

Sustainability report 2021

of the Galenica Group and Galenica Ltd.

Sustainability

Management report

Galenica further stepped up its commitment to sustainability in the financial year 2021. Based on a survey of external and internal stakeholder groups, the relevance matrix was updated and refined further. Moreover, specific sustainability goals were defined for the areas that were deemed to be essential.



These goals include, for example, reducing municipal waste and greenhouse gas emissions, reducing the number of occupational and non-occupational accidents, and increasing the use of the e-Mediplan electronic medication plan as a contribution to patient safety in pharmacies. In addition, Galenica is including sustainability reporting in accordance with the GRI Standards «core» option for the first time in the 2021 Annual Report.

[GRI report](#)

Energy consumption reduced in relation to net sales

The Galenica Group's total energy consumption – both within and outside the organisation – continued to increase 9% year-on-year in 2021 and amounted to 65,439 MWh (previous year: 60,312 MWh). The Galenica Group's direct and indirect greenhouse gas emissions amounted to 12,127 tonnes of CO₂ equivalents (tCO₂e) (previous year: 10,578 tCO₂e). 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 1% compared to the previous year. 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. The intensity of energy consumption in relation to Group net sales in the 2021 financial year decreased by 2% and the intensity of CO₂ emissions in relation to Group net sales increased by 4%.

Key environmental figures



↑ [Driving into the future in an eco-friendly way](#)

New mobility concepts and the use of renewable energies

In order to reduce its environmental footprint, Galenica is increasingly focusing on new mobility concepts and the use of renewable energies in distribution. In addition to providing charging stations for electric cars and e-bikes, the company purchases its own vehicles on the basis of eco-friendly criteria and, wherever possible, chooses climate-neutral models. In addition, Galenica encourages its employees to switch to public transport wherever possible. All employees who use public transport to commute to work receive an annual contribution towards their transport costs in the form of Rail Checks or SBB (Swiss Federal Railways) vouchers.



↑ [What sustainability means for Galenica](#)

When renovating and converting sites, Galenica pays particular attention to measures designed to increase energy efficiency over the long term, such as energy-saving lighting in points of sale, warehouses and office spaces. The installation of motion detectors and sustainable air-conditioning systems also contributes to improved energy efficiency.

The Galexis distribution centre in Lausanne-Ecublens will be equipped with a photovoltaic system, new building insulation and new roof insulation in accordance with the latest sustainability standards. This reduces heat loss in winter and makes cooling in summer more efficient.



Galenica invests in its employees

The number of employees of the Galenica Group also rose in the 2021 financial year. As of the end of 2021, Galenica had 7,239 employees (previous year: 7,205).

The development of its employees is a top priority for Galenica, which is why it invested CHF 3.7 million in employee training and development in the year under review (previous year: CHF 3.3 million). At Amavita, Sun Store and Coop Vitality in particular, extensive training programmes were offered to develop the skills of pharmacy employees. Around 935 employees completed these programmes in 2021. Galenica is also actively involved helping to combat the skills shortage. During the financial year, the Group trained 823 apprentices in its Service and Business Units.

Key social figures



[Connecting employees digitally](#)

As part of the new organisational structure introduced at the start of 2021, the regulations applicable to employees of the Galenica Group have been further harmonised. In addition, Galenica has expanded its internal digital communication platforms to promote and further develop the dialogue among employees and the transfer of knowledge, even during the COVID-19 pandemic. The home working regulation has also been revised in order to offer employees the greatest possible flexibility.

Galenica Group employees were once again able to use case management in the year under review. The primary objective of this scheme is to ensure that employees return to work quickly after an illness or accident. 2021 saw 434 new cases of illness, an decrease of 8% compared to the previous year. The number of occupational accidents fell by 5% compared to 2020. 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.

The Group-wide employee survey «Opinio» was once again carried out in 2021. With a response rate of 58%, the number of participants was down on the previous year. The results of the survey show that there is room for improvement, particularly in the areas of compensation, procedures and workload. The individual Service and Business Units are taking targeted measures to improve their results in the coming year.

Sustainability at Galenica

Sustainability at Galenica

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

Our sustainability principles

We firmly believe that our Group can achieve long-term economic success only if we also bear social responsibility and use natural resources efficiently and respectfully.

This conviction is reflected in the three key sustainability principles of Galenica, in addition to our customer promise. Supported by the Executive Committee, they form an essential part of the Group’s corporate culture.

Company value

We increase the company's value in the long term by acting sustainably.

Employees

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

Resource efficiency

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

With these guiding principles, we educate and motivate our employees to continuously increase our resource intensity, efficiency, capacity for innovation and, ultimately, competitiveness. At the same time, the lively, ongoing dialogue with the various stakeholders helps to identify requirements and expectations at an early stage and to maintain Galenica’s strong reputation.

Sustainability organisation

The Board of Directors bears ultimate responsibility for the economic, ecological and social impact of the Galenica Group. The Governance, Nomination and Sustainability Committee advises the Chairwoman of the Board of Directors and the entire Board of Directors on sustainability. The Committee consists of the Chairwoman of the Board of Directors, the Vice Chairman and other members who are elected by the Board of Directors at the suggestion of the Chairwoman of the Board of Directors. Among other things, the Committee reviews the relevance matrix on an annual basis, adopts the sustainability goals and ensures that the corporate strategy is geared towards sustainable management. The Executive Committee is responsible for implementing the sustainability goals and integrating sustainability into day-to-day business.

We have formalised our commitment to social responsibility in the form of the Sustainability Committee (SC). The SC plays an advisory and coordinating role and develops concrete proposals for the implementation of the sustainability strategy for the attention of the Executive Committee and the Board of Directors. The main task is

to systematise internal sustainability management and external reporting and to ensure that the measures are implemented. The Committee is structured in such a way that, in addition to covering all key sustainability topics, all Business and Service Units and the Executive Committee are also represented on the Committee by a responsible person.

The SC met four times in the year under review. In between Committee meetings, several smaller meetings were held by individual working groups in order to draw up the sustainability goals and coordinated measures for all material topics. In 2022, the measures will be further specified or will already have been implemented. This is mainly done by the Business Units or companies responsible. The SC coordinates the activities and the Chief Transformation Officer regularly reports to the Executive Committee and the Board of Directors.

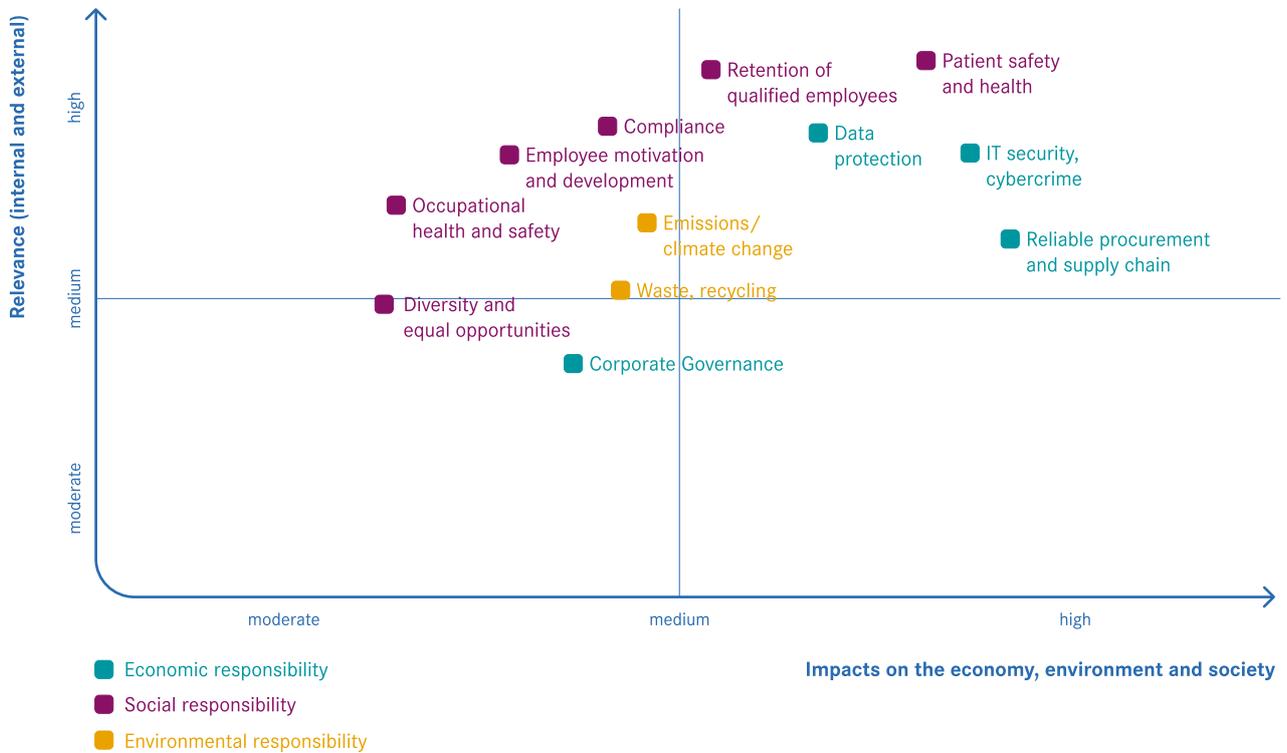


↑ Sustainability organisation

Relevance matrix

In 2017, we identified the key sustainability topics of the Galenica Group internally for the first time and evaluated them from the perspective of the Galenica Group and its key stakeholders. Following in-depth discussions by the SC and the Executive Committee, the material topics were further expanded and clarified in 2020. Finally, in the year under review, we carried out a materiality process in accordance with GRI Standards, with the involvement of external stakeholders for the first time. Internal and external stakeholders – investors, partners, suppliers, customers, associations, employees, public authorities, as well as members of the SC, the Executive Board and the BoD – evaluated the relevance of the topics and the impact of Galenica’s business activities on the social, ecological and economic environment in an online survey. In addition, interviews were held with representatives of all external stakeholder groups to discuss the evaluations and the associated requirements and expectations. The results are presented in the updated relevance matrix. The Executive Committee and the Board of Directors have approved the updated relevance matrix.

Relevance and impact



Our sustainability goals

The SC has defined specific targets for all material sustainability topics, which were approved by the Executive Committee and the Board of Directors at the end of 2021.

In addition, in the financial year 2021 the topic of sustainability was integrated into the goals of the strategic programmes and therefore firmly anchored in the corporate strategy.

[Galenica strategy](#)

Our contribution to the Sustainable Development Goals

The Sustainable Development Goals (SDGs) form the global reference framework for sustainable development. The Galenica Group is committed to the SDGs. As Switzerland’s leading fully integrated healthcare provider, we make an important contribution to SDG 3 (Health and Well-being). This goal is at the heart of our business activities and is consistent with our customer promise to support people at every stage of their life on their journey towards health and well-being. We also contribute to SDG 8 (Decent Work and Economic Growth), SDG 12 (Responsible Consumption and Production), SDG 13 (Climate Action), SDG 10 (Reduced Inequalities) and SDG 16 (Peace, Justice and Strong Institutions) through our corporate activities.



Patient safety and health

Patient safety and health is a top priority for us. With personal and expert advice and a unique range of products and services, we support patients at every stage of their lives, promote their well-being and enable people of all ages to lead a healthy life in accordance with SDG 3.



Emissions and climate change

We promote the use of renewable energies in distribution, the use of public transport and electromobility by our employees, always take measures to increase energy efficiency into account and check the feasibility of installing photovoltaic systems during renovations. In addition, we have defined specific targets for reducing greenhouse gas emissions, replacing fossil fuels and using exclusively renewable energy sources at all our operating sites. We also rely on supply chain partnerships in accordance with SDG 17 to promote recycling with regard to the climate, water and waste. With these measures, we are contributing to the fight against climate change.



Waste and recycling

In addition to traditional municipal waste, we also produce medical and chemical waste. The prevention, reduction, recycling and professional disposal of waste is of central importance to us. We also contribute to biodiversity conservation by disposing of medications properly. Environmentally friendly waste management forms the basis of responsible consumption and production.



