



Sustainability Report

2025



Contents

About this report

This Sustainability Report has been prepared with reference to the Global Reporting Initiative (GRI) Standards (2021) and covers Galenica's operations during the 2025 calendar year. Reporting is conducted for the Group, which includes the parent company Galenica AB (corp. ID no. 556567-7449) and the subsidiary Galenica Derma AB (corp. ID no. 559396-6996).

Galenica's Sustainability Report aims to provide transparency into the company's sustainability efforts. As the Report has been produced on a voluntary basis, it will not be audited by a third party. The Report has contributed to the identification of areas for development and the launch of new sustainability initiatives. Galenica's Sustainability Report is published annually.

For any questions regarding the sustainability report and its content, please contact us at info@galenica.se.

Introduction

A message from our CEO	3
The year in brief	4

Our Organization

About Galenica	6
From idea to commercial pharmaceutical - Galenica's operations	7
Quality management	9

Our Values

Our core values.....	11
Galenica Code of Conduct	12

Our Sustainability Strategy

Our sustainability efforts	14
Our material sustainability issues	15
Sustainability management	17
The Management Team:	
What is sustainability to us?	18

Social and Ethical Work

Sustainable and attractive employer for the future	22
Advocate competency development ..	25
Promote equality and diversity	27

Health and Well-Being

Stimulating workplace with a clear health focus	30
Safe and good work environment	31

Climate Initiatives

Resource- and climate-efficient operations.....	33
Reduce internal climate impact	37
Sustainable value chain	40

Financial Reporting

The year in review - 2025	44
Financial charts	45
Income statement.....	46
Cash flow statement	46
Balance sheet.....	47

GRI-index

GRI-index	49
-----------------	----

A message from our CEO

At Galenica, we are proud to be a Swedish actor in the global pharmaceutical industry. We operate in a highly regulated and innovative life science environment where quality, a strong research tradition, and patient safety are paramount. Sweden is internationally recognized as one of the leading countries in transparency and collaboration between academia, industry, and healthcare. These values are central to Galenica, and we are committed to the industry's transition toward a more sustainable and transparent future.



"At Galenica, we care for both people and the environment. We have chosen to transparently report on how our sustainability efforts are integrated into our strategies and encourage our stakeholders to follow us on this journey."

Ronnie Wallin

Throughout 2025, we have seen an increased industry focus on securing access to pharmaceuticals, strengthening innovation, and developing digital infrastructure. During the year, the EU's comprehensive pharmaceutical reform – the most extensive revision of pharmaceutical legislation in more than 20 years – has continued to shape developments across the sector. The reform aims to modernize the regulatory framework, strengthen Europe's competitiveness, and improve access to pharmaceuticals, particularly in light of the increasing shortages observed in recent years. At the same time, the Swedish Government has continued to advance its national life science strategy, highlighting clinical trials, digital infrastructure, and precision medicine as key areas for the future of healthcare and pharmaceutical development. We also see how digitalization and data are increasingly evolving from support functions into strategic infrastructure, where AI and data-driven development create new opportunities to improve efficiency, quality, and decision-making.

At the same time, the industry continues to face significant challenges. Global value chains are being affected by geopolitical uncertainty, placing greater demands on transparency, risk management, and long-term supplier relationships. The economic climate has also resulted in higher costs, with raw materials, energy, and transportation becoming increasingly expensive. In parallel, the investment landscape has changed. Higher interest rates, increased financing costs, and a more uncertain business environment have made capital more selective, affecting profitability and operating conditions throughout the industry. From a sustainability perspective, the challenge lies in developing sustainable pharmaceuticals and processes without compromising patient

safety or regulatory compliance. Sustainable innovation must be balanced against availability, cost, and an increasingly complex regulatory environment. At the same time, rapid technological advancements in digitalization and AI are creating new opportunities to develop safer, more efficient, and more sustainable solutions for patients.

During 2025, Galenica also operated in a more challenging economic environment, characterized by lower revenues and an increased focus on prioritizing existing and ongoing activities. Among other things, we reduced our office space, contributing to reduced resource consumption and a lower climate impact. At the same time, we have actively worked to reduce transportation-related emissions as part of our long-term efforts to create a more sustainable value chain. A key priority during the year has been the development of a new sustainability strategy for 2026–2030, with a clear focus on long-term objectives and stronger integration between business operations and sustainability. The strategy ensures that our activities are linked to shared, long-term, and measurable goals. Furthermore, that they will strengthen our ability to work systematically and monitor our sustainability performance over time.

At Galenica, we care for both people and the environment. We have chosen to transparently report on how our sustainability efforts are integrated into our strategies and encourage our stakeholders to follow us on this journey. We invite you to follow us and draw inspiration from our journey, just as we have drawn inspiration from others.

Ronnie Wallin
CEO och Founder
Galenica

The year in brief



Reduced climate impact from transportation

We have continued our efforts to reduce transportation-related emissions through increased awareness, optimization of transportation, and the selection of more sustainable alternatives wherever possible. Transport-related CMO emissions decreased by 59% in 2025 compared with 2024 as a result of these efficiency efforts.

Digitalization

During the year, we implemented an external chemical register to strengthen control and oversight of our chemical management. This contributes to increased safety, more sustainable procurement, and reduced environmental impact. We also continued our digitalization journey through the development of digital processes within the framework of Empower. This work aims to improve operational efficiency, strengthen the quality of our processes, and reduce resource consumption.

New Sustainability Strategy 2026–2030

During the year, a new sustainability strategy was developed with clear long-term goals extending to 2030. The strategy strengthens the link between our business and sustainability. It will also ensure that our activities are connected to shared, measurable goals that go hand in hand with our core operations.



Reorganization and space- efficient office space

2025 was characterized by a more challenging economic climate, which resulted in organizational changes and an increased focus on prioritizing and further developing existing activities. During the year, Galenica also reduced our office space to more space-efficient premises. This contributes to reduced resource consumption and a lower climate impact, while adapting operations to current needs.

Our Organization

- About Galenica.
- From idea to commercial pharmaceutical - Galenica's operations.
- Quality Management.





Photographer Roger Nellsjö

About Galenica

Galenica is a privately owned pharmaceutical company based in the Öresund Region. We develop, manufacture, and sell our own pharmaceuticals as well as provide contract development and contract manufacturing services to our customers. Galenica's journey commenced in 1999 by two pharmacists with a vision to be a flexible Swedish pharmaceutical partner in pharmaceuticals and formulation, focusing mainly on small and medium-sized companies. Along with developing our own pharmaceuticals, this is still Galenica's business today.

Pharmaceutical Development in the Öresund Region

Since its inception, Galenica has been located in Medeon Science Park in central Malmö. Our premises cover about 3,000 square meters, encompassing a lab, production space, and offices. The success of Galenica is made possible only by the expertise of our people. We have about 54 employees with broad academic knowledge and industrial experience. We develop and create innovative pharmaceutical products for patient health and guide our partners in their pharmaceutical development from idea to market. This includes pharmaceutical and analytical development as well as the production of clinical trial material. We combine state-of-the-art equipment with great personal commitment, extensive pharmaceutical experience, and expertise in formulation development.

Our Vision

"A global pharmaceutical company leading the way in innovative products preferred by customers, patients, and healthcare professionals."

Our Business Concept

"Through expertise and dedication, Galenica will develop innovative pharmaceuticals that create significant value for both customers and patients in the global market."

From idea to commercial pharmaceutical - Galenica's operations

At Galenica, we combine expertise and innovation to transform ideas into finished pharmaceuticals that improve people's lives. Through our two business areas—Contract Development & Manufacturing (CDMO) and Marketing & Sales of Proprietary and In-Licensed Pharmaceuticals (Pharma)—we offer a seamless journey from research to market. Our strength lies in the synergies between these areas, leveraging our expertise in CDMO to develop and commercialize our own pharmaceuticals.

Contract Development & Manufacturing (CDMO)

Our CDMO unit is engaged in the development, manufacturing and quality assurance of pharmaceuticals and pharmaceutical products, primarily for Nordic pharmaceutical companies. With state-of-the-art laboratories and GMP-certified production facilities inspected by the Swedish Medical Products Agency, we offer services in pharmaceutical and analytical development, formulation, and production for clinical trials from Phase I to Phase III. Additionally, we provide packaging, labeling, and marking of materials for clinical trials. Beyond contract development for our customers, CDMO also drives the development of our own pharmaceuticals within Pharma—from research in our laboratories to finished products on pharmacy shelves. The CDMO operations are based at Galenica's facilities in Medeon Science Park in Malmö. While Sweden remains our largest market in terms of customer base, we also serve major clients in China, the United States, and Ireland.

Pharma and Galenica Derma

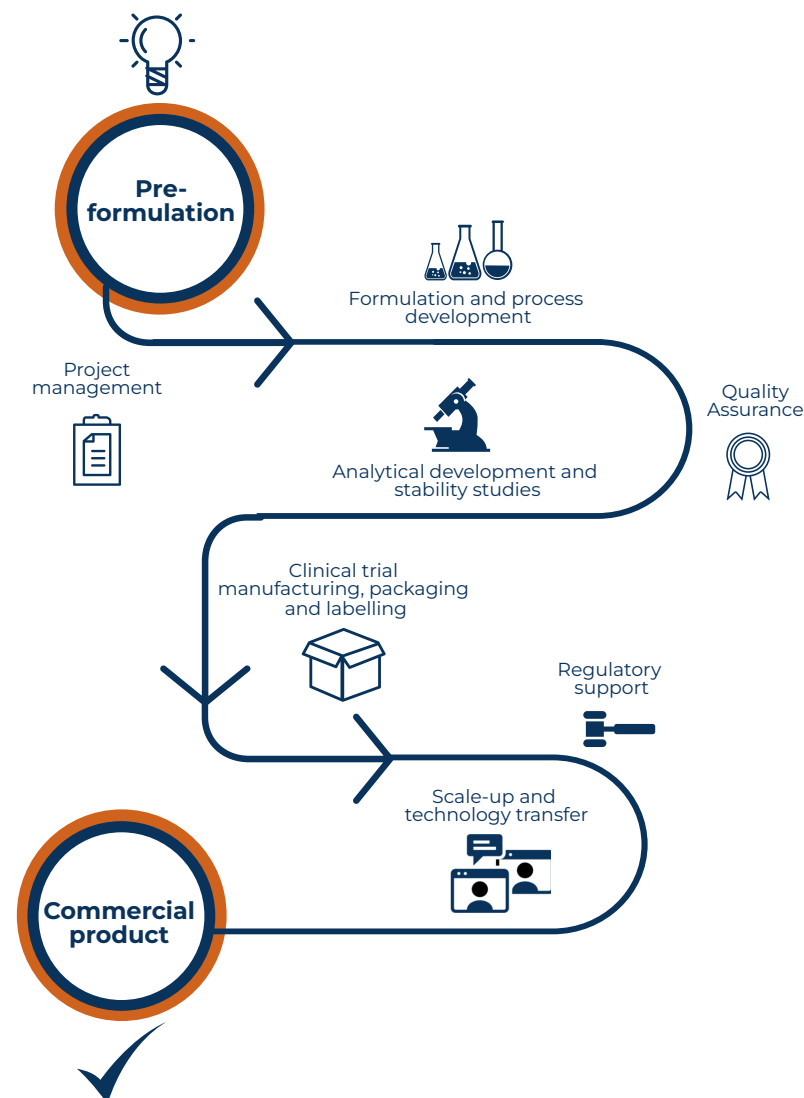
Within the Pharma unit, including the subsidiary Galenica Derma AB, we market and sell both our proprietary and in-licensed pharmaceuticals in dermatology. Our product portfolio includes: **Ovixan®** (cream and solution) – a market-leading treatment for psoriasis and atopic eczema in the Nordic region.

Oviderm®, a non-prescription emollient cream for daily skincare.

Ameluz®, an in-licensed product for the treatment of sun-induced skin damage, where Galenica serves as the local representative in the Nordic market.

Revenue distribution

■ PHARMA (70%) ■ CDMO (30%)

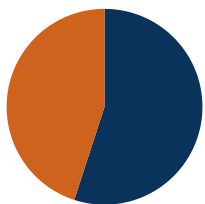


Markets and manufacturing

Galenica has sales of both proprietary and in-licensed pharmaceuticals in several European countries. The products are sold either directly by Galenica or through license partners. Ovixan® is sold throughout the Nordic region, Germany, Switzerland, Italy, Poland, and the United Kingdom.

