services: 242

in million CHF	2021	2020	Change
Net sales	3,834.7	3,479.8	10.2%
Products & Care ¹⁾	1,908.1	1,683.1	13.4%
Logistics & IT ¹⁾	2,831.4	2,625.1	7.9%
EBIT	207.4	213.3	-2.8%
EBIT adjusted²⁾	213.1	168.6	26.4%
in % of net sales	5.6%	4.8%	
Products & Care ^{1) 2)}	154.5	124.2	24.4%
in % of net sales	8.1%	7.4%	
Logistics & IT ^{1) 2)}	61.0	45.2	35.2%
in % of net sales	2.2%	1.7%	
Net profit	168.2	172.7	-2.6%
Net profit adjusted²⁾	174.8	138.0	26.7%
Total assets	2,565.9	2,258.9	13.6%
Shareholders' equity	1,233.7	1,053.4	17.1%
Equity ratio	48.1%	46.6%	
Capital contribution reserves	307.0	351.6	-12.7%
Net debt adjusted²⁾	258.2	353.7	-27.0%
Debt coverage adjusted ²⁾	1.0 x	1.7 x	
Gearing adjusted ²⁾	21.4%	31.9%	
Investment in property, plant and equipment and intangible assets	60.4	57.0	6.1%
Cash flow from operating activities adjusted²⁾	283.2	175.3	61.5%
Free cash flow²⁾	194.9	59.6	226.8%
Employees at reporting date (FTE)	5,533	5,538	-0.1%

¹⁾ Reported for each segment not taking into account Group Services and Eliminations

²⁾ For details to the adjusted key figures refer to chapter Alternative performance measures of the Annual report 2021

Share price performance in percent



Share information

in CHF	2021	2020
Share price at reporting date	68.55	59.00
Highest share price for the year	73.15	72.25
Lowest share price for the year	57.20	57.15
Market capitalisation at reporting date in million CHF	3,402.7	2,920.4
Earnings per share ¹⁾	3.38	3.48
Earnings per share adjusted ¹⁾²⁾	3.52	2.78
Shareholders' equity per share ¹⁾	24.76	21.19
Gross dividend per share ³⁾	2.10	1.80
– of which paid out from retained earnings	1.05	0.90
– of which paid out from reserves from capital contributions	1.05	0.90
Dividend yield ⁴⁾	3.1%	3.1%
Pay-out ratio adjusted ⁵⁾	59.7%	64.7%
Price-earnings ratio (P/E) adjusted ⁶⁾	19.5	21.2

¹⁾ Attributable to shareholders of Galenica Ltd.

²⁾ Net profit adjusted divided by average number of outstanding shares

³⁾ According to Board of Directors' proposal to Annual General Meeting of 11 May 2022