IT security and cybercrime

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



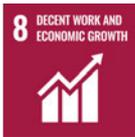
Data protection

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



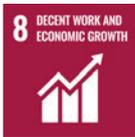
Reliable procurement and supply chain

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



Employee motivation and development

Our employees play a key role in our success. We consistently promote employee motivation and development by offering our employees attractive and fair employment conditions, modern and flexible working models as well as various training and education programmes and opportunities. We also support the next generation of skilled workers by training apprentices. Through all these measures, we support sustainable labour and economic growth in Switzerland.



Securing skilled workers

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



Health and safety at the workplace

The physical and mental health of employees is very important at Galenica. This is why we take all possible precautions to protect the health and safety of all employees in the workplace. We also operate preventive case management in order to identify potential health risks at an early stage and ensure a swift return to work after an illness or accident. We thus make a significant contribution to the health and well-being of our employees.



Diversity and equal opportunity

We are committed to diversity and equality and bring together people from 82 countries and all age groups. Three-quarters of employees are women. Our Code of Conduct states that we do not tolerate any discrimination or harassment. We also ensure that salaries are equal between men and women. We ensure equal opportunities and are committed to reducing inequalities. In doing this, we also contribute to SDG 5 (Gender Equality).



Corporate Governance

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



Compliance

We attach great importance to conducting our business activities in an ethical and legal manner. All our business activities are carried out in accordance with the applicable legislation. In doing this, we are contributing to a peaceful and inclusive society.

Our sustainability goals

Ethical and legal business activities

We train all employees in compliance at least once a year.

Protect patient data and IT systems

- We make our employees aware of IT security and cybercrime.
- Twice a year, we carry out measures to raise employee awareness in the area of data protection.

Corporate management



Increase patient safety and health

- We will expand the use of the eMediplan in Galenica pharmacies by 10% a year until 2023.
- We will make patient information on all Algifor products available online in five other languages that are relevant for Switzerland by 2022.

Ensuring the availability of medicinal products

We will review the compliance of our top ten suppliers with the Supplier Code of Conduct every three years from 2025.

Patients

Environment

Promote employee motivation and development

We will increase the motivation rate of our employee survey to 75 out of 100 points and the participation rate to 75% by 2024.

Ensure occupational health and safety

- We will reduce the absence rate for occupational and non-occupational accidents by 10% by 2024.
- We will reduce the absence rate due to mental illnesses by 5% by 2024.

Secure skilled workers

We will reduce the time-to-hire for IT and pharmacy positions by 10% by 2024.

Promote diversity and equal opportunity

- We will improve diversity, in particular gender equality, in all Service Units by 2024.
- We will maintain the proportion of women in management at 50%.

Employees

Reduce and safely dispose of waste

We will reduce our municipal waste by 50% by 2025.

Minimise greenhouse gas emissions

- From 2025, we will be sourcing 100% of our electricity from renewable sources at all our locations.
- We will reduce the greenhouse gas emissions produced by all our operations, processes and supply chains by 25% by 2025 and by 50% by 2030.
- We will replace 40% of the fossil fuels in our vehicle fleet with renewable alternatives by 2028.

Key social figures

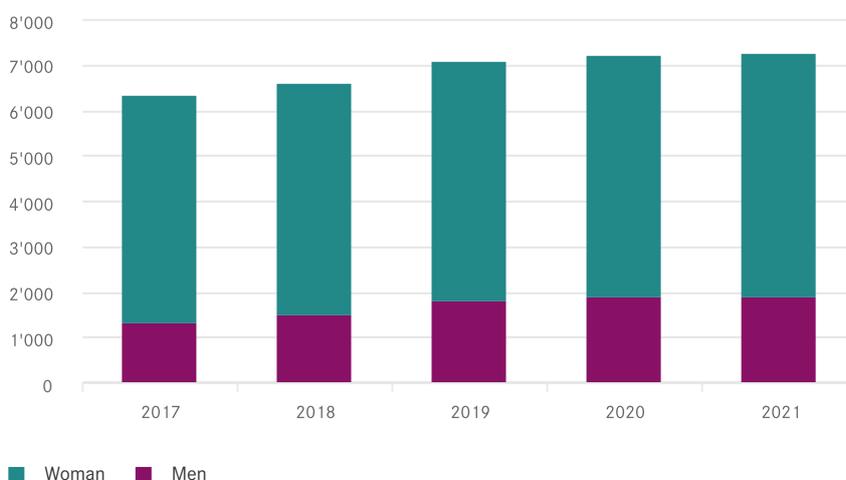
Key social figures

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

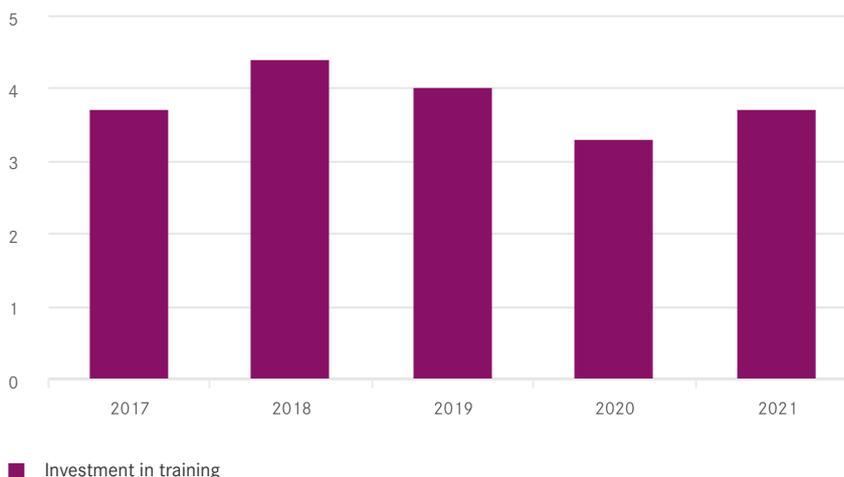
Galenica continued to grow in 2021. At the end of 2021, the Galenica Group had 7,239 employees, an increase of 0.5% over the previous year. This increase is due to the acquisition of companies such as Spagyros and Lifestage Solutions. The proportion of women is around 74% and has remained relatively 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

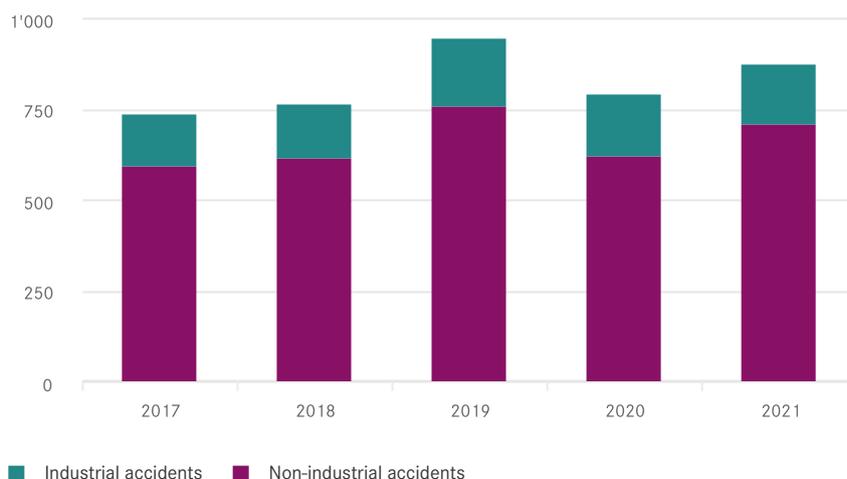
In total, Galenica invested around CHF 3.7 million in employee training in the year under review. In 2021, Galenica trained 823 apprentices at its companies, of which 244 completed apprenticeships. Since 2017, the number of apprentices in the Galenica Group has increased by around 7%.

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.

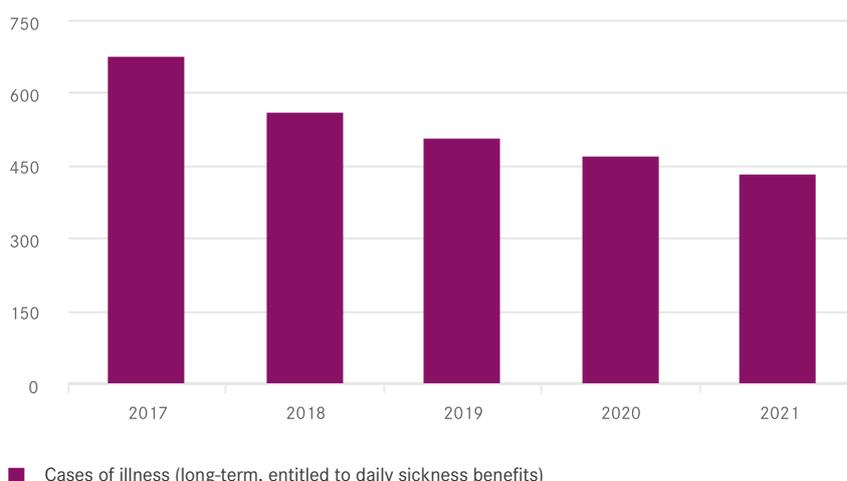


Occupational accidents decreased compared to the previous year

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

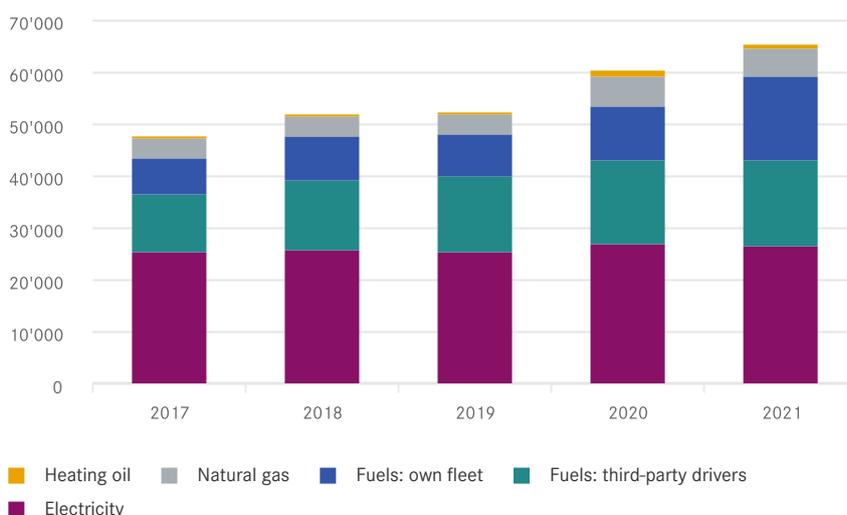
Key environmental figures

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.

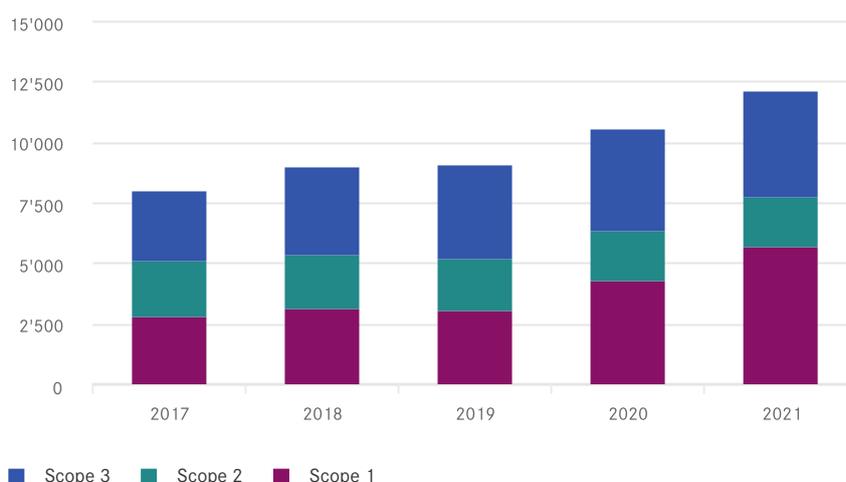
Electricity and fuels as the main energy sources

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 Galaxis, Alloga and Pharmapool.

