



Chiesi Pharma AB

Sustainability report 2024



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Chiesi Pharma's

Business description:

The company shall conduct research and development, marketing and sales of pharmaceuticals in the Nordic region as well as activities compatible there with.

The Company intends to:

- (i) act in a responsible, sustainable, open and transparent manner towards people, communities and the environment in order to promote health, inclusion and equity.
- (ii) continuously become increasingly sustainable in processes and practices, to mitigate adverse impacts and maximize benefits for people, the biosphere and the planet, towards a net-zero greenhouse gas economy and in line with national and international climate- and ecological transition objectives.

Source: Swedish Companies Registration Office

Message from the

General Manager and Head of HR and Sustainability



Olav Fromm, & Viktoria Petrell

Office at Chiesi Pharma AB, Stockholm

This sustainability report focuses on Chiesi's sustainability footprint and impact in the Nordic region, in 2024. Our goal is to share insights, metrics and lessons we have learned with any stakeholder interested in our sustainability efforts. For those seeking a more comprehensive view of Chiesi's sustainability initiatives, we recommend reading our global sustainability report, which aligns with the Global Reporting Initiatives standards.

We operate on the principle that financial and social value can be created simultaneously, a concept known as "shared value." As a B-Corp certified company, we prioritize transparency and share our achievements openly. In this report we share what we consider to be our most significant sustainability achievements and, importantly, areas where we believe we can do more. This includes efforts to reduce CO2 emissions and contribute to more equitable health outcomes in the Nordic.

One key area where we have made progress is the electrification of our vehicle fleet. While this has been a success, we now need to explore additional ways to minimize our carbon footprint. For example, Chiesi Group plans to launch a new inhaler with a significantly lower climate footprint than current inhalers (pMDIs) on the market. We are also investigating responsible disposal methods for used and expired inhalers that contain so called F-gases, as elaborated later in this report.

In last year's report, we disclosed some of our material sustainability-related risks. We can conclude that most of these risks never materialized, partly due to our effective handling and mitigation efforts. However, a couple of risks that lacked or had insufficient mitigating measures were partly realized. Most notably, the footprint from the production of electric vehicles and emissions caused by business air travel. Both of these are on our "to-do list" for 2025.

Our sustainability work affects almost everything we do, from details such as which pens we buy, to what we eat, how our IT equipment is recycled, to our governance and

business ethics, as well as how we develop our products and our business model. We believe we have come a long way on our sustainability journey, and we hope you will agree once you have read the report.

In 2025, we intend to put energy into consolidating our achievements. Our priorities will hence remain the same during 2025 as in 2024:

- Increase the positive impact of our products. As a leading pharmaceutical company, we believe it is our mission to improve equitable access to medicines and health.
- Accelerate our journey towards reaching Net Zero GHG emissions. This includes, but is not limited to, the incineration or recycling of old inhalers containing F-gases.
- Influence and work with others. We want to share knowledge, learn, and inspire others to become more sustainable. As part of the B-corp movement, this is integral to our identity.

With that said, there is more to be done, and any input you may have that can improve our sustainability work is highly appreciated.

Olav Fromm, General Manager
Viktoria Petrell, Head of HR and Sustainability,
Chiesi Pharma

What does *Chiesi* do at group level?

Chiesi is a family-owned pharmaceutical company headquartered in Parma, Italy. We develop drugs primarily in respiratory diseases, neonatology, rare diseases, and specialist care. Through subsidiaries in 31 countries, we operate and sell our medicines in some 100 countries.

We measure our success through metrics such as turnover and profit, but it is equally important for us to factor in our impact on people and planet. That's why we are B-corp certified, which means that we belong to the group of companies that see "Business as a force for good!"

- Number of employees: 6,685 globally, of which 115 in the Nordic (2023)
- Worldwide revenue: EUR 3,026 million (2023)
- Research: EUR 720.7 million (2023, 23.8% of revenue)
- Gender pay gap: Closed in 2022 (Global)
- B-corp score: 103.8 in 2022 (up from 87.5 points in 2019)
- EcoVadis certification: Platinum medal
- Total number of patents filed: 6,201 (2023)
- Climate goals: Chiesi Group has committed to achieving the following targets: net-zero greenhouse gas emissions across the value chain by 2035. Near-Term Targets: reduce absolute scope 1 and 2 GHG emissions 90% by 2030 from a 2019 base year. Reduce scope 3 GHG emissions from use of sold products 80% per unit of respiratory product sold by 2030 from a 2019 base year. Long-Term Targets: maintain a minimum of 90% absolute scope 1 and 2 GHG emissions from 2030 through 2035 from a 2019 base year. Reduce absolute Scope 3 GHG emissions from purchased goods and services, business travel and use of sold products 90% by 2035 from a 2019 base year. The target boundary includes land-related emissions and removals from bioenergy feedstocks.

(The targets are approved by the Science Based Target Initiative).

Nordic countries

In the Nordic region, we have sales operations in Sweden, Norway, Denmark, Finland and Iceland, but we also have a research facility adjacent in Campus Solna.

Number of employees: More than 115 (incl. R&D)

Revenue: EUR 70 million

B-corp-score: 107,4 (2022)



Research and Development

As a group, Chiesi has seven research and development (R&D) centres. One of these is located in Sweden, at Campus Solna. More than 25 people work here, on research and development of new biopharmaceuticals.

The centre is responsible for activities in:

- Discovery & Early research
- Preclinical research
- CMC (Chemistry, Manufacturing and Control), and
- Translational and precision medicine

Sustainability-related R&D activities have increasingly been driven as part of the sustainability work of Chiesi's other operations in the Nordic region. This includes community engagement where the collaboration with Rinkeby United (see Spotlight on page 14) is the most prominent example. In 2024 the R&D site in Solna initiated a process of certifying as My Green Lab. As the process is ongoing, results cannot yet be shared. Though our R&D centre in Solna is not entirely a part of Chiesi Pharma (Nordic), the statistics and results presented in this report most often include Chiesi's activities at Campus Solna.

