



DFE
pharma

ESG Report 2025

Version 02



CEO and CFO

"DFE Pharma made meaningful progress in 2025, turning our sustainability commitments into measurable outcomes. We continue to act responsibly toward our stakeholders, society, and the environment. A milestone this year was the launch of EcoLact 2030™, which brings verified, auditable CO₂ data and full value chain traceability to our lactose portfolio, enabling customers to demonstrate Scope 3 reductions without operational disruption.

Our efforts were also recognized externally: We received an EcoVadis Gold Medal for the second consecutive year, placing us among the top 5% of rated companies. As we look to 2026, we will build on this momentum with practical, science-based actions that advance a more sustainable pharmaceutical value chain."



Sven Abend
Chief Executive Officer
(CEO)

"In 2025, we continued to align finance and operations to build a more sustainable energy profile. By achieving our goal to operate all production sites on 100% green electricity, we delivered our SBTi-approved target ahead of schedule: a 42% reduction in Scope 1 and 2 emissions.

We remain equally focused on product stewardship and compliance. Our excipients are microplastic-free and backed by biodegradability tests and product-specific data, to help customers meet tightening regulations and reduce uncertainty. These actions, together with many others in this ESG Report, not only serve to mitigate risk, increase predictability, and reinforce accountability, but also create value while keeping our commitments measurable and durable."



Clemens Groot Koerkamp
Chief Finance Officer
(CFO)



Table of *Contents*

Introduction & Strategy

Foreword by the CEO and CFO	2
Table of Contents	3
About this Report	4
Our Purpose	5
Our Heritage	6
Governance of ESG at DFE Pharma	7
DFE Pharma: 2025 in Numbers	8
Strategic Framework	9

Progress on ESG

Sustainable Excipients	10
Energy Usage	11
Greenhouse Gas Emissions: Scope 1 & 2	12
Greenhouse Gas Emissions: Scope 3	13
EcoLact 2030™	14
Product Circularity – Sustainable Packaging	15
Healthy and Biodiverse World	16
Biodiversity and Animal Health and Welfare	17
Sourcing with Purpose	18
Microplastic-Free Excipients	19
Positive, Inclusive and Safe Culture	20
Employee Safety	21
Employee Health and Well-being	22
Employee Social and Sports Events	23

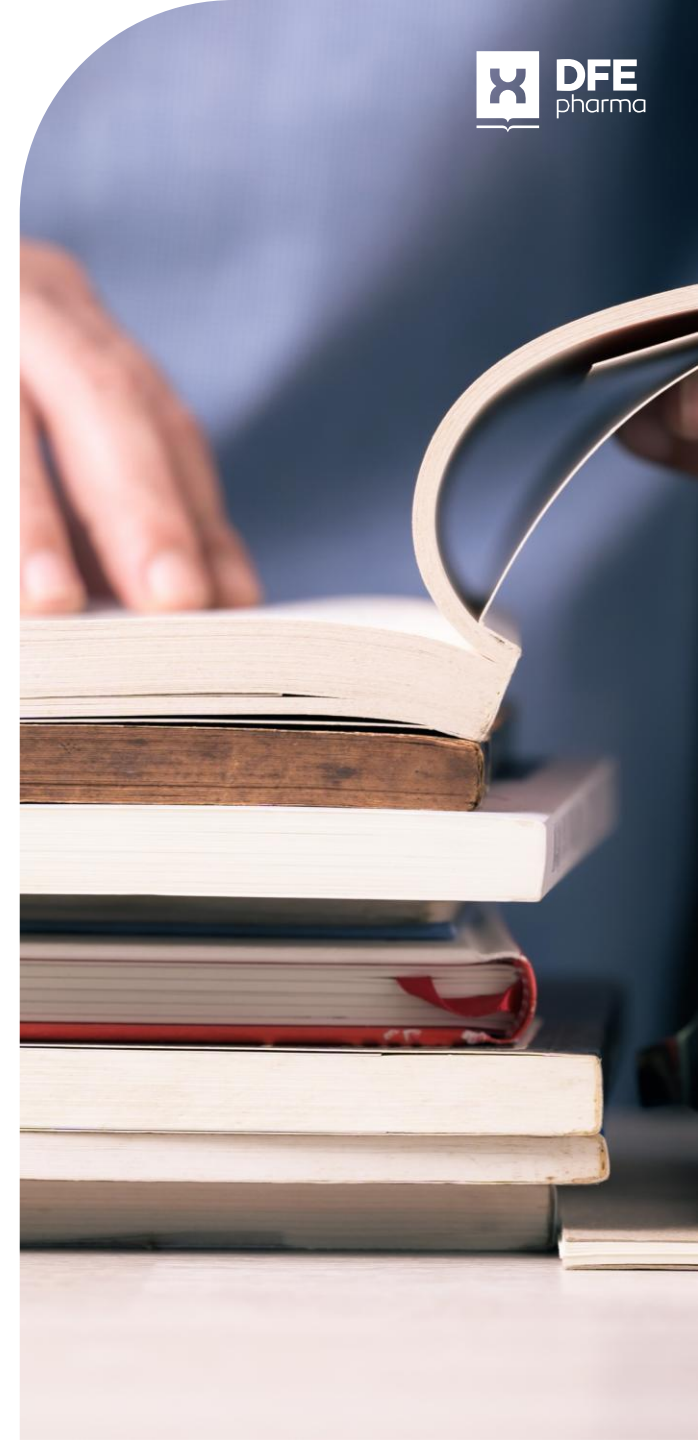
Association and Collective Bargaining	24
Working Conditions and Employee Development	25
Driving Engagement: From Insights to Action	26
Diversity at DFE Pharma	27
DFE Pharma and our Community	28
Labor and Human Rights	29

Governance 30

Business Conduct	31
Data and Information Security	32
Compliance & Climate Action Framework	33

Appendix 34

Our Approach to Materiality Assessment	35
Materiality Results	36
Process to a Revised and Integrated Sustainability Strategy	37
Explanation of the Material Topics	38
Definition of Key Performance Indicators	42
ESG Data: Sustainable Excipients	43
ESG Data: Positive, Inclusive and Safe Culture	45
ESG Data: Governance	48
GRI Content Index	49
Measuring, Reporting and Assumptions	58
Glossary	59
Contact Details and Disclaimer	60



About this *Report*



Scope

Reporting Scope

In this annual ESG Report of DFE Pharma, including its subsidiaries, we present the results concerning sustainability in the areas of environment, social, and governance (ESG). This report voluntarily informs our stakeholders about our strategy, commitments, and progress regarding these aspects. Our headquarters are located at Klever Strasse 187, 47574 Goch, Germany.

For a few ESG topics, the scope has been expanded to include DFE Pharma's value chain (from suppliers to customers) if the materiality analysis shows that DFE Pharma has a material impact on these topics within the value chain, or that these have a material impact on DFE Pharma.

This report covers the activities of the year from January 1 to December 31, 2025. Unless otherwise stated, this report includes information and the consolidated figures of DFE Pharma Group. It is published in English on our website.

Aspects

Environmental | Social | Governance

Materiality

Through our double materiality assessment in 2023, we have successfully identified the key environmental and social impacts that are most significant to our business and our stakeholders. The materiality analysis was performed according to the double material assessment following the European Sustainability Reporting Standards (ESRS). We use a framework for our ESG report that is based on our core material topics as defined by our materiality analysis.

Standards

GRI Standards 2023

DFE Pharma has voluntarily applied the framework of the Global Reporting Initiative (GRI) to report on ESG themes. This report has been prepared with reference to the Global Reporting Initiative (GRI) Standards 2023.

The greenhouse gas emission figures were produced according to the Greenhouse Gas Protocol (GHG Protocol). DFE Pharma uses EcoVadis to track the progress of its ESG journey. As such, we participate in an annual assessment.

In 2025, DFE Pharma's ESG reporting is aligned with Royal FrieslandCampina's consolidated framework. As an EU-based subsidiary, DFE Pharma applies the statutory exemption for CSRD compliance. We continue our broader sustainability reporting independently. The 2025 data are reported in this ESG report.

Our **Purpose**

About us

With over 125 years of experience, DFE Pharma remains a trusted partner to the global pharmaceutical industry. We combine high-purity excipients with technical expertise and a resilient supply chain to ensure patients everywhere receive the treatments they need.

For DFE Pharma, sustainability is not a separate initiative; it is a core part of our promise. It shapes how we innovate, how we operate our sites, and how we build long-term value for our partners. Guided by our purpose – *'Your medicines, our solutions. Moving to a healthier world'* – we are committed to driving positive change for both people and the planet, every day.

About our stakeholders

We are working closely with our stakeholders, and we promote consistent standards and shared accountability, helping ensure that strong environmental and social outcomes reinforce innovation and enable better health solutions.

Expectations regarding quality, transparency, and ESG performance continue to rise across the (bio)pharmaceutical value chain. We support our customers with science-based data that instill confidence from development through manufacturing. Our resilient supply network and responsive technical expertise help reduce risk and accelerate progress.

About environment and society

Our ESG approach is fully integrated into our corporate strategy. We are committed to reducing environmental and social impacts across our operations and value chain; decreasing emissions; advancing circularity in packaging and materials; and fostering a positive, inclusive, and safe workplace where people can thrive. We also address our impact on biodiversity and animal health and welfare, in collaboration with our suppliers.