⁴⁾ Gross dividend per share in relation to the share price at reporting date

⁵⁾ Gross dividend per share in relation to earnings per share adjusted

⁶⁾ Share price at reporting date in relation to earnings per share adjusted

Key social figures

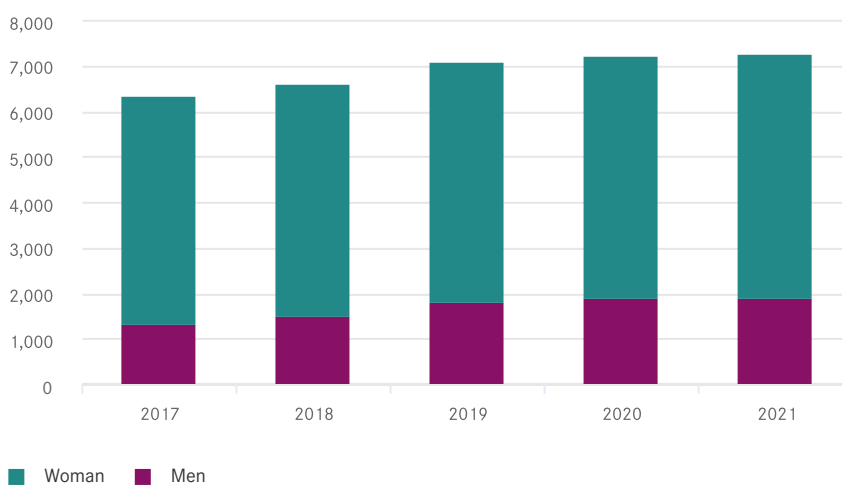
Key social figures

Galenica provides key employee figures on employment, occupational health and safety, education and training, diversity and equal opportunities. Other key figures on patient safety and health as well as reliability of procurement and supply are also published.

Employment

Aspect	GRI Indicator	Unit	2021	2020	2019	2018	2017
Employees	102-8	number	7,239	7,205	7,071	6,580	6,314
by gender	102-8						
- women	102-8	number	5,351	5,308	5,268	5,078	4,997
- men	102-8	number	1,888	1,897	1,803	1,502	1,317
part-time (<90%)	102-8	number	3,058	3,039	2,897	2,603	2,567
Employee Turnover	401-1	%	14.5	10.6	11.4	12.4	12.8

Number of Galenica Group employees 2017–2021



Galenica continues to grow

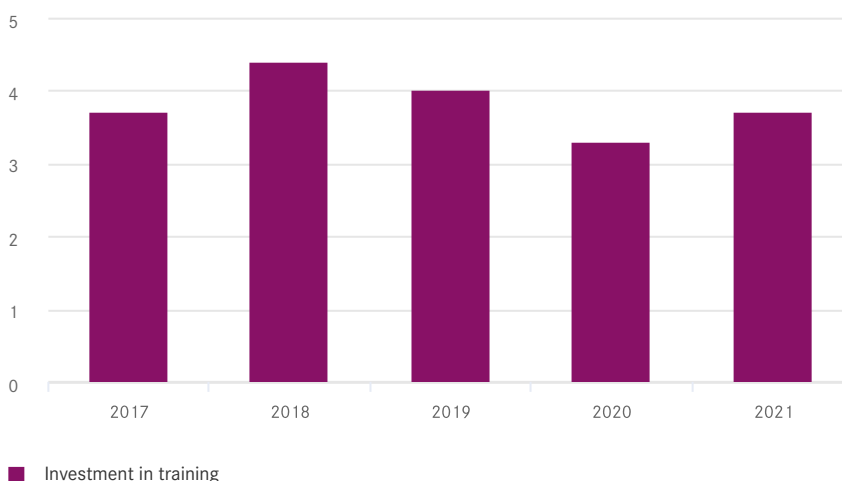
Galenica continued to grow in 2021. At the end of 2021, the Galenica Group had 7,239 employees, an increase of 0.5% over the previous year. This increase is due to the acquisition of companies such as Spagyros and Lifestage Solutions. The proportion of women is around 74% and has remained relatively constant over the past five years. 42% of employees work part time, i.e. with a workload below 90%. This figure has also remained more or less unchanged since 2017. The proportion of managers to all staff has remained unchanged since 2017 at 9%. From 2017 to 2021, the proportion of female managers rose from 48% to 52%. Employee turnover at Galenica was 14.5% in 2021, 4% higher than in the previous year. This increase can be attributed, among other things, to the adjustment of Galenica's organisational and management structure at the beginning of 2021 or the additional workload due to COVID-19-related extra work, especially in the pharmacies and logistics.

Training and education

Aspect	Unit	2021	2020	2019	2018	2017
Investment in training	Mio. CHF	3.7	3.3	4.0	4.4	3.7
Apprentices in training	number	823	808	841	797	771
Completed apprenticeships in year under review	number	244	274	265	266	236

Investment in training in CHF million 2017-2021

Does not include data from Apodoc, Bichsel Group, Careproduct, Lifestage Solutions and Spagyros.