Increase in CO₂ emissions

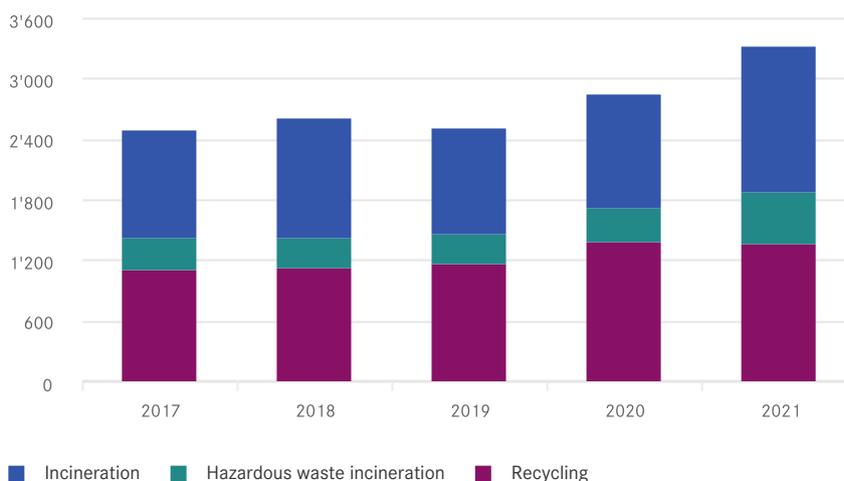
The CO₂ emissions caused by energy consumption are calculated using scientific emission factors (Swiss greenhouse gas inventory of the Federal Office for the Environment). In 2021, the Galenica Group's emissions amounted to 12,127 tonnes of CO₂ equivalents (tCO₂e), which is 15% more than in the previous 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).

GRI-Report

General disclosures

GRI report

General disclosures regarding the Galenica Group according to GRI 102 are published here. These include information on the organisational profile, strategy, ethics and integrity, corporate management, stakeholder engagement and reporting procedures.

Organisational profile

GRI 102-1

Name of the organisation

Galenica Ltd.

GRI 102-2

Activities, brands, products and services

Galenica is the leading fully integrated healthcare provider in Switzerland. The business activities of the Galenica Group comprise two segments. The Products & Care segment consists of the Service Units Pharmacies, Healthcare and Products & Marketing. They develop and market health services and products via various channels – in pharmacy stores, online and at home – to private customers and patients as well as to business customers and partners. The Logistics & IT segment consists of the Service Units Wholesale & Logistics and IT & Digital Services. They develop and operate the logistics, IT and digital infrastructure and digital platforms for the entire Galenica Group and for customers and partners in the healthcare industry.

More information on activities, brands, products and services can be found in the [Management Report](#) and on the [Galenica website](#).

GRI 102-3

Location of headquarters

Galenica Ltd.
Untermattweg 8
3027 Bern

GRI 102-4

Location of operations

The Galenica Group operates exclusively in Switzerland.

GRI 102-5

Ownership and legal form

Galenica is a corporation under Swiss law and, as a holding company, owns all the companies in the Galenica Group directly or indirectly.

GRI 102-6

Markets served

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

GRI 102-7

Scale of the organisation

At the end of 2021, Galenica employed 7,239 people and the consolidated net sales of the Galenica Group amounted to CHF 3,834.7 million. Information on the capital and an overview of the operations can be found in the [Financial Report](#).

GRI 102-8

Information on employees and other workers

Employees	Unit	2021
by gender		
- women	number	5,351
- men	number	1,888
by degree of employment		
- full-time	number	4,181
- full-time (women)	%	74
- part-time (<90%)	number	3,058

Galenica discloses further information on its staff and other employees under its [key social figures](#). More precise information on employees by employment contract is not available, as this is not recorded in all HR systems. Most of the business activities are carried out by employees of the Galenica Group. The workforce of the Galenica Group does not undergo significant seasonal fluctuations. The data is exported from the various HR management systems and consolidated

GRI 102-9

Supply chain

The Galenica Group value chain comprises production, packaging, logistics, marketing and information, retail trade and medication use. A description of the value chain and the economic, social and ecological impact of the Galenica Group can be found [here](#).

GRI 102-10

Significant changes to the organisation and its supply chain

Galenica acquired Lifestage Solutions Ltd. in 2021. Lifestage Solutions develops and operates a fully integrated digital trading platform for home care organisations and nursing homes, which simplifies daily workflows for its customers using digitalisation and state-of-the-art technology. Apodoc Hardbrücke Ltd. has also been acquired. Apodoc is an innovative pharmacy with its own medical practice on the same premises near Hardbrücke railway station in Zurich. The subsidiary Verfora also acquired 100% of the share capital of Spagyros Ltd., a successful Swiss company which produces and markets complementary medicines. Galenica has also expanded its bricks and mortar pharmacy network with 8 new pharmacies. At the same time, 6 locations were closed. There were no significant changes in the reporting year with regard to the shareholding structure and locations of suppliers.

More information can be found in the [Financial Report](#) and [Corporate Governance Report](#).

GRI 102-11

Precautionary principle or approach

The precautionary principle is anchored in the sustainability principles of the Galenica Group: “the respectful and efficient use of resources and reduction of negative environmental impacts”.

Galenica aims to minimise greenhouse gas emissions, reduce waste and dispose of it safely. Galenica has defined specific [environmental targets](#) in order to achieve these ambitions.

GRI 102-12

External initiatives

Programmes and initiatives

- CDP: Galenica discloses its greenhouse gas emissions and their impact on the climate as part of the CDP questionnaire. The results are published at www.cdp.net.
- GRI: Galenica is publishing its combined 2021 Annual and Sustainability Report in accordance with the GRI Standards for the first time: “Core” option.

Social commitment

As a leading player in the Swiss healthcare market, Galenica is committed at all levels to the welfare of patients. The company is also committed to supporting various social projects and charitable organisations. More information on the social commitment of the Galenica Group can be found [here](#).

GRI 102-13

Memberships of association

ASSGP, Association of the Swiss Self-Medication Industry

GESKES, Society for Clinical Nutrition in Switzerland

GSASA, Schweizerischer Verband der Amts- und Spitalapotheker

Helvecura Genossenschaft, Swiss Association of Public Health Administration and Hospital Pharmacists

Avenir Suisse

Medswiss.net supporting association, Swiss Umbrella Association of Physician Networks

pharmalog, Swiss Pharma Logistics Association

pharmaSuisse, Swiss Association of Pharmacists

ScienceIndustries, Business Association for Chemistry-Pharma-Biotech

Swiss Medtech, Swiss Medical Technology Association

GFH Healthcare Retailers Association

VIPS, Association of Pharmaceutical Companies in Switzerland

VSVA, Association of Swiss Mail-Order Pharmacies

Association QualiCCare, Association for the Improvement of Quality in Treatment of Chronic Diseases in Switzerland

ASTAG, Swiss Commercial Vehicle Association

Freedom Healthcare Alliance

GIRP, European Healthcare Distribution Association

HIV, Trade and Industry Association of the canton of Bern

eHealth Interest Group

SGGP, Swiss. Society for Health Policy

SMVO, Swiss Medicine Verification Organisation

SVKH, Swiss Association for Therapeutic Products in Complementary Medicine

Swissholdings, Association of Industrial and Service Groups in Switzerland
VNL Schweiz, Verein Netzwerk Logistik e.V., Logistics Network Association

Strategy

GRI 102-14

Statement from senior decision-maker

Sustainability is an integral part of Galenica's corporate management. Galenica is convinced that it can only achieve long-term economic success if it bears social responsibility and uses natural resources in a respectful and efficient manner. The relevance of sustainability for Galenica is explained in the [foreword](#) to the Annual Report by Chairwoman of the Board of Directors Daniela Bosshardt and CEO Marc Werner.

Ethics and integrity

GRI 102-16

Values, principles, standards and norms of behaviour

The [five key values](#) accompany Galenica employees in all their activities and form the basis for a shared understanding of cooperation and how they treat one another.

In addition to the statutory provisions, the Galenica Group [Code of Conduct](#) sets out the ethical rules and standards that all employees must adhere to.

Governance

GRI 102-18

Governance structure

The Executive Committee and the Board of Directors and its committees are presented in the [Corporate Governance Report](#). The Board of Directors has ultimate responsibility for economic, ecological and social topics. Other central bodies are the Governance, Nomination and Sustainability Committee of the Board of Directors, the Executive Committee and the Interdisciplinary Sustainability Committee. You can find more information about the sustainability organisation [here](#).

Stakeholder engagement

GRI 102-40, GRI 102-42

List of stakeholder groups and identifying and selecting stakeholders

The stakeholders of the Galenica Group include interest groups and organisations that directly or indirectly affect – or are affected by – the company's values, actions and performance. Galenica maintains relationships with its direct stakeholders – customers, shareholders, suppliers, scientific institutions, current and potential employees, authorities, non-governmental organisations and others – that are characterised by transparency, honesty and mutual respect. Its customers include patients, pharmacies, drugstores, physicians, hospitals, care homes, health insurance funds and pharmaceutical companies. In order to measure customer satisfaction and potential for improvement, Galenica relies on internal performance indicators as well as the results of independent target group surveys. Based on the insights gained, Galenica wants to continuously improve the customer experience and offer customers added value through new measures and offerings.

Our relations with our various suppliers are characterised by a continuous improvement process as part of quality management in all Service and Business Units. Quality, costs and prices, as well as potential innovations, are regularly discussed with suppliers and business partners. Such interactions create transparency and help to ensure that services are provided as smoothly as possible.

GRI 102-41

Collective bargaining agreements

None of the employees of the Galenica Group are subject to a collective bargaining agreement.

GRI 102-43

Approach to stakeholder engagement

In addition to the stakeholder engagement approaches under GRI 102-40, Galenica held meetings with representatives of external stakeholders for the first time in 2021 to review the relevance of sustainability issues and assess the impact of Galenica's business activities on the social, ecological and economic environment. More information on the materiality process can be found under [Sustainability at Galenica](#).

GRI 102-44

Key topics and concerns raised

The online survey and subsequent discussions with the relevant stakeholder groups confirmed the relevance of previous sustainability issues. Patient safety and health are the key issue for Galenica from the perspective of stakeholders. With regard to employees, the stakeholders emphasised the relevance of topics such as diversity and the promotion of young talent. On the issue of compliance, some interlocutors highlighted the prominent role of Galenica in relation to competition and antitrust law owing to the size of the company. Furthermore, the stakeholders agreed that the topics of IT security and cybercrime are becoming increasingly important and that raising awareness among employees in particular is vital here. In the area of emissions and climate change, some stakeholders stressed the need to address this issue together with partners along the value chain and expressed their expectation that Galenica will set clear targets in this regard. The stakeholders were of the opinion that the circular economy, innovation and digitalisation are other aspects that Galenica should use more specifically to improve sustainability in the future.

The topics and concerns expressed by the stakeholders form a key basis for further advancing the central sustainability topics in the coming years.

Reporting practice

GRI 102-45

Entities included in the consolidated financial statements

The entities included in the consolidated financial statements are listed in the [Financial Report](#).

GRI 102-46

Defining report content and topic boundaries

The Sustainability Committee has identified the ecological, social and economic sustainability issues in relation to the business model of the Galenica Group. In 2021, Galenica reviewed the relevance of the topics as part of a materiality process and defined the social, ecological and economic impact of Galenica's business activities. Internal and external stakeholders evaluated the topics based on an online survey. In addition, interviews were held with representatives of all external stakeholder groups to

discuss the evaluations. This resulted in the updated relevance matrix. The Executive Committee and the Board of Directors have approved the updated relevance matrix and classified all topics as material. These are also at the centre of sustainability reporting.

In determining the content of the sustainability reporting, Galenica has taken into account all four reporting principles: stakeholder engagement, sustainability context, materiality and completeness. For more information, please see [Sustainability at Galenica](#).

GRI 102-47

List of material topics

The [relevance matrix](#) shows all material topics.

GRI 102-48

Restatements of information

In 2021, Galenica is publishing for the first time a combined annual report that includes both financial and sustainability information and data.

GRI 102-49

Changes in reporting

In the 2021 Sustainability Report, there were no significant changes to the list of material topics and delimitations of the topics compared to the previous year.

GRI 102-50

Reporting period

The reporting period covers 1 January 2021 to 31 December 2021.

GRI 102-51

Date of most recent report

The 2020 Annual Report was published on 9 March 2021. The 2020 Sustainability Report was published on 18 May 2021. And the 2021 Half Year Report was published on 3 August 2021.