This journey is grounded in a strong fundament of governance, integrity, responsible business conduct, and robust data and information security. These principles help us build trust with customers, communities, and partners as we work toward a more sustainable and healthier world.

“We have embedded sustainability into our corporate strategy”

**Customers
come first**



**Respect
always**



**Committed
to integrity**



**Take
accountability**



**Better
every day**



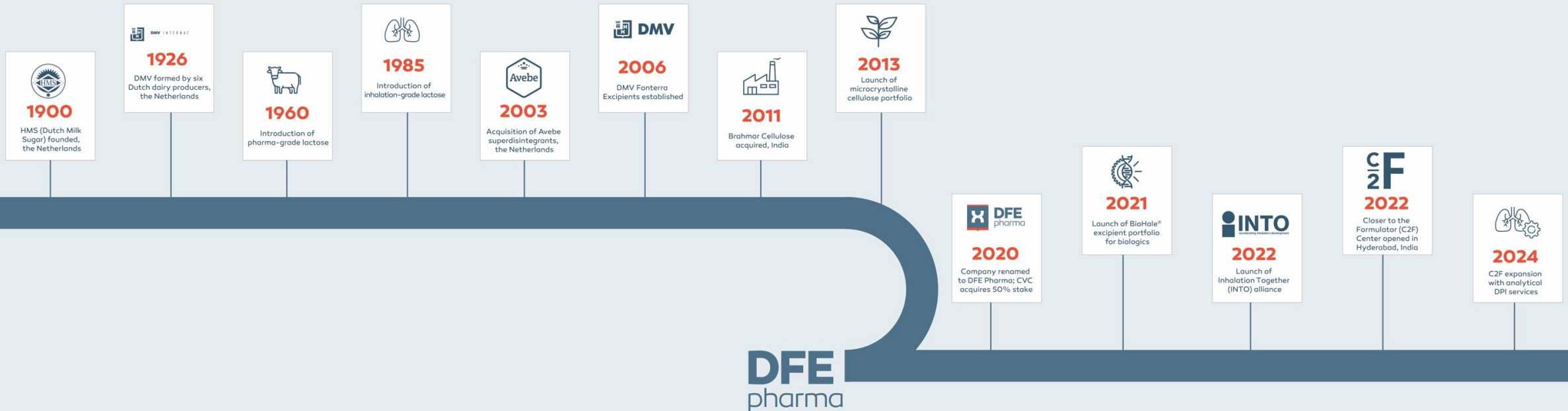
Our Heritage



Our legacy – dating back more than 125 years

Building on more than a century of heritage, we strive for customer satisfaction from formulation development to excipient delivery, by leading in quality and global supply. We are focused on supporting our customers toward reaching their time-to-market goals.

When it comes to health, patients and consumers deserve nothing but the best solutions. We offer a broad portfolio of more than 200 premium products. Globally, over 80 percent of global dry powder inhalers and almost one of every two lactose excipient tablets use DFE Pharma products. Below, you can see our history.



Governance of ESG

at DFE Pharma

We are committed to sustainable growth that reflects our responsibility to society and the planet. Our ESG approach is aligned with our overall corporate strategy, ensuring that sustainability is central to how we work every day. Our focus on developing and supplying sustainable products reinforces this alignment and helps embed responsible practices across the company.

Governance of the ESG Strategy

To ensure accountability and progress, we maintain a clear governance structure:

The Leadership Team: Defines the long-term ESG strategy and sets ambitious targets in consultation with the Governance Board.

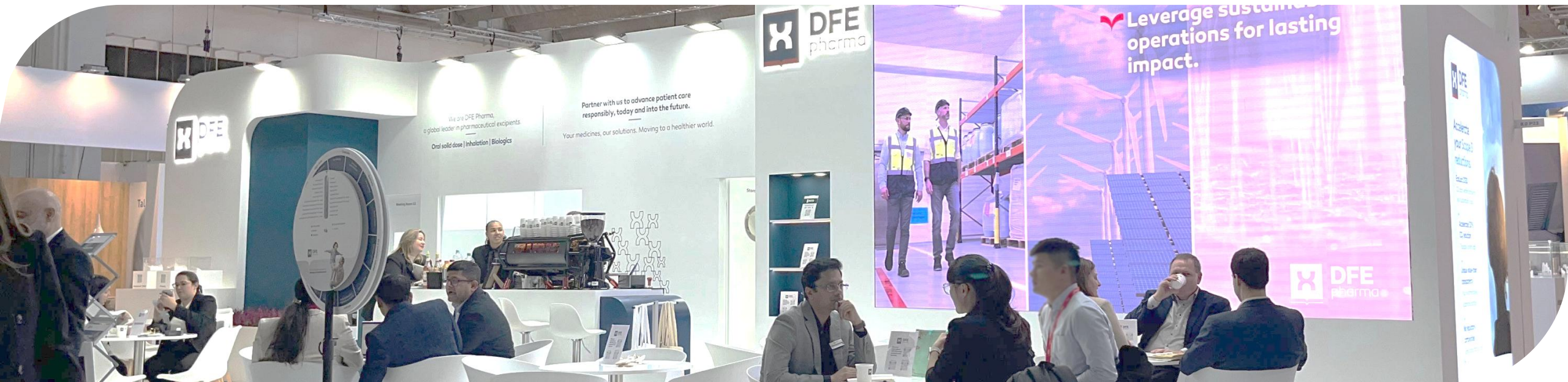
The ESG Steering Team: Shapes the strategic direction, tracks progress, and ensures that all sustainability initiatives remain aligned with our broader business goals.

The ESG Team: Manages the overall program, engages with stakeholders, and executes the materiality assessments.

Departmental Ownership: While strategy is set at the top, the ownership and responsibility for driving action are shared across all departments. This ensures that sustainability is embedded into daily operations across DFE Pharma.



DFE Pharma: 2025 in numbers



477
Employees



27%/ 73%
Female-male ratio
(worldwide)



37
Nationalities



More than **125 years**
of experience



More than
200 excipients



Exporting to more
than **100 countries**



803 ktons
Total GHG emission



2 shareholders
Royal FrieslandCampina &
CVC Capital Partners



7
Sales offices



5
Manufacturing sites



Centers of Excellence
Closer to the Formulator

Three Focus Areas

The structure of our ESG report is based on our strategic framework, which was defined by the materiality analysis conducted in 2023. More information about the materiality analysis can be found in the appendix.



Sustainable excipients

Focusing on the environmental impact of our lactose and plant-based excipients

Covering materiality topics:
Greenhouse gas emissions and product circularity

AMBITIONS

We supply the most sustainable lactose and plant-based excipients.



Healthy, biodiverse world

Focusing on the impact of our sourced inputs on biodiversity, animal welfare and health

Covering materiality topics:
Biodiversity and animal welfare & health

We collaborate with our suppliers to foster nature-positive sourcing.



Positive, inclusive and safe culture

Focusing on the impact of its people within DFE Pharma's internal organization

Covering materiality topics:
Safety, health & wellbeing; diversity, equity and inclusion

We attract and retain diverse talent and create a way of working where employees feel safe, valued, and contribute to success.

Fundamental Themes:
Business conduct & transparency and Data & information security

Your medicines, our solutions.
Moving to a healthier world.

Sustainable Excipients

DFE Pharma takes responsibility for delivering its solutions and products in an environmentally friendly manner.

Decarbonization of our operations and sustainable packaging contribute to our efforts to limit our impact on the environment.

Contents of this chapter:

- Energy Usage in our Operations
- Greenhouse Gas Emissions in Scope 1, 2 and 3
- EcoLact 2030™
- Product Circularity – Sustainable Packaging



Energy Usage in our Operations

During this reporting period, DFE Pharma achieved a major milestone in our sustainability journey: the transition from fossil fuel power to biomass-based energy at our Cuddalore site.

It is important to provide context to the increase of our total energy consumption. Expanding our capacity to meet market demand naturally requires more energy. However, it is our priority to ensure that this growth is fueled responsibly.

The increase in energy use is driven by our capacity expansion in Cuddalore, which is powered by a biomass boiler. As part of our plan, we have shut down the older boiler that relied on fossil fuels. This switch has decreased our non-renewable energy use notably, even as our production grew. Such progress proves we can grow our business while successfully replacing fossil fuels with cleaner, more sustainable energy.

Our key drivers for energy reduction:



Efficiency

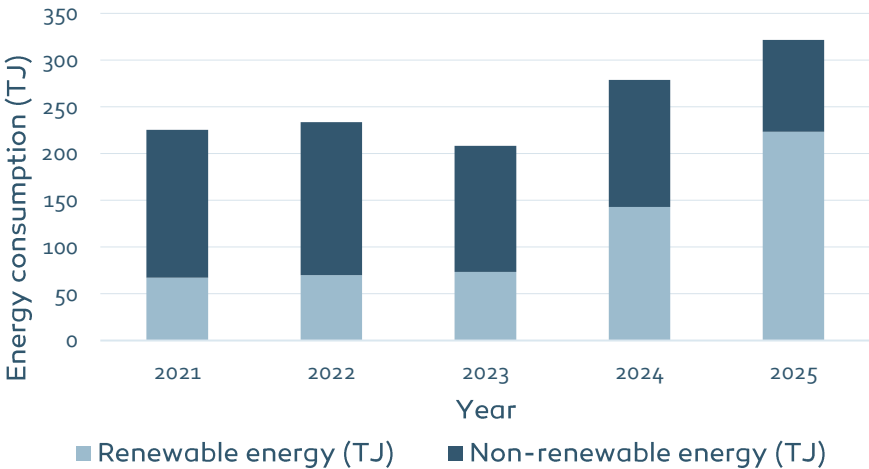
By using modern technology in our new facilities, we optimize our processes to ensure we use energy as efficiently as possible.