Furthermore, Oviderm® is available in Sweden, Norway, Finland, Iceland, and Poland. The in-licensed pharmaceutical Ameluz® is sold by Galenica in all Nordic countries except Iceland. The manufacturing of Oviderm® and Ovixan® takes place in Sweden, Spain, and Germany. Through our distribution network, these products are stocked in Sweden, Denmark, and Finland, from where they are further distributed to customers across Europe.

Market distribution - Pharma



- Sales in the Nordics (55%)
- Sales outside the Nordics (45%)

Board of Directors

Composed of shareholders and elected directors, Galenica's Board of Directors is the highest decision-making body in the company. The Board is appointed by Galenica's shareholders. Board meetings are held eight times a year. Communication with the Board is maintained in between Board meetings, as well as the Board is represented in operational activities. The Chairman does not work operationally in the company. The Management Team is the company's highest governing operational body.

Strategic objectives



Attractive workplace



Operational efficiency



Financial stability



Profitable sales

KPIs 2025

Earnings SEK
-1 million



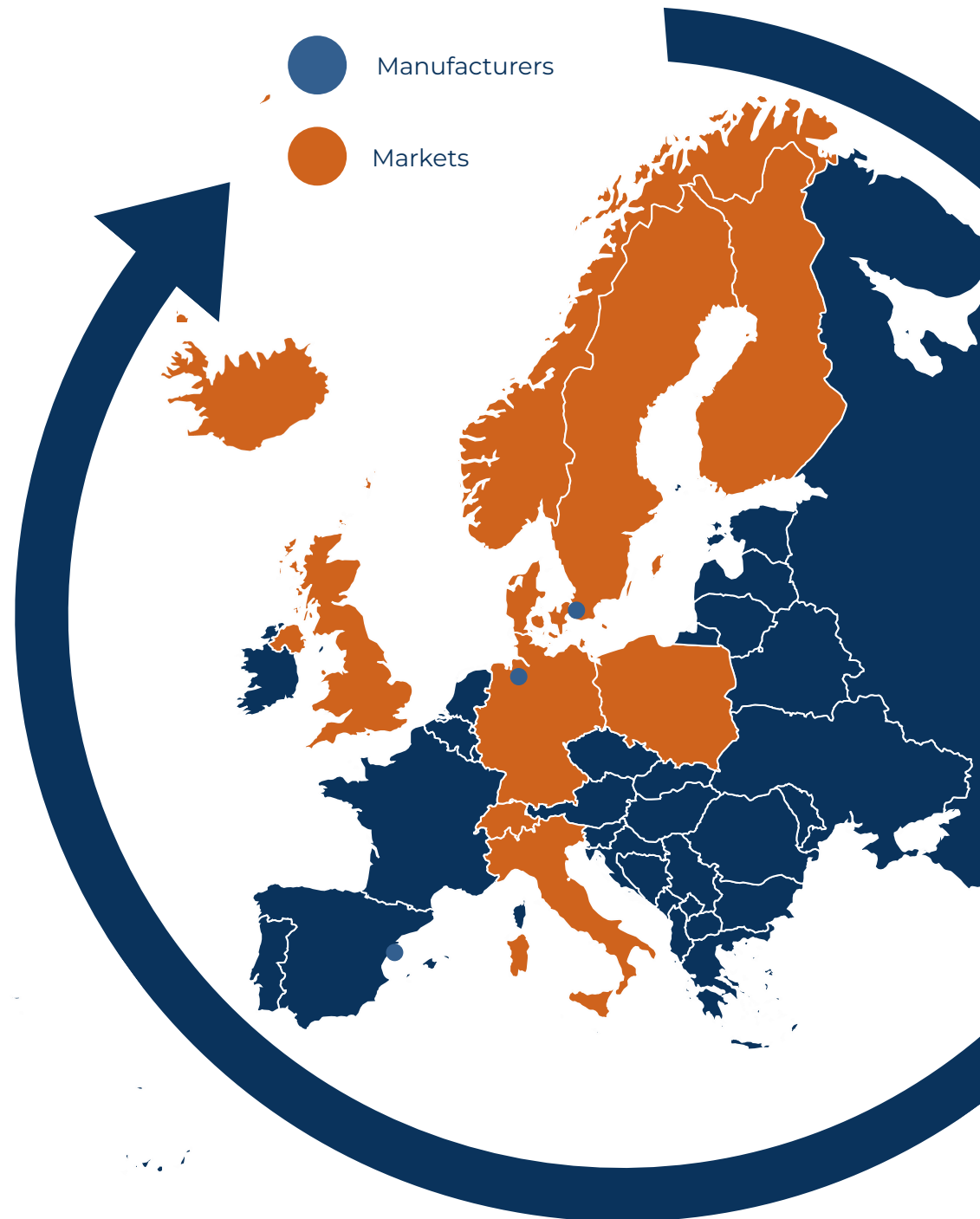
Net Sales SEK
150 million



No. of employees
54



Equity ratio
51 %





Quality management

As a developer, manufacturer, and distributor of pharmaceuticals, quality assurance of our processes and products is essential for us to conduct our business in a way that ultimately results in safe products that help patients achieve better health.

For Galenica, quality also means doing the right things, being meticulous in our work, and continuously improving. Galenica has key support functions within quality, project management, and regulatory affairs. Each project has a dedicated project manager responsible for activities and customer communication. Our Quality Department and external regulatory unit ensure that all operations comply with applicable laws and regulations.

The development, manufacturing, and distribution of pharmaceuticals are governed by international and national legislation, standards, and guidelines. Through our quality management system, we ensure compliance with these requirements. The quality management system consists of policies and procedures that define our processes, including what should be done and how. It covers material handling, manufacturing, testing, and reporting

of complaints and adverse events. Our policies and procedures are readily available on our digital platform, which also ensures that employees are notified when new versions are released for review and training purposes.

Galenica is audited and authorized by the Swedish Medical Products Agency for GMP (Good Manufacturing Practice), GDP (Good Distribution Practice), and GVP (Good Pharmacovigilance Practice). We are also audited by our customers and partners.

External organizations and memberships

Galenica collaborates with a broad network of stakeholders, including academia, healthcare providers, patient organizations, pharmacies, as well as industry and network organizations. These collaborations contribute to knowledge sharing, innovation, and a deeper understanding of the needs of patients and health-

care providers, supporting the company's long-term value creation. Close collaboration with healthcare providers and patient organizations is central to Galenica's efforts to improve the quality of care and access to effective treatment solutions. All collaborations are conducted in accordance with applicable regulations and with high standards of ethics and transparency. Galenica maintains a close dialogue with LIF (the Swedish Association of the Pharmaceutical Industry), collaborates with Swedish pharmacies, and is a member of the Swedish Pharmaceutical Society. Together, these organizations provide an important platform for knowledge sharing and industry insight within the pharmaceutical sector. As an employer, Galenica promotes good working conditions and social sustainability through collective agreements covering all employees and through continuous dialogue with the employer organization IKEM (Innovation and Chemical Industries in Sweden).

Our Values



Our core values

Galenica is a value-driven business whose values shape not only our day-to-day work but also the company's long-term strategy. Our values are captured in our jointly developed core values of *Team Spirit*, *Quality*, *Competence*, and *Action*. By acting in alignment with our core values, we strive to be a good and sustainable workplace, partner, and societal actor.



Team Spirit

We care about each other, stand up for each other, and work together. We all feel that we belong to the same team striving for the same goal. We help each other, communicate well, and work as a united team. Team spirit is about respecting each other, respecting human rights, and applying a zero-tolerance policy against discrimination.



Quality

To achieve quality, we maintain a good, safe work environment and a transparent approach in accordance with good business practices and current regulations. Quality is also about doing the right things, being accurate in our work, and constantly improving.



Competence

Our strongest competence is our people. To perform at our best, we enjoy our work and have a good work-life balance. Competence further means that we understand the customer, we learn new things, and we deliver.



Action

Our capacity to act enables us to make decisions, take responsibility, and achieve our goals. We stay at the forefront and have clear business and sustainability goals. We take responsibility for being a sustainable employer – today and tomorrow.

Code of Conduct

Galenica has a Code of Conduct that is based on our values, policies, and the 10 principles of the UN Global Compact. The Code describes how we operate and covers the guidelines we follow regarding sustainable work and ethical conduct. It also highlights several policies linked to sustainability and responsible behavior.

It is vital that we meet the standards and expectations imposed on us by the world around us. As a pharmaceutical company, we need to work in a forward-looking manner and advocate transparency in the industry. Where we stand in terms of values, professionalism, integrity, and ethical guidelines must be crystal clear to our network.

The Galenica Code of Conduct has been developed jointly by all employees, which we see as a prerequisite for both commitment and effectiveness. The Code clarifies what is expected of all employees as well as our principles and guidelines for conducting sound business. It provides guidance when making decisions and performing our responsibilities. The Code is reviewed every two years and revised as necessary to ensure continued relevance of its content.



Användning

Galenica Code of Conduct innehåller riktlinjer som är vägledande till våra policyer. Det är ett dokument som ska läsas upp på företagsmöten och har till att verktygsfärdiga våra värderingar och etiska. Alla som arbetar på företaget har en skyldighet att följa koden. Skulle det vara tvivel om hur riktlinjerna ska tolkas eller om det finns några frågor, så är det viktigt att kontakta sin chef eller HR för att få hjälp.

Koden fungerar som en vägledning i Galenicans företagsvärderingar och det är därför viktigt att alla som arbetar för oss ska känna till den och förstå den. Den är inte ett alternativ till lagar eller andra regler som gäller för oss. Den är en vägledning för oss som företagare och som människor.

Är du chef?

Detta avsnitt är avsett för chefer. Det är viktigt att du som chef är medveten om din roll i att säkerställa att alla som arbetar för oss förstår och följer koden. Det är också viktigt att du som chef är medveten om dina egna ansvar och hur du kan bidra till att skapa en positiv arbetsmiljö för alla som arbetar för oss.

Diskriminering

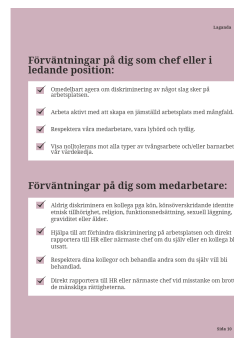
På Galenica ska varje individ ha lika möjligheter till att utvecklas och lyckas i arbetet. Vi ska inte diskriminera någon på grund av kön, ålder, etnicitet, religion, funktionsförmåga, sexualitet, graviditet eller familj.

Vi har möjligheter att diskriminera på alla sätt. Det kan vara att ge olika behandlingar till olika grupper av människor. Det kan också vara att ge olika behandlingar till olika grupper av människor. Det kan också vara att ge olika behandlingar till olika grupper av människor.

Respekt

På Galenica ska de grundläggande mänskliga rättigheterna enligt FN:s Allmänna förklarung respekteras och tillämpas lika för alla medarbetare. Vi behandlar andra som vi själv vill bli behandlade och arbetar ständigt för att förbättra oss.

Galenica är en del av ett stort nätverk av företag och organisationer. Det är viktigt att vi som företagare och som människor förstår att vi är en del av ett större samhälle. Det är också viktigt att vi som företagare och som människor förstår att vi har ett ansvar för att bidra till att skapa en positiv arbetsmiljö för alla som arbetar för oss.



Our Sustainability Strategy



Our sustainability efforts

We engage in continuous dialogue with our stakeholders to understand and adapt to their expectations, long-term strategies, and external trends. This enables us to develop in parallel with the surrounding world and maximize the value of our business operations. Our stakeholder dialogue is maintained through regular communication, procurement processes, in-person visits, customer and employee surveys, seminars, events, and trade fairs.

Sustainability trend

The sustainability trend in the industry includes improved production processes with reduced environmental impact, increased resource efficiency, and high ethical standards. Sustainability initiatives are welcomed in the industry through both incentives and legislation. To align with this trend, we have expanded our sustainability efforts for several years, recognizing sustainability as a key competitive advantage and a prerequisite for long-term profitability.

In employee surveys and recruitment processes, we have observed that sustainability is a priority for our employees, owners, and board. This trend is also reflected among suppliers, customers, healthcare providers, and stakeholder organizations. Another priority issue raised in dialog with distributors, customers, health care providers, patients, and stakeholder organizations is the importance of transparency and responsibility for the entire value chain.