GRI 102-52

Reporting cycle

The combined Annual and Sustainability Report is published annually.

GRI 102-53

Contact point for questions regarding the report

Investor Relations: Felix Burkhard, CFO

Media Relations: Christina Hertig, Head of Corporate Communications

GRI 102-54**Claims of reporting in accordance with the GRI Standards**

Claims of reporting in accordance with the GRI Standards

GRI 102-55**GRI content index**

The GRI content index, which lists each of the GRI Standards applied and all disclosures contained in the report, can be found [here](#).

GRI 102-56**External assurance**

The Sustainability Report 2021 was not audited externally.

Economic performance and compliance

GRI report

Economic performance forms the basis for the long-term and sustainable business development of the Galenica Group. Galenica attaches great importance to conducting its business activities in an ethical and legal manner.



GRI 201

Economic performance

GRI 103-1

Explanation of the material topic and its boundary

As Switzerland's leading fully integrated healthcare provider, Galenica is a key asset to the Swiss economy, as an employer and taxpayer. Galenica firmly believes that the Group can achieve long-term economic success only if it bears social responsibility and uses natural resources efficiently and respectfully. Economic performance thus forms the basis for long-term and sustainable business development.

GRI 103-2

The management approach and its components

Galenica Strategy

Galenica is the leading fully integrated healthcare provider in Switzerland and plays a key role in the Swiss healthcare market. Galenica intends to expand its market position and services sustainably and successfully and further develop its core areas of expertise. Vision, values and customer promises describe what drives Galenica, how it works and what it offers. The strategic programmes define what the Galenica Group aims to achieve and how. You can find the entire Galenica strategy [here](#).

Sustainability principles

The [sustainability principles](#) reflect Galenica's belief that it can only achieve long-term economic success if it bears responsibility both for society and for the environment.

Corporate Governance

Good, transparent corporate governance is crucial to managing the Galenica Group effectively and efficiently. You can find more information about corporate governance at the Galenica Group in the [Corporate Governance](#) report.

GRI 103-3

Evaluation of the management approach

- Board of Directors: the Board of Directors is responsible for the topic of sustainability. The Board of Directors approves the sustainability targets proposed by the Executive Committee and monitors their implementation.
- Audit and Risk Committee: the Audit and Risk Committee supports the Board of Directors in fulfilling its duties with regard to accounting, financial reporting, risk management, compliance and internal and external auditing.
- Audits: Internal Audit carries out audits of operational and strategic risk management and the internal control system (ICS) in accordance with the audit plan determined by the Audit and Risk Committee. In addition, the external auditor audits the consolidated financial statements of Galenica Ltd. and its subsidiaries on an annual basis.
- Strategy Committee: the Strategy Committee of the Board of Directors monitors the implementation of the Galenica strategy.
- Ratings: the Galenica Group is regularly assessed by external rating agencies for its environmental, social and economic (ESG) performance. Galenica has received a credit rating of BBB (investment grade) from ZKB and CS.

GRI 201-1

Direct economic value generated and distributed

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

Targets

Galenica has defined the following objective:

- We train all employees in compliance at least once a year.

You can find an overview of all the sustainability goals [here](#).

GRI 4 19: Socioeconomic Compliance, GRI 205: Anti-corruption, GRI 206: Anti-competitive behaviour Compliance

GRI 103-1

Explanation of the material topic and its boundary

Galenica attaches great importance to conducting its business activities in an ethical and legal manner. All business activities are carried out in accordance with the applicable legislation. Compliance refers to compliance with legislation, standards (such as ISO 14001 or good distribution practice – GDP) as well as in-house and industry codes. For Galenica, this means, for example, compliance with therapeutic products, health insurance, employment, antitrust, tax and criminal law as well as its own Code of Conduct. As Switzerland's leading fully integrated healthcare provider, combating corruption and anti-competitive behaviour are key issues for Galenica.

GRI 103-2

The management approach and its components

Responsibilities

The Legal Department of the Galenica Group supports the Service Units and companies in interpreting and applying the legislation correctly. It also ensures that new statutory provisions are implemented in the company. Current challenges for Galenica relate to the implementation of the new provisions of the revised Therapeutic Products Act (TPA) and the forthcoming amendment to the Swiss Data Protection Act (FADP).

Code of Conduct of the Galenica Group

In addition to the statutory provisions, the Code of Conduct of the Galenica Group sets out the ethical rules and standards that all employees must adhere to. Managers are responsible for addressing and dealing with specific conflict situations in day-to-day business.

The Service Unit Pharmacies also has its own specific Code of Conduct. As a binding internal operating procedure, it serves to ensure that pharmacists have pharmaceutical independence at all times and therefore always give priority to the health and wishes of patients. The Code also sets out how employees must behave towards third parties and which advertising measures are permissible.

Supplier Code of Conduct

Galenica ensures that not only the Group and its companies, but also its business partners comply with international and national laws and norms, industry-specific standards and good practices. The Code of Conduct applies to suppliers, service providers and consultants of the Galenica Group. It covers issues relating to ethics, employment law, health, safety, quality and the environment. Purchasing department employees receive training covering the content of the Code of Conduct. In addition, the Legal Department is always involved in important Group-wide contracts. It also regularly reviews the contract templates of the Galenica Group to check for compliance risks.

Comprehensive quality management

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

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

The Amavita, Sun Store and Coop Vitality pharmacies maintain a QMS that covers all the key processes of a public pharmacy as well as environmental factors. Compliance with internal and external standards is monitored by means of regular quality audits, inspections by cantonal pharmacists and test purchases. The QMS at the specialty pharmacy Mediservice fulfils a broad scope of requirements because of the pharmacy's wide range of tasks.

Anti-Corruption Policy and Whistleblower Reporting Office

The Anti-Corruption Policy sets out the principles and guidelines for combating corruption and regulates their implementation by the employees and business partners of the Galenica Group. Any form of corrupt conduct towards or bribery of public officials and private individuals, whether directly or via third parties, is prohibited. Galenica has a zero-tolerance approach to corruption and bribery on the part of employees, partners, suppliers and representatives of third parties. The policy supplements the Group Code of Conduct and the Supplier Code of Conduct and applies to all employees. The Anti-Corruption Policy came into force at the start of 2021.

In 2021, Galenica also introduced an external Whistleblower Reporting Office. This offers all employees and business partners the opportunity to anonymously report suspected breaches of the rules.

Compliance programme

The Galenica Group compliance programme includes a clear commitment to comply with legislation and guidelines and to behave with integrity. The programme describes the Galenica Group's approach to compliance within the three areas of prevention, discovery and reaction and acts as a framework for all central compliance measures and processes.

Regular training

Galenica employees receive regular training on key compliance topics such as anti-corruption measures and antitrust law. A web-based tool is one of the methods used for this.

GRI 103-3

Evaluation of the management approach

- Reporting: suspected breaches of the rules by employees indicate potential for improvement and possible misconduct. All reports are investigated.
- Audit and Risk Committee: the Audit and Risk Committee of the Board of Directors reviews the company's compliance and risk management process.
- ISO audits: the ISO-certified companies of the Group are regularly audited.

GRI 419-1

Non-compliance with laws and regulations in the social and economic area

All Galenica Group companies continued to operate in compliance with the law in 2021. There were no fines or monetary sanctions resulting from non-compliance with legislation and/or regulations.

GRI 205-3

Confirmed incidents of corruption and actions taken

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

GRI 206-1

Legal actions for anti-competitive behaviour; anti-trust and monopoly practices

COMCO fine referred with appeals

On 20 March 2017, the Swiss Competition Commission (COMCO) issued a ruling against HCI Solutions imposing a fine of CHF 4.5 million. This relates to an investigation from 2012 in which the main allegations could not be substantiated and of the six allegations investigated only two subordinate issues remained open. Galenica and HCI Solutions regard the ruling by COMCO in relation to these remaining issues as legally and factually incorrect. HCI Solutions therefore referred the ruling to the Federal Administrative Court on 4 May 2017, where the proceedings were still pending at the end of the financial year. In a decision issued in February 2022, the Federal Administrative Court reduced the fine to just under CHF 3.8 million and granted HCI Solutions reduced party costs. HCI Solutions is referring the case to the Federal Supreme Court.

In 2006, the COMCO opened an investigation against three manufacturers of potency products, including e-mediat AG (today: HCI Solutions Ltd.), Galexis Ltd. and Unione Farmaceutica Distribuzione Ltd. In the first instance, the manufacturers were sanctioned with fines for vertical price agreements based on the price recommendations they issued. Although no sanctions were imposed on the legal entities of the Galenica Group, HCI Solutions Ltd., Galexis Ltd. and Unione Farmaceutica Distribuzione Ltd. appealed the decision to the Federal Administrative Court because they were found to have aided and abetted the unlawful competition agreements without providing any further justification. In its decision of 8 December 2021, the Federal Supreme Court ruled in favour of the Galenica Group companies. The decision of the COMCO was overturned in the final instance insofar as it affected HCI Solutions Ltd., Galexis Ltd. and Unione Farmaceutica Distribuzione Ltd.

Emissions and climate change, waste and recycling

GRI report

The business activities of the Galenica Group have various impacts on the environment and climate. Galenica makes every effort to use natural resources efficiently and respectfully, to reduce negative environmental impacts and to dispose of waste safely.



GRI 302: Energy, GRI 305: Emissions Emissions and climate change

GRI 103-1

Explanation of the material topic and its boundary

In order to provide their services, Galenica Group companies consume renewable as well as non-renewable resources. These processes generate gaseous, liquid and solid waste products as well as greenhouse gases. Electricity and fuels are the main energy sources used by Galenica. Electricity accounts for 41% of total energy consumption. Transport is the main cause of direct and indirect greenhouse gas emissions at Galenica and is responsible for other pollutant emissions. Galenica therefore attempts to use resources as efficiently as possible, on the basis of economically viable measures, and to reduce the resulting environmental impact as much as possible.

Targets

Galenica has defined the following objectives:

- From 2025, we will be sourcing 100% of our electricity from renewable sources at all our locations.
- We will reduce the greenhouse gas emissions produced by all our operations, processes and supply chains by 25% by 2025 and by 50% by 2030 (base year: 2021).
- We will replace 40% of the fossil fuels in our vehicle fleet with renewable alternatives by 2028 (base year: 2021).

Galenica also intends to establish supply chain partnerships to promote circularity with regard to the climate, water and waste.

You can find an overview of all the sustainability goals [here](#).

GRI 103-2

The management approach and its components

Binding targets agreed with the FOEN

In order to reduce CO₂ intensity and increase energy efficiency, the Alloga sites in Burgdorf, Galexis sites in Lausanne-Ecublens and Niederbipp, and the Bichsel Group agreed on binding targets with the Federal Office for the Environment (FOEN). In return for their commitment, the companies can apply for a refund of the CO₂ incentive tax on fossil fuels or a subsidy to implement sustainability measures, provided they comply with the agreements. The targets are agreed individually based on each site's potential. Galenica is working with the Energy Agency for Industry (EnAW) to define an efficiency path with various commercially viable measures. As part of the targets agreed with the FOEN, for example, Alloga put a new groundwater heat pump into operation at the end of 2021.

Reduce fuel consumption

In order to reduce fuel consumption, pre-wholesale and wholesale companies regularly review and implement energy efficiency measures – both internally and with external logistics partners. This includes the use of commercial vehicles that meet the highest emissions standard (currently Euro VI) for all Group companies and the initiation of joint pilot projects for the use of delivery vehicles with alternative drive systems. At the same time, since 2020 Galexis has been converting its own delivery fleet and introducing more efficient vehicles with a higher load capacity to avoid multiple journeys when large loads are being delivered. External contract drivers are contractually obliged to use only vehicles that meet the Euro V standard or higher. All drivers from Galexis, UFD, Pharmapool, Bichsel and Alloga regularly attend mandatory driver safety training, which aims to teach them an environmentally friendly, fuel-efficient driving style, among other things. Galenica also pursues and supports sustainability initiatives for logistics companies through associations (such as GS1) and in cooperation with public authorities (ASTAG).