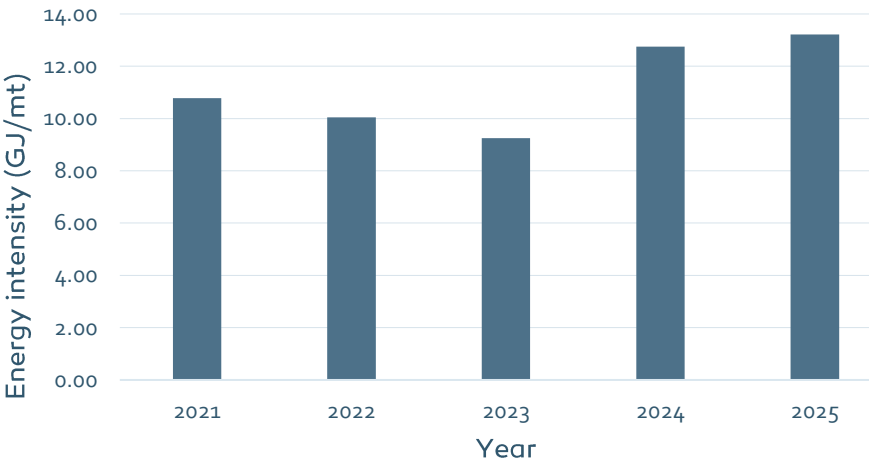
Sustainable sources

We are actively replacing fossil fuels with renewable alternatives. The successful launch of our biomass plant is a major milestone in our shift toward low-carbon manufacturing.

Total energy consumed per year



Energy intensity (EEI)*



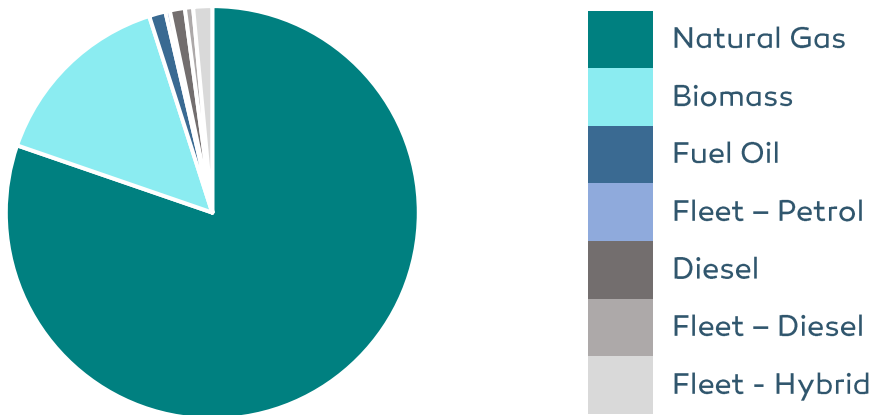
* Energy Intensity = Energy consumption per ton of final goods produced

Greenhouse Gas Emissions – Scope 1 & 2

Progress in 2025

- **All operational sites worldwide are running with 100% green electricity.**
To ensure that our purchased power is accounted for, our consumption is fully verified through renewable energy certificates.
- **Implemented projects to increase energy efficiency at our locations.**
While our energy mix is now greener, we continue to focus on using that energy more wisely. We are actively implementing energy efficiency projects across our sites. An example is our Heating, Ventilation, and Air Conditioning optimization project in Kapuni (New Zealand), which reduces energy use by aligning ventilation more closely with actual operational demand, especially during off-peak hours.

Scope 1 partitioning

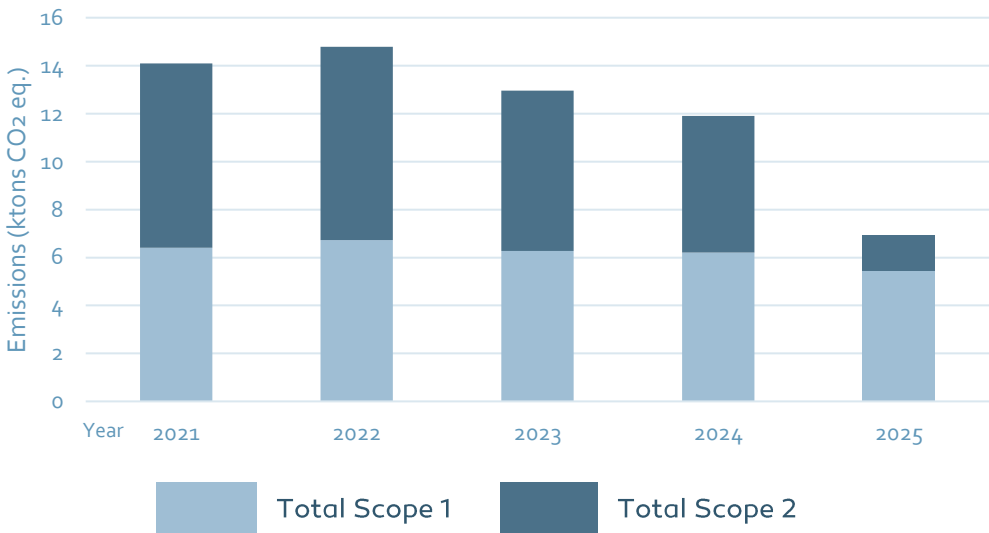


By reaching our milestone of 100% green electricity in our operational sites, DFE Pharma has already achieved our SBTi-approved target, securing a 42% reduction in Scope 1 & 2 emissions compared to the baseline year in 2021 ahead of schedule. To maintain this momentum and further accelerate our transformation, we are now implementing more ambitious internal targets that go beyond our initial commitments, reinforcing our dedication to the 1.5 °C pathway.

Driving Local Impact in 2026

To make a lasting impact on the local energy grid, we are launching a Power Purchase Agreement (PPA) project in Cuddalore in 2026. By partnering with a local renewable energy provider, we are directly supporting the growth of new green infrastructure in the region where we operate.

Scope 1 & 2 Emissions

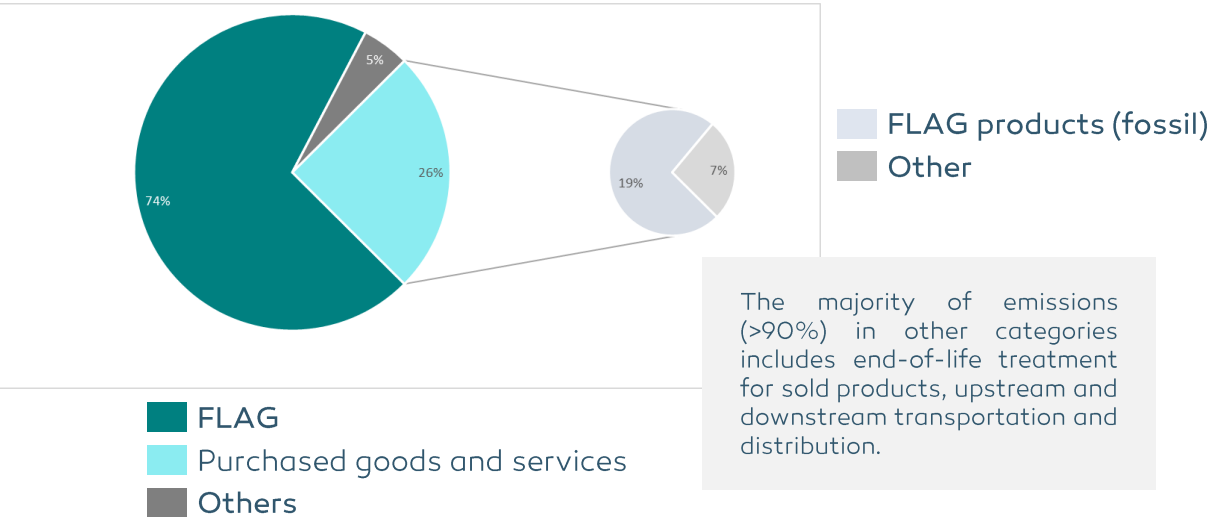


Greenhouse Gas Emissions – Scope 3

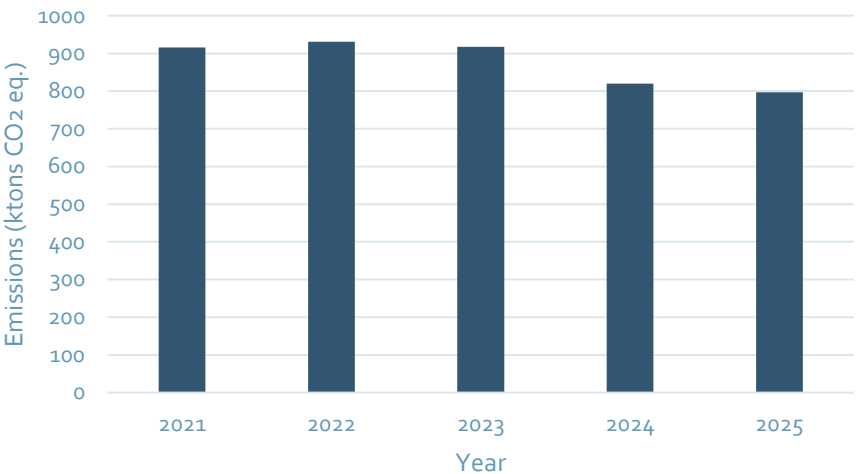
Our commitment to Scope 3 transparency remains a cornerstone of our sustainability strategy. Having achieved a high level of data granularity – with 80% of our emissions based on direct farm-level data – our current focus is on strengthening supplier engagement to drive future emissions reductions.