With the aim to increase transparency, Galenica started its sustainability reporting in 2022. In 2023, frameworks and processes were established to evaluate new and existing suppliers based on sustainability criteria. The quality, efficacy, and ease of use of our products are also a priority for our stakeholders. To take this into account, we meet with advisory committees comprising independent physicians and nurses, whose advice help inform our strategic decisions and provide support in ongoing projects.

Our stakeholders

Stakeholder dialogue is a key element in identifying partners who share our vision and values. Our operations are continuously evaluated based on stakeholder expectations. Our stakeholders include our suppliers, distributors, customers, patients, advisors, employees, owners, industry and interest organizations, and regulatory authorities.

Internal stakeholders

- Sustainability as a competitive edge.
- Sustainable innovation.
- Attractive employer.

External stakeholders

- Transparent value chain.
- Quality, ease-of-use, and efficacy.
- Sustainable products and innovation.





Our material sustainability issues

A distinct sustainability mindset has been a key factor in the development of Galenica's own pharmaceuticals over the past decade. We make every effort to make our work with sustainability a natural and integral part of day-to-day operations.

Galenica's sustainability strategy is based on the areas where we are most able to influence and where we can actively contribute to sustainable development throughout our value chain. The strategy is linked to stakeholder expectations, Galenica's long-term strategy, our external environment, and international objectives, and is based on business objectives that are achieved in stages. Inspired by the Sustainable Development Goals of the UN 2030 Agenda, our sustainability efforts are based on materiality and relevance analyses in accordance with the SDG Compass. The SDG Compass is a framework for companies to implement the UN Sustainable Development Goals in their operations. In this way, we ensure that Galenica's sustainability work is effective and focuses on material areas where we can have an impact.

Galenica's materiality analysis was done by identifying and analyzing the areas that most affect our stakeholders and us as an organization in order to focus our resources on the areas that are most material to our operations. In addition to stakeholder and external analyses, the process involved identifying our actual and potential positive and negative impact based on the 2030 Agenda and the 17 SDGs of the UN. Based on the analysis, strategic objectives and KPIs were created along with a plan to follow up and report on them based on our material areas. This includes acting to reduce negative while increasing positive impact.

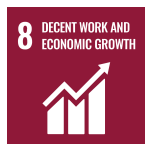
Through stakeholder dialog and an internal analysis of the impact of our operations on people and the environment, we have identified three sustainability areas, with the following objectives and KPIs, as most relevant for us.

Strategic focus

Strategic objective

KPI

GRI

Social and
Ethical work

Advocate competency development.

Hours of training per employee

404-1

Promote equality and diversity.

Hours of health & safety training per employee

403-5

Diversity among board directors, leadership, and workforce

405-1

Sustainable and attractive employer for the future.

Number of discrimination cases and measures taken

406-1

eNPS

Health &
Well-Being

Stimulating workplace with a clear health focus.

Sick leave

403-2

Safe and good work environment.

Work-related injuries and incidents

403-9

Employee health, stress level, well-being and satisfaction

Climate
Initiatives

Resource- and climate-efficient operations.

Corruption incidents

205-3

Electricity and district heating consumption

302-1

Water consumption

303-1

Sustainable value chain.

Hazardous / non-hazardous waste

306-2

Reduce internal climate impact.

Supplier mapping of sustainability criteria

308-1, 414-1

Business travel and CO2 emissions



Sustainability management

Galenica works actively to develop, implement, and advance our sustainability efforts in close collaboration with the organization. Our Sustainability Policy provides the platform for our work with sustainability. It enables development and improvement, promotes stakeholder dialog, clarifies processes and distribution of responsibilities, and allows us to implement a proactive sustainability strategy. Our policy includes the components used by Galenica to carry out meaningful sustainability efforts.

Sustainability reporting

Our sustainability strategy is guided by the 2030 Agenda and is linked to strategic activities carried out annually by the organization in collaboration with the Management Team.

During 2025, we developed a new and updated sustainability strategy outlining how we will work with sustainability at Galenica in the coming years and defining our long-term objectives through 2030.

Starting in 2022, we report on our sustainability efforts every year. Sustainability reporting is a powerful tool for evaluating and improving our sustainability performance by analyzing our work, as well as for achieving our long-term objectives.

Annual action plans

Galenica's sustainability reporting is based on objectives, action plans, implementation, data collection, and evaluation. Each sustainability objective has a designated owner within the organization. In connection with sustainability reporting, the managers in charge evaluate our performance for the year and establish action plans to be implemented the following year. Closely linked to Galenica's sustainability strategy, the action plans align with long-term sustainability goals and are approved by senior management.

To cement our sustainability efforts in the organization, we have a number of governing documents that provide guidelines for our employees with respect to environmentally, socially, and ethically sustainable conduct. Our policies are a fundamental aspect of Galenica's operations. Many of them are linked to various sustainability areas and are available to all employees via our intranet or within our quality management system. Our policies serve to define our rules and values as well as clarifying the rights and responsibilities of all our employees.

In 2025, Galenica is conducting its sustainability report for the forth consecutive year. With gained experience, the process has evolved into an established annual cycle within the organization.

Selection of policies for sustainable conduct

- Work Environment Policy
- Occupational Rehabilitation Policy
- Alcohol and Drug Policy
- Non-Discrimination Policy
- Equal Treatment Policy
- Competency Development Policy
- Fair Business Practices Policy
- Anti-Bribery Policy
- Environmental Policy
- Travel Policy
- Sustainability Policy
- Galenica Code of Conduct





The Management Team

- What is sustainability for us?



"As CEO and founder, my goal is for Galenica to be a competitive company that keeps pace with industry trends and external developments. We strive to be a sustainable and attractive employer—both today and in the future—through continuous development and clear ambitions. This requires decisiveness and alignment between our business strategies and sustainability goals. As a pharmaceutical company, we take pride in contributing to Goal 3 of the 2030 Agenda, Health and Well-Being, and we aim to do so in the most eco-friendly way possible."

Ronnie Wallin
CEO och Founder



"Sustainability is something that permeates all our lives. Here at Galenica, in the highly regulated pharmaceutical industry, efficacy, safety, quality, and sustainability are the four pillars that define our development work. Through active competence-building, we strive for minimalist formulations using renewable and responsibly sourced raw materials that result in effective and safe pharmaceuticals—without depleting our planet."

Henri Hansson
CSO och Founder



"As CFO, my goal is to ensure that Galenica has a sustainable business model for the long term. To me, sustainability begins with the decisions we make every day—large and small—which together shape the company Galenica is today and the company we aspire to be in the future. It is about using our resources responsibly and continuing to build strong and stable financial processes."

In recent years, the Management Team has worked systematically to integrate sustainability into our governance and strategic agenda as a natural part of the business. The 2030 Agenda serves as an important foundation for this work, and Goal 3 – Good Health and Well-Being – is a particularly important pillar for me personally. It reflects the essence of our business and reminds us that the commitment and drive of our employees are essential to our ability to contribute to long-term sustainable development."

Lena Örtenblad
CFO



13

CLIMATE
ACTION

"As a developer and manufacturer of pharmaceuticals, Galenica plays an important role in enabling sustainable alternatives already at an early stage of development. From my perspective, this means working together with the organization to integrate and harmonize our efforts that is, ensuring that existing processes within our management system are utilized and optimized to support Galenica's sustainability strategy. Social and environmental sustainability, together with the efficient and circular use of shared resources, are important personal values to me. That is why it is particularly motivating that Galenica chooses to highlight, actively work with, and be transparent about its performance within these areas."

Nicklas Helgesson

Director QA & Pharmacovigilance



12

RESPONSIBLE
CONSUMPTION
AND PRODUCTION

13

CLIMATE
ACTION

"To me, an important aspect of CDMO and Operations is the efficient and sustainable use of resources. Development, manufacturing, and transportation are resource-intensive parts of our value chain, and we can achieve meaningful improvements through our own conscious choices, as well as through clear expectations of ourselves and our suppliers. We also aim to guide our customers in their choice of materials, thereby contributing to a better environment. By focusing on sustainability, we can improve both our climate impact and our competitiveness."

Mikael Friberg

COO



12

RESPONSIBLE
CONSUMPTION
AND PRODUCTION

"Galenica's goal is to provide sustainable products and reduce environmental impact within the emollient segment. In Sweden, about 1,000 tons of emollient creams are prescribed each year, and we aim to reduce the environmental impact on water and nature by ensuring that 100% of our new products contain biodegradable ingredients and recyclable packaging by 2030. Galenica actively collaborates with healthcare providers to promote sustainable treatment choices and create a positive environmental impact."

Joakim Hindemith

VP Sales & Marketing



8

DECENT WORK AND
ECONOMIC GROWTH

5

GENDER
EQUALITY

"To me, sustainability means creating an inclusive and safe working environment where all employees are given the opportunity to contribute and develop. A safe workplace, zero tolerance for discrimination, and fair and responsible working conditions are fundamental prerequisites for both employee well-being and Galenica's ability to contribute to better health for patients. When sustainability engagement is embedded throughout the organization, it creates a shared sense of purpose that strengthens the business and enables long-term development."

Christofer Gillborg

HR Manager

Social and Ethical Work

Our objectives:

- Sustainable and attractive employer for the future.
- Advocate competency development.
- Promote equality and diversity in the workplace.





Sustainable and attractive employer for the future

To be a sustainable and attractive employer, we focus on conscious recruitment, workplace satisfaction, and opportunities for personal development. Through regular employee surveys, we gather valuable insights to ensure continuous improvement of our work environment and corporate culture.

Conscious recruitment

By recruiting consciously, we can significantly influence Galenica's corporate culture and development. It is crucial to recruit employees who align with our strategic agenda, values, and corporate culture in order to ensure both contribution and well-being in the workplace. In the long term, this facilitates innovation that benefits both the industry and patients within the framework of our important mission.

All our employees are covered by collective agreements and Swedish labor law. To enhance responsiveness to employee matters, the HR Manager is part of Galenica's management team.

"For Galenica, it is essential to be an attractive workplace that attracts and retains competent employees who share our values. This is the foundation for delivering the best possible results to our customers and creating an environment in which our employees can thrive and develop."

Christofer Gillborg
HR Manager

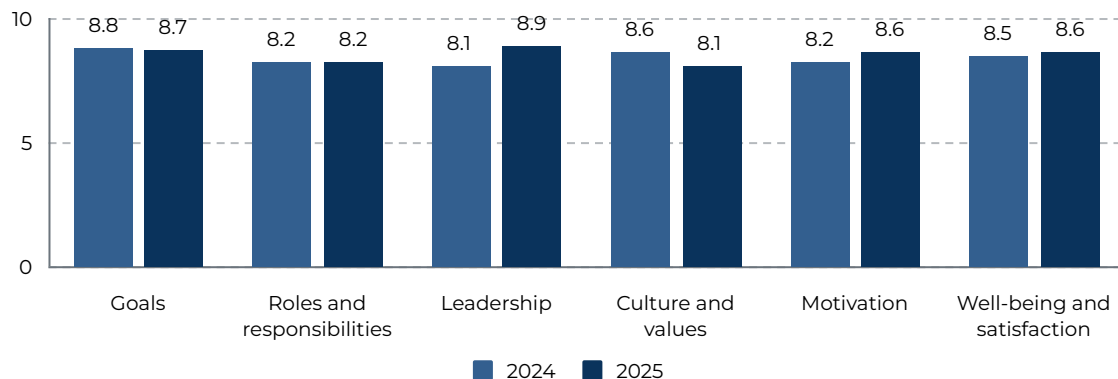


Workplace satisfaction and personal development

In our strategic agenda, workplace satisfaction and collaboration are key focus areas, which, according to our biannual employee surveys, are strong attributes of Galenica. We are a close-knit workplace defined by team spirit and engagement. The surveys include both qualitative and quantitative aspects such as goal achievement, motivation, stress management, communication, leadership, culture, and overall job satisfaction.

We use an HR system to consolidate our HR processes and thereby ensure effective communication between employees and managers during performance reviews and employee surveys. The system provides structure for follow-up, goal setting, and competence development. In parallel, shared activities contribute to strengthening team spirit.

During 2025, the business underwent significant changes as a result of substantial commercial challenges, primarily within the CDMO operations. This led to organizational changes and restructuring that affected the workforce. In a period characterized by change, downsizing, and employee turnover, Galenica's corporate culture provided a stable foundation. Despite these challenges, the organization continued to move forward through shared commitment and collaboration.