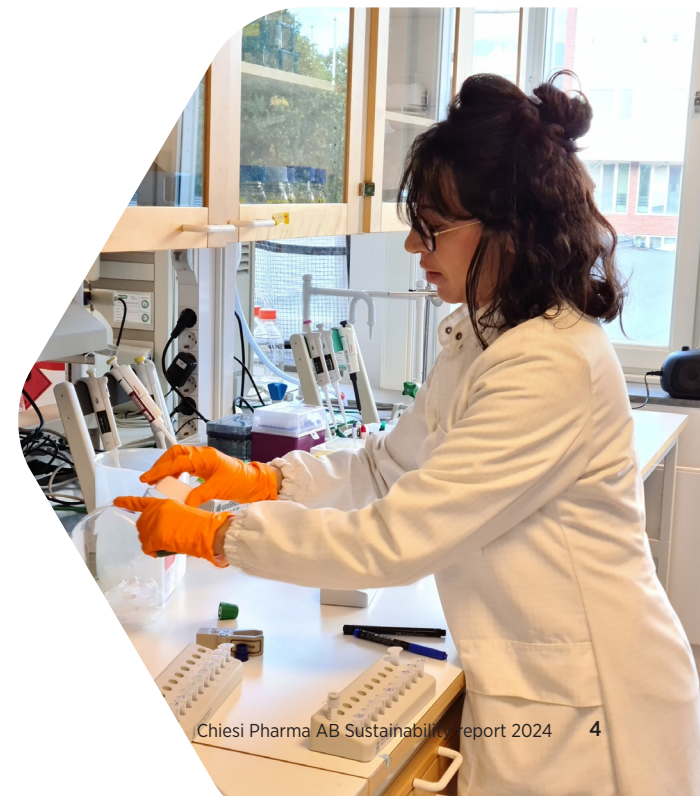
Chiesi in the Nordic

Since inception in 2014, the focus of the business in the Nordic region has been to launch Chiesi Group's product portfolio in the Nordic market, while at the same time striving to become the market leader in the therapeutic areas of respiratory diseases, rare diseases and specialist care. Chiesi in the Nordic region has one office in central Stockholm and one office/lab not far from the R&D centre next to Karolinska Institutet's Campus. Employees are also spread out in Sweden, Norway, Denmark and Finland.

In the Nordic, our sustainability work is led by our Head of HR and Sustainability, who is a member of the Leadership Team and reports directly to our General Manager. To help her, the

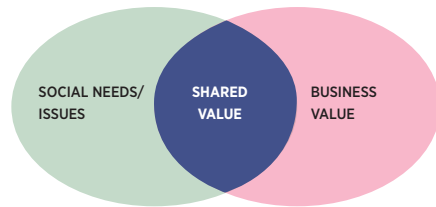
sustainability director has her own team and an "impact committee" where people from different parts of the business participate. The impact committee consists of 10 permanent members and is tasked with both coming up with proposals for how the sustainability work can be further strengthened, as well as implementing and driving changes. The group meets every six weeks. It invites external stakeholders a couple of times a year.

Sustainability is also a standing agenda item for the Board and Leadership Team. At Group level, there is a Sustainability Department that sets the Group's overall strategy and provides support to Chiesi Pharma and other subsidiaries. Although we have a sustainability policy and sustainability plans both for our Nordic operations and globally, we try to integrate sustainability as much as possible into relevant Standard Operating Procedures as well as into our business strategies. Our overarching policy documents are normally available on our website (our global website or for the Nordic region).



Our starting *Points*

Sustainability is an integral part of our mission statement. We are dedicated to improve health outcomes, but we also acknowledge our responsibility for our impact on the climate and, of course, for our employees. The business should create value both for our company and for our stakeholders; a so-called shared value. Our approach differs from both charity and Corporate Social Responsibility, as we see our focus on sustainability as an integral part of our business model.



Our interest in running a sustainable business that improves the lives of those who use our medicines goes back a long way, but at the same time it is

closely linked to Agenda 2030 and the sustainability goals that the world agreed on as late as 2015. As a group, we have identified that 9 of the Sustainable Development Goals (SDGs) are of particular relevance to us as a Pharmaceutical Company (see image below). The SDGs have contributed to the formulation of our own target areas, both locally and globally. A more detailed review of the Group's work with the SDGs can be found in our parent company's sustainability reporting.

Our sustainability work is integrated into the business, but we have also concretised it in specific target areas and activities. A large part of the sustainability work is carried out by cross-functional sustainability groups, which we call "sustainability pathways". Most staff belong to a sustainability pathway and each group works for a year. After that, we normally form new groups, though some will remain. All in all, we have had about 50 sustainability pathways in the past years.

Sustainability goals for Chiesi in the Nordic



The UN's Sustainable Development Goals



Materiality analysis

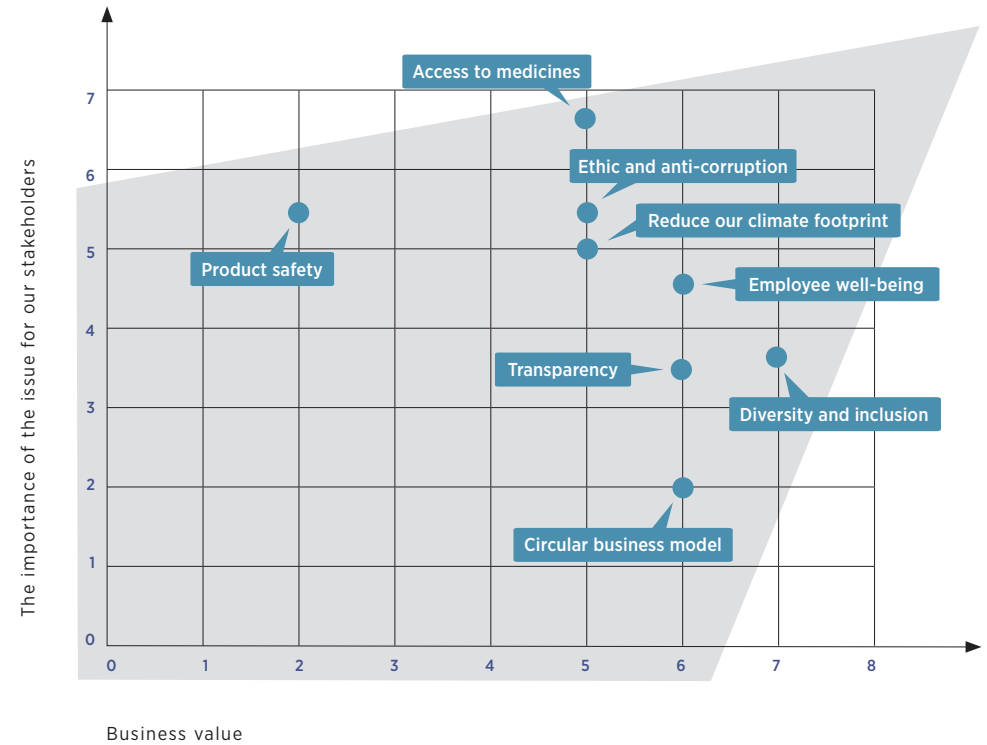
The graph to the right summarizes our materiality analysis for Chiesi in the Nordic. It helps us determine what is most important to us, so we focus on



the issues where we can have the greatest impact. The issues that were most material to us, in terms of importance to our stakeholders and the business value, in 2024 were about patients' access to medicines, about the well-being of our employees, about ethics and anti-corruption, but also about the climate, product safety and circularity, among other things.