Since lactose production is the primary driver of our Scope 3 footprint, we are working closely with our key suppliers to identify decarbonization opportunities. We believe that meaningful change in the supply chain cannot be achieved alone; it requires deep partnership and shared goals.

While we prepare for these strategic interventions, we continue to refine our reporting. By maintaining a high percentage of supplier-specific data, we ensure that once our reduction projects go live, their impact can be measured with high accuracy.



Total Scope 3 emissions



The Scope 3 carbon footprint is mainly driven by FLAG (Forest, Land, and Agriculture) emissions and purchased goods and services, with most emissions linked to fossil fuel use in FLAG production.

A closer look at 2025

To move from data collection to active reduction, we have launched the EcoLact 2030™ project – an initiative specifically designed to lower emissions within our lactose supply chain. Detailed insights into this project are provided on the following slide.

Emission Reduction in our Supply Chain:

EcoLact 2030™



While maintaining our high-quality standards, DFE Pharma is committed to addressing the inherent challenges of Scope 3 emissions. Our EcoLact 2030™ initiative, a pioneer solution within the industry, serves to bring transparency and verified sustainability to our current lactose offering. EcoLact 2030™ provides pharmaceutical manufacturers access to auditable CO₂ data and full value-chain traceability, enabling them to demonstrate Scope 3 emission reductions without operational disruption.

Using a transparent mass balance system, we allocate verified on-farm emission reductions from a selected group of sustainable dairy producers to the product volumes purchased by our customers. This ensures that the reductions attributed to customers reflect actual improvements rather than estimates or offset mechanisms.

These emission reductions are generated through practical improvements on farms, such as enhanced feed strategies to reduce methane emissions, optimized breeding, manure digestion, the use of renewable energy, and improved land and nutrient management. Combined, these measures enable EcoLact 2030™ to deliver a 30% carbon footprint reduction between 2021 and 2030.

Customers receive an annual, audit-ready report that clearly shows the carbon emission reductions related to their purchased volumes. This supports high-quality Scope 3 reporting and helps meet CSRD, SBTi, and other ESG requirements.

EcoLact 2030™ fits easily into existing products and processes: same specifications, same quality, and no requalification needed. Customers can improve their sustainability performance by simply choosing this sustainability add on.

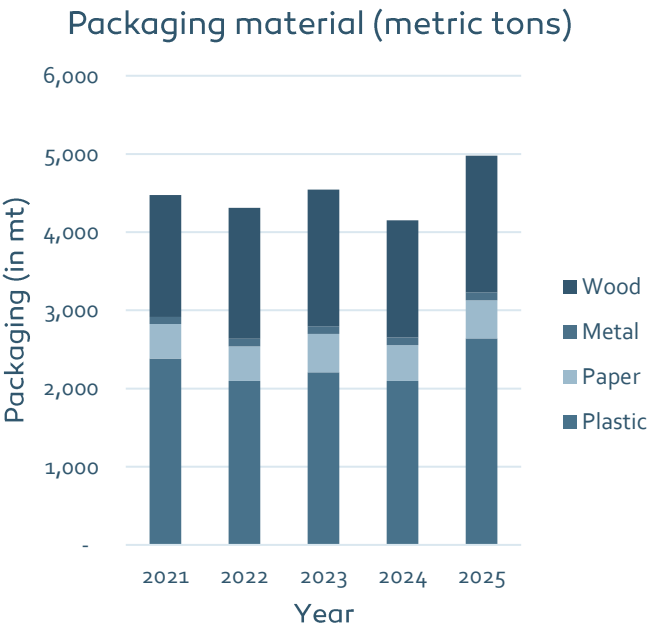
Product Circularity – Sustainable Packaging

We are continuing our journey toward fully recyclable packaging by 2030. Our focus remains on the "Three Rs" – Recycle, Reduce, and Reuse – to ensure our products are delivered in the most responsible way possible.

Our transition to 100% recyclability involves complex technical challenges. We are currently dedicated to finding sustainable alternatives for our high-functionality packaging units. While these materials are essential for product protection and performance, we are actively testing new solutions to ensure they meet our strict quality standards while being fully recyclable.

We continue to refine our packaging database to ensure that our reporting is accurate and that our sustainability standards are applied consistently across our entire supply chain.

We are closely monitoring the evolving requirements of the Packaging and Packaging Waste Regulation (PPWR) to ensure our operations remain aligned with emerging standards. As the regulatory framework continues to take shape, we are committed to a process of continuous adaptation and proactive readiness, ensuring we are well-positioned for full compliance as final technical specifications are released.



Recycle: Our goal is to ensure that all packaging materials used in our operations are 100% recyclable by 2030.



Reduce: We are committed to continuously reducing and optimizing packaging materials, with a target of achieving a 25% reduction in plastic use by 2030. Ongoing evaluations and innovations in packaging design are central to this effort.



Reuse: We consistently promote the re-use of packaging materials wherever possible, encouraging circular solutions across our operations and with our partners.

Healthy, Biodiverse World

DFE Pharma is focusing on the impact of sourced materials and of our products on a healthy and biodiverse world.

Contents of this chapter:

- Biodiversity and Animal Health and Welfare
- Sourcing with Purpose
- Microplastic-Free Excipients



Biodiversity and Animal Health and Welfare

We continue to refine our Supplier Rating process, focusing on the three critical pillars: deforestation prevention, biodiversity conservation, and animal health and welfare. Our strategy prioritizes depth and impact, focusing on suppliers where these topics are most material.

Since not all suppliers have a direct impact on these specific areas, we apply a targeted approach. This ensures that our resources are directed where they can drive the most meaningful environmental and ethical improvements.

Strategic Scope & Assessment

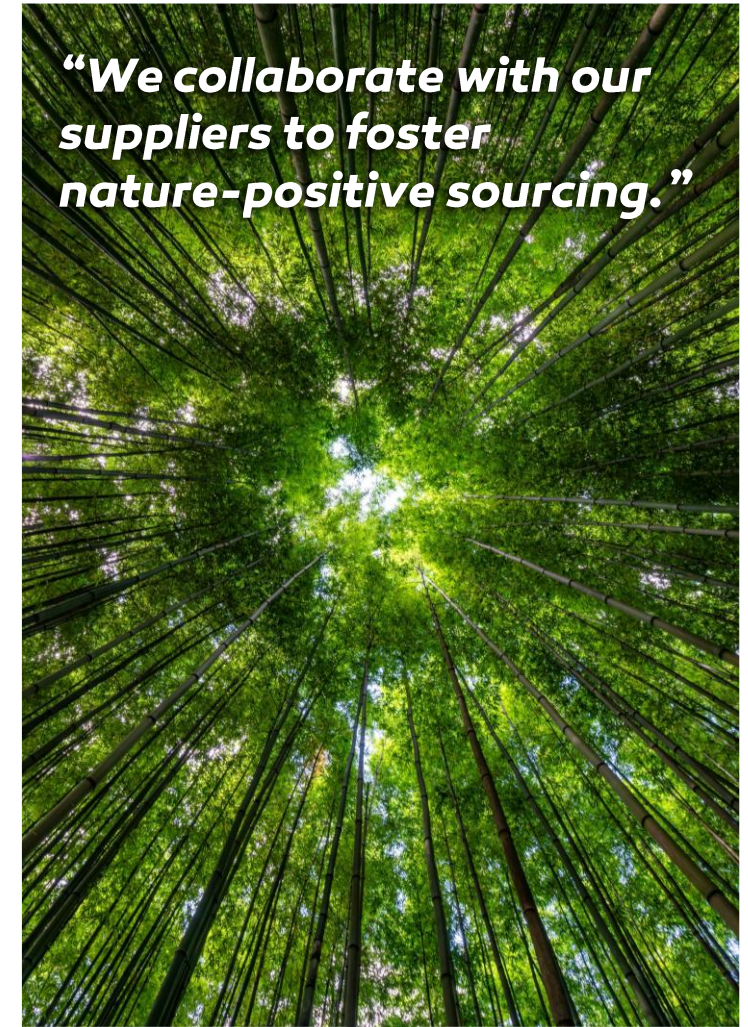
This year, we maintained our rigorous evaluation of key suppliers, representing 49% of our revenue-based volume. We recognize that meaningful progress in biodiversity and animal health & welfare requires significant operational capacity, which is why our engagement remains focused on our largest and most impactful partners.

We are pleased to report that all suppliers with a high impact on animal welfare & health have been rated in our assessment and consistently demonstrate high standards of care.

Risk Management

Transparency and proactive management are central to our procurement strategy. During our most recent assessment, we identified a specific supply chain risk. While no immediate disruption is present, we have prioritized this for a comprehensive investigation and mitigation plan in 2026. This proactive step reinforces our commitment to building a resilient and ethical value chain.

