



CSR Policy

Aenova Group

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Preface

At Aenova, CSR (Corporate Social Responsibility) and ESG (Environment Social Governance) are integral components on our journey to achieve “excellence beyond manufacturing” which is the Aenova claim. We are operating on a global scale, and as a global corporate citizen in the healthcare manufacturing industry, we are aware that our operations impact ecosystems, communities and workplaces, marketplaces, and supply chains alike. We therefore strive to operate in a sustainable, compliant, and socially responsible manner.

The Aenova Group was formed through a merger of different companies and has developed into one of the largest global contract development and manufacturing organizations. Ultimately, we are committed to customers and patients, as we provide lifesaving or life enhancing medicines. We are true to our “One Aenova” philosophy of having one operating model and common Aenova values as the basis of our corporate culture.

The ESG/CSR policy describes the guiding principles that apply to all our sites and operations. It reflects our sense of responsibility with regard to the environment and the sustainable use of resources, our employees and the workplace, the marketplaces and supply chains considering the regulatory and governmental context in which we operate.

Jan Kengelbach
CEO

Ralf Schuler
CFO

1. Our understanding of CSR

The Aenova business model aims to balance “the three Ps” of environment (planet), social aspects (people) and financial success (profit) via good corporate governance. Our understanding of Corporate Social Responsibility (CSR) is

- Environment (planet) covers Aenova’s responsibility for the environment, i.e., aspects such as pollution, (greenhouse) emissions, waste, and energy efficiency.
- Social (people) includes Aenova’s responsibility in the area of health protection, occupational safety, workplace policies both for Aenova employees and our business partners. This also implies social commitment in the communities within which we operate.
- Governance (profit) addresses sustainable corporate governance, which includes the focus on corporate values, corporate management, and compliance.

We have incorporated CSR to our business model to accommodate the ESG (Environment – Social – Governance) approach, to demonstrate the positive impact of our CSR measures and make them assessable according to industry’s best practice.

2. CSR as program

Our CSR program is based on an analysis of Aenova’s impact on the “three Ps”. To define the way forward, we analysed the UN Sustainability Goals for those Aenova has the most significant impact on. The chosen goals build the basis for Aenova’s CSR strategy. The strategy is defined for Aenova as a group and supported by individual measures on group and site level. Supporting our transparency strategy, we monitor and assess the measures and report based on relevant performance indicators at least annually, amongst others,

- External annual EcoVadis assessment
- PSCI (Pharmaceutical Supply Chain Initiative) readiness shown by client audits
- Membership of MSC (Marine Stewardship Council)
- Continuous external tracking of environmental data via Ecodesk for key clients
- Periodic internal reporting and monitoring of KPIs relevant for ESG

ESG reportings are available on our homepage and show our activities. We will periodically adjust our CSR program based on the results and reflecting our customers' requirements as well as regulatory developments.

3. Framework behind our CSR program

The internationally acknowledged basis for CSR is the work of the United Nations. The CSR program of Aenova therefore is based on our support for the 10 UN Guiding Principles.

We follow the 10 UN Guiding Principles

Human Rights

1. Businesses support and respect the protection of internationally proclaimed human rights.
2. It is to make sure that they are not complicit in human rights abuses.

Labour Standards

3. Businesses uphold the freedom of association and the effective recognition of the right to collective bargaining.
4. Businesses ensure the elimination of all forms of forced and compulsory labour.
5. Businesses make sure the effective abolition of child labour.
6. Businesses ensure the elimination of discrimination in respect of employment and occupation.

Environment

7. Businesses support a precautionary approach to environmental challenges.
8. Businesses undertake initiatives to promote greater environmental responsibility.
9. Businesses encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

10. Businesses work against all forms of corruption, including extortion and bribery.

We value the international initiative of UN Sustainable Development Goals

We support the UN Sustainability Goals and firmly believe that they make an important contribution to our society. Aenova is aware of its responsibilities as a company in general and particularly as a representative of the healthcare sector. An analysis of the UN Sustainable Development Goals identified those which are most relevant for Aenova. We initially align our CSR program with one goal per pillar, resulting in the following three:



Quality education (UN SDG No. 4)

Our engagement: We as Aenova strongly believe that our children are our future. Therefore, we support the young generation with traineeships, bachelor- and master thesis, etc.



Clean water and sanitation (UN SDG No. 6)

Our engagement: We all share this one planet. To protect the finite resources, we as Aenova constantly strengthen our programs for water treatment (e.g., pharmaceuticals in the environment / PIE), as well as water and heat recirculation.



Peace, justice and strong institutions (UN SDG No. 16)

Our engagement: As humans, we all want to live under fair and safe conditions. We as Aenova take our responsibility seriously and are constantly strengthening our governance internally, in the communities in which we operate and with our business partners in the supply chain.

We feel responsible for our own activities with respect to environment, society and governance. This leads us to a sustainable development of our business.

4. CSR Approach

Our CSR approach focuses on the “three Ps” as follows:

Environment

Regarding environment, we comply with legal requirements and are constantly working on improvements. Our local strategies are based on the overall corporate strategy.