Environmental Code of Conduct and mobility concept

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

Galenica encourages its employees to use public transport and electric vehicles and has implemented specific mobility concepts at some locations, such as the headquarters in Bern. Employees who commute to work using public transport receive a financial contribution to their travel costs. From January 2022, a further mobility concept will be introduced in Lausanne-Ecublens as part of the renovation work at the site. Only limited parking spaces are available for employees. Galexis encourages employees to organise carpools or use public transport to get to work and provides employees with financial support for the use of public transport.

Starting to implement renewable energies in distribution

Galenica wants to promote the use of renewable energies in distribution logistics and has adopted a memorandum of understanding to this effect as part of its distribution strategy. The first vehicle powered by biogas has been successfully in use at Galexis since 2021 and a second vehicle was also put into operation at Galexis at the end of 2021 (find more information about this in the [spotlight on gas vehicles](#)). In addition, Galexis carried out initial test drives with an electric vehicle for the local distribution of goods and products in the city of Zurich. Due to the long charging time, however, electric vehicles can currently only be used at 50% capacity and are therefore not yet economically viable for use. However, Galexis will continue to monitor the development of electric vehicles. Galenica sees great potential in hydrogen technology for lorries and is therefore in the process of identifying the specific steps that need to be taken to

implement hydrogen technology in logistics. Discussions have been held with a logistics service provider that already operates several hydrogen-powered lorries with a view to putting them into operation as internal shuttle transport. A major challenge here is the requirement for temperature-controlled transport in accordance with GDP guidelines, because air conditioning consumes a large amount of energy.

Focus on increasing energy efficiency during renovations

When carrying out renovations, Galenica always takes into account measures to improve energy efficiency and looks into the feasibility of installing photovoltaic systems. During the renovation of the Galexis distribution centre in Lausanne-Ecublens, for example, all buildings and roofs were refurbished to improve energy efficiency and a photovoltaic system was installed. A photovoltaic system has also been in operation on the roof of the Alloga building in Burgdorf since 2018 and Galexis is planning to install a photovoltaic system at the Niederbipp site.

In the Service Unit Pharmacies, there is only a very limited choice of energy sources for heating and electricity as almost all the premises are rented. However, electricity consumption can be controlled, which is why Galenica is consistently focusing on energy-saving lighting and the installation of motion detectors when renovating pharmacies.

GRI 103-3

Evaluation of the management approach

- Key figures: key environmental figures relating to greenhouse gas emissions and energy consumption by the Group are collected at least once a year in order to check whether the environmental targets are being achieved.
- Targets agreed with the FOEN: EnAW provides Galenica with annual feedback and recommendations on how to improve energy efficiency and reduce CO₂ intensity.
- Galenica's sustainability goals form part of its collaboration with partners (suppliers, logistics service providers, service providers) throughout the supply chain.
- ESG topics are already part of the contractual agreements in investment planning and the awarding of contracts.
- CDP: Galenica completes the CDP questionnaire once a year. CDP is an international, non-profit organisation that provides the world's largest environmental database for companies and cities. Its aim is to encourage as many companies as possible to disclose their impact on the environment and natural resources. This information is collected on behalf of more than 590 institutional investors, who together represent more than USD 110 trillion in assets. In 2021, as in the previous year, Galenica was ranked C in its level of engagement score. This certifies that the Galenica Group understands how environmental issues affect the business model. The results are published at www.cdp.net.

GRI 302-1

Energy consumption within the organisation

Galenica discloses the total energy consumption within the organisation as well as energy consumption from non-renewable and renewable sources in its [key environmental figures](#).

GRI 302-2

Energy consumption outside the organisation

The declared energy consumption outside the organisation is limited to downstream transport and distribution and is shown in its [key environmental figures](#).

GRI 302-3

Energy intensity

Galenica uses the number of full-time equivalents (FTEs) as the organisation-specific parameter to calculate the energy intensity ratio. The quotient takes into account the energy consumption within the organisation and includes the following types of energy: fuels, electricity and heat consumption. The energy intensity is shown in the [key environmental figures](#).

GRI 305-1

Direct (Scope 1) GHG emissions

Galenica discloses direct (Scope 1) greenhouse gas (GHG) emissions as well as further information on the standards, methods and estimates used in the key environmental figures.

GRI 305-2

Energy indirect (Scope 2) GHG emissions

Energy indirect (Scope 2) GHG emissions as well as information on the standards, methods and assumptions used are disclosed in the [key environmental figures](#).

GRI 305-3

Other indirect (Scope 3) GHG emissions

Other reported indirect (Scope 3) GHG emissions include third-party fuel consumption and are shown in the [key environmental figures](#), where you will also find additional information on standards, methods and estimates.

Targets

Galenica has defined the following objective:

- We will reduce our municipal waste by 50% by 2025 (base year: 2021).

You can find an overview of all the sustainability goals [here](#).

GRI 306: Waste Waste and recycling

GRI 103-1

Explanation of the material topic and its boundary

Alongside conventional municipal waste (mainly packaging materials), the Galenica Group also produces medical and chemical waste. In Switzerland, expired or surplus medication is classified as hazardous waste and may not be disposed of with conventional industrial waste. Hazardous waste involves both disposal costs and environmental risks.

GRI 103-2, GRI 306-1, GRI 306-2

The management approach and its components

Proper disposal of returned medications

The pharmacies and logistics companies in the Galenica Group take back and professionally dispose of expired or unused medications. In pharmacies, this is done in accordance with internal quality management processes. The pharmacists perform an initial triage of the returned medications and sort the products according to specific criteria. They focus particularly on critical ingredients (such as heavy metals, solvents or highly active substances), but also on the special characteristics of the dosage form (such as gas pressure vessels). After this pre-selection process, the drugs are disposed of properly at a conventional incineration plant or in a specially designed high-temperature furnace. The disposal of controlled substances such as narcotics must be documented by pharmacists and reported to Swissmedic. The GDP guidelines, which Alloga, Unione, Pharmapool and Galaxis have signed up to, also provide instructions on how to handle these returns. The actual disposal of expired and unused medications is

carried out by third parties, with the exception of Medifilm, which is the only company in the Galenica Group with an approval for hazardous waste disposal.

For safety reasons, all returned drugs are disposed of without exception, even if they have not yet expired and/or the packaging is still intact. Controlled disposal prevents people or animals from coming into contact with potentially hazardous pharmaceutical waste, such as in torn rubbish bags at the roadside or in the form of contamination. Pharmacies therefore make a valuable contribution to the environmentally friendly and controlled disposal of hazardous waste. In addition, all Galenica Group pharmacies provide only biodegradable plastic bags to their customers.

The Service Unit Wholesale & Logistics is constantly investigating additional ways of reducing waste. The use of recycled packaging is an effective measure; more than 90% of deliveries are already made in reusable, recycled storage containers. The remaining 10% is delivered in recyclable cardboard packaging.

Environmental Code of Conduct

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

GRI 103-3

Evaluation of the management approach

- Key figures: key environmental figures relating to Group waste are collected at least once a year in order to check whether the environmental targets are being achieved.
- Quality management: compliance with quality management processes is monitored on an ongoing basis.

GRI 306-3

Waste generated

Galenica discloses the total weight of waste generated and a breakdown by composition of waste in its key environmental figures.

GRI 306-5

Waste directed for disposal

In its key environmental figures, Galenica reports waste disposed of using the following disposal methods: incineration, hazardous waste incineration and recycling.

Employees

GRI report

Employees play a key role in the success of the Galenica Group. Galenica therefore makes every effort to promote employee motivation and development as well as diversity and equal opportunities, to ensure occupational health and safety and to retain qualified employees.



GRI 401: Employment Employee motivation

GRI 103-1

Explanation of the material topic and its boundary

A total of 7,239 employees work at Galenica providing professional services to the satisfaction of a wide range of customers. For Galenica, the topic of employment (GRI 401) includes employment conditions and employee motivation. The latter has a direct impact on employee turnover, efficiency and productivity. Furthermore, the emphasis on the corporate values – five key Galenica values, a contemporary and appreciative management culture and modern working models (life-domain balance) play an important role. Employee motivation is also closely linked to employee training and continuous education. Galenica therefore summarises all issues relating to the

employment of competent and motivated employees in terms of employee motivation and development.

You can find further information on the specific employee topics under Employee development (GRI 404), Diversity and equal opportunity (GRI 405), Occupational health and safety (GRI 403) and Retention of qualified employees (own topic).

Targets

Galenica has defined the following objectives:

- We are increasing the motivation rate of our employee survey to 75 out of 100 points and the participation rate to 75% by 2024 (base year: 2021).

You can find an overview of all the sustainability goals [here](#).

GRI 103-2

The management approach and its components

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

- We participate with **passion** and act as **entrepreneurs**.
- We build **trust** through credibility and competence.
- We show **respect** and know that **together, we are stronger**.

Responsibilities

The Service Unit Human Resources (HR) is responsible for HR management and supports the respective companies with their HR Business Partners in managing their employees.

Personnel Policy, Personnel Regulations and Working Time Regulations

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

Balancing private life and work

Galenica offers flexible working time models to provide a better work-life balance for its employees. According to the guidelines on homeworking, employees also have the option of working from home up to 100%, depending on the scope of their role. Part-time work is also common, particularly in the Service Unit Pharmacies, and co-management teams are also possible in the pharmacies. Furthermore, female employees can extend their maternity leave with unpaid leave and men receive paternity leave of ten days, which is fully paid, in contrast to the statutory obligation.

Opinio employee survey

The Opinio employee survey has a long tradition at Galenica. It has been carried out annually since 2020 and enables Galenica to react more quickly and in a more targeted manner to changes in employee satisfaction and motivation. A total of 4,258 employees took part in the survey in the reporting year. This corresponds to a response rate of 58%, which is at a lower rate compared to from the previous survey conducted in 2020. With a Group-wide score of 71 out of 100 possible points, employee motivation is satisfactory.

Promote interaction and commitment among employees

The staff committees are important points of contact for the concerns of all employees that are of general interest and are to be discussed with the Executive Committee. Conversely, the Executive Committee consults the staff committee or works committee on relevant personnel matters that concern all or most employees, such as conditions of employment. The works committee is made up of the chairs of all the local staff committees. Twice a year, a meeting takes place between the works committee, the Group-wide employee representatives, a representative of the Executive Committee and HR management. It addresses topics that go beyond the local concerns of the staff committees in the individual business areas. The staff committees generally meet several times per year and are also informed about the topics and resolutions of the works committee meetings.

In 2021, a team of «Change Ninjas» was created. They are actively shaping the transformation of the Galenica Group and supporting the Service Units in their transformation plans.

Various communication platforms

Direct, personal interaction between employees from all language regions of Switzerland and a total of 82 countries lies at the heart of Galenica's communication efforts with the aim of actively promoting knowledge sharing and cooperation. The various in-person and digital information events and management meetings within the business sectors and companies are a good way of ensuring that this happens. Information on current topics from all areas of the company is provided at events and via the intranet, G-Net.

Twice a year, all employees and retired employees also receive the printed employee magazine Spot, which is delivered to their homes. This enables their partners and family members to gain an insight into developments in the Galenica world too.

Employee profit-sharing programme

Galenica shares the success of the company with all employees. The bonus is calculated based on the Group result compared with the previous year. Every year, employees of Galenica living in Switzerland have the opportunity to purchase between 20 and 80 Galenica shares at a preferential price, regardless of their employment level. In 2021, 19.7% of employees participated in the programme (previous year: 18.5%). These shares are blocked for three years after the date of purchase.

For members of Senior Management (SMT) and Management (MT), the profit share is included proportionately in the annual bonus. This is dependent on attaining quantitative and qualitative targets. The share-based remuneration programme LTI (see Remuneration report) for members of the Executive Committee and certain members of the SMT is geared towards long-term performance, whereby remuneration is withheld for a period of three years.

Employee benefit plans

The Galenica Pension Fund covers the risks and economic consequences of old age, disability and death according to the specifications of the Swiss Federal Act on Occupational Old Age, Survivors' and Invalidity Pension Provision (BVG). Like the previous foundations, it is legally, organisationally and financially independent of Galenica. The pension fund is managed according to the defined contribution principle. This is usually financed by contributions from the employee and the employer. The contributions made by employer and employee are accrued into individual savings capital for each employee. The savings capital is usually paid out as a lump sum or converted into an annuity on reaching statutory retirement age. In cases of termination of employment, the savings are transferred as vested benefits. The financial statements of the pension fund provide a true and fair view of the financial position, the results of operations and cash flow. The accounting and valuation principles of the Swiss pension schemes correspond to the Ordinance on Occupational Old Age,

Survivors' and Invalidation Pension Provision (BVV2) and the Swiss GAAP FER accounting and reporting recommendations. Assets and liabilities are recognised on the basis of the financial situation of the pension fund as of the balance sheet date only.

