



ESG & SUSTAINABILITY POLICY

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At PharOS, we recognize that our role extends beyond delivering innovative healthcare solutions, while commercializing innovation in the healthcare industry. We are a responsible “corporate citizen” and we are committed to integrating environmental, social, and governance (ESG) issues into our business operations, aiming to create a sustainable future for our patients and stakeholders.

Our concern is not limited to improving patients’ access to high-quality and affordable treatments, but to also ensuring that our business operations contribute positively to society and the environment. We prioritize ESG issues to operationalize the environmental, social, and governance goals and objectives of PharOS, ensuring that sustainable practices are integrated into our decision-making processes. A fundamental step is the current ESG & Sustainability Policy {*hereinafter referred to as “ESG Policy” or “the Policy”*} of PharOS Pharmaceuticals (*hereinafter referred to as “PharOS” or “the Company”*).

Objective

The ESG Policy sets forth PharOS’ approach to advancing and integrating sustainability across its entire value chain, into the risk management, as well as the internal and external decision-making process. We are dedicated to pursuing sustainable growth, by reducing the environmental impact of our operations, supporting social initiatives that promote equitable access to healthcare, fostering an inclusive, healthy and safe workplace, and establishing a strong internal governance system of policies and procedures.

Scope of Application

We are dedicated to maintaining high ethical standards in our operations. Consequently, we expect all employees, co-development partners, suppliers, and third parties we engage with to not only comply with applicable laws and regulations, but also embrace and adopt our principles related to ESG practices. The Policy is applicable to PharOS, as well as its affiliate companies and serves as a guiding document.

The Policy establishes a framework for compliance with national, EU, and international laws, regulations, standards, and principles related to ESG issues, specifically addressing the following areas:

- Environmental Responsibility
- Social Responsibility
- Corporate Governance and Business Ethics
- Risk Management

The current ESG Policy is applicable to all operations of the Company.

Company’s Mission and Philosophy

Our mission is to materialize in the most efficient way our customers’ trust, by ensuring that our products will be the first to be launched after patent expiry and the last ones to exit the market.

Our Philosophy revolves around two concepts: Developing Value - Supplying Success.

We offer unparalleled expertise in developing generic pharmaceuticals and value-added medicines while commercializing their innovation in the healthcare industry. We provide a broad portfolio of products and intellectual property to leading pharmaceutical companies.

Sustainability Approach

PharOS recognizes sustainability as a key element for its long-term and successful growth. Additionally, it places great emphasis on the implementation of measures and actions that maximize its positive

social impact and promote balanced economic, environmental, and social development. For PharOS, measuring and reporting performance on ESG pillars is critical to deeply understanding the impact of its operations and facilitating an effective dialogue with all stakeholders.

Environmental Responsibility

Environmental sustainability is a fundamental aspect of PharOS' ethos. We recognize our responsibility to protect the environment; thus, we implement an Environmental Management System (EMS) to better manage our environmental impacts and ensure our compliance with all applicable laws and regulations.

We primarily focus on the following key areas:

- Optimization of resources
- Minimization of waste
- Mitigation of carbon emissions

We acknowledge the challenges of recycling and reusing materials in our pharmaceutical manufacturing processes due to the stringent regulatory requirements and the high standards of purity and safety expected by our clients. Consequently, we adopt a proactive stance, by prioritizing reduction and substitution of waste actions.

We commit to maintaining high waste disposal standards and waste management practices (i.e. waste minimization, segregation and disposal of liquid waste, solid waste management).

Energy efficiency is a strategic priority and so energy consumption is monitored across all facilities. We are committed to upgrading energy-efficient technologies, optimizing operational processes, and always promoting energy conservation during operations and business as usual. To support the above commitments, employee education, training, and active engagement are essential elements and outcomes of the current Policy, while ensuring our contribution to the global goal for a sustainable future.

Social Responsibility

We place particular emphasis on the social pillar. We focus on developing and maintaining a diverse, equitable, and inclusive working environment, on strengthening relationships with key stakeholders, on building long-term partnerships with lasting value and on contributing to the community where we operate. The above commitments require balanced relationships on the following social factors:

- Labour Rights
- Workplace Practices
- Non-Discrimination and Equal Opportunities
- Diversity, Equity, and Inclusion (DE&I)
- Occupational Health and Safety (OH&S)
- Training and Development
- Well-being

We strive to bring social responsibility to the forefront. We invest in employees and workers and commit to fostering a challenging, dynamic, inclusive and diverse work environment that supports their professional development, as well as promoting a good work-life balance that prioritizes their overall health and wellness. Driven by the promotion of equality, we recognize the differences among people

and consistently seek to support individuals from diverse backgrounds, regardless of gender, age, ethnicity, disability, or any other personal characteristics.

Consequently, we do not tolerate any form of discrimination in the workplace and the only decisive factors of people's advancement are based on performance, efficiency, skills and qualifications. In support of international labor standards, we comply with the International Labour Organization (ILO) conventions, including those on working conditions, freedom of association, and occupational health and safety.