We started working on our materiality analysis several years ago, and have updated it annually since 2021. We have listened to several of our stakeholders — such as patient organisations, industry organisations, authorities and employees — in the development, and we have tried to see both how we impact the planet and our stakeholders, but also how they affect us.

The ambition is for the reporting to be able to give a true and fair view of what we have achieved in relation to both our sustainability plan and our materiality analysis. In addition, we see reporting as a way for us to invite our stakeholders to reflect on what we could do better.



As a way to verify our efforts, we at Chiesi have chosen to become a certified **B-corp certify**



B-corp is a certification with a holistic view of sustainability, which means, among other things, that aspiring companies are reviewed based on 250-300 questions related to governance, employees, the environment, community involvement, supply chain and customers.

The certification also comes with a commitment: we must take our stakeholders into account in our operations and we must be transparent with the "footprint" our business creates. When we were certified for the first time, the Chiesi Group received 87.5 points, out of a possible 200. That may not sound as a lot, but it is significantly more than the median among companies, which was then just under 51 points.

In the Nordic region, we received 90.8 points in the certification in 2019 and 107.4 points in 2022! Our strengths and improvement areas are available for everyone to review here: www.bcorporation.net



Our *Approach:*

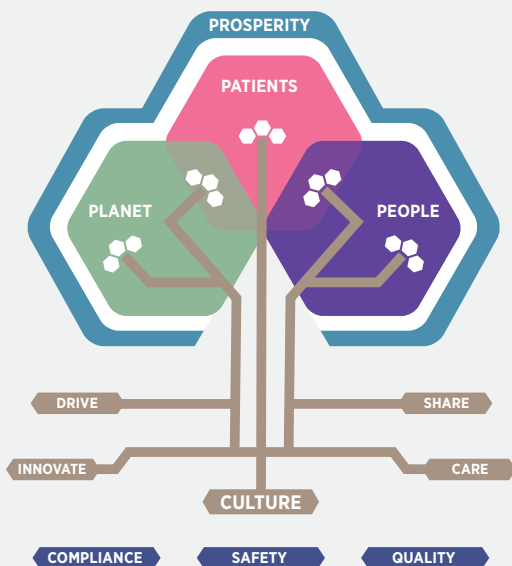
- Patients
- Planet
- People
- Prosperity

Our Approach

Reaching our 2030 ambition

Chiesi is committed to sustainable growth, which we define as achieving long-term success while positively impacting Patients, Planet and People. We strive to meet patient needs through meaningful innovation, to protect the environment, uphold human rights, and prioritize the well-being and happiness of our employees by valuing their contributions and diverse ideas. By ensuring our long-term prosperity, we can continually reinvest in these areas. Our strategic priorities will result in different goals and activities on different markets. On the following pages we intend to describe our main achievements and lessons learned during 2024 in relation to Patients, Planet, People and Prosperity.

The sustainability goals and the materiality assessment that has guided Chiesi Pharma during 2024, were developed prior to the image below. However, the tree, with its branches, stem and its roots, corresponds very well with the work and the approach that Chiesi Pharma has chosen. This means that the format of the report differs a little from 2023, we now have fewer headings but most headings include more topics. With that said, the KPIs remain the same as previous years, as does the risk matrix and some of the Spotlights are continuations of previous stories.



Patients

In the Nordic region, we primarily focus on the sales of prescription drugs for respiratory diseases (asthma and chronic obstructive pulmonary disease, COPD), neonatal care, and rare diseases. Additionally, we conduct research on rare and respiratory diseases at our R&D centre in Solna.

Saving and improving the quality of life for those who use our medicines is our top priority. Although improved quality of life is difficult to quantify, we estimate that over 250,000 people in the Nordic region were treated with our drugs this year, with the majority being individuals living with asthma and COPD. Our main impact can be derived from the medicines we provide and the difference they make for patients, their families, and, to some extent, the broader society. Societal benefits includes benefits such as reduced sick leave and fewer hospitalizations.

Our work is guided by Sustainable Development Goal 3: Health and Well-being. At the corporate level, we have a comprehensive system for measuring our contributions towards all the SDGs, with SDG 3 being the most important to us. Consequently, we are committed to health equity and ensuring equal access to medicines.

Operationalising health equity has been (and is) challenging. The Nordic countries are often considered to be so called "welfare societies" with systems aimed at ensuring access to healthcare to all citizens. Nevertheless, it is well known that there are inequities in both access and health outcomes even in the Nordic. Consequently, in recent years, we have initiated a more structured approach to understand if, and if so how, marginalized areas are diagnosed and treated differently for COPD than those who live in socio-economically more wealthy areas.

The expectation is that we will be able to contribute to more knowledge about the consequences of unequal access to health care, as well as to more concrete projects that can help people suffering from COPD. This also fits in well with an initiative that Chiesi is running globally, on "Health Equity", where the Nordic region is one of the selected regions. The goal is that more people should have the opportunity to live in good health regardless of gender, origin, income and age (or other grounds of discrimination).

As a response to our focus on health equity and health outcomes, we have initiated a number of projects during 2023-24, among them:

- Initiated research into Social Determinants of Health (in Denmark. Still ongoing)
- Conducted a study together with the Swedish National Airway Register, where we investigate whether there are any socio-economic factors that may explain differences regarding the prescription of COPD drugs in Sweden (results "embargoed" at the time of writing this report).
- Conducted a pilot project that examined whether there are any differences in access to care and to proper treatment among people living with COPD in areas with a high vs low socioeconomic status (Nacka-Saltsjöbo vs. Husby), and two pilot projects, to investigate the impact of the Corona pandemic on access to healthcare and proper treatment for people living with COPD.
- Investigated how the care of older people with COPD living in nursing homes or living at home with home care services in the Swedish city of Flen, is carried out.
- Developed educational materials, so-called "Obs-modules", which are used in training at clinics to teach caregivers about e.g. new guidelines for the treatment of COPD and for people who have symptoms but have not yet

been diagnosed, or who live with or are relatives of people with COPD, can identify symptoms of COPD.

As a relatively small actor in the Nordic, measurement of outcomes at system level is difficult due to the challenge of attribution. However, that doesn't prevent us from trying to make a difference and learn from activities while also engaging with specific projects that are closer to the patient and where the outcomes are often easier to detect. Many of our so called "shared value projects" and some of our donations (see "People") fall into this category. Through these projects, we learn more about patients' needs while helping to draw attention to symptoms or behaviours that are important for people living with illnesses in which we are experts. In 2024 these were our most important shared value projects;

Training event in Finland. Many medical students come from a relatively privileged background and the reality of public healthcare may come as a rude awakening that medical school does not prepare them for. This training aimed at bridging this gap and help them look for the person beyond the diagnosis. This training was offered to

recently graduated doctors and medical students in grade 5 and 6. Academic credits were granted for the course. Around 40 medical students and physicians participated in the event.