Due to increasing life expectancy and a drop in the interest received, the conversion and contribution rates were adjusted as of 1 January 2022.

GRI 103-3

Evaluation of the management approach

- Key figures: key personnel figures, such as employee turnover, are collected from across the Group and analysed every six months.
- Employee satisfaction and motivation: the satisfaction and motivation of employees is evaluated as part of the annual employee survey. The Executive Committee examines the results, particularly the critical points, and defines effective measures based on their findings.

GRI 401-1

New employee hires and employee turnover

Aspect	Unit	2021
New employee hires	number	873
by gender		
- women	number	674
- men	number	199
by age		
- under 30	number	545
- 30-50	number	275
- over 50	number	53
Employee turnover	%	14.5

Galenica does not provide a breakdown of newly hired employees by region. In addition, there is no breakdown of staff turnover by age group, gender and region due to the different HR systems.

Targets

Galenica has defined the following objectives:

- We will reduce the absence rate for occupational and non-occupational accidents by 10% by 2024 (base year: 2021).
- We will reduce the absence rate for mental illness by 5% by 2024 (base year: 2021).

You can find an overview of all the sustainability goals [here](#).

GRI 403: Occupational health and safety

Health and safety in the workplace

GRI 103-1**Explanation of the material topic and its boundary**

It goes without saying that Galenica attaches great importance to the physical and mental health of its employees. The topic covers the effects of business activities on the physical and mental well-being of all employees. Galenica has a duty to prevent any violation of the physical or psychological integrity of its employees in the workplace. This keeps both personal suffering and costs to a minimum.

There is an increased risk of accidents, particularly in the Service Units Wholesale & Logistics and Pharmacies, which is why occupational health and safety play such a key role in these areas.

GRI 103-2, GRI 403-1 – 403-7**The management approach and its components****Health and safety precautions for employees**

Galenica puts in place measures to protect employee health and maintain safety in the workplace in accordance with the directives of the Federal Coordination Commission for Occupational Safety (FCOS). In addition, all companies have an occupational health management (OHM) system. Galenica also uses a preventive case management system in order to identify potential health risks for employees at an early stage and take appropriate measures. This tool is deployed within the first 30 days of absence. The top priority is to ensure that the employee can return to work quickly following an illness or accident. Galenica is working with the organisations Movis and Carelink to improve health protection within the Group. Carelink offers emergency psychological support in crisis situations, for example following a robbery at a pharmacy. Movis provides support for employees concerning the protection of their personal integrity. In addition, the Galenica Group offers all employees a flu vaccination every year.

Due to the increased risk of accidents, the companies Alloga and Galexis also have a systematic absence management system, which is part of the OHM system. Discussions are held with employees in the event of prolonged or frequent absences, and contact is maintained in the case of a return to work after a long absence. Alloga and Galexis also organise training sessions together with Suva to avoid operational accidents.

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

The Code of Conduct for Suppliers of the Galenica Group states that suppliers must ensure a safe and healthy working environment and guarantee the protection of their employees in accordance with all applicable health and safety regulations.

GRI 103-3

Evaluation of the management approach

- Key figures: employee absences are regularly analysed by the Service Unit HR and appropriate measures are taken.
- Safety audit: external safety consultants regularly carry out safety audits in the Service Unit Wholesale & Logistics.
- Since 2021, internal safety audits (inspections) have also been carried out at Galenix on a monthly basis with the corresponding department heads, and measures to improve occupational safety have been identified and documented.

GRI 403-9

Work-related injuries

Galenica discloses the number of occupational and non-occupational accidents and the rate of work-related injuries in the [key social figures](#). There were no work-related fatalities in the reporting year.

GRI 403-10

Work-related injuries

Galenica discloses the number of cases of illness, hours of absence due to illness and the absence rate in the [key social figures](#). The number of deaths caused by work-related illnesses is not recorded.

GRI 404: Training and education

Employee development

GRI 103-1

Explanation of the material topic and its boundary

When it comes to logistics and the sale of pharmaceuticals, the employees and their specialist knowledge play a crucial role. As a successful company, Galenica aims to grow with the market and to set new trends. The adaptability of the Galenica Group is based on the commitment and team spirit of its entire workforce. In order to maintain this commitment and team spirit, Galenica provides continuous support for employee development. The topic of training and education encompasses the retention and development of existing employees by means of training and education as well as the training of apprentices.

GRI 103-2

The management approach and its components

Promote knowledge and interaction among employees

Continuous personnel development and the management work of the future are at the heart of the Group-wide personnel development programme Move. Move represents agility and flexibility and therefore reflects the range of employee development options available. This comprises modules in the field of professional training as well as leadership and personal development for on various levels. In 2021, Galenica conducted 27 modules with 302 employees. New employees are invited to an induction day (Move 1) where the history, culture and strategy of the Galenica Group and its companies are explained. The aim of the two-year Talent Mentoring Programme is to develop high-performing employees in their current role or to introduce them to a higher-level position in order to strengthen internal succession planning in the medium to long term. Participants (mentees) are given a platform where they can exchange views and experience across the business sectors. At the same time, the knowledge

and skills of experienced managers are used to further develop the next generation of talented employees. Each mentee is assigned a personal mentor. In 2021, 26 employees took part in the Talent Mentoring Programme.

As part of the Junior Talent Management Programme of the Service Unit Pharmacies, pharmacy assistants can develop their own project for a year. They are supported by mentors and trained in project management.

Education in pharmacies

Galenica also supports employees with external training by giving them financial aid and/or allowing them the time, provided that the training is related to their current role and offers added value for the company and the employees. The Service Unit Pharmacies, for example, offers the CAS course "Management for Pharmacists" in cooperation with the University of Basle. In 2021, 16 employees took the CAS course.

The Service Unit Pharmacies also covers the costs of further training to become a "Specialist Pharmacist in Retail Pharmacy" (FPH certification in Retail Pharmacy). Based on the revision of the Medical Profession Act (MedBG), qualified pharmacists are required to obtain this federal qualification if they want to work as a responsible person in a pharmacy. Galenica is committed to ensuring that as many pharmacists as possible are able to complete this training. At the end of 2021, there were 162 employees in the programme, which they will finish in 2022.

In light of the revision of MedBG, Galenicare has also developed the FPH certificate of competence in patient history in primary care as further training together with an external provider. This further training increases the skills of pharmacists in basic health care, enabling them to diagnose minor illnesses and dispense an appropriate prescription drug. In 2021, 234 pharmacists already had the qualification and 156 were undergoing training.

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

Training apprentices

Galenica is making a strong commitment to the next generation of qualified employees. In 2021, the Group trained 823 apprentices – 738 young women and 85 young men – at its companies. Of these, 244 completed their apprenticeships, many with flying colours. Having qualified, 110 apprentices have since become Group employees.

GRI 103-3

Evaluation of the management approach

- Performance reviews: the performance of employees is evaluated and discussed at annual performance reviews. Education also plays a key role in this.

GRI 404-3

Percentage of employees receiving regular performance and career development reviews

All employees with a permanent contract receive a regular review of their performance and professional development as part of the annual performance reviews. The number of employees with an employment contract is shown in [GRI 102-8](#).

Targets

Galenica has defined the following objectives:

- We will improve diversity, in particular gender equality, in all Service Units by 2024 (base year: 2021).
- We will maintain the proportion of women in management at 50%.

You can find an overview of all the sustainability goals [here](#).

GRI 405: Diversity and equal opportunity

Diversity and equal opportunity

GRI 103-1

Explanation of the material topic and its boundary

The theme of diversity and equal opportunity involves issues of equality and equal treatment with regard to age, origin, gender and other diversity indicators. In addition to equal pay for men and women, diversity also includes the integration of people with disabilities into the work process. Ultimately, the diversity of employees benefits the innovative capacity of the company as an employer as well as adding to its success and attractiveness.

The Galenica Group is committed to diversity and brings together people from 82 countries and all age groups. Three quarters of employees are women. Other figures concerning diversity and equal opportunity are included in the [key social figures](#).

GRI 103-2

The management approach and its components

Code of Conduct

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

Equal pay

To ensure equal pay for men and women, the Galenica Group uses benchmarks when reviewing salaries.

Protection of personal integrity in the workplace

Bullying, discrimination and sexual harassment are three examples of problematic behaviour that can lead to violations of personal integrity. A violation of personal integrity in the workplace affects the well-being of the person concerned and puts their health and ability to work well with others within the company at risk. As an employer, Galenica is legally obliged to protect the privacy of its employees (Art. 328 CO, Art. 6(1) ArG). The Galenica Group does not tolerate any violations of personal integrity; it prohibits all forms of bullying, sexual harassment, discrimination, violence and threats, and is committed to non-violent and harassment-free treatment at all levels of the hierarchy. Every year, however, employees report isolated cases that are subsequently investigated. In order to improve the protection of the personal integrity of employees, they also have the option of contacting an external advisory centre if necessary.

GRI 103-3

Evaluation of the management approach

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

GRI 405-1

Diversity of governance bodies and employees

Aspect	Unit	2021
Board of directors		
by gender		
- women	%	33.3
- men	%	66.7
by age		
- under 30	%	-
- 30-50	%	33.3
- over 50	%	66.7
Executive Committee		
by gender		
- women	%	16.7
- men	%	83.3
by age		
- under 30	%	-
- 30-50	%	50
- over 50	%	50
Management		
by gender		
- women		52.1
- men		47.9
by age		
- under 30	%	2.3
- 30-50	%	62.9
- over 50	%	34.8
Function level of senior management		
by gender		
- women	%	35.1
- men	%	64.9
by age		
- under 30	%	-
- 30-50	%	55.7
- over 50	%	44.3
Function level of management / pharmacy management		
by gender		
- women	%	56.3
- men	%	43.7
by age		
- under 30	%	2.8
- 30-50	%	64.7
- over 50	%	32.5
Function level of employees		
by gender		
- women	%	80.3
- men	%	19.7
by age		
- under 30	%	37.6
- 30-50	%	42.2
- over 50	%	20.2

Management includes the functional levels of senior management and management/management of pharmacies.

Targets

Galenica has defined the following objective:

- We will reduce the time-to-hire for IT and pharmacy positions by 10% by 2024 (base year: 2021).

You can find an overview of all the sustainability goals [here](#).

Own material topic Retention of qualified employees

GRI 103-1

Explanation of the material topic and its boundary

In Switzerland, the retention of qualified employees represents a major challenge, particularly in the healthcare professions and in IT. In addition to the scarcity of employees, the requirements in terms of training and skills are constantly increasing. For Galenica, retaining specialist staff plays a key role, particularly in the Service Unit Pharmacies, because the operation of pharmacies requires good, qualified staff. As the Swiss healthcare system becomes increasingly digitalised, Galenica will be more dependent on IT and e-commerce professionals in the future. Retaining qualified employees includes recruiting them and keeping them within the company and supporting them outside the company.

GRI 103-2

The management approach and its components

Recruitment strategy to retain qualified employees

Galenica reviews its recruitment activities on an ongoing basis and adapts to the constantly changing conditions in the labour market. Galenica's recruitment strategy includes measures relating to the company's image as an employer, its positioning and university marketing for students. Galenica aims to make contact with students while they are still at university and encourage them to pursue a career within the Galenica Group.

GRI 103-3

Evaluation of the management approach

- Key figures: Key personnel figures (such as time-to-hire) relating to recruitment are collected on a regular basis in order to monitor the implementation of the recruitment strategy and the achievement of targets.

Own indicator

Time-to-hire

The time-to-hire for vacant IT and pharmacy positions was 53 days on average in the reporting year. The number of days is already 41% below the benchmark of around 90 days.

Patient safety and health

GRI report

Patient safety and health is a top priority for Galenica. Galenica is committed to ensuring the quality of medicinal products along the entire value chain.