Increasing investment in employee development and the next generation of skilled workers

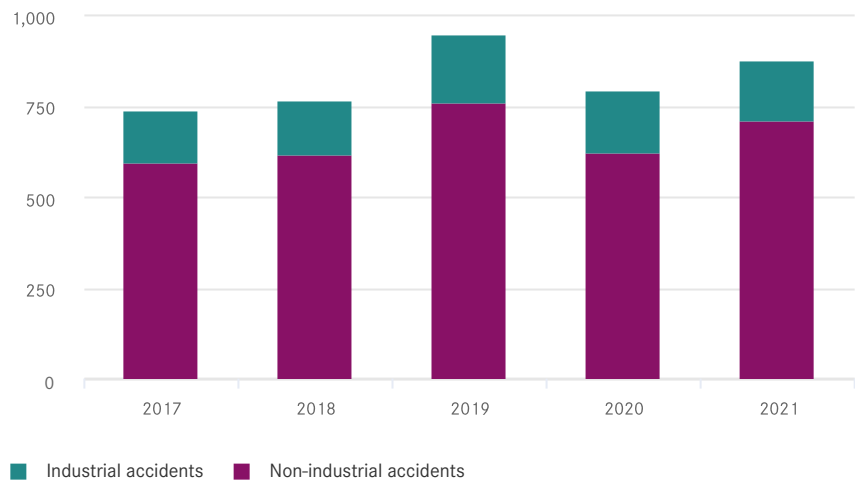
In total, Galenica invested around CHF 3.7 million in employee training in the year under review. In 2021, Galenica trained 823 apprentices at its companies, of which 244 completed apprenticeships. Since 2017, the number of apprentices in the Galenica Group has increased by around 7%.

Occupational health and safety

Aspect	GRI Indicator	Unit	2021	2020	2019	2018	2017
Accidents	403-9 (2018)	number	871	793	947	766	738
Occupational accidents	403-9 (2018)	number	163	172	191	153	146
Absence rate of work-related injuries (accidents)	403-9 (2018)	%	0.07				
Non-occupational accidents		number	708	621	756	613	592
Illnesses	403-10 (2018)						
Cases of illness (long-term, entitled to daily sickness benefits)	403-10 (2018)	number	434	471	508	560	676
Absence hours due to illness	403-10 (2018)	number	539,990	519,883			
Absenteeism rate	403-10 (2018)	%	4.9	4.5			
Case Management							
Return to work rate		%	75	52	91	37	67

Number of industrial and non-industrial accidents 2017–2021

Does not include data from Apodoc, Bichsel Group, Careproduct, Lifestage Solutions and Spagyros.