Leber Hereditary Optic Neuropathy (LHON). Chiesi and LHON Eye Society have the common goal to support persons living with LHON and their families by providing up-to-date information about living with the disease. As the knowledge about LHON expands and the availability of visual aids and vision rehabilitation change, the existing brochure needed an update. Chiesi enabled the development of a new version via sponsorship to the LHON Eye Society.

COPD (Norway). The project was carried out in collaboration with the Norwegian association for asthma and allergy, (NAAF), and included three distinct initiatives:

1. Awareness material: How to get the best Possible follow-Up? Think of this! (+300 brochures distributed)
2. Podcast episode: COPD — How to live well with a chronic lung disease? Digital marketing in social media, NAAF newsletter and NAAF membership magazine in relation to the World COPD Day, November 20.
3. Arendalsuka: An engaging spirometry exhibit at the Arendalsuka event (an annual large political gathering), including distribution of COPD awareness material. (50 spirometry tests performed)

COPD (Sweden) — Järva Week. (see Spotlight to right).

Fabry disease is a rare lysosomal storage disorder with approximately 500 patients diagnosed in the Nordic. As a company working with Fabry's disease, Chiesi has the possibility to share and



Spotlight

Hello Laila! You and other colleagues participated at the Järva Week to draw attention to COPD and to the importance of health equity. What is Järva Week — and what is COPD?

"The Järva Week is a meeting place for open conversations. It's about culture, music and food. But it is also a place for political dialogue and talks about challenges in society in general and integration in particular. Järva itself is a field located in what is often labeled a "disadvantaged area" of Stockholm, with high unemployment and challenges with integration and high crime rates. But as we witnessed during this year's Järva Week, it is also a place with lots of energy. I think there were more than 60,000 visitors this year.

Chronic Obstructive Pulmonary Disease (COPD) is a lung disease that causes breathing difficulties due to airflow obstruction. If it is left untreated, it can lead to serious illness. Substandard diagnosing and care of COPD is more common in socially disadvantaged areas. High smoking rate, a major COPD risk

Cont'd page 10

KPIs	
Number of asthma/COPD patients treated with our drugs in Sweden:	
2024	73,826
2023	66,047
2022	56,447
2021	46,858
2020	40,663

Cont'd from page 9

factor, contributes to high probability of undiagnosed COPD. It's sad, but even in a high-income country such as Sweden, there seems to be health equity gaps in COPD care.

Together with the patient association *Riksförbundet HjärtLung* and *AstraZeneca*, we hosted an open booth where we offered spirometry testing, which means that you breathe into a device called a spirometer, which measures the amount of air you inhale and exhale, and the result will tell you how well your lungs are functioning. We also participated in a panel discussion and provided information about COPD in several languages. A total of 577 spirometry tests were performed, of which a full 20% had an FEV% <0.7, potentially indicating COPD or undertreated asthma. The purpose of this on-site activity was to draw attention to COPD and the importance of early diagnosis and treatment to slow the progression of COPD.

What are your main takeaways?

It's amazing to see so many people being curious about their lung health, wanting to get themselves tested. The results also shows that underdiagnosis is a challenge in the Järva area and that the healthcare must do more to acknowledge COPD and identify these patients early on so they can get appropriate care and in doing so, reduce suffering and societal costs."

Laila Massamiri is a Nordic Medical Advisor and was the project lead for Chiesi's 2024 Järva Week activities.

amplify the voice of the patient and their needs. To learn more, Chiesi Nordic organized the 4th Nordic patient advisory boards, with delegates from the Patient organisations in Sweden, Norway, Finland and Denmark.

Outreach in Finnmark (Norway). The Sami people in Norway are acknowledged as both a minority group and an indigenous population. The Outreach Program, carried out in collaboration with the patient organization *Landsföreningen Hjärt-Lung* (LHL), has in 2024 focused on the Sami people in Finnmark, aiming to address health equity challenges related to minority and geographical factors. People living in this area have six hour drive to the closest hospital and only access to a lung specialist two weeks every year. Three events were organised in Karasjok, Vadsø and Alta, respectively, to facilitate this initiative, with approximately 75 participants. The events included free spirometry testing (n=60) and educational meetings where a lung specialist and a user representative from LHL shared knowledge and experience from living with lung disease.

Webinar on Epidermolysis Bullosa (EB). EB is an inherited, rare and devastating tissue disorder. It is a disorder which causes skin fragility and blister formation. We arranged a webinar with 69 registered participants, that included impactful stories and expert insights to help explain EB to the general public as well as healthcare professionals. We can also support the umbrella patient organization (DEBRA) to improve the prioritisation of EB for dermatologists.