Own material topic Patient safety and health

GRI 103-1

Explanation of the material topic and its boundary

Medication errors or reductions in the quality of medications can have serious consequences for a patient's health. They also pose a risk to the reputation of the companies involved. Digitalisation opens up new opportunities for innovative solutions to improve patient safety. Galenica is committed to ensuring the quality of medicinal products along its entire value chain and takes the appropriate measures in terms of infrastructure, processes, and the training and education of its employees.

Targets

Galenica has defined the following objectives:

- We will expand the use of the e-mediplan in Galenica pharmacies by 10% a year until 2023 (base year: 2021).
- We will make patient information on all Algifor® products available online in five other languages that are relevant for Switzerland by 2022.

Galenica has also defined internal targets in the area of patient safety and health.

You can find an overview of all the sustainability goals [here](#).

GRI 103-2

The management approach and its components

GDP Guidelines

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

Galexis, UFD, Pharmapool and the Bichsel Group each operate their own fleet comprising 168 delivery vans (up to 3.5 tonnes) and 5 lorries (14 to 22 tonnes). All vehicles are GDP-compliant and are fitted with an air conditioning system in the loading space, which is mandatory for the transport of pharmaceutical products.

Quality systems

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

The QMS of the Service Unit Pharmacies has standard operating procedures (SOPs) for all relevant pharmacy processes. These include the manufacture and dispensing of drugs, data protection, confidentiality, hygiene and the disposal of medications. Galenicare regularly carries out audits to ensure compliance with the SOPs in the individual pharmacies. In addition to these announced audits, anonymous test purchases and phone calls and inspections by cantonal pharmacists take place in all pharmacies. Several times a year, Galenica conducts QMS and legal requirements courses for pharmacy employees. For specific services such as heart checks, allergy checks, diabetes checks and vaccinations, employees complete certified courses and obtain certificates of competence.

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

The specialty pharmacy Mediservice supports patients with chronic and rare illnesses by providing additional services such as home care and patient events. Mediservice also has a licence to operate as a public pharmacy and a wholesale licence. Accordingly, Mediservice's QMS meets a wide range of requirements.

You can find further information about certifications and quality systems under [Compliance \(GRI 419\)](#).

Continuous monitoring of all products

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

Promote the technical competence of employees

In 2021, around 85 pharmacists attended quality management courses. Quality management and patient safety are also key issues in the basic training of pharmacy assistants working towards their Federal Proficiency Certificate.

Where required, Verfora offers training sessions for pharmacies when new medications are launched in order to promote employees' skills and ensure patient safety and health. In 2021, Verfora conducted 328 training sessions for a total of 3,050 pharmacy assistants and pharmacists.

Increased patient safety using e-medication solution

Digitalisation is leading to new, innovative ways to improve patient safety. Documedis[®] is the process-integrated solution for increased medication and patient safety in the healthcare system. Documedis[®] offers specific e-health applications and services relating to the medication process based on INDEX data. HCI Solutions works with various reference communities to make Documedis[®] available in the electronic patient record. This will allow more functions to be made available to the various service providers in the future, such as merging several e-mediplans, which will result in an increase in patient safety. Documedis[®] is already being implemented in pharmacy, medical and hospital software.

The Documedis[®] module Primary Care Algorithms (PCA.CE) provides the option of offering precise identification of health disorders and illnesses using algorithms. In 2021, HCI Solutions implemented 22 additional algorithms, including for diseases such as acne, eczema and shingles. There are now 33 algorithms in total. HCI Solutions is constantly expanding the functionality of Documedis[®].

Uninterrupted cold chain for medications

All Wholesale & Logistics companies, as well as Medifilm, Mediservice and Bichsel, provide an uninterrupted cold chain for the storage and transport of temperature-sensitive drugs. At Alloga, this also applies to so-called ultra-deep-freeze logistics, in other words, storage and dispatch at -80°C, the required temperature for a new generation of cancer drugs. In preparation for the delivery of COVID-19 vaccines, Alloga further expanded its ultra-deep-freeze logistics in the reporting year. Temperature control is ensured by using dry ice in special containers. Alloga and Galaxis also use paraffin-filled cooling elements, which, in contrast to water-based cooling elements, ensure the medicines remain at a more stable temperature. The

proportion of transported refrigerated products in the reporting year was 6% for Galenix' own vehicle fleet and around 31% for third-party transport.

Important contribution to combating the coronavirus

Galenica pharmacies are making an important contribution to combating the coronavirus. From mid-November 2020, the first of them offered both rapid antigen tests and PCR tests for coronavirus, and pharmacies have also been offering COVID-19 vaccinations since 2021. In 2021, the Galenica pharmacies carried out a total of more than 230,000 antigen, PCR and antibody tests and administered around 90,000 COVID-19 vaccinations.

GRI 103-3

Evaluation of the management approach

- Quality management: the QMSs of the companies of the Galenica Group are regularly and systematically audited.
- GDP guidelines: the regional therapeutic products institutes periodically check compliance with the GDP guidelines.
- Pharmacovigilance: at Verfora, all employees are obliged to forward reports of side effects from specialists and patients to the responsible internal office promptly and in full. Information on the duration, progression and impact of the side effect and on the dosage and duration of product use plays a key role in this. Verfora documents and investigates each report, taking appropriate measures where necessary.

Own indicator

Pharmacovigilance: Forwarding reports

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

Own indicator

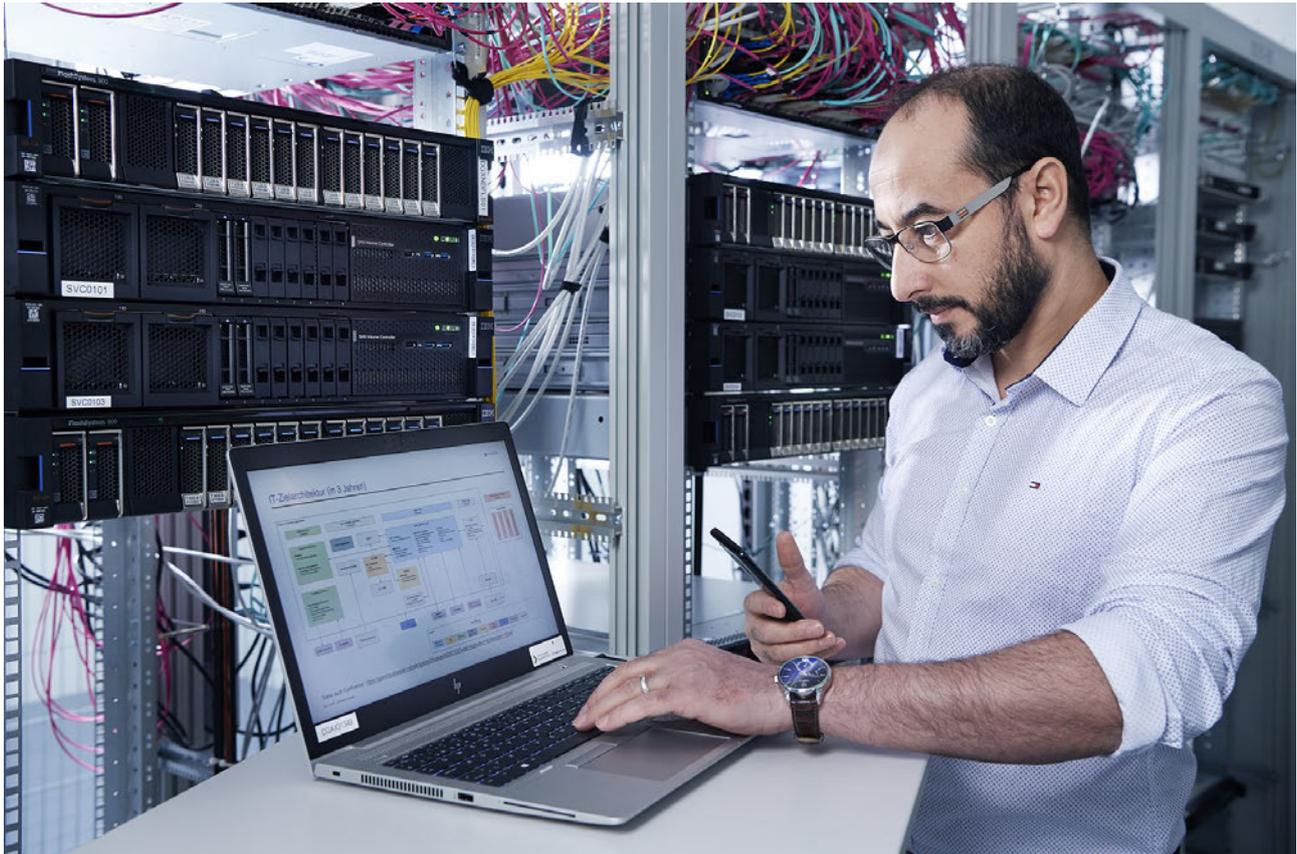
QMS training in pharmacies

In the reporting year, 85 pharmacists completed QMS training.

Data protection, IT security and cybercrime

GRI report

As a healthcare provider, protecting patient data is a top priority for Galenica. Galenica ensures that this information is protected against unauthorised access and unauthorised changes or loss.



GRI 418: Customer data protection Data protection

GRI 103-1

Explanation of the material topic and its boundary

As the Swiss healthcare system becomes increasingly digitalised, the importance of data protection grows and the legal requirements for data processing become more comprehensive. Data protection involves the handling of patient and customer data with the aim of protecting the privacy of patients when their data is processed. Health data is sensitive information that must be protected by law against misuse. Data protection plays a key role in the Service Unit Pharmacies and HCI Solutions in particular. Galenica ensures that patient data is protected against unauthorised access and unauthorised changes or loss.

Targets

Galenica has defined the following objectives:

- We carry out measures to raise employee awareness in the area of data protection twice a year.

You can find an overview of all the sustainability goals [here](#).

GRI 103-2**The management approach and its components****Data Protection Policy and employee training**

Galenica is being assisted in this important area by an independent external data protection officer. The Data Protection Policy forms the overarching framework and is supplemented by specific rules and directives for the Group companies. All employment contracts of employees who have access to personal data also contain a data protection clause. All employees are regularly trained and made aware of data protection issues.

Focus on data protection revision

At the end of September 2020, the Swiss parliament passed a complete revision of the Federal Act on Data Protection (nFADP). The revision will bring the Data Protection Act into line with technological and social conditions, which have changed since the act was last revised. In particular, the transparency of data processing will be improved and the autonomy of data subjects will be strengthened. The revised Data Protection Act has been aligned in many areas with the EU General Data Protection Regulation (GDPR). Galenica is following current developments and examining the need for adjustments. In 2021, Galenica launched an internal project to prepare the Galenica Group for the requirements of the nFADP and the new Ordinance to the Federal Act on Data Protection (nOFADP).

The consultation process for the revision of the Ordinance to the Federal Act on Data Protection (OFADP) began in 2021. The Legal Department is assessing where Galenica currently stands with regard to the Data Protection Act and is implementing the statutory provisions. In addition, the Group's Legal Department continues to follow the EU GDPR practices.

Data Protection Circle

The Data Protection Circle is a committee that offers employees in the Legal Department, IT and operational business sectors a platform for managing and coordinating data protection issues and questions across the Group and implementing preventive measures at an early stage. The committee therefore makes a major contribution to compliance with data protection legislation. The Data Protection Circle is headed by the Secretary General. The committee is part of the Legal Department.

GRI 103-3**Evaluation of the management approach**

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

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

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

Own material topic

IT security and cybercrime

GRI 103-1

Explanation of the material topic and its boundary

With the increasing digitalisation of the healthcare system, the risk of cyber attacks is growing. This is why IT security is highly important at Galenica. As a healthcare provider, Galenica processes sensitive information and data. Galenica ensures that these are protected against unauthorised access and unauthorised changes or loss. Protecting IT systems is crucial for logistics companies and pharmacies in order to ultimately ensure the security of supply to the population. People are one of the greatest risk factors in connection with cyber attacks, as many cyber attacks target employees, for example by means of fraudulent e-mails (phishing).

Targets

Galenica has also defined the following objective:

- We make our employees aware of IT security and cybercrime.