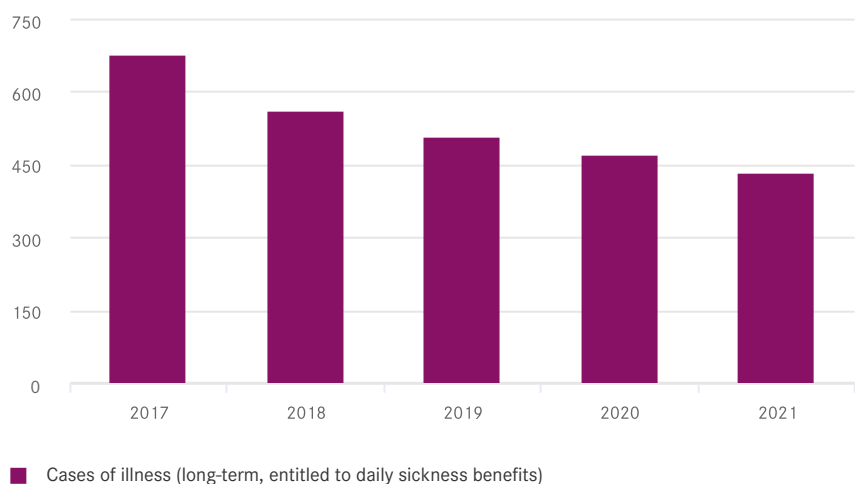


Occupational accidents decreased compared to the previous year

Compared to the previous year, the number of occupational accidents fell by 5%. This decline is partly attributable to awareness-raising campaigns carried out in recent years. The number of non-occupational accidents rose by 14% compared to the previous year. The increase can be explained by the integration of some companies and pharmacies into the HR system in 2021 and the resulting increase in the number of employees for whom non-occupational accidents are recorded. In 2021, Galenica recorded a total of 163 occupational and 708 non-occupational accidents. These figures also include minor accidents, which did not result in an absence of more than three working days. In 2021, minor accidents accounted for 10% of all occupational and non-occupational accidents. The absence rate for occupational accidents was around 1% in the reporting year and was recorded for the first time in 2021. Over the last five years, occupational and non-occupational accidents have increased by 18%. The number of employees rose by 15% over the same period.

Number of cases of illness 2017–2021

Does not include data from Apodoc, Bichsel Group, Careproduct, Lifestage Solutions and Spagyros.



Reduction in cases of illness since 2017

At the end of 2021, Galenica recorded 434 cases of illness. Cases of illness are classed as all long-term absences due to an illness lasting more than 30 days and which are entitled to daily sickness benefits. The number for the reporting year should always be

interpreted with caution, as certain cases are usually reported at a later date in the following year. Between 2017 and 2021, the number of cases of illness fell by 36%.

In 2020, Galenica recorded the absences of all employees for the first time. In 2021, the Galenica Group recorded a total of 538,990 hours of absence for 7,239 employees, an increase of 4% compared to the previous year. Compared to the target hours, this results in an absence rate of around 5% for the reporting year. The absence rate has thus increased by 8% compared to 2020.

In 2021, Galenica Case Management provided assistance to 67 employees at risk of illness or who had already fallen ill, thus helping to prevent or reduce absences where possible. Out of 44 closed cases in 2021, 33 employees were able to return to work thanks to Case Management. This corresponds to a return rate of around 75%. This has increased by 44% compared to the previous year.

Patient safety and health

Aspect	Unit	2021	2020	2019	2018	2017
Pharmacovigilance: forwarding of reports of side effects						
- compliance with deadline for forwarding a report of side effects	%	92	97	98	99	97
- compliance with deadline for reporting to the authorities or contractual partner	%	100	100	100	100	92
- completeness of information of the reported cases	%	98	98	99	96	94
Reliable procurement and supply chain						
Availability of medicinal products on average	%	99.6				

Employees adhering to pharmacovigilance

In 2021, Verfora employees met the deadline for forwarding adverse event reports in 92% (target: >90%) of cases. The authorities or contractual partners were notified within the required period in 100% of cases (target: >90%). The completeness of information on the reported adverse events was exemplary at 98% (target: >80%).

Employee data

The key figures on the number of employees cover all companies of the Galenica Group. The other key employee figures only include the companies that are fully integrated into the Galenica Group HR system. The integration of new companies such as Bichsel, Spagyros, Lifestage Solutions and Apodoc into the HR system will take place at a later date. Due to systemic challenges, full HR integration may take a some time, depending on the size of the company.