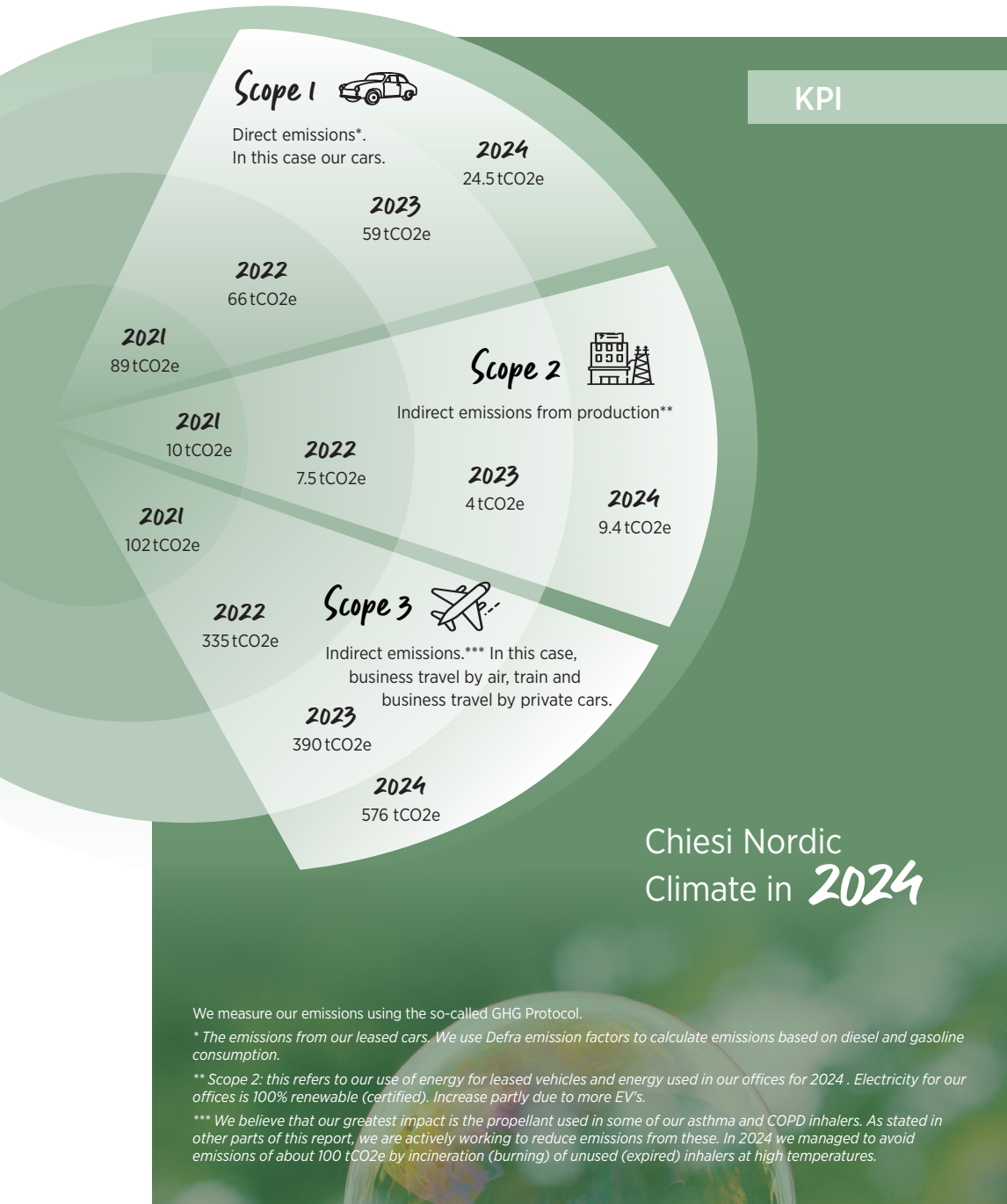


Chiesi has a long history in the Nordic region, as one of our most important drugs was developed by two researchers at Karolinska Institute as early as the 1980s. Life-threatening shortness of breath can affect premature babies because the lungs are not yet fully developed. By administering a drug that replaces the not yet developed endogenous surfactant layer in premature children, a biofilm is created over the internal walls of the alveoli and allows the lungs to expand and the child to breathe.

Since the launch of the drug, 6 million children have been treated* worldwide, resulting in reduced infant mortality as well as a better life for many of those treated.

Today, research is conducted in a number of areas at our R&D centre on Karolinska Institute at Campus Solna. We develop drugs to cure rare diseases, including genetic diseases caused by deficiencies of specific enzymes in the cell's lysosomes. A deficiency of a specific enzyme can cause an abnormal accumulation of substances in the cell, which can lead to progressive diseases in many of the body's organs and tissues.

* Calculated based on the number of drugs sold.
An average of 2 per treated child
(according to market research by IQVIA 2020).



Planet

In the autumn of 2019, we set a goal to reduce our carbon dioxide emissions by 40% per employee by 2022. We focused on measuring emissions from air travel and car usage, which we identified as the most significant sources of greenhouse gas emissions under our control. However, the COVID-19 pandemic made it difficult to compare the data with previous years, as travel patterns and emissions were significantly affected. Despite this, we continued our efforts to minimize our environmental impact.

Unfortunately, we did not achieve the expected reductions in emissions from cars and air travel between 2019 and 2022. This was partly due to the postponement of travel from 2021 to 2022, and partly due to delays in the electrification of our car fleet caused by late deliveries of electric vehicles. However, the trend toward electrification of our fleet continued positively in 2023-24, with all leased cars now being fully or partially electrified. Our next step is to replace hybrid cars with fully electric vehicles (EVs) in the near future. We have also measured and reviewing how emissions from private cars used occasionally for business purposes (scope 3 emissions) can be reduced. We have not yet reduced our air travel in line with our aspirations. There are several explanations, including our company growth, and acquisition of new products, which have prompted some transatlantic travel.

In 2022, we expanded our emissions tracking and, in collaboration with the industry organization Lif, developed a simple tool to help small and medium-sized pharmaceutical companies track their emissions. Since then, we are monitoring emissions from office supplies, electronics, hotel stays, and meals provided during business activities and conferences. For example, we aim to ensure that

an average business meal does not exceed 700 grams of CO2 equivalent. In 2024, we estimate that emissions from meals (including internal meetings) totaled 21 tCO2e. While this number is of limited interest (since everyone needs to eat), it's important to assess whether we can reduce emissions per meal by making more sustainable choices, such as replacing meat with chicken or vegetarian options. Since we began measuring, our policy has encouraged meals with a low CO2 footprint, and we estimate that meals during 2024 have averaged around 760 grams of CO2e, which is a slight reduction compared to previous years.

We are trying not to let our metrics become the main priority for our goals. A focus mainly on what's easy to measure might lead us to pursue the "wrong" targets instead of addressing what truly matters. This is the case with several of our so called "Scope 3" emissions. One of our most significant sources of emissions is the F-gases that are used in some inhalers, for people who's lung capacity is too weak to draw the medicines into the lungs. An alternative spray with a much lower carbon footprint is being developed but is not yet on the market. Till then we are looking at other ways of reducing the climate footprint from these inhalers (see Spotlight on "Down-stream towards zero" below).

Our goal: 

In 2021, we set a target for all leased cars to be fully electrified by 2026. By the end of 2022, 17 out of 38 cars were fully electrified. At the end of 2024, 39 out of 45 cars were EV's, the remaining 6 PHEV's.

Spotlight

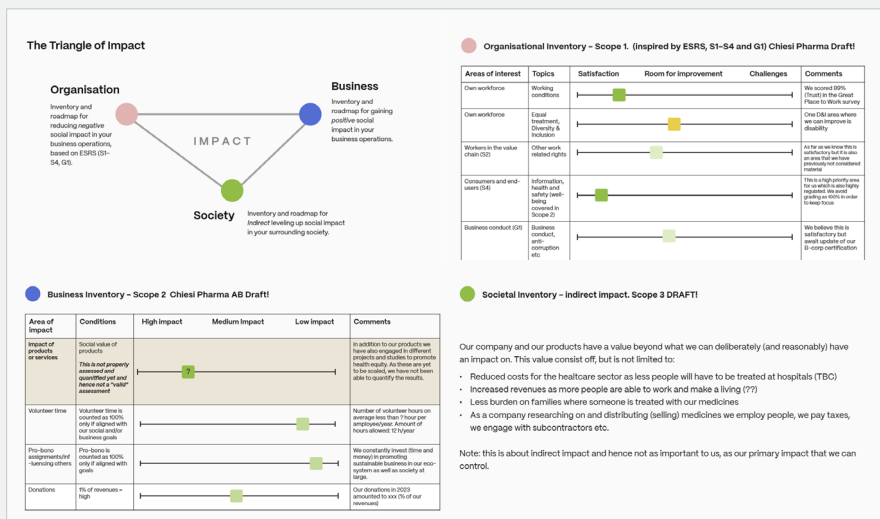
How do we measure our impact?