Conversely, our assessments highlighted exceptional progress among our partners. A standout example is a key logistics supplier who achieved a 4-star “Lean and Green” rating: a prestigious European honor awarded to companies that successfully integrate resource efficiency with waste-reducing production. As one of only 14 companies to reach this level, they have reduced CO₂ emissions by 71% since 2019. Their investment in electric fleets and in-house solar generation serves as a benchmark for the high standards we aim to scale across our entire value chain.



“We collaborate with our suppliers to foster nature-positive sourcing.”

Sourcing with Purpose



Suppliers and Business Partners

At DFE Pharma, responsible sourcing begins with a clear foundation of shared values. All our suppliers are required to sign our Responsible Sourcing Policy (RSP) before entering a business relationship with us. This policy sets out our expectations across key areas, including ethical business practices, human rights, labor standards, health and safety, and environmental responsibility.

Smarter Risk Screening: Leveraging EcoVadis IQ+ Smart scan to identify and mitigate ESG risks

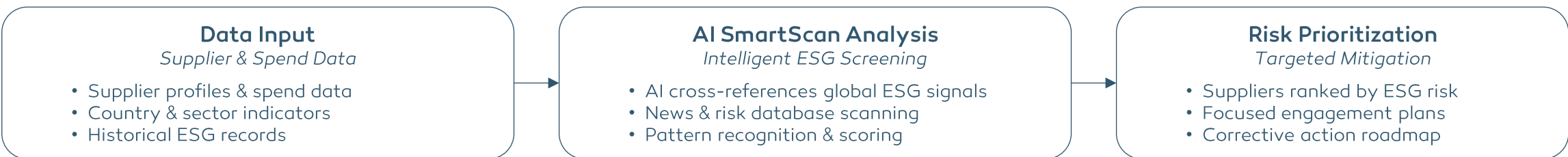
To systematically identify and mitigate ESG risks within our supply chain, DFE Pharma leverages the EcoVadis IQ Plus* platform. This advanced tool enables us to conduct comprehensive risk screening and performance assessments of our supplier base across environmental, social, and governance dimensions.** By combining spend data with country- and sector-specific risk indicators, EcoVadis IQ Plus allows us to prioritize suppliers for deeper engagement and corrective actions where needed. This data-driven approach ensures our risk mitigation efforts are targeted, effective, and aligned with global best practices in supply chain sustainability.

*The IQ Plus risk tool considers industry segment risk, country risk, and EcoVadis score from the complete database.

**The EcoVadis assessment of these suppliers aims to include requesting evidence of actions related to energy, GHG emissions, waste, etc. – as well as data on whether initiatives to reduce GHG emissions in supplier’s own supply chain are implemented.

AI SmartScan Process Flow

EcoVadis IQ Plus Supply Chain ESG Risk Assessment



Actions & Next Steps

Looking ahead, DFE Pharma is committed to deepening the integration of sustainability within our supply chain. Planned actions include expanding the use of the EcoVadis IQ Plus tool to increase the coverage of the ESG risks across the supply base, strengthening supplier engagement programs to support capability where possible in key areas, and monitoring the performance of suppliers on ESG-related elements for high-risk suppliers.

We will also explore enhanced due diligence measures aligned with evolving regulatory requirements, such as the Ecodesign for Sustainable Products Regulation, or Packaging and Packaging Waste Regulation, to ensure our supply chain practices remain robust, transparent, and future-ready.

Microplastic-Free Excipients

Microplastics are increasingly being found in the environment and even within the human body. As regulations tighten, including the EU restriction on intentionally added microplastics, pharmaceutical companies need excipients that support long-term compliance and reduce uncertainty.

Although the pharmaceutical sector currently has a temporary exemption, future rules may become stricter. Many companies are therefore looking for excipients that do not fall under the microplastic definition to avoid additional reporting, documentation, and regulatory complexity.

DFE Pharma provides excipients that are naturally biodegradable, soluble, or based on non-synthetic polymers. These products do not meet the definition of microplastics and therefore do not require polymer declarations or special safe-use instructions. For materials where biodegradability matters, such as Primojel® and Primellose®, the required tests have been completed to show that they break down under recognized conditions.

Because microplastic classifications depend on detailed chemical characteristics, DFE Pharma provides clear, product-specific data to support compliance.

Using microplastic-free excipients helps pharmaceutical manufacturers reduce regulatory risk, maintain supply chain stability, and support environmental commitments. It also enables companies to prepare for future regulations without changing their current formulations.



Positive, Inclusive and Safe Culture

At DFE Pharma, we attract and retain diverse talent and create a way of working where employees feel safe, valued, and contribute to success.

Contents of this chapter:

- Employee Safety, Health & Well-being
- Employee Social & Sports Events
- Association and Collective Bargaining
- Working Conditions & Employee Development
- Driving Engagement & Diversity
- DFE Pharma and our Communities
- Labor and Human Rights



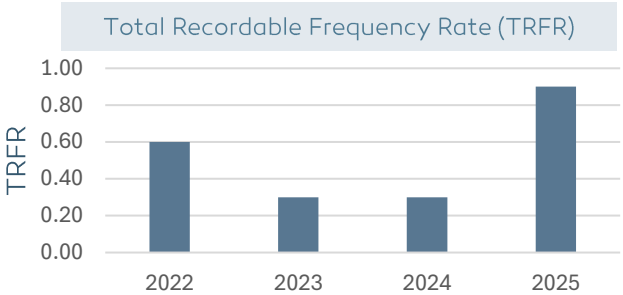
Employee Safety



Under the slogan “*Nothing is worth an incident,*” we work diligently to eliminate workplace risks. We operate under the firm belief that all accidents are preventable, and we are committed to creating a work environment with the lowest risks possible.

Our comprehensive safety framework integrates rigorous risk assessments with continuous employee training and regular on-site observation rounds. To ensure accountability, we systematically track all follow-up actions. Beyond traditional metrics like Total Recordable Frequency Rate (TRFR), we utilize Organizational Behavior Management (OBM) methodology to assess our safety culture. These assessments consistently reveal high levels of employee engagement, demonstrating that safety is truly a shared responsibility at DFE Pharma.

Technical Safety	
“We continuously are fully compliant with changing regulations.”	• Safety compliance
	• Risk Identification and Evaluation
Behavior-based Safety	
“We believe that people are key in safety and focus on our culture.”	• Safety behavior assessment
	• Organizational behavior management training
Communication & Awareness	
“We share our best practices, report recordables and investigations.”	• News flashes
	• Dare2share
	• Safety/ ESG KPI reporting



TRFR = number of incidents per 200,000 hours worked at DFE Pharma locations
(employees and external workers)

In 2025, at our production location in Cuddalore, a contractor was involved in a fatal accident during a cleaning activity. He received immediate assistance but passed away while being transported to medical care. The incident was investigated internally and in cooperation with the relevant authorities. The findings supported further enhancement of our procedures and preventive controls. Following the investigation, we strengthened our safety measures to help ensure a safe working environment for employees and contractors. Actions were taken to address unsafe behaviors and mitigate hazardous conditions. Safety remains our top priority, and we continue to integrate these learnings into our improvement efforts.

Priorities for 2026

In 2026, we will further strengthen our global Safety, Health, and Environment (SHE) performance by harmonizing our foundational systems, ensuring consistent, best-practice application across all DFE Pharma sites. We have integrated the key role of Global SHE & ESG Manager into our organizational structure, so we can dedicate more focus and capacity to securing this foundation, including aligned and up-to-date risk assessments and a harmonized global SHE documentation structure. Building on this strengthened foundation, we will continue to advance our safety culture through the Organizational Behavior Management (OBM).

After starting OBM implementation and training at several sites in 2024 and 2025, we will further roll out the program globally in 2026 to embed safe behaviors and support strong feedback loops across the organization. In addition, we will follow up on outcomes from our risk and improvement assessments and implement an enhanced global SHE communication plan to drive awareness, engagement, and effective information flow throughout all sites.

Employee Health & Well-Being



At DFE Pharma, we prioritize the physical and mental health of our people as a core responsibility. Our 2025 health initiatives focused on proactive prevention and holistic care, moving beyond standard safety compliance to support our employees' overall vitality.

In 2025, we organized 10 dedicated health activities globally. These programs are designed to assist employees in adopting preventive habits, ensuring they have the resources and knowledge to manage their health both at work and at home.

2025 Health & Preventive Care Programs	
Focus Area	Initiatives
Physical Diagnostics	Annual health checks provided for all staff in New Zealand and the Netherlands to monitor long-term well-being.
Mental & Holistic Health	Specialized shiatsu (massage) sessions in Japan and Brazil to manage workplace stress and physical tension.
Preventive Medicine	Influenza vaccinations offered in Germany (Goch) and the Netherlands (Nijmegen) and Health Day events in Nörten-Hardenberg.
Active Wellness	Corporate Step Challenge, our team in Japan securing victories in physical activity targets.



Employee Social & Sports Events

At DFE Pharma, we actively support a healthy work-life balance by providing opportunities for our employees to connect beyond their day-to-day tasks.

In 2025, our teams organized 63 social and sports events across our global sites. This high level of engagement – ranging from local gatherings to competitive sports – exceeds our internal expectations and reflects a thriving, connected community. These initiatives are vital to our success, as they directly foster the collaborative and purposeful work environment that defines DFE Pharma.