Key environmental figures

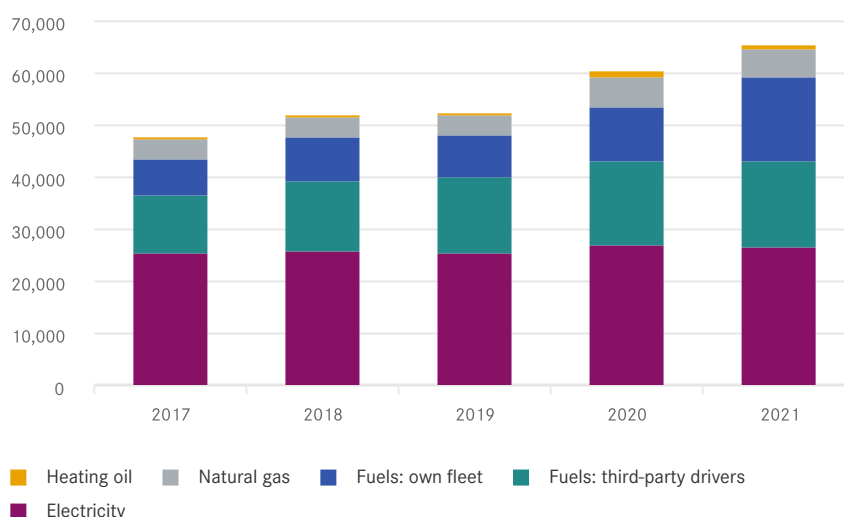
Key environmental figures

Galenica discloses key figures on energy consumption, greenhouse gas emissions, waste generated and water intake.

Energy consumption

Aspect	GRI Indicator	Unit	2021	2020	2019	2018	2017
Energy consumption (within and outside of the organisation)	302-1	GJ	235,582	217,122	187,956	186,528	172,197
Energy consumption within the organisation	302-1	GJ	176,676	160,068	135,429	137,591	132,522
- non-renewable sources (heating oil, natural gas, diesel, petrol)	302-1	GJ	99,488	81,502	63,898	65,742	61,775
- renewable sources (hydropower, solar energy)	302-1	GJ	77,188	98,992	74,353	76,515	71,446
Electricity consumption within the organisation	302-1	GJ	95,721	97,490	91,144	92,289	91,559
Heat energy consumption within the organisation	302-1	GJ	22,418	25,251	15,324	15,097	15,722
Energy consumption outside of the organization	302-2						
- Downstream transport and distribution	302-2	GJ	58,906	57,054	52,527	48,937	39,675
Energy intensity	302-3	GJ/FTE	12	11	10	10	10

Energy consumption 2017–2021
Mwh



Data from Apodoc, Lifestage Solutions and Spagyros as well as heat consumption of the Pharmacies Service Unit and the Galenica Group headquarters are not included. Since 2021, the fuel consumption of the company's own company vehicles has been included (except Service Unit Pharmacies).

Increase in energy consumption due to broadening of the data basis

In 2021, the Galenica Group's total energy consumption – both within and outside the organisation – amounted to 65,439 MWh (235,582 GJ). The increase of 9% compared with the previous year is due to the broadening of the data basis. In 2021, the fuel consumption of all the companies' own service vehicles, with the exception of the Service Unit Pharmacies, was included for the first time. Without this expansion of the data basis, energy consumption would have decreased by 1% compared to the previous year. Total energy consumption (in MWh) per full-time equivalent increased by 9%. Compared to the previous year, the intensity of energy consumption in relation to Group net sales in the 2021 financial year decreased by 2%. Absolute energy consumption at the Galenica Group has increased by 37% since 2017 as a result of the Group's growth and the aforementioned broader data parameters. Energy consumption outside the organisation includes fuel from contracted drivers. 44% of energy consumption within the organisation comes from renewable sources such as hydropower and photovoltaics and around 56% from non-renewable sources such as heating oil, natural gas, diesel and petrol.