Employment	Women	Men	Total
Permanent employment	29	23	52
Temporary employment	0	2	2

Employment	Women	Men	Total
Full-time employment	26	25	51
Part-time employment	3	0	3

At the turn of 2025/2026, the Galenica Group had 54 employees. All of them work and are employed in Sweden and are covered by a collective agreement through IKEM (Innovation and Chemical Industries in Sweden). Galenica operations were conducted by employees along with three consultants in Galenica Derma. All data is obtained from our payroll system, HR system and time reporting system.





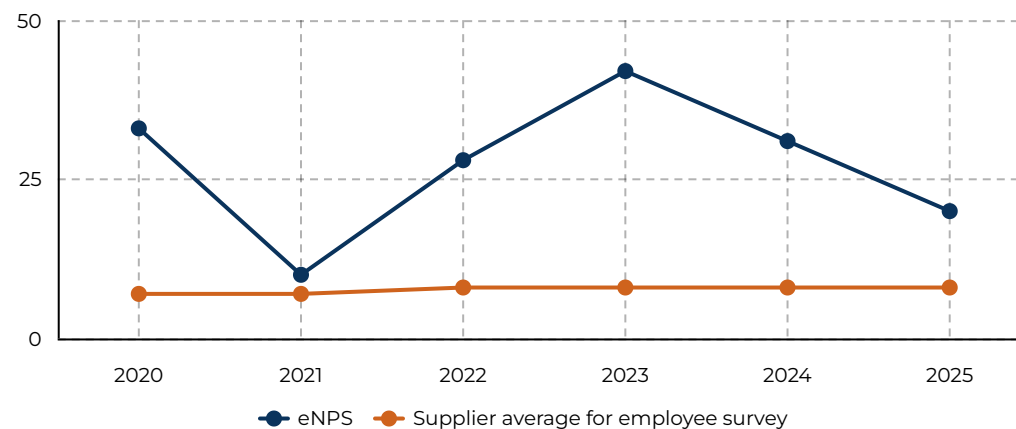
eNPS and our employer brand

One of the key metrics we track is eNPS (Employee Net Promoter Score). This measures employees' experiences of working at Galenica and has been monitored since 2019. Employees respond to how likely they are to recommend Galenica as an employer to others, using a scale from 1 to 10.

An eNPS score can range from -100 to +100, with a positive value generally indicating that employees are satisfied and engaged in their workplace. Scores above 20–30 typically reflect strong employee support and loyalty.

Our eNPS score provides a valuable indicator of employee engagement and workplace satisfaction at Galenica. We are proud of our consistently strong results since 2019, ranging between 10 and 45.

The year 2025 was characterized by significant changes, which were clearly reflected in the first survey of the year when the score was 7. The score then stabilized at 32 in the second survey, which is more in line with the range observed in previous years. The graph displays the average eNPS score from both surveys conducted during the year.





Advocate competency development

Competency development is important for the personal development of our employees and constitutes a central strategic asset for Galenica. As our employees develop their knowledge and skills, we simultaneously strengthen the organization's capacity for innovation, quality, and patient safety, as well as our ability to achieve our strategic objectives.

Competence - Our greatest asset

Galenica conducts business with a high level of knowledge and innovation. The range of our assignments places great demands on education, competence, and experience. Learning becomes a natural part of our work within different business segments as new active substances, processes, and methods are introduced in projects with diverse needs and conditions.

In our strategic agenda for 2024–2026, competency assurance has been identified as a key focus area under the objective “Attractive Workplace”. We have further developed our model for mapping competencies and identifying competency gaps, as well as designed a methodology to support career development for strategically important skills. With Galenica's broad expertise and diverse projects, we offer extensive opportunities for professional development and training. This ensures a stimulating work environment while providing flexibility and expertise to our customers. In 2025, we further strengthened these efforts through the implementation of a new training module in our quality management system, providing improved oversight and management of our shared competency base.

"Competency development is of strategic importance for Galenica's growth and competitiveness. It promotes a positive work environment, workplace satisfaction, and motivation while also contributing to our long-term survival."

Henri Hansson
CSO (Chief Scientific Officer)

Galenica's approach to training is guided by our Competency Development Policy. We work actively with both internal and external training and strive to empower learning in day-to-day activities. For years, we have contributed to the research capacity in Sweden by collaborating with various universities. In doing so, we foster development and knowledge in areas that are strategically important to us.

In 2025, Galenica awarded the Nils-Olof Lindberg Scholarship in Pharmaceutical Technology for the second consecutive year. The scholarship was awarded to Shno Asad to support her continued research into the development of bioconjugated nanoparticles for targeted diagnostics in inflammatory bowel disease (IBD). She recently earned her PhD in Pharmaceutical Sciences from Uppsala University, and her research combines advanced pharmaceutical formulation with clinical application, reflecting the commitment and innovation that the scholarship seeks to recognize.

Training in quality and safety

As a developer and manufacturer of pharmaceuticals, we strictly adhere to the legal requirements and guidelines that govern our industry. Training in GMP (Good Manufacturing Practice), GVP (Good Pharmacovigilance Practice), and GDP (Good Distribution Practice) is conducted annually for all relevant personnel in the company as well as new employees, along with supplementary safety training as needed. We also ensure that our employees receive a structured introduction through a formalized onboarding plan, whether they are newly employed or moving to a new position within the company.

Performance reviews

Performance reviews are carried out with all employees in our organization in order to plan and monitor their competency development. During these reviews, the employee and their immediate supervisor jointly set competency development goals along with an action plan for the coming year. All competency development must be of high quality and be clearly linked to the company's objectives and strategic agenda. Through performance reviews, we obtain information on how employees view their development and level of competence. The implementation of our HR system now supports this work and makes it easier to monitor performance and learning over time.

Hours of training 2025

Internal and external hours of training are tracked annually as part of our sustainability reporting to measure and compare the number of training hours with previous years. The total number of hours invested in training decreased to 1,109 in 2025, compared with 2,465 hours in 2024. We view this as a consequence of the challenges experienced within the CDMO business during the year, combined with a reduced workforce. The average number of training hours per employee across the company decreased from 39 hours in 2024 to 23 hours in 2025.

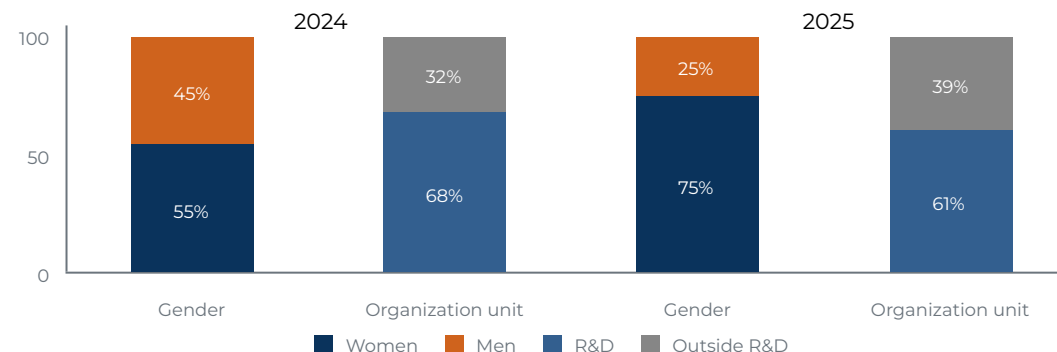
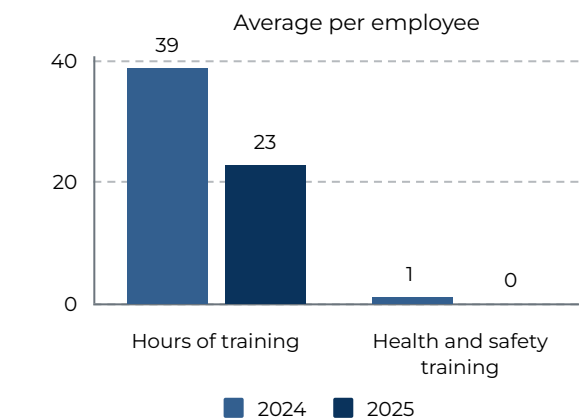
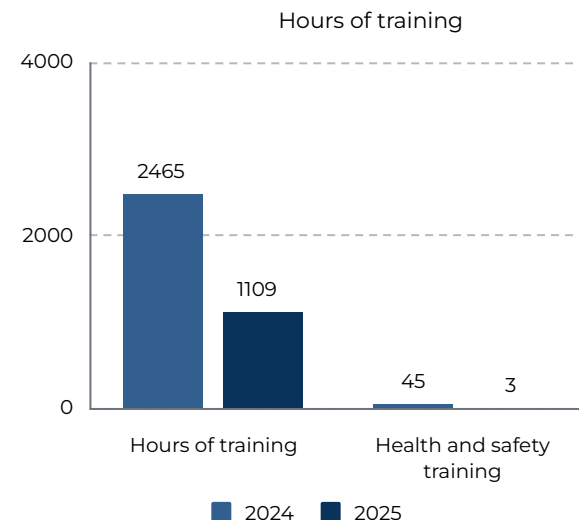
The average number of training hours per employee was 19 hours for men and 26 hours for women. Employees within R&D completed an average of 32 hours of training. Training in health and safety also declined, which is likely explained by the limited number of new hires during the year and the more extensive investments made in this area in previous years.



Shno Asad, Scholarship recipient 2025.

3 hours of health and safety training were completed in 2025. Each employee averaged 0,1 hours.

A total of 1,109 hours of training were completed in 2025. On average, each employee completed 23 hours. The average for male employees was 19 hours, while female employees averaged 26 hours. The average for an employee in R&D was 32 hours, while employees outside R&D averaged 16 hours.



During 2025, a pay equity review was conducted through our HR system and showed that there is no salary discrimination at Galenica. No cases of discrimination were reported during the year.

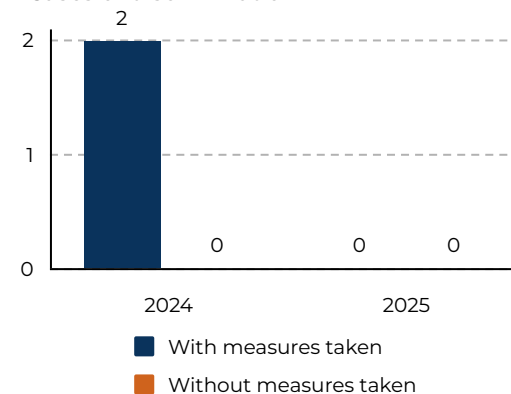
Promote equality and diversity

At Galenica, we see diversity and equality as essential for achieving our goals and maintaining an attractive workplace. We actively work to prevent all forms of discrimination and to promote equal treatment, both internally and externally.

Discrimination

One of the goals of the pharmaceutical industry is to create a healthy and meaningful life for people based on common scientific grounds. We value the diversity of our employees and believe in dynamic teams that harness everyone's potential. Our Equal Treatment Policy, Non-Discrimination Policy, Code of Conduct, and Supplier Code of Conduct serve as the foundation for our equality efforts. The Equal Treatment Policy ensures fairness in salaries, employment terms, and recruitment, while the Non-Discrimination Policy provides guidance and support in cases of discrimination. Reports can be made anonymously through employee surveys, direct contact with HR, or our whistleblower function. In cases of discrimination, a confidential and objective investigation is conducted in accordance with our Non-Discrimination Policy, led by the relevant managers and/or HR, to ensure that the discrimination ceases.