In 2023 and early 2024 we participated in a project together with a few other companies to develop a model for how we can better 1) manage towards and 2) report our social impact. We want to go beyond avoiding our negative impact (sometimes referred to as Principle Adverse Impact).

Unlike some other reporting frameworks, the focus of this model is mainly on how we can strengthen our positive impact while being financially successful. For our part, the tool has helped us get a better overview of our potential for improvement in relation to some of the social sustainability areas addressed in the EU Reporting Standards (ESRS). More importantly, however, it has spurred an interesting internal discussion on the actual value of different initiatives. In that way it has given us a chance to compare the impact of our products compared to for example volunteer activities and donations. To some extent this has also informed our decision-making. When quantifying our activities using monetary metrics, our conclusions indicate that in the Nordic our greatest impact comes from our (Rx) products, followed by donations and, to a slightly lesser extent, pro-bono work followed by other volunteer work not associated with our business.

Social sustainability: Triangle of Impact for Chiesi Pharma

Note that this is work in progress and neither the data nor the assessments are complete. Those who wish to know more about the model are welcome to contact us!



People

The people working at Chiesi are our most precious resource. Without our employees there would be no results, and without our people we are not able to make an impact by fulfilling our purpose: helping people living with diseases. That is why we continue to invest in our employees by offering continuous development opportunities and support them in creating and maintaining a sustainable work-life harmony. In 2024 we implemented an affiliate wide program in self-leadership. This program was rolled out to all employees, "independently" of their role. Tools and methods to manage oneself in the daily work - how to prioritize, manage one's energy, take effective decisions and give an receive feedback — is crucial for everyone in the type of complex environment we are operating. This program will be a continued focus for 2025 Self-leadership. It is an integral part of our ambition to establish a company culture characterised by a high level of psychological safety paired with a clear direction of the company.

Another important focus area in 2024 was Diversity and Inclusion (D&I). In 2024 we focused specifically on people living with disabilities in the workplace, and in particular conditions that you don't see with the eye but that can have a huge impact on the person's everyday life. A weekly Townhall meeting was exclusively dedicated to raising awareness about different types of hidden disabilities and their implications. Employee testimonials made this even more tangible. We have also partnered up with an organization called "Nytida" through which we have been able to offer work internship for two people with special needs at our affiliate site in Stockholm and our R&D site in Solna.

In 2024 we hired 15 new employees in the Nordic region, while 11 have chosen to leave us due to

either retirement or new career opportunities. The new recruitments have not significantly changed gender or age composition of the company. We are have also been able to create internal development opportunities and promotions to 11 people. This is an ambition we have both globally and locally; to grow and develop our talents and create internal job opportunities. Despite being a mid sized affiliate we have through focused development plans and a little bit of creative thinking, been able to continuously offer these types of possibilities. We are also happy to see that Chiesi Nordic continues to be an attractive place for international assignments, resulting in new colleagues joining us from other parts of the Chiesi Group. At the R&D site in Solna we also welcome research interns and post-docs on a regular basis.

Last year we continued to put efforts on commitment to sustaining a good work environment and making sure that we have a good platform for all managers to carry out their full work environment responsibilities. The local Work Environment Committee met quarterly and drove several different improvements. A rework of the work environment policies and routines were also done, resulting in a work environment handbook. Simplicity and structure were our guiding words in this work.

In 2024 we performed a Great Place To Work (GPTW) pulse survey, sort of a pulse check on how we are doing and how well we are fulfilling our GPTW action plan. We were happy to see that 97% of our Nordic employees rated our workplace as a great place to work (96% in 2023), with a response rate of 92%. Our overall average ranking (previously called "Trust index") landed at 91% compared to 89% in 2023 and 93% in 2021. We could conclude that we are on track with our action plan and will continue to follow-through on it. In 2024 we were also listed among the 25 top employers in Sweden

KPIs

Number of employees (and distribution of managers in brackets)

	Women	Men
2024	74 (13)	35 (10)
2023	68 (14)	37 (10)
2022	60 (13)	39 (9)
2021	55 (13)	36 (8)
2020	60 (13)	32 (7)

Number of training hours:

2024	2023	2022	2020-21
4,357	2,204	2,722	2,052

Highlights Nordic Affiliate 2023

96% RESPONSE RATE

96% "Taking everything into account, I would say this is a great place to work"

90% TRUST INDEX

- 91%** Credibility
- 86%** Respect
- 88%** Fairness
- 94%** Pride
- 91%** Camaraderie

Source: GPTW

by GPTW, increasing our ranking from 21 to 16. 2024 was also the year when Chiesi, for the first time, was ranked among the 25 World's Best Companies and Best Workplaces in Europe.

In 2024 we installed a new governance structure for our local sustainability work, launching our so-called Impact Committee (previously our Sustainability Committee, although slightly amended) consisting of representatives from different key functions such as Finance, Medical Affairs, Legal & Compliance, Marketing, Supply Chain etc. and led by the Head of HR & Sustainability. The Impact Committee convene every six weeks and drive the agenda of Chiesi Nordic's sustainability work.

Last year and for the fifth time, we continued with our already well-established structure of **sustainability pathways**. In 2024 we had 10 pathways in total, each pathway led by one of our employees and consisting of small cross-functional teams, each focusing on a project directly connected to the 4 Ps (Patients, Planet, People and Prosperity) and our local sustainability goals. This time they focused on Health equity, Diversity and Inclusion, Carbon budget, re-cycling of inhalers/incineration of expired inhalers, "Green Lab"-certification and community engagement (in Sweden, Finland and Norway). We have found this way of engaging the whole organisation in our sustainability efforts to be extremely impactful and motivating for our employees and although we slightly changed the concept in 2024, not assigning everyone automatically to a pathway but rather drive it on a area of interest basis, around 50 employees still took part. We continue to assess each year's outcome to ensure that the format of the pathways serves both their purpose as well as the engagement of our employees.

At Chiesi we have an ambition to offer all employees development opportunities, regardless of whether the employee aspires to grow into other

positions within the company or wants to develop within the current scope of responsibilities. A tool to achieve this is our process for Individual Development plans. All employees have regular development dialogues with their manager discussing the possible development path towards the employee's aspiration. From the dialogue follows a structured individual development plan, which lies within the accountability of the employee to follow-up on together with the manager and colleagues. To accommodate appropriate learning resources for the development needs in the organization, we use the 70-20-10 model. Meaning that we believe that 70% of the development comes from learning by doing (taking on new responsibilities, job rotation etc.), 20% should come from learning from others (shadowing, mentoring, etc. and 10% should come from formal learning resources such as training, reading material, seminars etc.