When it comes to the society, we aspire to contribute to making a positive societal impact and so we focus on:

- Enhancing access to medicine
- Ensuring product safety
- Achieving responsible sourcing
- Providing ethical marketing
- Supporting local economies

We partner with our customers, communities, investors and suppliers to support initiatives that benefit the environment, human welfare, and education.

Guided by the [UN Guiding Principles on Business and Human Rights \(UNGPs\)](#) and the [Ten Guiding Principles of the UN Global Compact](#), PharOS is committed to support and respect human rights. Based on these principles, we are committed to avoid causing or contributing to adverse human rights impacts through our own activities and address such impacts when they occur by others. By integrating these principles into our operations and corporate culture, we aim to protect and enhance our Company's reputation and values, maintain and expand our customer base, and foster positive relationships with surrounding communities. This stance also helps attract investors and mitigate potential risks related to internal and external disruptions. Ultimately, our dedication to human rights not only reinforces our ethical standards, but also promotes the values that define PharOS, ensuring a sustainable future for all stakeholders.

Through our structured procedures, we strive to ensure the materials we procure are sourced from responsible suppliers who uphold high standards of environmental responsibility, human and labor rights, and ethical conduct. Through responsible sourcing, we can guarantee our products' safety and high quality, while mitigating supply chain risks that could seriously impact patients' health and regulatory compliance.

We always want to contribute to the communities where we operate. Our "PharOS Can-Do" Team is a vibrant force that aims to amplify the Corporate Social responsibility (CSR) of PharOS, through impactful social and environmental initiatives. Such initiatives span a wide range of causes and must always be present on the list of actions of the Company.

Corporate Governance and Business Ethics

PharOS is committed to upholding high standards of integrity, transparency, and accountability in all operations. Our governance framework ensures effective oversight, risk management, and compliance with laws and regulations. We prioritize responsible and ethical leadership, maintaining internal controls, and providing a set of well-rounded policies (i.e. Code of Conduct, Human Resources Policy, the Anti-Bribery and Anti-Corruption Policy, and the Whistleblowing Policy) that provide clear direction

for employees and third parties and establish a framework of acceptable behavior and actions across all levels.

To enhance this stance, the “SpeakUP” service is acting to provide a confidential channel for reporting unethical behavior, policy violations, or misconduct, so we can commit to transparency, accountability, and zero retaliation.

Risk Management

We acknowledge that ESG-related risks, regulatory updates, supply chain disruptions, human rights violations, and reputational risks among others, can seriously affect our business operations, financial performance, and stakeholders trust. To this end, the Company proceeds with the following actions:

- Risk Identification
- Risk Assessment
- Risk Prioritization
- Mitigation Strategies
- Monitoring and Reporting

Additionally, PharOS maintains a Quality Risk Management system, applied both proactively and retrospectively. To further support efforts for risk identification & categorization, we maintain a comprehensive Risk Registry, which serves as a key tool for risk review, control, communication, and prioritization.

Interaction with Other Policies and Procedures

The present Policy applies concurrently and serves as a supplement to the below corporate Policies and Regulations currently in force. This interaction ensures a cohesive approach to ESG and sustainability throughout PharOS.

- Code of Conduct
- Environmental, Health and Safety (EH&S) Policy
- Human Resources Policy
- Ant-Violence and Anti-Harassment Policy
- Anti-Bribery and Anti-Corruption Policy
- Whistleblowing Policy
- Privacy Policy

Monitoring and Review

The Policy is available in english and can be found on the official website of PharOS <https://www.pharosgr.gr/>

PharOS’ ESG Committee is responsible for ensuring that the latest version of the ESG Policy is published and is made available to all employees.

PharOS ensures that any material changes to the content of the Policy are to be notified by all interested parties.

The Policy undergoes annual reviews and changes on an ad hoc basis, when needed. Any review and/or amendment on the content of the current ESG Policy is dependent to the following factors, among others:

- Changes in relevant Legislation: updates in national, EU, or international laws and regulations related to ESG and sustainability practices.
- Evolving industry standards: new guidelines and/or best practices established by pharmaceutical associations and regulatory bodies.
- Changes in business direction: changes in PharOS' business strategy, objectives, or ESG agenda
- Stakeholder feedback: insights, recommendations, and suggestions received from stakeholders.
- Advancements in various areas: Environmental, social, or technological advancements
- Audits and Assessments: resulting in identification of gaps and/or areas for improvement.

The Company states that it regularly reviews and updates the ESG Policy, in response to the above factors that could affect its effectiveness and relevance.

Contact

Should you have any general queries, require a status update, or need further information or clarifications on the Policy, you may raise a request via e-mail to: esg@pharosgr.gr

The ESG Policy comes into effect immediately upon approval by the decision of 31/10/2024 of PharOS.

Document Revision Information:

Version	Amendment	Date of Approval	Policy Approval Authority	Effective Date
1.0	Initial Issue	31/10/2024	Managing Directors	31/10/2024