Location	Number of Social & Sports Events in 2025
The Netherlands (Nijmegen, Borculo, Foxhol)	16
China (Shanghai)	10
India (Hyderabad)	9
Germany (Nörten-Hardenberg, Goch)	9
Japan	6
New Zealand	3
Singapore	2
Brazil	2
USA	6
Grand Total	63



“Participating in social and sporting activities together helps our teams build the strong personal connections that drive our shared success.”

2025 Global Engagement Portfolio	
Category	Key Activities & Milestones
Social Celebrations	Held cultural events such as the Dragon Boat Festival in China, Diwali in India, and the 25 th Anniversary of DFE Pharma Borculo site (the Netherlands).
Team Building	Organized various family days, welcome lunches, and team dinners across the Netherlands, Germany, and the USA.
Sports & Fitness	Participated in the B2Run in Germany, Box Cricket in India, and cycling and hiking events in Japan and Brazil.

Association and Collective Bargaining

At DFE Pharma, we respect the right of our employees to be represented and to engage in collective bargaining. We believe that open dialogue between leadership and employee representatives is essential for a fair, transparent, and productive workplace.

Our commitment to employee voice remains a global standard. In 2025, the proportion of our workforce covered by collective bargaining agreements remained steady at 40%. This stable representation ensures that our global team has a formal platform for consultation on workplace conditions and company policy.

Works Council / Trust Representatives		
Location	Number of Representatives	No. of Employees Represented
Goch	5 Works Council Members	111
Nörten-Hardenberg	5 Works Council Members	73
Netherlands	5 Works Council Members	97
Global	4 Global Trust Representatives	458
Collective Labor Agreement Representation		
Germany	57 Employees	
India	76 Employees	
Netherlands	47 Employees	
New Zealand	7 Employees	



Working Conditions & Employee Development

Our people strategy is built on a foundation of fairness, inclusion, and continuous training. We believe that by providing a supportive and stable environment, every employee at DFE Pharma can contribute to our long-term sustainability goals.

Benefits Provided to Employees

In 2025, we completed a global benefits review, confirming that DFE Pharma continues to offer support beyond legal requirements, including pension plans, life insurance, and disability coverage. Our commitment remains to provide stable and high-quality coverage for all our employees.

Training

We are upgrading our global training platform to provide more transparency and accessibility for all workers:

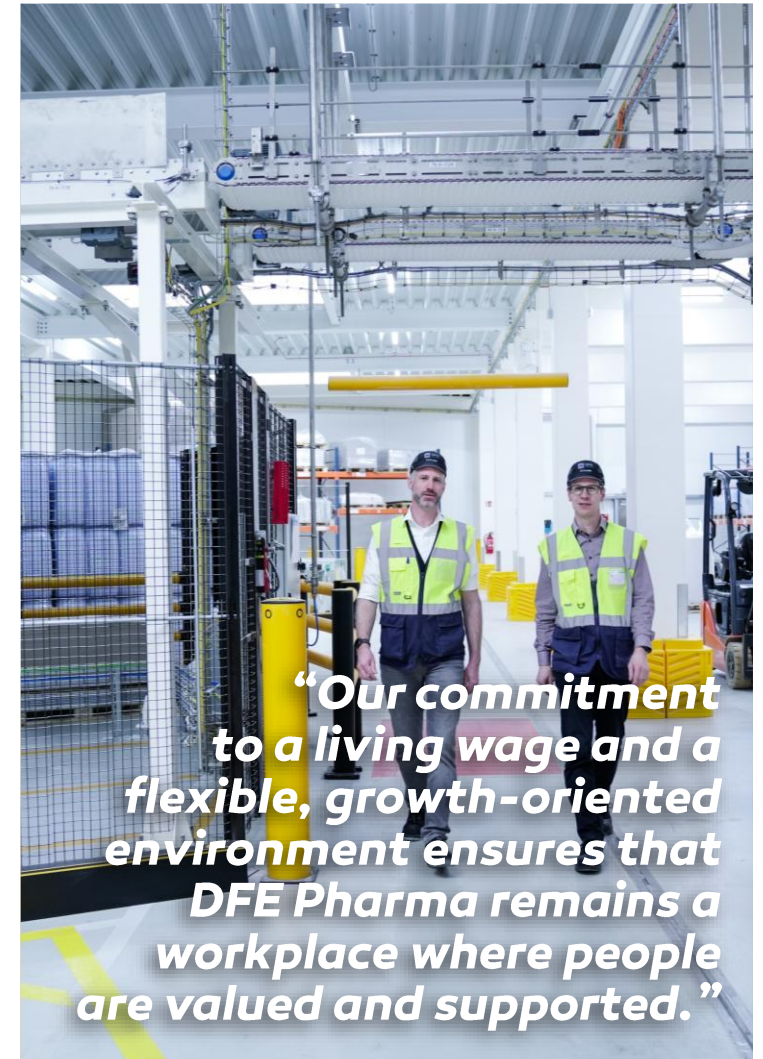
- **Continuous Growth:** In 2025, our employees completed an average of 18 training hours each, reflecting our commitment to continuous development and capability building across the organization.
- **AI Literacy:** To prepare our teams for the evolving digital landscape, we launched an AI Literacy Training program focused on sustainable knowledge embedding. Using a "train-the-trainer" approach, designated leads are equipped to mentor their own teams, ensuring that expertise is shared directly within each department. The curriculum covers both the innovative possibilities and the critical risks of AI, fully aligning our practices with the EU AI Act and our commitment to ethical, compliant technology use.
- **Global Training Tool:** We are moving toward a unified digital tool to replace manual registration, allowing for better data analysis and personalized development paths.

Living Wage & Fair Compensation

At DFE Pharma, ensuring fair and equal payment is a core priority and a key part of our social responsibility. We pay above defined living wage levels in all our 13 global locations, supporting the financial well-being of our workforce and a dignified standard of living.

Flexibility & Work-Life Balance

We recognize that the modern workplace requires agility and trust. Flexibility and work-life balance are integral to our culture, allowing employees to balance professional excellence with personal well-being. By supporting home office options and flexible arrangements, we foster both productivity and long-term health.



Driving Engagement: From Insights to Action

In 2024, our global engagement survey provided a clear baseline of our culture, achieving a 76% engagement score and an impressive 86% participation rate. For 2025, we moved from gathering data to implementing a story of collective improvement, fueled by both local ownership and global leadership.

Local Ownership & Global Strategy

Recognizing that engagement is felt most at the team level, every DFE Pharma location and department has developed and is currently executing its own tailored improvement plan. While teams focus on their specific needs, the Leadership Team has launched parallel global initiatives to ensure a consistent, supportive experience for every employee, regardless of their role or site.

Revolutionizing Global Communication

To bridge the gap between our offices and production sites, we have fundamentally changed how we connect:

- **DFE on the Move:** Our global **town hall meetings** are no longer broadcast solely from a central office. We now host them from a different DFE Pharma location each time, giving local teams a global platform and a stronger physical presence in our company story.
- **The Digital Hub:** We have successfully launched a new **company intranet**, serving as a single source of truth for news, collaboration, and shared resources across all regions.
- **Leadership Transparency:** To make our strategy more accessible, the Leadership Team has started a series of **regular vlogs**. These video updates provide direct, personal insights into ongoing projects, strategic shifts, and the "why" behind our global decisions.

DFE Pharma's Role in Science and Contribution to Open Science

We believe that open science is a powerful catalyst for societal progress. By making knowledge freely accessible, we contribute directly to a more sustainable and equitable future. In 2025, our commitment to high-impact research was recognized by Elsevier.



<https://doi.org/10.1016/j.powtec.2021.05.050>



Diversity at DFE Pharma

At DFE Pharma, our global success is driven by a diverse workforce that reflects the many regions we serve. We are committed to fostering an inclusive environment where every employee, regardless of background, can thrive and contribute to our shared goals.

A Global Workforce

Our strength lies in our international perspective. We are proud to represent a rich tapestry of cultures and backgrounds, with over 35 different nationalities working together across our global sites. This diversity of thought and experience continues to be a key driver of our innovation and excellence.

Gender Representation & Equality

We are taking proactive steps to ensure gender balance throughout all levels of our organization, with a focus on long-term structural change:

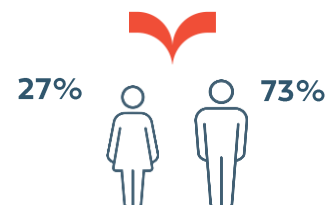
- **Strategic Representation:** We have set a long-term goal to increase the representation of women in senior leadership positions (Hay 18+) to 40%.
- **Pay Equity:** We remain committed to fair and equal compensation. Currently, the difference between genders in Relative Salary Position (RSP) is minimal, standing at 0.2%, which reflects our ongoing efforts to maintain an equitable pay structure across our global operations.

Inclusive Culture

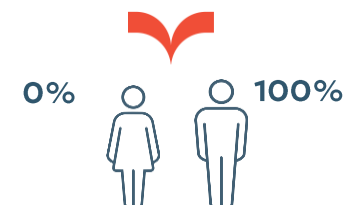
Our commitment to inclusion goes beyond numbers. We strive to create a workplace where every individual feels valued and empowered. Through continuous dialogue and transparent, fair policies, we ensure that DFE Pharma remains a place where talent is recognized and rewarded based on merit and contribution.