Community engagement We are committed to actively supporting and strengthening our local community through meaningful engagement and collaboration.

For us, it's about contributing to society in meaningful ways. While we do this indirectly through measures like paying taxes, we also prioritize donating when possible and encouraging our employees to engage in volunteer activities.

Through these efforts, we aim to build meaningful relationships and make a positive difference in the communities we serve. In 2023 and 2024, each employee had the opportunity to set aside 12 hours of working time for volunteer work of their choice. The action time has been considerably lower, however, though we have seen a slight increase from 2023 to 2024. In addition to volunteer time, several employees are engaged in pro-bono activities in different areas where our skills and competencies can make a difference. This can range from language training of newly arrived pharmacists to

R&D staff who "contributes to" university courses. For the time being, this is not an area that we have institutionalised or measured.

In 2023, our donations increased significantly. This was partly due to an increase in our turnover, but also, for example, that we "matched" employees' donations to Ukraine. Receiving organisations included organisations such as the *Red Cross*, *Save the Children*, *My Dream Now* and the *Stadsmissionen*, as well as local projects as and research projects and initiatives in areas that are closer to our business.

Our donations amounted to almost SEK 4 million, or about 0.5% of sales in 2024. This aligns with our commitment to supporting impactful initiatives while adopting a more unified approach to social and environmental contributions across the entire Chiesi group.

Among the main recipients in 2024 were the Swedish Red Cross (for support in Ukraine), "Stadsmissionen" (homeless people in Sweden) and different medical-related donations to Karolinska Institute. Some 12 donations (depending on definition) were provided during 2024.

KPIs

Volunteer Time:	2024	486 hours
	2023	370 hours
	2022	366 hours
Donations:	2024	SEK 3,882,311
	2023	SEK 5,764,715
	2022	SEK 2,478,255
	2021	SEK 877,201

Prosperity

As has been stated previously, one aspect of our sustainability work is to create shared value. The achievements described above regarding People, Patients and Planet, should therefore also have an impact on Prosperity. The most notable example is perhaps our sales, which gives an indication of the value that patients experience but also our strong financial position, which ensures the capability to reinvest in patients, people and planet.

Partnerships & Influencing others. Working with our value chain has been a priority to us, ever since Chiesi (at global level) launched our "Code of Interdependence" in 2021. Our starting point is that collaboration between companies on sustainability helps us to collectively reach our social and

KPIs

Number of suppliers who have undergone a sustainability vendor qualification

2024	38
2023	11
2022	18

In 2024 we changed definitions, which meant that we broadened the scope of suppliers qualified. Whereas we managed to reach 100% of our target in 2022 and 2023 for significant suppliers, we have increased the bar and our target is to qualify all suppliers that stand for 80% of our total spend in the commercial affiliate. We reached 81% in 2024.

31% of our suppliers (spend) are EcoVadis certified. Our target for 2024 was 25%

environmental goals. That's why we encourage suppliers and other partners to share experiences of their work with us and with others. We try to work with and priorities partners who share our high environmental and social standards. A majority of our significant suppliers have signed up to the Code, and 80% of suppliers (spend) have undergone a sustainability screening which in several instances have included a more comprehensive screening through the external EcoVadis certification. The work on our Code of Interdependence and our screening are our most important tools for "due diligence" in relation to working conditions, the environment, and human rights in our value chain.

In addition to how we work with our suppliers, a fair amount of our public affairs work is related to how we can incentivise a more just and green transition of society. Over the years we have spent time and resources on inspiring other stakeholders in our ecosystem. During 2022-23, for example, we advocated for benefit corporation to be included as an aspect of the Swedish Companies Act ("Aktiebolagslagen"). This resulted in some debate, including a (digital) meeting at the Swedish parliament, with a member of parliament as the facilitator. In 2024, we have focused more on the "interchangeability system" for drugs in the Nordic. In many aspects, the interchangeability systems work well and save money for the healthcare systems, but they have a flaw: environmental factors are not considered in either the evaluation of or the decision on the interchangeability of different medicines. This could negatively impact both the patients and our environment and will not provide incentives for sustainable innovations. Currently this has resulted in a planned debate hosted at the Swedish parliament. It is too early to assess if our endeavours will actually result in more sustainability demands on prescribed medications. In 2024, we also continued to drive the industry's sustainability work together with our industry

Spotlight

Chiesi R&D in Solna + Rinkeby United = Friendship

"When Rinkeby United was founded in 2013, it was as a reaction to increased exclusion, so that young people in the area would have somewhere to go. The club would act as a counter force to destructiveness and crime", says Hasan Korkmaz, who played in the team from the start, before becoming a coach.

"The aim was to attract young adults not to stand and chew in the center, as they usually say, and I think the club really succeeded in that. You can't save all, but always some. It is still what we work for the most. We have started youth teams and many people have shown great interest, while I think that many people are inspired by us to play football in general. Football is so important, you learn to win, you learn to lose, just like you do in life in general all the time", he says.

Chiesi's R&D centre in Solna has collaborated with Rinkeby United through donations and participating in different events, such as the Rinkeby United Summer Camp. The donation, which has totalled 150,000 kronor, was made possible through the sales of an analytical instrument (part of a re-purposing program). So far the donation has been used for snacks during camp and extra equipment, use of Knutby BP football pitch, fees for referees for home games, train tickets to Gothia Cup, fees for games and tournaments, and support to Rinkeby's first ever girls team.



KPIs

Number of people who have undergone anti-corruption training:

2024	2023	2022	2020-21
62*	46	15	65

* This is based on a manual count. We have not had any reported corruption incidents.

organisation Lif. Through our General Manager, Chiesi Pharma is a member of Lif's board of directors, where we have taken on a role as "sustainability champion". The clearest result is our participation in the follow-up and implementation of Lif's Sustainability Manifesto, and the adoption for an Industry Roadmap towards a Fossil free Sweden.

Internal governance and anti-corruption. During the last few years, we have intensified our work on compliance, ethics and anti-corruption. We have analysed risks, and we have engaged in training on

our responsibility codes, including anti-corruption. In 2023 and 2024, we began the process of concretising various parts of our market ethics compliance and anti-corruption work in several different Standard Operating Procedures. At the end of 2024 we have six SOPs with specific relevance to our anti-corruption work, in addition to the whistleblower policy and the "Code of Conduct" that exist at a global level. Anti-corruption is also an aspect of our "Code of Interdependence", that we sign-off with many of our major suppliers.

A substantial number of our staff have undergone targeted training and all staff have received comprehensive information about our regulations. The focus has been on the categories of staff that are considered to be exposed to the greatest risks. In 2024, we continued our efforts to raise awareness of the corruption risks we as an industry are exposed to and what employees should do if they become aware of corruption or other unethical behaviour. This includes information on how employees can use our (anonymous) whistleblower system.