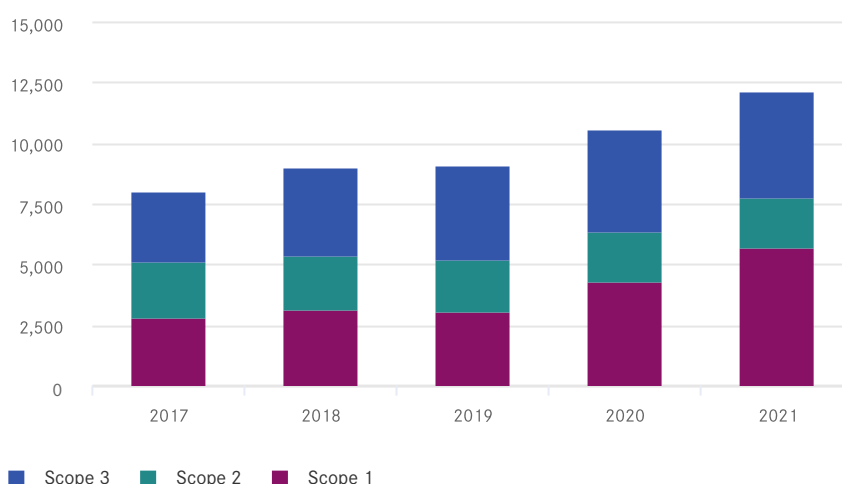
Electricity and fuels as the main energy sources

Electricity and fuels are Galenica's main energy sources. Electricity accounts for 41% of total energy consumption both within and outside the organisation. In 2021, electricity consumption amounted to 26,589 MWh. All operational and administrative locations of the Galenica Group obtain hydroelectric and photovoltaic electricity only. At the pharmacies' sales premises, the choice of energy source can only be influenced to a very limited extent since virtually all of the premises are rented.

50% of the energy used in 2021 came from fuels. Around half of this fuel consumption is attributable to the Group companies' own delivery and service vehicles, and the other half to contracted drivers. The fuel consumption of the Group's own delivery fleet fell by 1% in 2021. Fuel consumption by third-party vehicles rose by 3% compared to 2020. Galenica covers the remaining 9% or so of its energy requirements with fossil-fuel based heating oil and natural gas. The Galenica Group's heating requirements fell by around 11% compared to the previous year (heating oil -16% and natural gas -10% compared to the previous year). The reduction in heat consumption is partly attributable to the conversion of the Bichsel Group's production area. This resulted in production being at a standstill for an extended period of time. In addition, Galexis was able to reduce natural gas consumption thanks to the installation of a heat pump at the Niederbipp site.

CO₂ Emissions

Aspect	GRI Indicator	Unit	2021	2020	2019	2018	2017
Direct and indirect GHG emissions	305	tCO _{2e}	12,127	10,578	9,102	8,996	8,019
Direct (Scope 1) GHG emissions: fuels and combustibles	305-1	tCO _{2e}	5,708	4,262	3,047	3,117	3,008
Indirect (Scope 2) GHG emissions: purchased electricity	305-2	tCO _{2e}	2,037	2,073	2,148	2,238	1,771
Other indirect (Scope 3) GHG emissions: downstream transport and distribution	305-3	tCO _{2e}	4,381	4,244	3,907	3,640	3,040
Intensity of GHG emissions	305-4	tCO _{2e} /FTE	2.2	1.9	1.7	1.8	1.7

CO₂ emissions based on scopes 2017–2021
tCO₂e

Does not include data from Apodoc, Lifestage Solutions and Spagyros. Scope 3 includes the CO₂ emissions of the contract drivers of Galexis, Alloga and Pharmapool.