- A global HSES program, based on our overall HSES policy
- We continuously strive to reduce our emissions of any kind, waste, and the use of resources.
- We maintain a high standard towards environmental protection, and aim for stepwise certifications in e.g., ISO 14001 (environment) and/or ISO 50001 (energy).
- When opportunities arise, we continue our path towards carbon neutrality and increase the proportional use of renewable energy generation and use through pertinent investments.
- Investments ongoing for state-of-the-art cogeneration plants
- Periodic energy audits at all 15 sites identifying further greenhouse gas reduction potentials
- We also keep in mind our offices with respect of their environmental impact.

Social

As Aenova, we have a high responsibility for our employees. Additionally, we engage with the communities in which we operate, in our factories, as well as with our business partners in the supply chain.

Becoming Employer of Choice

- We maintain a good working environment to retain loyal and productive staff and ensure their health and safety.
- We support the education of the young generation with traineeships, vocational training, bachelor- and master thesis, etc.
- We do not tolerate any form of discrimination based on gender, race, ethnic origin or any other personal characteristics. We guarantee equal opportunities to all applicants and employees for their career path within Aenova. Diversity is our daily normal: Employees of more than 50 nationalities are working at Aenova. In Germany, we are now member of the "Charta der Vielfalt" (Charter of diversity).

Corporate Citizenship

- As a global company with a large number of local production sites, we want to make our commitment felt locally. As long-standing employers, our subsidiaries are deeply rooted in the local environment and can make a significant contribution to local social engagement. In this way we attempt to strengthen local communities, deepen the loyalty and identification of our employees and their families, and attract potential candidates.
- This long-standing tradition is based on the sometimes close links between the sites and local communities and is shaped by local characteristics, such as workshops for the disabled and sports clubs. As Aenova Group, we support this diversity of social commitment.

Health and Safety

- Following our environmental approach, we run a global HSES program, based on our Aenova HSES policy.
- We are continually investing in relevant certificates, e.g., ISO 45001.
- We permanently drive initiatives to improve our health and safety record, amongst them behaviour-based safety, holistic business risk management, root cause analysis and hazards identification.
- Our local and corporate Corona Task Forces put employee safety first and guarantee supply continuity.
- We monitor the full compliance status of our sites over internal corporate HSES audits.

Governance

As Aenova, we are aware of our responsibility as employer, client, and customer. We strongly believe that trust is the basis for our success, and trust requires the sustainable perspective on corporate governance:

Value driven

We build our behaviour, our decisions, and our strategies on the Aenova corporate values:

- Customers and patients first
- Everyone matters
- Excellence and reliability
- Better every day
- Stronger as a group

Our values support us in raising the standards of our corporate governance approach internally, as well as with our business partners and stakeholders.

Compliance

Adherence to the relevant laws and internal rules (compliance) is non-negotiable for us. Aenova strictly condemns the violation of human rights. We explicitly reject any form of forced or child labour and modern slavery. We also fight bribery, corruption, and other forms of malpractice. As part of our responsibility, we actively shape the implementation of the rules of the Supply Chain Duty of Care Act for our products with our customers and suppliers.

Compliance with relevant laws is our standard, but beyond that we want to avoid any impression of unlawfulness. Therefore, we set up internal policies and guidelines for all employees which contain (but are not limited to) our Code of Conduct as well as supporting rules for Anti-Bribery, Anti-Trust, Privacy, IT Security, Data Privacy, HR, etc.

The Corporate Compliance Team is considered as the representative to support the employees and the sites in complying in their everyday business and thus, to protect Aenova and its employees from sanctions and loss of reputation. Additionally, we maintain intensive interaction with the authorities to comply with current regulations.

Organisation of Adequate Governance

Aenova Group is run by our management board which is monitored by a co-determined supervisory board at the level of the consolidating parent company, Apollo 5. We follow the rules of segregation of duties and apply double checks where applicable. Consequently, our managing directors and proxy holders are authorised as joint representatives. Rules of procedure are in place for all governance bodies on group level as well as on site level to ensure that policies are followed, relevant decisions made accordingly, group-approval is obtained where necessary and reporting standards are met.

Ensuring Transparency

Good Governance also includes presenting an accurate view of the group's status to internal and external stakeholders. Full financial reporting as well as adequate insights into Quality, Compliance and other relevant topics are provided both regularly and, on an ad hoc basis. Our internal reporting system encompasses all sites as well as corporate functions to establish a comprehensive overview of the group's status for group management, the advisory board and the supervisory board. On a periodic basis, we formally report to investors and other third parties regarding our financial performance as well as special events. We reflect GRI standards for our CSR-related reporting.



About the Aenova Group

The Aenova Group is a leading global contract manufacturer and development services provider for the pharmaceutical and healthcare industry. Our services include end-to-end manufacturing and development of all dosage forms and potency levels (ranging from nutraceuticals to high-potent) out of 15 production sites in Europe and the US.

With our comprehensive know-how, many years of experience, well-trained staff of around 4.200, innovative technologies and highest quality standards we are a reliable, long-term partner to pharmaceutical and consumer health care customers around the world, both in the human and veterinary healthcare market.



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