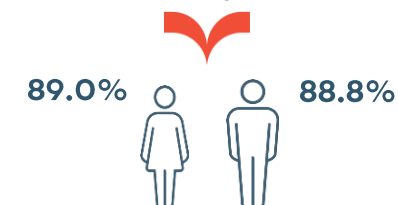
Global Gender Diversity 2025



Leadership Team Gender Diversity 2025



Pay Gap – Comparison of Average RSPs



DFE Pharma and our Communities



At DFE Pharma, our commitment to social responsibility extends to the local communities where we operate. We believe in being an active and supportive neighbor, contributing to social and environmental resilience through targeted corporate donations and employee-led volunteering.

Corporate Donations & Local Impact

In 2025, our global locations identified and supported several key causes that align with our values. Our donations focus on creating long-term benefits in the areas of education, healthcare, and environmental protection:

- **Social & Educational Support:** We partner with organizations that provide resources for youth education and support for families in need. For example, in the Netherlands, we support Leergeld Oost Achterhoek, which ensures that all children have the opportunity to participate in educational and social activities, regardless of their financial background. In Germany, we support the Anna-Stift foundation in Goch, which provides shelter, therapy, and education to children in need.
- **Environmental & Animal Welfare:** We invest in the biodiversity of our local ecosystems. In Brazil, we support the Gatos da Lagoa project, a long-standing initiative dedicated to the veterinary care, feeding, and permanent protection of abandoned animals within urban municipal parks.
- **Emergency & Medical Care:** Our contributions also support local life-saving associations and specialized healthcare services, such as palliative care and hospice support in Germany.

Volunteering & Social Action

Our impact is amplified by our employees, who contribute their time and expertise to local causes. These hands-on initiatives allow our teams to connect directly with their communities:

- **Environmental Stewardship:** To protect local biodiversity, our teams have led significant restoration efforts, including lake cleaning projects in India and beach clean-ups in New Zealand, helping to preserve vital coastal and freshwater habitats.
- **Humanitarian Aid:** In regions facing social challenges, our volunteers support organizations like Projeto Sertão in Brazil, which provides essential medical care, food parcels, and safe drinking water to remote rural communities.



“Through local donations and hands-on volunteering, we are proud to support the sustainability and well-being of the communities we call home.”

Labor and Human Rights

Human Rights Policy

In 2025, DFE Pharma established its own Human Rights Policy, aligned with the UN Guiding Principles on Business and Human Rights (UNGPs), the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work.

The policy formalizes our commitments across our operations and value chain and includes measurable KPIs to monitor implementation and progress. It covers key areas such as:

- Non-discrimination, violence, and harassment
- Safety and health at work
- Environmental impact on people
- Prohibition of child and forced labor
- Supplier Human Rights & ESG due diligence
- Right to privacy
- Working conditions and living wages
- Career management and training
- Freedom of association and collective bargaining
- Working time
- Social security

The policy applies to DFE Pharma, its subsidiaries, and entities under management control.

Human Rights Risk Assessments

Together with our shareholder FrieslandCampina, DFE Pharma conducts human rights risk assessments in line with the UNGPs and the OECD Due Diligence Guidance for Responsible Business Conduct.

DFE Pharma has participated in this program since 2020. Our locations in the Netherlands were assessed first, followed by all remaining locations (Germany, India, New Zealand, Singapore, China, Japan, USA, and Brazil) in 2025.

The assessments focus on identifying potential human rights risks within our operations and include structured worker feedback, with particular attention to potentially vulnerable groups. Findings are used to define and implement mitigation measures and strengthen our human rights practices.

Risk of Child Labor

DFE Pharma maintains a zero-tolerance approach to child labor. No confirmed cases of child labor or young workers below legal minimum age were identified within our operations during the reporting period.

Age verification is embedded in our hiring processes, and we expect the same standards from our suppliers through contractual requirements and ESG risk assessments.

Risk of Forced or Compulsory Labor

DFE Pharma prohibits forced or compulsory labor in all its forms. All work must be voluntary and free from coercion.

We operate an anonymous and confidential Speak-Up mechanism, available to all employees, to report potential violations. No confirmed cases of forced labor were reported during the reporting period.

Through supplier codes of conduct and ESG assessments, we extend these expectations across our value chain.

Governance

We believe in respectful, honest business relations and in showing deference for the world in which we operate.

Creating value while maintaining the confidence of stakeholders is the foundation of our reputation, our story, and our future success.

Contents of this chapter:

- Business Conduct
- Data and Information Security
- Compliance & Climate Action Framework



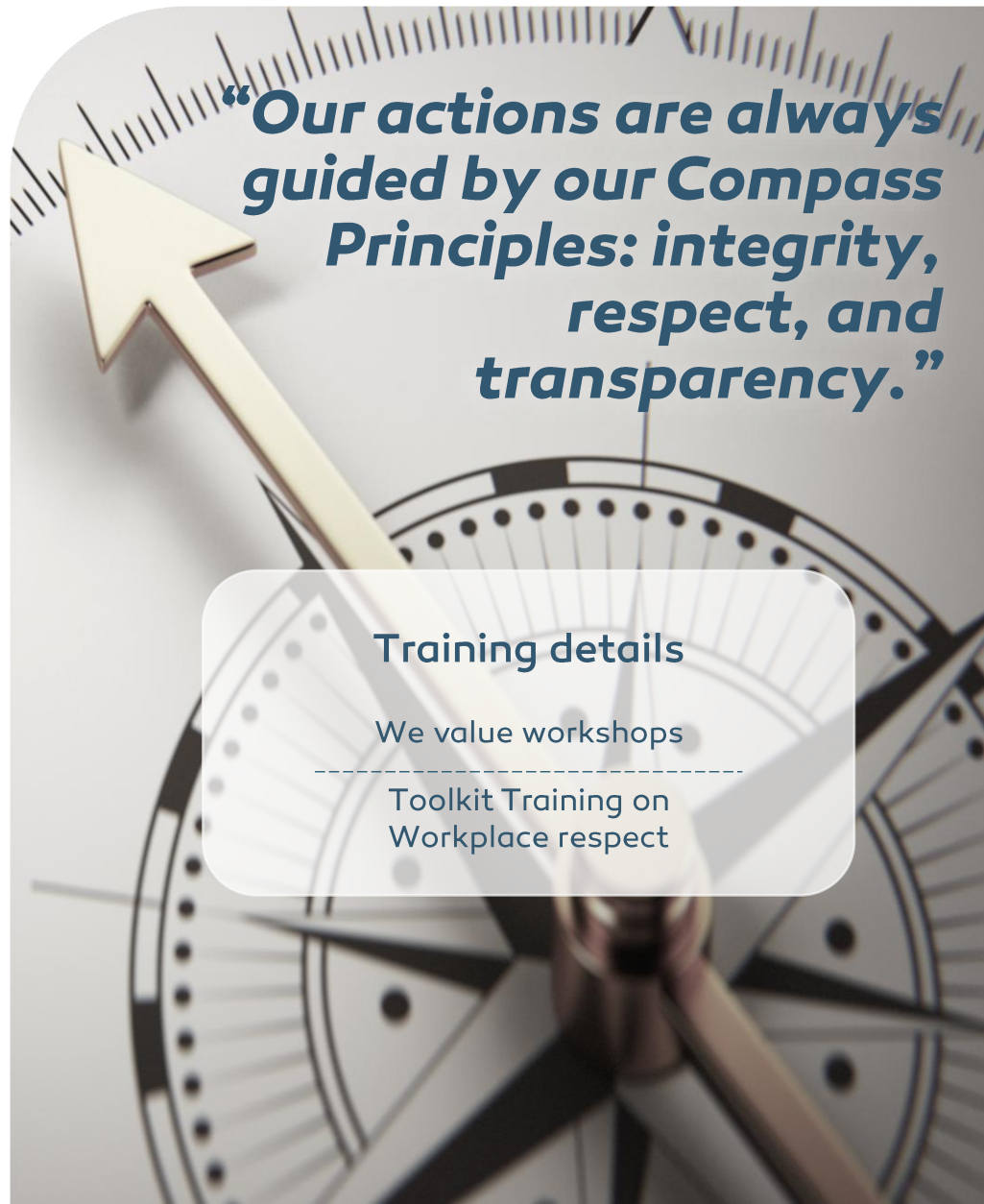
Business Conduct

DFE Pharma is committed to long-term success by maintaining the trust and confidence of all its stakeholders. Guided by our Compass Code of Conduct, relaunched in April 2025, we unite our purpose, values, behaviors, and business principles to ensure integrity in everything we do. These principles define how we work and interact, embedding integrity, respect, and transparency into our corporate culture. Every new employee is introduced to the Compass Code of Conduct and agrees to these principles during onboarding, and annual trainings are provided on key policies and specific Compass Code of Conduct topics and/or other compliance-related topics of relevance to DFE Pharma such as Workplace Respect, Conflict of Interest, Fair Competition, and Data Protection, further reinforcing compliance and ethical awareness.

We foster a culture of integrity, transparency, and openness, supported by our Speak Up process, which is available to all employees and business partners. The Speak Up process explains how to safely and confidentially raise concerns about a potential Compass Code of Conduct violation or breach of law, with protection against retaliation. General oversight is provided by the Integrity Committee.

We also maintain high standards across our value chain by requiring all suppliers and service providers to adhere to our Code of Conduct for Business Partners. Our Code of Conduct for Business Partners reflects our core values within the context of ESG and serves as a guiding framework for our suppliers. It applies to all suppliers, and we actively encourage them to uphold and align with its principles. We only work with business partners who value and honor the same integrity standards as our own.