Increase in CO₂ emissions

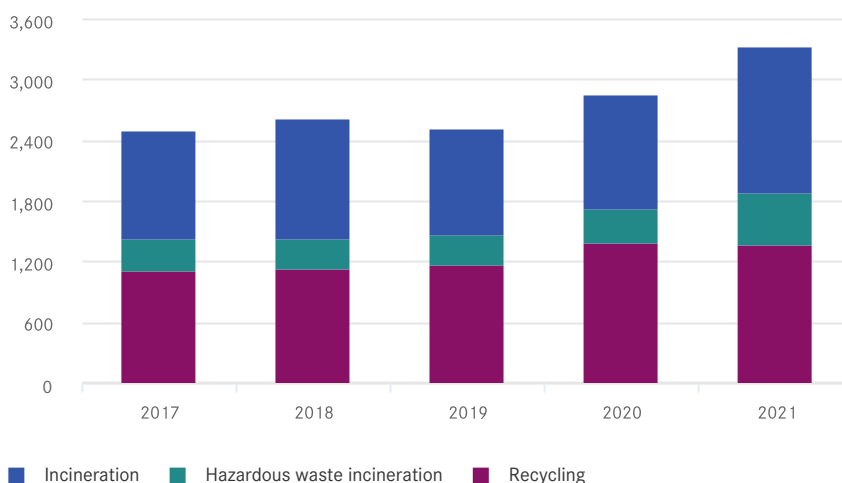
The CO₂ emissions caused by energy consumption are calculated using scientific emission factors (Swiss greenhouse gas inventory of the Federal Office for the Environment). In 2021, the Galenica Group's emissions amounted to 12,127 tonnes of CO₂ equivalents (tCO₂e), which is 15% more than in the previous year. This increase is due to the fact that the fuel consumption of the Group's own vehicles has been included in the data in 2021 for the first time ever. Without this data expansion, CO₂ emissions would have decreased by 1% compared to the previous year. Emissions per full-time equivalent are 15% higher than in 2020. The intensity of CO₂ emissions in relation to Group net sales 2021 increased by 4% compared to the previous year. Compared to 2017, emissions increased by 51% as a result of the growth of the Galenica Group and the expansion of the underlying data. Goods transport of Group and contracted drivers is the main source of direct and indirect CO₂ emissions at Galenica. In 2021, 6,623 tCO₂e were released, corresponding to around 55% of Galenica's total CO₂ emissions.

Waste and Recycling

Aspect	GRI Indicator	Unit	2021	2020	2019	2018	2017
Total weight of waste generated	306-3 (2020)	t	3,321	2,850	2,507	2,616	2,489
by type:	306-3 (2020)						
- non-hazardous waste	306-3 (2020)	t	2,800	2,515	2,218	2,306	2,174
- hazardous waste	306-3 (2020)	t	521	335	289	310	315
by disposal method:	306-5 (2020)						
- incineration	306-5 (2020)	t	1,432	1,133	1,050	1,186	1,068
- hazardous waste incineration	306-5 (2020)	t	521	335	289	310	315
- recycling	306-5 (2020)	t	1,368	1,382	1,168	1,120	1,106

Waste by disposal method 2017–2021

In tons



Data from Apodoc, Lifestage Solutions, Spagyros, Verfora and the Galenica Group headquarters are not included. Data for pharmacies are estimates.

Almost half of waste is recycled

In 2021, the total weight of waste for the Galenica Group was 3,321 tonnes, an increase of 17%. This is mainly due to the increased amount of waste produced by the Bichsel Group as a result of the renovation which took place in the reporting year. The weight of waste per full-time equivalent has increased by 17% compared to 2020. There are only estimates of waste data available for the pharmacies. The volume of the waste they generate accounts for around 33% of the total volume of waste generated. 84% of total waste was non-hazardous (mainly refuse from operations, cardboard, paper and plastics), while the remaining 18% was classified as hazardous waste (mainly medicines). 41% of waste was recycled, 43% was incinerated and 16% destroyed at a specialist facility for hazardous waste.

Water

Aspect	GRI Indicator	Unit	2021
Water withdrawal	303-1	m ³	1,074,854
- municipal water supply	303-1	m ³	45,235
- groundwater	303-1	m ³	1,029,619

Water

The Galenica Group's water intake in 2021 was 1,074,854 m³, with 4% coming from the municipal water supplies and 96% from groundwater. The groundwater is not consumed but returned to the groundwater flow. Alloga, Galexis and Unione use the groundwater for the heating and cooling cycle, either extracting heat or using it for cooling. In addition, water plays a central role in Bichsel's production processes. Data on water withdrawal is to be reported for the first time in 2021.