Cases of discrimination

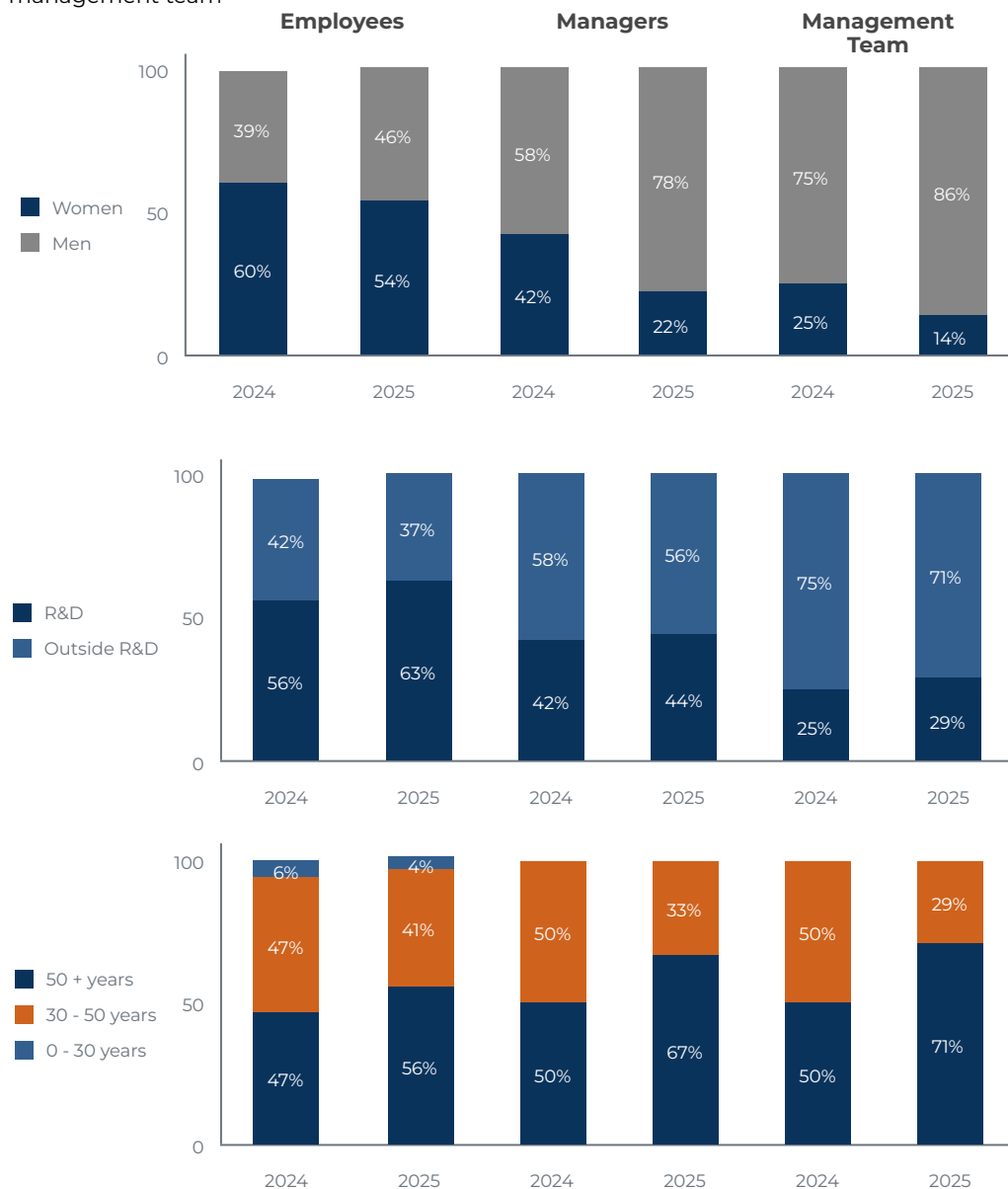


No cases of discrimination were reported during the year.



Distributions

Gender, organizational, and age distribution among employees, managers, and the management team



Health & Well-Being

Our objectives:

- **Stimulating workplace with a clear health focus.**
- **Safe and good work environment.**



Stimulating workplace with a clear health focus

At Galenica, we want to create a physically, mentally, and socially sound workplace that stimulates and gives our employees job satisfaction, a sense of security, and opportunities to influence their own work. In addition, we want our workforce to have a healthy work-life balance, with plenty of energy to enjoy their personal lives when they leave the workplace.

Health and social well-being

To ensure a sound work environment, we strive to promote health and social wellbeing. We are connected to an occupational health service that is available to all employees. Galenica also provides a wellness allowance of SEK 5,000 per year.

During 2025, Galenica transitioned to using the employee engagement functionality within our HR system. The built-in Pulse Survey feature enables us to easily measure the areas we consider most relevant: Work Environment, Collaboration, Leadership, Workload, Engagement, and Development. Together, these areas are combined into an overall Pulse Index. In our first survey in October 2025, participation reached 96%, and the Pulse Index score was 8.18 on a scale of 1–10.

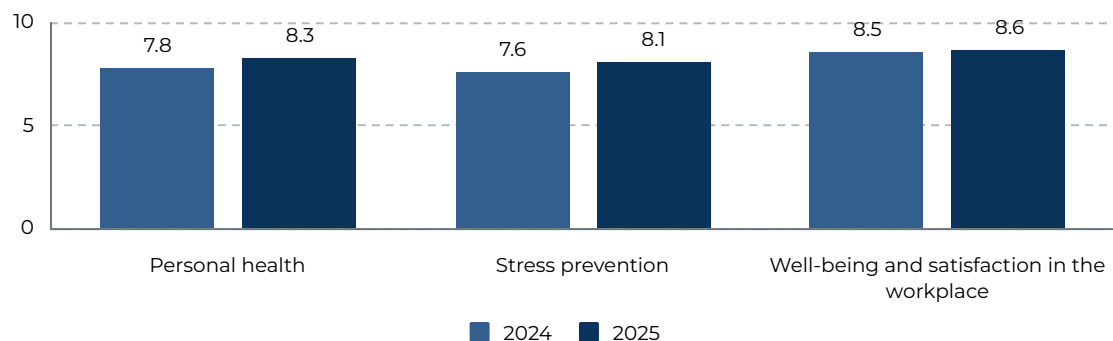
Sick leave

Sick leave in 2025 increased by approximately 0.3% compared to the previous year, reaching 2.0% (1.7% in 2024), primarily as a result of a slightly higher number of long-term sick leave cases than normal. All Galenica employees are included in this key metric. In line with our Rehabilitation Policy, our goal is to ensure that employees experiencing mental or physical health issues can return to work in good health as soon as possible.

Through ongoing dialogue with employees and follow-ups via our biannual employee survey, we gain valuable insight into overall well-being and can implement preventive measures as needed. In the survey, employees self-assess their work environment, health, and stress levels. These key indicators are also reviewed annually by the HR Manager as part of our sustainability reporting.



Employee survey



Safe work environment

At Galenica, we are committed to improving patient health without compromising the well-being of our employees. We strive to provide a safe workplace where the risks of work-related injuries and occupational health issues are actively prevented and avoided.



Systematic work environment management, safety committee and incident reporting

Our internal work environment must meet the requirements set forth in the Work Environment Act, the Work Environment Ordinance, and the Swedish Work Environment Authority's regulations. To achieve this, we have a Work Environment Policy that guides our systematic work environment management. At Galenica, we continuously work to improve our work environment and minimize risks. During 2025, we strengthened our control of chemical risks through the implementation of an external chemical register, which will be fully completed during 2026.

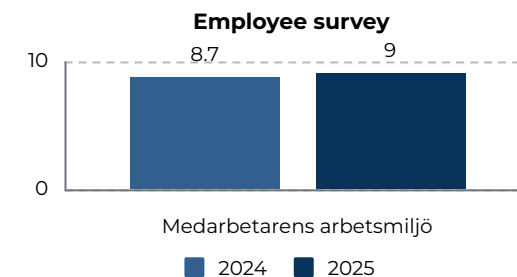
Galenica's Safety Committee, consisting of safety representatives, line managers, the HR Manager, and the CEO, meets 4–5 times annually to discuss workplace safety matters. The committee is responsible for conducting the annual safety inspection, during which the work environment is assessed and evaluated. In the event of an incident that has caused or could have caused harm to an employee, an incident report form is completed. The goal is for all reported incidents to lead to preventive measures where necessary. Every employee is responsible for participating in workplace safety efforts and informing their immediate manager of any identified risks. While our CEO holds ultimate responsibility for Galenica's work environment, each manager is responsible for actively maintaining a safe workplace. During the year, Galenica reduced our office space with a strong focus on safety, resulting in no work-related injuries.

In 2025, three incidents were reported, none of which were classified as serious. Our goal is to maintain fewer than 10 incidents per year, with zero serious incidents.

Employee self-assessment

We continuously strive for open dialogue, encouraging employees to share feedback on their work environment. During our biannual employee survey, employees self-assess their work environment. This metric is used to evaluate our efforts and determine the need for further actions. By monitoring key indicators such as incident reports and sick leave, we systematically follow up with goals and action plans to ensure a safe and secure workplace.

Our employees perceive the workplace as safe: in May, employees rated workplace safety at 9 out of 10, and in October 2025, they gave an average score of 8.41 out of 10 for questions related to the work environment.



"A prerequisite for the high-quality work that defines Galenica is ensuring the safety of our employees. Since many of our employees work in laboratory environments with exposure to chemicals and advanced equipment, we place great emphasis on safety procedures."

Christofer Gillborg
HR Manager

Climate Initiatives

Our objectives:

- **Resource- and climate-efficient operations.**
- **Reduce internal climate impact.**
- **Sustainable value chain.**





Resource- and climate-efficient operations

As a pharmaceutical manufacturing company, it is essential that we remain aware of our environmental risks and actively work to minimize our direct environmental impact. Environmental considerations are not only about protecting the planet but are also a fundamental requirement for Galenica to remain an attractive employer and business partner in the long term.

"At Galenica, we work hard to ensure a resource- and climate-efficient operation. We have targeted governance documents in place and key performance indicators to measure our current status and progress."

Mikael Friberg
COO



Environmental management

Our Environmental Policy forms the foundation for our environmental efforts, outlining how employees should conserve natural resources and minimize negative impacts. It covers materials and chemicals, energy, waste, wastewater, and business travel. Employees are individually responsible for following the policy, while the CEO ensures it stays updated and aligned with corporate, industry, and external developments.

We annually report our environmental impact to Malmö City's Environmental Administration, detailing production volumes, raw material use, operational controls, disruptions, accidents, energy and raw material consumption, chemical management, and waste handling. The report also includes measurements and data from the previous year.

Materials and Chemicals

The materials and chemicals used in our operations have a direct impact on the

environment and human health. By evaluating the environmental effects of materials at the procurement stage — including their manufacturing, usage, and disposal — we can adopt a climate-smart approach and minimize our negative environmental footprint.

To reduce environmental impact, we encourage the use of recycled and renewable materials wherever possible. We ensure that chemicals are handled with care, in strict compliance with applicable material regulations and our quality management system. We also work efficiently with material use by purchasing only the necessary quantities and minimizing waste. A standardized inventory for the most commonly used raw materials is currently under development. This initiative aims to reduce waste caused by fragmented procurement while also minimizing transport emissions.

A digital chemical management system is currently being implemented. The system provides an overview of material classifications and guidance on how chemicals should be handled to minimize impacts on people and the

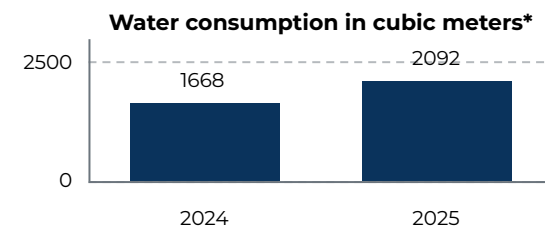
environment. Established routines for coordinating shipments and deliveries help reduce transportation needs while increasing efficiency.

During the year, a sustainable analytical method development approach was established, based on modern high-pressure techniques that enable more efficient chromatography with reduced solvent consumption. Since the analytical methods we develop typically remain in place throughout a product's entire lifecycle, it is essential to prioritize reducing solvent use and select chemicals with strong sustainability profiles from the start.

Water consumption

Galenica uses water in both our lab and production processes, and it is important that we do so in a conscious manner to optimize our use of nature's resources. Established procedures in accordance with current regulations and directives ensure that our wastewater has minimal impact on our surroundings and local ecosystem. Purchases

of chemicals are classified according to the CLP Directive, and a waste management strategy is established for each purchased substance with support from our chemical management system. Solutions containing active pharmaceutical ingredients from production, toxic or hazardous substances, and solutions with organic solvents are collected in containers and sent for safe disposal. Diluted solutions and water from cleaning processes are discharged into the wastewater system. Where applicable, the pH of solutions is neutralized before discharge into the drain system. The quantity of active substances discharged is recorded in the company's chemical management system.



* At present, we only have standardized data on water use. The landlord has access to data for the entire Medeon premises, whereupon Galenica's share is calculated as a percentage based on the size of its space.



**100 % renewable energy and facilities
with Gold Certification.**

100 % renewable energy

Through our commitment to using 100% renewable electricity and 100% renewable or climate-neutral heat, Galenica has paved the way for eco-friendly energy use. At the same time, we strive to reduce our energy use by encouraging our people to turn off equipment when not in use and use only LED lights in our premises. Our energy consumption is directly affected by which projects are active, as many of our projects require energy-intensive equipment, such as dehumidifiers and ventilation units.

In recent years, several energy efficiency initiatives have been implemented, including the installation of a heat exchanger in our ventilation system to utilize the residual heat in the exhaust air.