Galenica has also defined internal objectives in the area of IT security and cybercrime.

You can find an overview of all the sustainability goals [here](#).

GRI 103-2

The management approach and its components

Responsibilities

At Group level, the topic of IT security is coordinated by the chief information security officer (CISO). Together with the team, the CISO heads the "IT Security Circle" committee, to which the IT security managers of the Galenica Group belong. The committee meets quarterly to provide advice and coordinate information and IT security measures. These are implemented by the members in their respective companies. As part of efforts to pool the IT expertise of all Galenica companies in the Service Unit IT & Digital Services, the IT security strategy was also centralised in 2021. The aim is to achieve reliable and efficient IT security across the Group.

Clear guidelines to govern operations

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

Raising employee awareness

The cooperation of all employees is required to ensure information and IT security. In addition to technical measures, Galenica also promotes awareness of security among employees by means of specific e-learning modules and intranet news. New employees are made aware of the key elements of the IT user regulations on their induction day. In 2021, Galenica implemented and rolled out a range of e-learning modules for all employees concerning data security and how to handle phishing and cyber attacks. In addition, information on cybercrime was regularly published on the intranet for employees.

GRI 103-3

Participation in e-learning

- Security audit: the IT Security Policy and its implementation are regularly reviewed by internal departments or external specialists to ensure they are up to date and effective.
- Monitoring: the security monitoring system monitors all the IT systems and triggers an alarm in the event of anomalies. This is managed by an external Security Operation Centre (SOC).
- E-learning: the participation rate for the e-learning modules on data security and cybersecurity is regularly recorded and evaluated.

Own indicator

Participation in e-learning

In the reporting year, two e-learning courses on the subject of IT security and cybercrime were offered. The average participation rate was 88%.

Reliable procurement and supply chain

GRI report

Supply bottlenecks in the pharmaceutical supply chain are becoming more and more frequent worldwide, including in Switzerland. Galenica makes every effort to ensure the greatest possible availability of medicines in order to guarantee the reliability of supplies to the population.



Own material topic

Reliable procurement and supply chain

GRI 103-1

Explanation of the material topic and its boundary

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

Targets

Galenica has defined the following objective:

- We will review the compliance of our top ten suppliers with the Supplier Code of Conduct every three years from 2025.

Galenica has also defined internal objectives in the area of reliable procurement and supply chain.

You can find an overview of all the sustainability goals [here](#).

GRI 103-2**The management approach and its components****Scheduling system and cooperation**

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

Responding to critical bottlenecks in good time

The logistics companies of the Galenica Group review the inventory range in the pharmaceutical sector on a daily basis, enabling them to respond in good time to bottlenecks and increased demand. If critical bottlenecks occur or there is an increased demand for specific products, as was repeatedly the case in 2020 and 2021 due to COVID-19, logistics companies quickly change the way they work. The delivery of non-essential products, such as cosmetics or perfumes, is temporarily discontinued in order to guarantee the supply of essential products. In addition, the amount that each customer can order is reduced to prevent panic buying.

GRI 103-3**Evaluation of the management approach**

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

Own indicator**Availability of medicinal products**

Ensuring the availability of medicinal products represents a major global challenge and, of course, also affects the Swiss market. Over the last two years, COVID-19 has clearly shown how interruptions to the global supply chains have a negative impact on local availability. This makes it all the more important for the medicines that are or become available to be delivered to the service providers as quickly as possible. The Galenica logistics companies can make 99% of these medicines available throughout Switzerland within 24 hours and maintain the supply.

GRI-Index

GRI Indicator	Description	Reference
GRI 102 General Disclosures		
Organisation profile		
102-1	Name of the organisation	General Disclosures
102-2	Activities, brands, products and services	General Disclosures Galenica Website
102-3	Location of headquarters	General Disclosures
102-4	Location of operations	General Disclosures
102-5	Ownership and legal form	General Disclosures
102-6	Markets served	General Disclosures
102-7	Scale of the organisation	General Disclosures
102-8	Information on employees and other workers	General Disclosures Social figures
102-9	Supply chain	General Disclosures Value Chain
102-10	Significant changes to the organisation and its supply chain	General Disclosures Financial Reporting Corporate Governance
102-11	Precautionary Principle or approach	General Disclosures
102-12	External initiatives	General Disclosures Social commitment
102-13	Membership of association	General Disclosures
Strategy		
102-14	Statement from senior decision-maker	General Disclosures Foreword
Ethics and integrity		
102-16	Values, principles, standards, and norms of behavior	General Disclosures Code of Conduct
Governance		
102-18	Governance structure	General Disclosures Corporate Governance Sustainability at Galenica
Stakeholder engagement		
102-40	List of stakeholder groups	General Disclosures
102-41	Collective bargaining agreements	General Disclosures
102-42	Identifying and selecting stakeholders	General Disclosures
102-43	Approach to stakeholder engagement	General Disclosures Sustainability at Galenica
102-44	Key topics and concerns raised	General Disclosures
Reporting practice		
102-45	Entities included in the consolidated financial statements	Financial Reporting
102-46	Defining report content and topic Boundaries	General Disclosures Sustainability at Galenica
102-47	List of material topics	General Disclosures Sustainability at Galenica

102-48	Restatements of information	General Disclosures
102-49	Changes in reporting	General Disclosures
102-50	Reporting period	General Disclosures
102-51	Date of most recent report	General Disclosures
102-52	Reporting cycle	General Disclosures
102-53	Contact point for questions regarding the report	General Disclosures
102-54	Claims of reporting in accordance with the GRI Standards	General Disclosures
102-55	GRI content index	GRI Content Index
102-56	External assurance	General Disclosures

GRI Indicator	Description	Reference
---------------	-------------	-----------

GRI 200 Economic

GRI 201 Economic Performance

103-1	Explanation of the material topic and its Boundary	Economic Performance and Compliance
103-2	The management approach and its components	Economic Performance and Compliance
103-3	Evaluation of the management approach	Economic Performance and Compliance
201-1	Direct economic value generated and distributed	Economic Performance and Compliance Financial Reporting

GRI 205 Anti-Corruption

103-1	Explanation of the material topic and its Boundary	Economic Performance and Compliance
103-2	The management approach and its components	Economic Performance and Compliance
103-3	Evaluation of the management approach	Economic Performance and Compliance
205-3	Confirmed incidents of corruption and actions taken	Economic Performance and Compliance

GRI 206 Anti-Competitive Behaviour

103-1	Explanation of the material topic and its Boundary	Economic Performance and Compliance
103-2	The management approach and its components	Economic Performance and Compliance
103-3	Evaluation of the management approach	Economic Performance and Compliance
206-1	Legal actions for anti-competitive behaviour; anti-trust, and monopoly practices	Economic Performance and Compliance

GRI Indicator	Description	Reference
---------------	-------------	-----------

GRI 300 Environmental

GRI 302 Energy

103-1	Explanation of the material topic and its Boundary	Emissions and Climate Change, Waste and Recycling
103-2	The management approach and its components	Emissions and Climate Change, Waste and Recycling
103-3	Evaluation of the management approach	Emissions and Climate Change, Waste and Recycling
302-1	Energy consumption within organization	Emissions and Climate Change, Waste and Recycling Environmental figures
302-2	Energy consumption outside of the organisation	Emissions and Climate Change, Waste and Recycling Environmental figures
302-3	Energy intensity	Emissions and Climate Change, Waste and Recycling Environmental figures

GRI 305 Emissions

103-1	Explanation of the material topic and its Boundary	Emissions and Climate Change, Waste and Recycling
103-2	The management approach and its components	Emissions and Climate Change, Waste and Recycling
103-3	Evaluation of the management approach	Emissions and Climate Change, Waste and Recycling
305-1	Direct (Scope 1) GHG emissions	Emissions and Climate Change, Waste and Recycling Environmental figures
305-2	Energy indirect (Scope 2) GHG emissions	Emissions and Climate Change, Waste and Recycling Environmental figures
305-3	Other indirect (Scope 3) GHG emissions	Emissions and Climate Change, Waste and Recycling Environmental figures
GRI 306 Waste (2020)		
103-1	Explanation of the material topic and its Boundary	Emissions and Climate Change, Waste and Recycling
103-2	The management approach and its components	Emissions and Climate Change, Waste and Recycling
103-3	Evaluation of the management approach	Emissions and Climate Change, Waste and Recycling
306-1	Waste generation and significant waste-related impacts	Emissions and Climate Change, Waste and Recycling
306-2	Management of significant waste-related impacts	Emissions and Climate Change, Waste and Recycling
306-3	Waste generated	Emissions and Climate Change, Waste and Recycling Environmental figures
306-5	Waste directed to disposal	Emissions and Climate Change, Waste and Recycling Environmental figures

GRI Indicator	Description	Reference
GRI 400 Social		
GRI 401 Employment		
103-1	Explanation of the material topic and its Boundary	Employees
103-2	The management approach and its components	Employees
103-3	Evaluation of the management approach	Employees
401-1	New employee hires and employee turnover	Employees Social figures
GRI 403 Occupational Health and Safety (2018)		
103-1	Explanation of the material topic and its Boundary	Employees
103-2	The management approach and its components	Employees
103-3	Evaluation of the management approach	Employees
403-1	Occupational health and safety management system	Employees
403-2	Hazard identification, risk assessment, and incident investigation	Employees
403-3	Occupational health services	Employees
403-4	Worker participation, consultation, and communication on occupational health and safety	Employees
403-5	Worker training on occupational health and safety	Employees
403-6	Promotion of worker health	Employees
403-7	Prevention and mitigation of occupational health and safety impact directly linked by business relationships	Employees
403-9	Work-related injuries	Employees Social figures
403-10	Work-related ill health	Employees Social figures
GRI 404 Training and Education		
103-1	Explanation of the material topic and its Boundary	Employees
103-2	The management approach and its components	Employees
103-3	Evaluation of the management approach	Employees
404-3	Percentage of employees receiving regular performance and career development reviews	Employees General Disclosures (GRI 102-8)
GRI 405 Diversity and Equal Opportunity		
103-1	Explanation of the material topic and its Boundary	Employees
103-2	The management approach and its components	Employees
103-3	Evaluation of the management approach	Employees
405-1	Diversity of governance bodies and employees	Employees Social figures
GRI 418 Customer Privacy		
103-1	Explanation of the material topic and its Boundary	Data Protection, IT Security and Cybercrime
103-2	The management approach and its components	Data Protection, IT Security and Cybercrime
103-3	Evaluation of the management approach	Data Protection, IT Security and Cybercrime
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Protection, IT Security and Cybercrime

**GRI 4 19 Socioeconomic
Compliance**

103-1	Explanation of the material topic and its Boundary	Economic Performance and Compliance
103-2	The management approach and its components	Economic Performance and Compliance
103-3	Evaluation of the management approach	Economic Performance and Compliance
419-1	Non-compliance with laws and regulations in the social and economic area	Economic Performance and Compliance

**Retention of Qualified
Employees (own
material topic)**

103-1	Explanation of the material topic and its Boundary	Employees
103-2	The management approach and its components	Employees
103-3	Evaluation of the management approach	Employees
Own indicator	Time to hire	Employees Social figures

**Patient Safety and
Health (own material
topic)**

103-1	Explanation of the material topic and its Boundary	Patient Safety and Health
103-2	The management approach and its components	Patient Safety and Health
103-3	Evaluation of the management approach	Patient Safety and Health
Own indicator	Pharmacovigilance: forwarding of reports	Patient Safety and Health
Own indicator	Training in pharmacies	Patient Safety and Health

**Reliable Procurement
and Supply Chain (own
material topic)**

103-1	Explanation of the material topic and its Boundary	Reliable Procurement and Supply Chain
103-2	The management approach and its components	Reliable Procurement and Supply Chain
103-3	Evaluation of the management approach	Reliable Procurement and Supply Chain
Own indicator	Availability of medicines	Reliable Procurement and Supply Chain

**IT Security and
Cybercrime (own
material topic)**

103-1	Explanation of the material topic and its Boundary	Data Protection, IT Security and Cybercrime
103-2	The management approach and its components	Data Protection, IT Security and Cybercrime
103-3	Evaluation of the management approach	Data Protection, IT Security and Cybercrime
Own indicator	Training	Data Protection, IT Security and Cybercrime