Our Compliance Committee, which is chaired by Chiesi Pharma's Head of Legal and Compliance and includes the Head of Pharmaceutical Affairs and the Medical Director, plays an important role with regard to our internal governance and anti-corruption. The group meets regularly and other functions such as marketing managers, key account managers and commercial leads are encouraged to check projects with the committee before they are initiated, as to reduce the risk of non-compliance. All members of staff are invited to make suggestions or ask questions to the Committee.

In 2024, both "privacy" and cyber security have also received increased attention, through workshops with different departments and ensuring that our procedures work as they should.

Spotlight

In our two previous sustainability reports our former colleague Hassan Makaraan, Project Manager and Supply Chain Specialist, talked about the "Down-stream towards zero" project. In mid-2024 the torch was handed over to Jonas Lindeborg, Supply Chain and Procurement Lead, who now leads the project.

Tell us Jonas, what is the current status on the "Down-stream towards zero" project?

Chiesi has made significant investments in developing a new propellant gas contained in its spray inhalers designed for patients suffering from asthma and COPD and who lack the ability to draw the drug down into the lungs. This new propellant gas will have a significantly lower global warming potential compared to the one used in the current pressurised metered-dose inhalers.



Read more on page 17



Risks

We actively work with identifying and mitigating sustainability related risks. In our risk assessment we consider both external events or phenomena that we cannot easily influence (such as climate change, pandemics, changes in purchasing rules) and things that are actually in our hands (e.g. data security, risk of corruption, emissions etc.).

The risks we have identified are assessed on the basis of probability and consequence, and the combined value of these factors determines whether they are included in our risk register. In the table to the right, we have highlighted the risks that we currently think are most important from a sustainability perspective. Most of these risks have also been assessed based on the financial impact they may have on our business. The risks are largely the same as those we identified in 2022-23. We have noted that a few have occurred but all in all we feel that risk prevention and mitigation measures have worked well.

In addition to our own risk analysis, our parent company conducts a comprehensive risk analysis in its annual sustainability report. It also describes how we as a group work with suppliers, which includes how we work with "due diligence" in areas such as human rights.

Risk area	Description of risk that may occur	Mitigating measures
Our climate impact is decreasing too slowly, or creating new challenges	<ul style="list-style-type: none"> With the transition to electric cars, challenges arise linked not least to the extraction of metals & minerals for the batteries. As an international company, it is difficult to drastically reduce our flying. Delays in the transition to more climate-smart pharmaceuticals/products are prolonged. 	<ul style="list-style-type: none"> At present, we have not identified any measure to select cars with "less harmful" batteries. Find partnerships with other manufacturers to collect inhalers with residual gases.
Medicines do not reach those who need them most	<ul style="list-style-type: none"> We know that certain diseases, such as COPD, are more common among socio-economically vulnerable groups and there is a risk that certain drugs are prescribed to a lesser extent in "vulnerable areas" and that adherence is poorer in these areas. 	<ul style="list-style-type: none"> Inform authorities and prescribers of the situation. Consider continued funding of research reports. Continue – and scale up – awareness campaigns.
Data security and GDPR	<ul style="list-style-type: none"> In case of cyberattack or if data were to be handled incorrectly, that would constitute a breach of data protection law. 	<ul style="list-style-type: none"> Training and continuous improvement of processes and support, including data security.
Medicines cause unforeseen side effects	<ul style="list-style-type: none"> If medicines were to cause severe unforeseen side effects patients could be harmed. 	<ul style="list-style-type: none"> Continue to monitor according to established procedures and ensure that this remains a priority. Information is collected for the purpose of evaluating the risk and ensure a good benefit/risk balance.
Medicines (where there are no alternatives) run out or do not reach patients for other reasons	<ul style="list-style-type: none"> If medicines are not available to those who need them, patients could suffer (unless alternatives are available) 	<ul style="list-style-type: none"> Review of stock levels, monitoring of upcoming deliveries and reporting of the risk of medicine shortages to the relevant authorities.

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However, until all the tests and medical trials are done, and the new product is on the market, we need to give as much attention as possible to minimizing the footprint of the current spray inhalers.

For several years this project has considered ways in which used inhalers can be recycled and the remaining gas can be reused. One challenge has been the lack of existing process for properly managing the end-of-life stage of those products.

Given the complexity of these devices and the presence of residual propellant, recycling is currently not feasible for this type of products. Nevertheless, an alternative to recycling is incineration of inhalers at a very high temperature (burning at "normal" temperature is not enough – the gas needs to be burned at almost 1,200 degrees Celsius). Last year we managed to test a process in which we managed to incinerate expired inhalers, thereby avoiding the equivalent of 16 tons of CO2-equivalents.

In 2024 we have refined and expanded the process, together with partners in Denmark, thereby avoiding emissions of almost 100 tCO2e. This corresponds to driving some 50 medium sized cars for a year!

We believe this is a great achievement, but we are nevertheless looking at if and how the project can be expanded."

Congratulations on the progress so far – looking forward to hearing more next year!

Risk area	Description of risk that may occur	Mitigating measures
Communication and/or the image of our sustainability work is misperceived	<ul style="list-style-type: none"> Stakeholders, not least employees, are disappointed or do not see the direction. The demands on us are high due to our B-corp certification. 	<ul style="list-style-type: none"> Clear external and internal communication, based on transparency around commitments and results. Employees knowledgeable about our sustainability work.
Human resources	<ul style="list-style-type: none"> If we were to be considered unattractive as an employer, it would be difficult to recruit or retain staff. Well-being of staff decreases 	<ul style="list-style-type: none"> We continue to build on what employees today appreciate about our work culture. A major project on transformational culture and self-leadership has been initiated. We continue to promote ourselves as a sustainable company – our experience is that it attracts the staff we want and that it makes employees thrive.
Suppliers	<ul style="list-style-type: none"> Suppliers choose not to work with us because of our expectations and requirements regarding their sustainability. A risk that we don't reach all our suppliers with the right message/they choose not to answer truthfully. 	<ul style="list-style-type: none"> Only in exceptional cases and for short periods of time are we prepared to work with companies that do not share our ambitions for sustainability. Terminating collaborations may incur costs, but if so, we accept that.

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Conclusion and notes:

In this report, we have tried to account for our sustainability impact in the most accurate way possible, with a particular focus on factors that we can influence and, to some extent, factors that affect us. In this way, we meet the requirements set out in the Swedish Annual Accounts Act, but the purpose is, as previously mentioned, to be as transparent as possible in the sense of learning and sharing experiences. As a group, Chiesi

annually compiles a comprehensive sustainability report in which our metrics and some of our experiences are also highlighted. The Group-wide reporting uses GRI and also shows how performance in relation to the SDG Action Manager and how Chiesi relates to relevant EU legislation.

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