Energy audit

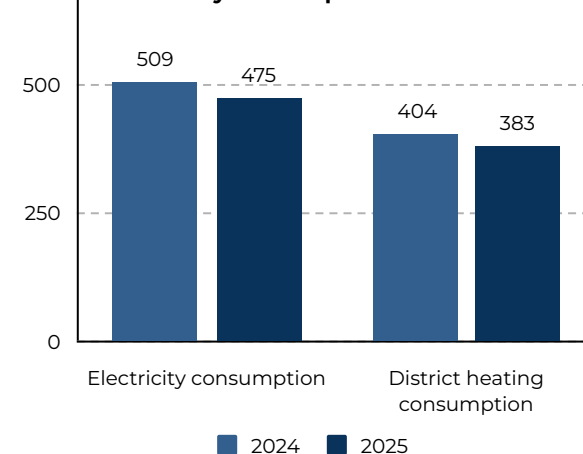
The external energy audit conducted in 2023 concluded that the measures with the greatest impact had already been identified within the organization and were planned as part of various renovation projects. However, several of these projects have been paused due to the decline in demand for contract

services experienced by Galenica during 2025. Since Galenica leases its facilities at Medeon Science Park from Wihlborgs, our energy efficiency efforts focus on the areas and equipment within our control.

Gold certification

In 2020, Galenica moved its offices to a newly built green building with Gold Certification according to the Swedish Green Building Council certification system. This means that 44% of our operations are conducted in premises with top-class energy performance.

Electricity consumption in thousands kWh

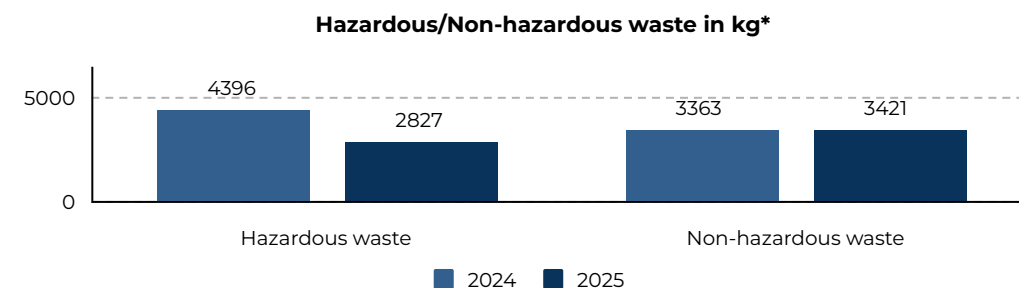
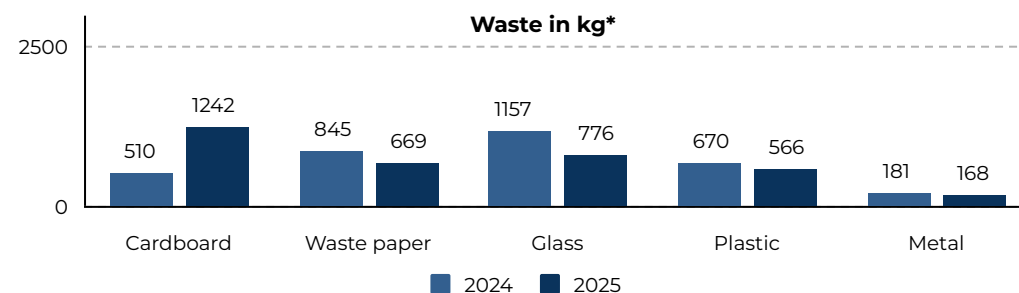


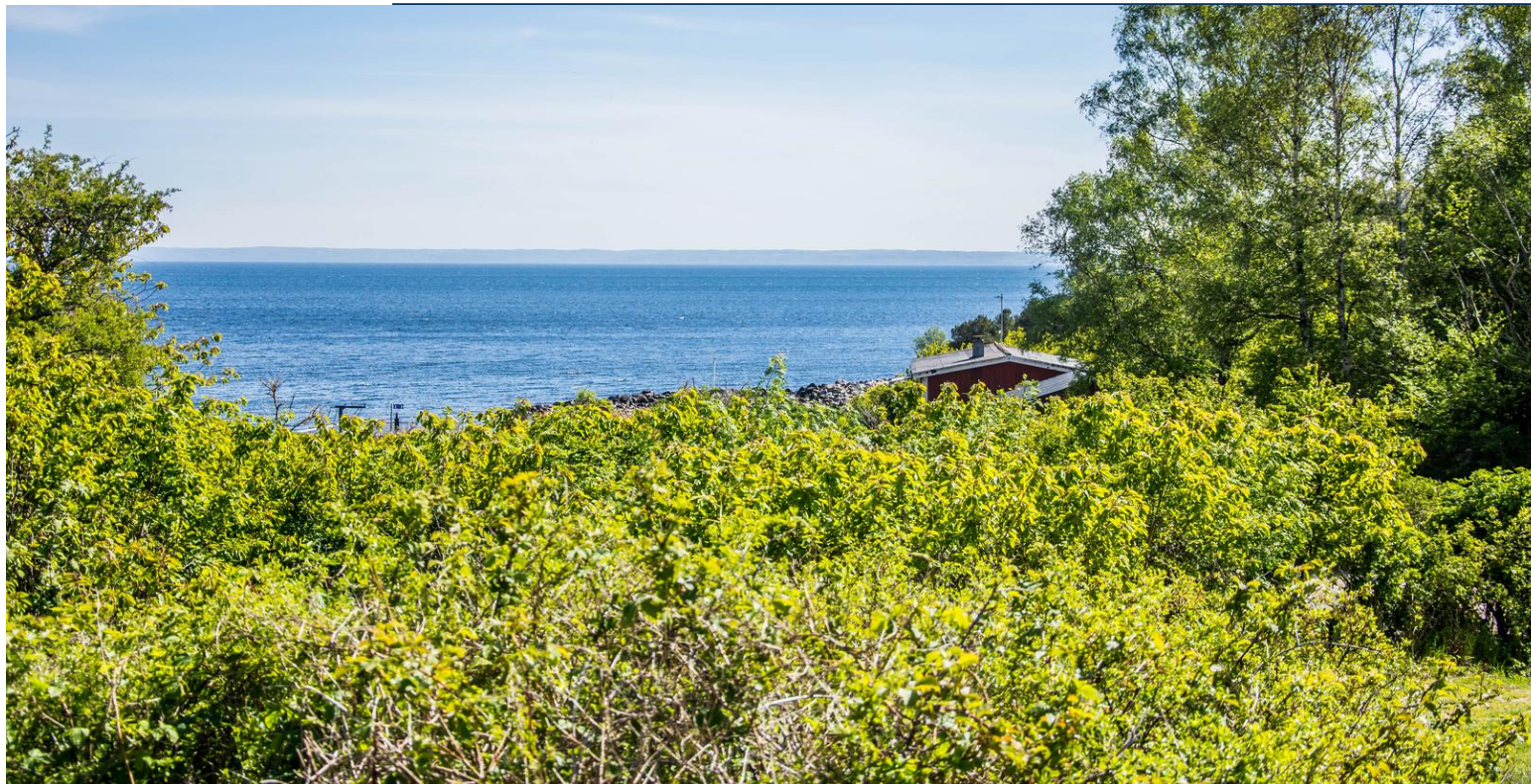
Waste management

We work proactively to reduce waste quantities. Any waste produced in Galenica's operations is handled with the goal of protecting both the environment and human health. We apply the waste hierarchy to primarily reuse and recycle our waste. Hazardous waste, such as specific solvents, laboratory chemicals, lab waste, and infectious waste, is placed in sealed containers and risk waste bins and is incinerated by our external supplier according to safety regulations. The aim is to prevent hazardous waste from reaching the environment and living organisms.

It is important for Galenica to provide favorable conditions for the recycling of conventional waste, such as plastic, paper, and cardboard. In both of our buildings at Medeon, clearly labeled sorting bins are provided to make waste separation simple and efficient. Additionally, our property manager offers well-equipped waste disposal facilities, including both a waste room and an environmental room, to support proper waste management.

** At present, we only have standardized data on conventional waste. The landlord has access to data for the entire Medeon premises, whereupon Galenica's share is calculated as a percentage based on the size of its space.*





Reduce internal climate impact

As part of our commitment to enhancing sustainability, we also focus on reducing our internal climate impact. In addition to conducting production and lab operations in an environmentally sustainable manner, this includes actively addressing the impact of our day-to-day activities.

A climate-smart culture

We strive to build a corporate culture where sustainable choices are a natural part of our employees' daily routines. Through clear internal guidelines and policies, such as our Environmental Policy, Sustainability Policy, and Travel Policy, we aim to make it easy to make climate-smart decisions at work.

Our ambition is for sustainability to be integrated into how we plan, prioritize, and make decisions. Structured environmental management together with a long-term action plan are key tools for driving this work forward.

"To reduce our internal climate impact, it must be easy to make sustainable decisions in our work. This requires a clear environmental management strategy and a long-term action plan."

Lena Örtenblad
CFO



Under 2025 gjordes över 5 000 resor genom våra subventionerade kollektivtrafikkort till anställda.



More vegetarian meals

Throughout the year, we have continued to increase the share of vegetarian meals in our operations. One clear example is our Friday breakfasts, where more than 90% of occasions have been vegetarian. This has become a natural habit.

For other meals, such as conferences and customer meetings, the share of vegetarian options remains relatively low. There is still potential for improvement, and going forward we can make more conscious choices to reduce our climate impact.

Reduce printing

In our regulated operations, many documents require review and approval. Our ambition has been to replace paper-based workflows with digital solutions wherever possible. During the year, we implemented

a digital system for reviewing and approving analysis results. This has had a clear and positive impact and has led to a significant reduction in the number of printed pages compared with previous years.

Sustainable office reduction

During the year, we reduced our office space with a clear sustainability focus. The objective was to reduce our environmental impact through reuse, waste reduction, and a more space-efficient office, while maintaining a good working environment and employee well-being.

The reduction of space involved consolidating operations into a smaller space with fewer furnishings. Through a thorough inventory process, a large proportion of existing furniture was reused, while other furniture was sold to employees or to companies

specializing in second-hand office furniture. We selected an environmentally conscious moving company and used reusable moving boxes to avoid single-use materials.

Encourage eco-friendly transport to work

Our public transport benefit, introduced in the fall of 2023, continues to be appreciated. Through this benefit, Galenica subsidizes public transport passes for employees who choose to travel using public transportation instead of having a company-subsidized parking space. Actively encouraging our employees to travel to work in an environmentally friendly way through public transportation is a natural step for us. As of December 2025, 11 employees had signed up for this benefit. During 2025, a total of 5,452 trips were made through the benefit

program, covering approximately 112,500 kilometers. These trips resulted in a total carbon saving of approximately 14,992 kilograms of CO₂ compared to the emissions that would have been generated if the same distance had been traveled by car. Since this data includes both work-related and private trips, Galenica does not include these figures in other CO₂ calculations.

100% electric company cars

We want all our company cars to be primarily electric and secondarily hybrid. The transition is taking place gradually as existing agreements expire. During the year, the number of electric cars increased from six to eight. By the end of the year, our fleet consisted of eight electric cars and five hybrid cars. The number of diesel-powered vehicles was reduced to zero during the year, representing an important step in reducing our climate impact.

Transport-related CDMO emissions decreased by 59% in 2025 compared with 2024 as a result of efficiency improvement initiatives.

Sustainable business travel

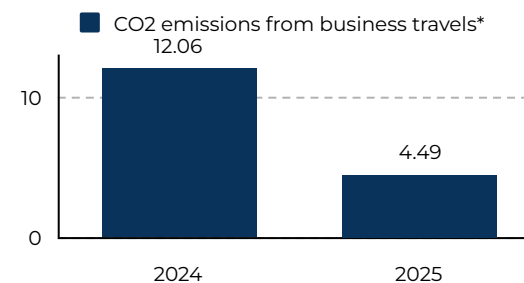
Our work to reduce our internal climate impact includes reducing emissions from business travel. We avoid unnecessary travel and advocate public, environmentally friendly means of transport. At the same time, we prioritize providing technical solutions that enable high-quality digital meetings without the need for travel. All travel is regulated by our Travel Policy, for which our CFO is responsible.