Data on environmental impact

As a rule, the key environmental figures cover all companies of the Galenica Group. The environmental data for Spagyros, Apodoc and Lifestage Solutions, which have only been part of the Galenica Group since mid-2021, is not included. However, this data is to be collected from 2022 onwards. Heat and electricity consumption data for Verfora is not yet included, as no information is currently available due to the office space rented. However, this environmental data should be available from 2022, as Verfora moved to a new building at the end of 2021.

The total energy consumption of the Galenica Group includes heat and electricity consumption as well as the fuel consumption of Group company vehicles and contract drivers. Fuel consumption between 2017 and 2020 only includes the consumption of Galenica's own delivery vehicles and the contract drivers of Wholesale & Logistics and Bichsel. Galenica reports the diesel consumption of the contract drivers of Galexis, Pharmapool and Alloga (estimated or measured data in tCO₂e) as the greatest indirect source of consumption. Since 2021, the fuel consumption of all the Group companies' own service vehicles has been included for the first time, with the exception of the Service Unit Pharmacies. The consumption data on waste and disposal includes municipal and hazardous waste as well as recycling. Since 2021, the water withdrawal of the Bichsel Group, Mediservice and the Service Unit Wholesale & Logistics has been reported for the first time, as only this data is currently available.

In the Service Unit Wholesale & Logistics, the energy and waste consumption data of all companies is included in the evaluation; these are the Burgdorf, Niederbipp, Lausanne-Ecublens, St. Gallen, Widnau and Barbengo-Lugano sites. With regards to Pharmapool, no heat is consumed thanks to the heat pump, the operation of which is factored into the electricity consumption.

The Service Unit Healthcare includes the energy and waste consumption of Medifilm, Mediservice and the Bichsel Group. The environmental data of the Bichsel Group has been reported since 2020. Due to the billing period of Medifilm's heat consumption during the year, only estimates based on last year's consumption data are available for the reporting year.

For the Service Unit Products & Marketing, the fuel consumption of Verfora's and Winconcept's own service vehicles is included. Winconcept's electricity consumption is included in the data for Galenica's main building in Bern.

For the Service Unit IT & Digital Services, the electricity consumption of the Geneva site and estimates of the electricity consumption of the St. Sulpice site are included. The electricity consumption of HCI Solutions at the head office in Bern is included directly in the head office data. Heat consumption data for the Geneva and St. Sulpice sites is available as estimates.

For the main building of the Galenica Group in Bern, only data on electricity consumption is available and included. Due to the billing period for heat consumption during the year, no consumption data is currently available for the reporting year.

Data on electricity consumption and municipal waste is available for the Service Unit Pharmacies. For Amavita, Sun Store and Coop Vitality, these are estimates based on a representative sample of 20 pharmacies. Almost all premises are leased, which is why only the annual costs for electricity are provided for each location, and not the actual electricity consumption. The electricity consumption of the Amavita, Sun Store and Coop Vitality pharmacies is estimated based on electricity costs in the year under review and the average electricity prices per region according to the Federal Electricity Commission (EiCom). The heat energy consumption at the pharmacy locations cannot currently be estimated based on the available data from running cost statements and is therefore not listed.

As Galenica is continuously optimising its environmental indicator system and is gradually expanding its system limits (due to the primarily inorganic growth of the company), data can only be compared to a limited extent from year to year. In 2018, Galenica reviewed the CO₂ conversion factors of Myclimate and had them extended to CO₂ equivalents (CO₂e). Since then, Galenica has only used the CO₂e unit. The previous years have been adjusted accordingly.

The calculated CO₂ emissions include both direct and indirect energy-related emissions. According to the Greenhouse Gas Protocol, direct sources of emissions include the production of heat for buildings and the operation of the vehicle fleet (= Scope 1). The largest indirect sources of emissions are the production of purchased electricity (= Scope 2) and the logistics services of contracted drivers (= Scope 3).