Through this policy, we monitor aspects such as the choice of transportation, travel distance, and CO₂ emissions. As part of our sustainability efforts, we track CO₂ emissions from business travel as well as the number of trips by transportation mode. In 2025, both the number of trips and our CO₂ emissions decreased. One important difference compared with the previous year is the company conference trip to Åre, which took place in 2024. Even when excluding this trip, a clear reduction in emissions from business

travel can be seen – from 7 tonnes CO₂e to 4.5 tonnes CO₂e. The primary reasons are the increased share of electric vehicles in our company car fleet and reduced air travel.

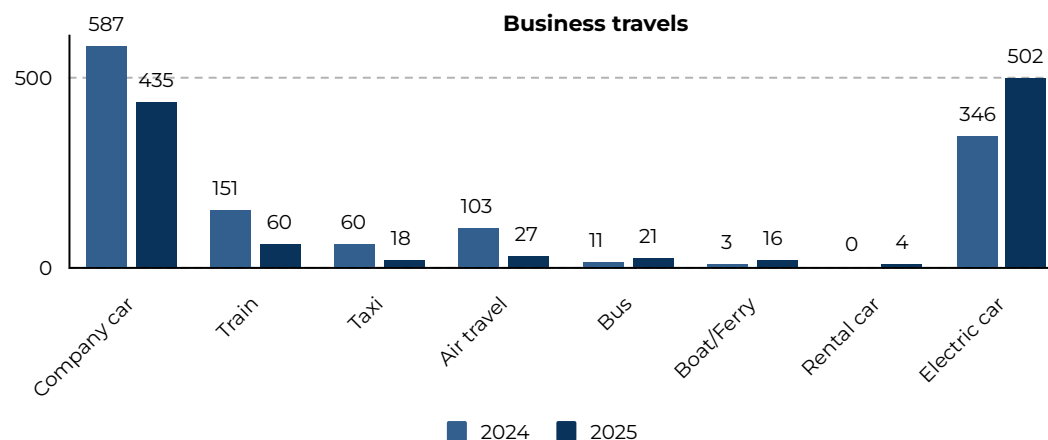
Transportation

During 2025, Galenica initiated measures to reduce climate impact from transportation related to CMO suppliers within Scope 3, Category 4 (Upstream Transportation and Distribution). These measures focus on improving transportation efficiency through a reduced number of shipments and improved load utilization. The climate impact from these transports is reported in carbon dioxide equivalents (kg CO₂e). Calculation and follow-up are carried out using a methodology aligned with ISO 14083 and the GLEC Framework, ensuring transparency and comparability over time. Based on this monitoring, transport-related emissions decreased by 13,372 kg CO₂e, corresponding to a 59% reduction during 2025 compared with 2024.



The calculation of emissions has been conducted using the following data sources:

- Train: Based on SJ's actual traffic emissions data from 2023.
- Air Travel: Derived from SAS's Annual Sustainability Report for the fiscal year 2023.
- Bus: Data sourced from Sveriges Bussföretag, 2023.
- Car: Emission factors provided by the Swedish Transport Agency (Transportstyrelsen), CO₂ emissions 2025.
- Boat/Ferry: Calculated using emission estimates from Klimatsmartsemester.se.





Sustainable value chain

To maintain a sustainable offering, we must ensure that other actors in our value chain share our commitment to sustainability. Through Galenica's supplier evaluation, which assesses social, ethical, and environmental principles, we strive to ensure that our suppliers also uphold a well-developed sustainability approach.

Growing together with stakeholders

By evaluating both new and existing suppliers, we gain valuable insights into our suppliers' sustainability risks - risks that ultimately affect our own operations. Our supplier evaluation process opens up dialog with stakeholders on sustainability issues, which we view as an opportunity to drive change and collaborate with our suppliers toward a more sustainable industry.

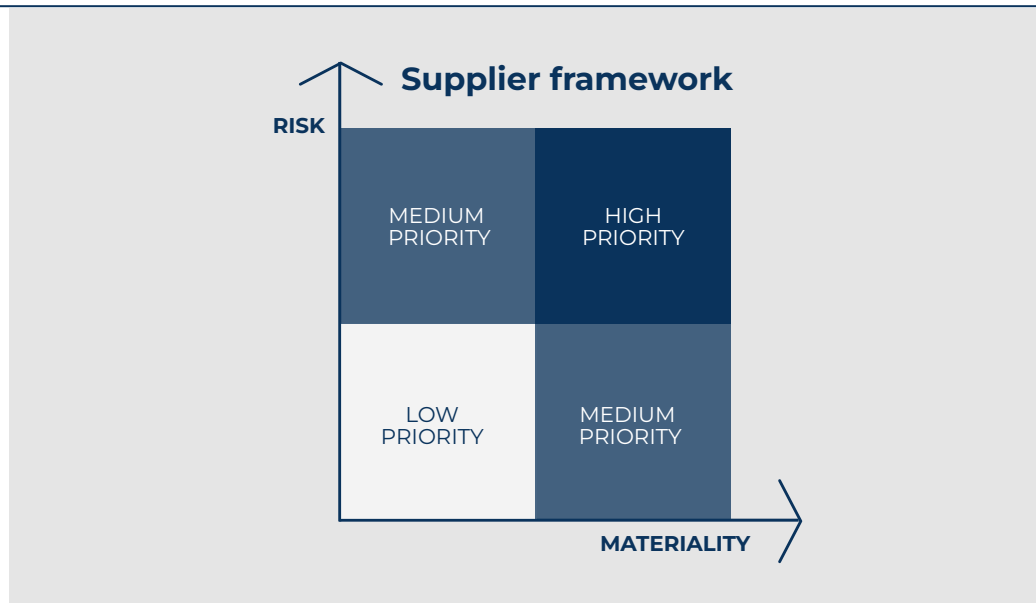


"We want to make sustainability a competitive edge in collaboration with our stakeholders. To reduce our total environmental impact, we want the standards we set for ourselves to apply equally to our suppliers."

Mikael Friberg
COO



Photographer Roger Nellsjö



Galenica's supplier policy

To ensure patient safety and quality, Galenica has long maintained extensive procedures for evaluating suppliers' quality management, in accordance with legal requirements and audits conducted by our Quality Department. Equally important is the implementation of a strategy to assess suppliers based on social, ethical, and environmental criteria as part of our sustainability efforts. In 2023, Galenica established a supplier evaluation process, conducted its first supplier evaluation, and created action plans for suppliers where necessary. Our Supplier Policy applies to all Galenica suppliers and all purchases made on behalf of Galenica.

Supplier Code of Conduct

Galenica's Supplier Code of Conduct was implemented in 2023 and clarifies the requirements and expectations we place on our suppliers' sustainability performance. It is based on our internal Code of Conduct, our

values, policies, and the 10 principles of the UN Global Compact. Our Supplier Code of Conduct covers non-discrimination, human rights, forced and child labor, work environment and rehabilitation, good business practices, anti-corruption and bribery, wages and collective bargaining, freedom of association, and requirements for active environmental and sustainability efforts. Our process, framework, reporting, and follow-up are also clearly outlined for our suppliers.

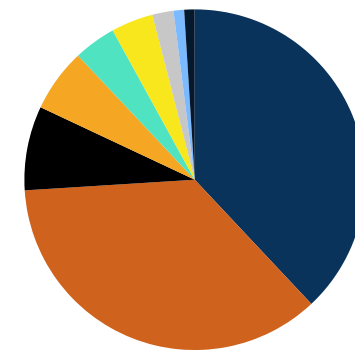
Risks in the value chain

To focus actions on our most critical suppliers and maximize the impact of our work, we use a framework that categorizes suppliers based on the highest risk of negative environmental and human impact. This framework provides increased insight into the sustainability efforts of suppliers that are strategically significant to Galenica. The framework is based on supplier risk and materiality, with assessments considering the supplier's geographical location, purchase value, and type of procurement. If we assess that a

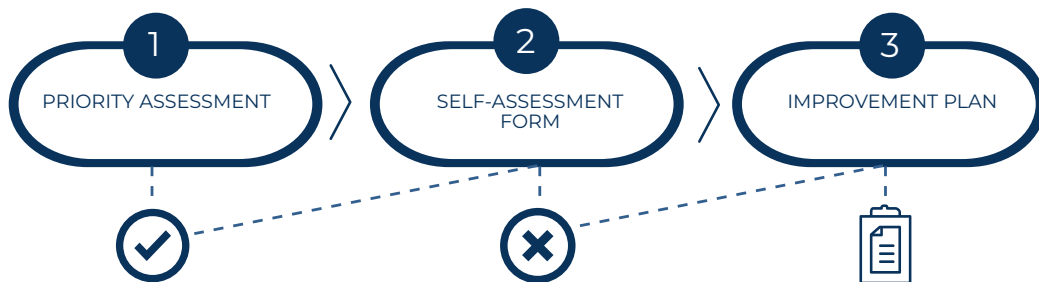
supplier has significant sustainability risks, we seek greater transparency into how the company addresses these risks. The framework ensures that the identified suppliers' sustainability risks are deemed to have a greater impact on Galenica, and we are also better placed to drive meaningful change with these suppliers.

Supplier purchases

Galenica engaged 405 suppliers in 2023 for the procurement of services and materials. Total procurement expenditure amounted to SEK 130.4 million. Forty-six suppliers accounted for 90% of all purchases. Office and administrative services include, among other things, marketing, HR-related services, legal and regulatory services, training, and scientific consulting. The geographical distribution of suppliers was as follows: Sweden (60%), the rest of the Nordic region (5%), Europe (34%), and outside Europe (1%). For suppliers belonging to larger corporate groups, the supplier location is determined based on the local office from which the purchase was made.



- Manufacturing and product-related purchases (38%)
- Office and administrative services (36%)
- Laboratory and office facilities and furnishings (8%)
- Equipment and laboratory services (6%)
- IT and support systems (4%)
- Third-party warehousing (4%)
- Raw materials, input materials and consumables (2...)
- Company cars (1%) ■ Transport (1%)



Evaluation process

In accordance with our Supplier Policy, we apply evaluation procedures to all new suppliers as well as all suppliers used during the previous year. The evaluation is carried out according to the following process.

1. Priority assessment

The supplier's priority is assessed based on our risk and materiality framework, after which it is classified as either low or high priority. If the supplier is deemed low priority, it can be used without further action.

2. Self-assessment form

If the supplier is assessed as high priority, more insight into how the supplier manages sustainability risks is required. These suppliers are invited to complete our digital self-assessment form. The questionnaire is based on our Supplier Code of Conduct and provides information on how the supplier addresses sustainability issues.

3. Improvement plan

If the supplier responds satisfactorily to the self-assessment form, they are approved for continued use. If the supplier demonstrates insufficient sustainability efforts or provides unsatisfactory responses, we examine whether it can be replaced. If not, an improvement plan is drawn up in consultation with the supplier. The improvement plan is then

continuously monitored by the responsible supplier manager at Galenica. The supplier may continue to be used while the improvement plan is being implemented.

Results 2025

Based on insights and experiences from supplier selection, the distribution of self-assessment forms, and the establishment and follow-up of action plans, the supplier evaluation process has been slightly adjusted. An evaluation cycle now lasts four years, after which all high-risk suppliers must complete the self-assessment again. Between evaluation cycles, Galenica focuses on following up on existing action plans and improvement measures with suppliers from the previous year.

According to Galenica's supplier evaluation framework, the purchasing volume from the previous year considered significant to Galenica's sustainability impact amounted to SEK 106.3 million. Of this volume, SEK 85.6 million came from suppliers that had been included in previous supplier evaluations and were therefore excluded from further evaluation during 2025. A purchasing volume of SEK 13.3 million, related to companies with low sustainability impact or one-time purchases, was also excluded from further action. During 2025, four new suppliers were evaluated, representing a combined purchasing volume of SEK 6.3 million. The remaining purchasing volume amounted



to SEK 1.1 million and came from companies that did not respond to the supplier evaluation in 2023. These suppliers have been reminded during the year.

During 2025, Galenica focused on working alongside business area managers to establish and monitor action plans for suppliers that reported flaws in their sustainability efforts. From the 2024 evaluation, two of four newly evaluated suppliers reported lacking routines for systematic sustainability management. These two suppliers represented 3% of the total purchasing value in 2024. A new full supplier evaluation of all material suppliers to Galenica is planned for 2026.

Anti-corruption

At Galenica, both as an employer and through our employees, we are committed to conducting business in a professional and ethically correct manner. This is of utmost importance for maintaining our brand and

trust. To support a fair market with high integrity, we enforce a zero-tolerance policy against corruption. This includes bribery, price-fixing, cartel formation, and abuse of market dominance. The foundation of Galenica's anti-corruption efforts is our Anti-Bribery Policy and Fair Business Practices Policy, both of which are included in our Code of Conduct and Sustainability Policy. Galenica also maintains a whistleblower function to facilitate anonymous reporting of suspected corruption while providing additional protection for our employees.

The Anti-Bribery Policy provides guidance and support to prevent bribery along with reporting procedures in case of suspected bribery. Managers are responsible for monitoring compliance with our policies and ensuring that all employees are aware of our guidelines. Ultimately, it is the responsibility of each employee to follow these principles. **No cases of bribery or other forms of corruption were reported within Galenica in 2025.**

Financial Reporting

Contents:

- The year in review
- Income statement
- Cash flow statement
- Balance sheet





The year in review - 2025

During 2025, the company recorded a decline in revenue compared with the previous year. The decrease was attributable to developments within the contract development business, while the Pharma business continued to perform positively and the CMO business remained stable.

In response to weaker demand, a restructuring of this part of the business was implemented early in the year. The measures included workforce adjustments and other cost-saving initiatives aimed at aligning the cost base with prevailing market conditions.

At the same time, the company has intensified its strategic focus on in-house product development. Resources and expertise have been reallocated to strengthen long-term competitiveness and enable future commercialization opportunities.

The Pharma business continues to develop positively, supported by planned product launches and ongoing geographic expansion. During the year, Ovixan was registered in the United Kingdom, where the company sees a large market with strong growth potential. The product was launched and became commercially available at the beginning of 2026.

The CMO business continues to demonstrate strong demand and delivery capability.

Outlook for 2026

During 2026, the company will continue to work in accordance with its strategic agenda, focusing on product development, geographic expansion, digitalization, and sustainability. These priorities remain key drivers of the business and contribute to both structural improvements and tangible results.

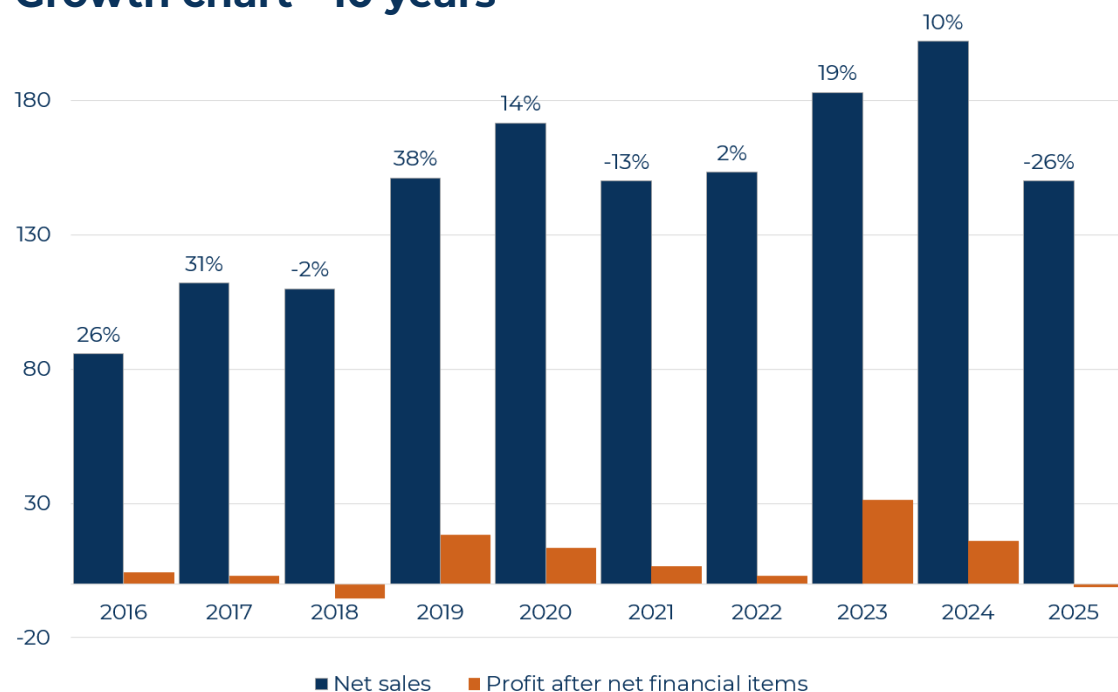
Galenica has entered the new year with a strong foundation within Pharma and commercial manufacturing. Both business areas are considered to have very favorable prospects, supported by increasing demand and strong delivery capability.

The contract development business will be phased out in a controlled manner over the coming years. Galenica has chosen to maintain its strategic focus on in-house product development rather than customer oriented. This focus will strengthen the Pharma product portfolio and support the company's growth in the years ahead.

Lena Örtenblad
CFO



Growth chart - 10 years



Financial KPIs - 5 years

In msek	2025	2024	2023	2022	2021
Net Sales	149 937	201 276	183 001	153 258	149 989
Annual growth	- 26 %	+10 %	+ 19 %	+ 2 %	- 13 %
Profit a. financial items	- 1 142	16 216	31 180	3 122	6 704
Balance sheet total	105 420	111 537	89 060	79 731	83 423
No. of employees	52	68	63	70	75
Equity ratio	51 %	53 %	64 %	51 %	49 %

Income statement	2025	2024
Operating income		
Net sales	149 937	201 276
Activated work for own account	10 927	5 801
Other operating income	1 540	1 741
Total	162 404	208 818
Operating expenses		
Raw materials, consumables, and subcontractors	- 6 415	- 5 329
Merchandise	- 50 090	- 60 285
Other external expenses	- 37 741	- 38 986
Personnel expenses	- 60 879	- 80 447
Amortisation and impairment losses	- 5 001	- 5 381
Other operating expenses	- 2 877	- 2 427
Operating profit	- 599	15 963
Results from securities/receivables classified as non-current assets	- 30	0
Other interest income and similar income statement items	165	501
Interest costs and similar income statement items	- 678	- 248
Profit after net financial items	- 1 142	16 216
Profit before tax	- 1 142	16 216
Current tax	- 224	- 3 072
Deferred tax	289	- 489
Profit for the year	- 1 077	12 654

Cash flow statement	2025	2024
Current operations		
Profit after net financial items	- 1 142	16 216
Adjustments for items not included in cash flow	6 399	6 232
Tax paid	- 7 004	- 3 693
Cash flow from current operations before changes in working capital	- 1 746	18 755
capital		
Cash flow from changes in working capital		
Changes in stock	2 069	16
Changes in trade debtors	7 602	- 3 834
Change in current receivables	7 706	- 13 385
Changes in trade creditors	1 644	6 053
Change in current liabilities	- 8 082	9 106
Cash flow from current operations	9 193	16 711
Investing activities		
Investments in intangible fixed assets	- 10 927	- 5 801
Investments in tangible fixed assets	- 1 218	- 3 374
Sale of tangible fixed assets	945	0
Cash flow from investing activities	- 11 200	- 9 175
Financing activities		
Borrowings	15 000	0
Amortisation of loans	- 1 435	- 1 079
Dividends paid	- 6 000	- 10 000
Cash flow from financing activities	7 565	- 11 079
Cash flow for the year	5 558	- 3 543
Cash and cash equivalents		
Cash and cash equivalents at beginning of year	11 725	15 268
Cash and cash equivalents at end of year	17 283	11 725

Balance sheet	2025	2024
ASSETS		
Fixed assets		
<i>Intangible fixed assets</i>		
Capitalised expenditure for development work	18 027	7 941
<i>Tangible fixed assets</i>		
Incurred costs on other's property	1 129	2 009
Equipment, tools, and installations	8 709	11 957
<i>Financial assets</i>		
Participations in other companies	116	146
Total fixed assets	26 852	22 053
Current assets		
<i>Stock</i>		
Finished goods and merchandise	16 415	18 484
<i>Current receivables</i>		
Trade receivables	27 720	35 322
Current tax receivables	903	0
Other receivables	5 904	13 737
Accrued income not yet invoiced	5 918	5 185
Prepaid expenses and accrued income	4 425	5 031
<i>Cash and bank balances</i>	17 283	11 725
Total current assets	78 568	89 484
TOTAL ASSETS	105 420	111 537

Balance sheet	2025	2024
EQUITY AND LIABILITIES		
Equity		
<i>Restricted equity</i>		
Share capital	5 000	5 000
Other equity including profit for the year	47 304	54 384
Total equity	52 304	59 384
<i>Provisions</i>		
Provisions for deferred tax	945	1 234
<i>Long-term liabilities</i>		
Liabilities to credit institutions	14 282	3 533
Total long-term liabilities	14 282	3 533
<i>Current liabilities</i>		
Liabilities to credit institutions	4 078	1 262
Trade payables	16 071	14 427
Current income tax liability	0	5 877
Other liabilities	2 076	2 677
Invoiced income not yet accrued	69	159
Accruals expenses and deferred income	15 595	22 984
Total current liabilities	37 889	47 386
TOTAL EQUITY AND LIABILITIES	105 420	111 537

GRI-index



GRI	Description	Comment	Page
	Organization		
2-1	Organizational details		2, 6-8
2-2	Entities included in the organization's sustainability reporting		2
2-3	Reporting period, frequency and contact point		2
2-4	Restatements of information	No restatements	
2-5	External assurance		2
	Activities and workers		
2-6	Activities, value chain and other business relationships		6-8, 40-42
2-7	Employees		23
2-8	Workers who are not employees		23
	Governance		
2-9	Governance structure and composition		8, 18-20
2-10	Nomination and selection of the highest governance body		8
2-11	Chair of the highest governance body		8
2-12	Role of the highest governance body in the management of impacts		8, 17-20
2-13	Delegation of responsibility for managing impacts		8, 17-20
2-14	Role of the highest governance body in sustainability reporting		8, 17-20
2-15	Conflicts of interest		
2-16	Communication of critical concerns		
2-17	Collective knowledge of the highest governance body		8, 17-20
2-18	Evaluation of the performance of the highest governance body		8, 17-20
2-19	Remuneration policies		
2-20	Process to determine remuneration		
2-21	Annual total compensation ratio		
	Strategy, policies and practices		
2-22	Statement on sustainable development strategy		3, 18-20
2-23	Policy commitments		12, 17, 41
2-24	Embedding policy commitments		12, 17, 41
2-25	Processes to remediate negative impacts		13-17
2-26	Mechanisms for seeking advice and raising concerns		27
2-27	Compliance with laws and regulations		9, 34
2-28	Membership associations		9
	Stakeholder engagement		
2-29	Approach to stakeholder engagement		14
2-30	Collective bargaining agreements		23
	Material Topics		
3-1	Process to determine material topics		14-15
3-2	List of material topics		16



GRI	Description	Comment	Page
	GRI 200 Economic impact		
205	205 (2021) - Anti-korruption		
3-3	Management of material topics		40-42
205-03	Confirmed incidents of corruption and actions taken		42
	GRI 300 Environmental impact		
302	302 (2021) - Energy		
3-3	Management of material topics		33-35
302-01	Energy consumption within the organization		35
303	303 (2021) - Water and effluents		
3-3	Management of material topics		33-34
303-01	Interactions with water as a shared resource		34
303-03	Water withdrawal		34
306	306 (2021) - Effluents and waste		
3-3	Management of material topics		33-34, 36
306-02	Waste by type and disposal method		36
308	308 (2021) - Supplier environmental assessment		
3-3	Management of material topics		40-42
308-01	New suppliers that were screened using environmental criteria		42
	GRI 400 Social impact		
403	403 (2021) - Occupational health and safety		
3-3	Management of material topics		29-31
403-01	Occupational health and safety management system		29-31
403-02	Hazard identification, risk assessment, and incident investigation		29-31
403-05	Worker training on occupational health and safety		25-26, 31
403-09	Work-related injuries		31
404	404 (2021) - Training and education		
3-3	Management of material topics		25-26
404-01	Average hours of training per year per employee		26
404-03	Percentage of employees receiving regular performance and career development reviews		25-26
405	405 (2021) - Diversity and equal opportunity		
3-3	Management of material topics		28
405-01	Diversity of governance bodies and employees		
406	406 (2021) - Non-discrimination		
3-3	Management of material topics		27
406-01	Incidents of discrimination and corrective actions taken		
414	414 (2021) - Supplier social assessment		
3-3	Management of material topics		40-42
414-01	New suppliers that were screened using social criteria		42



**For people
and the
environment**



www.Galenica.se