In April 2025, we proudly relaunched our Compass Code of Conduct - a refreshed, clearer, and more practical guide that helps us navigate everyday decisions with confidence. With simplified language and a more engaging design, the new Compass Code of Conduct reinforces our commitment to acting with integrity, respecting people and the planet, and protecting our information and assets. It is more than a document; it is our shared promise to embody these principles in everything we do and to foster a culture where everyone feels safe, respected, and empowered.

A large, stylized compass rose graphic in the background of the right-hand section. It features a gold-colored arrow pointing towards the top-left, with various concentric circles and radial lines representing the compass face.

“Our actions are always guided by our Compass Principles: integrity, respect, and transparency.”

Training details

We value workshops

Toolkit Training on
Workplace respect

Data and Information Security

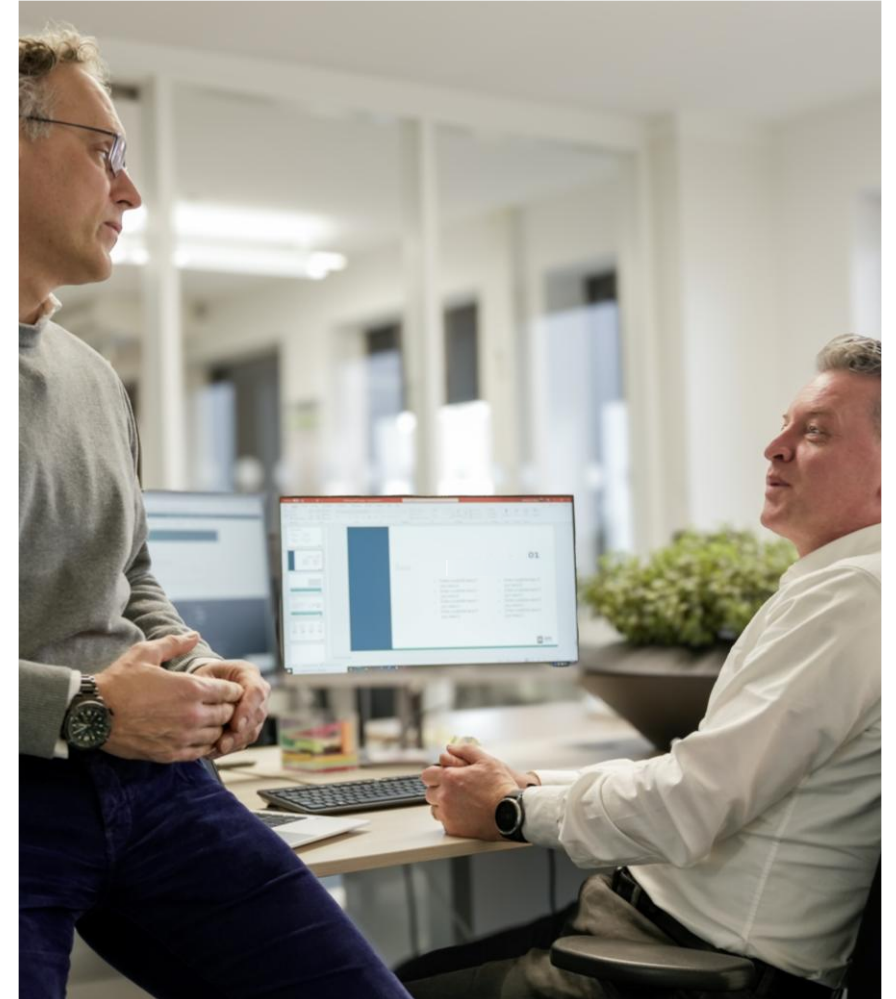
Our business increasingly depends on data and digital technologies. We prioritize high standards of data ethics and security to protect our information and that of our stakeholders. This also applies to new emerging technologies such as Artificial Intelligence.

Our approach to digital safety has evolved since 2022 into a comprehensive Cybersecurity Awareness Program designed to protect our assets and facilitate secure collaboration with external partners. We prioritize continuous training, utilizing e-learning sessions and phishing simulations to keep security at the forefront of our operations. Complementing this, we ensure our team is well-versed in data privacy protocols to guarantee full compliance with global standards like the General Data Protection Regulation (GDPR). To deepen our technical leadership, we have invested in advanced qualifications, including the Certified Information Security Manager (CISM) certification for key personnel.

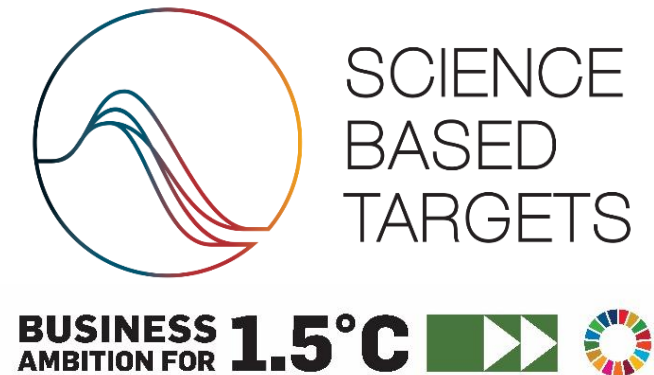
We strive to make information security a core value within our organization. Our security posture is maintained through rigorous system monitoring and the evaluation of potential hacking attempts. By transforming these challenges into learning opportunities and sharing them across all departments, we continuously optimize our incident response and overall resilience.

To ensure the highest standards of security and compliance, we have integrated two key roles into our organizational structure: our Cybersecurity Ambassadors, who drive internal awareness and a culture of vigilance, and our Local Privacy Officers, who provide dedicated oversight to ensure all data processing remains fully compliant with regulatory requirements.

On the technical side of things, penetration testing became a regular activity to identify, reduce, and mitigate risks. In 2023, we began formalizing IT management requirements, including supplier management, to build an integrated system that ensures continuous service and security. Following the initial trials of our IT and OT supplier questionnaire, we engaged with our key suppliers in 2025 to gather their responses and ensure alignment with our standards.



Compliance & Climate Action Framework



For the second year in a row, DFE Pharma has been awarded the EcoVadis Gold Medal, maintaining our position in the top 5% of companies worldwide. This repeat recognition validates our continuous efforts across all four assessed areas: Environment, Labor and Human Rights, Ethics, and Sustainable Procurement.

To track our progress and ensure full transparency for our stakeholders, we participate in the EcoVadis assessment annually and publish our ESG performance. By voluntarily disclosing our targets and results, we provide our partners with reliable data on our sustainability journey.

Our climate targets are officially approved by the Science Based Targets initiative (SBTi) and aligned with the 1.5°C pathway – the highest level of ambition. This year, we have made significant strides in reducing our Scope 1 & 2 emissions, moving closer to our long-term goals.

Following the successful milestones in our own operations, our primary focus for 2026 will shift toward our supply chain. We are dedicated to working closely with our partners to unlock further reduction potential.

To ensure maximum transparency and credibility, we are currently evaluating an intermediate verification of our reductions by an independent third party. This step will validate our progress and ensure our data remains robust as we move toward our next milestones.

Appendix

Contents of this chapter:

- Our Approach to Materiality Assessment
- Materiality Results
- Sustainability Strategy
- Explanation of the Material Topics
- Definition of Key Performance Indicators
- ESG Performance Data
- GRI Content Index
- Measuring, Reporting and Assumptions
- Glossary



Our Approach to Materiality Assessment

Our materiality assessment enables us to prioritize and properly manage the ESG risks and opportunities.

Double materiality is a key theme within CSRD. The analysis, guided by the European Sustainability Reporting Standards (ESRS), not only considers the impact of DFE Pharma's activities on people and the environment (impact materiality), but also the financial impact of these topics on DFE Pharma (either positive or negative; financial materiality).

In 2023, DFE Pharma conducted a double materiality analysis to provide a solid starting point in preparation for CSRD. The following six phases were completed to prioritize the most relevant topics for DFE Pharma.

01 Current State Assessment

Desk research was conducted with the aim of identifying relevant sustainability matters for DFE Pharma. This involved analyzing internal documents, international standards, peers' materiality assessments, sector trends, and media. The findings were consolidated into a longlist, checked against CSRD topics, which led to a shortlist of sustainability matters.

02 Value Chain Mapping

The identified relevant sustainability matters were mapped against DFE Pharma's value chain to see where each matter has the most impact. Simultaneously, the impact, risk, and opportunity (IRO) register was initiated, to serve as a foundation for stakeholder engagement.

03 Stakeholder Engagement

Internal and external stakeholders were interviewed to qualitatively assess DFE Pharma's impacts, risks and opportunities related to sustainability matters. Stakeholders were asked to provide input on the IRO register to identify additional impacts, opportunities, and risks, as well as validate the write-up of the interview.

04 Impact, Risk & Opportunity Review

The IROs identified in previous phases were consolidated, particularly integrating the insights from the stakeholder interviews into the initial IRO register. Potential duplicates were assessed and merged where needed, resulting in a comprehensive final IRO register.

05 Topic Prioritization

Internal stakeholders individually scored IROs based on scale, scope, irremediability (together forming severity), likelihood for impact materiality, and the size of potential financial effects and likelihood for financial materiality. The results led to the final register of scored IROs.

06 Validation

The results of the double materiality assessment were presented to DFE Pharma's Leadership Team. The Leadership Team validated the material topics, marking the conclusion of the double materiality assessment.

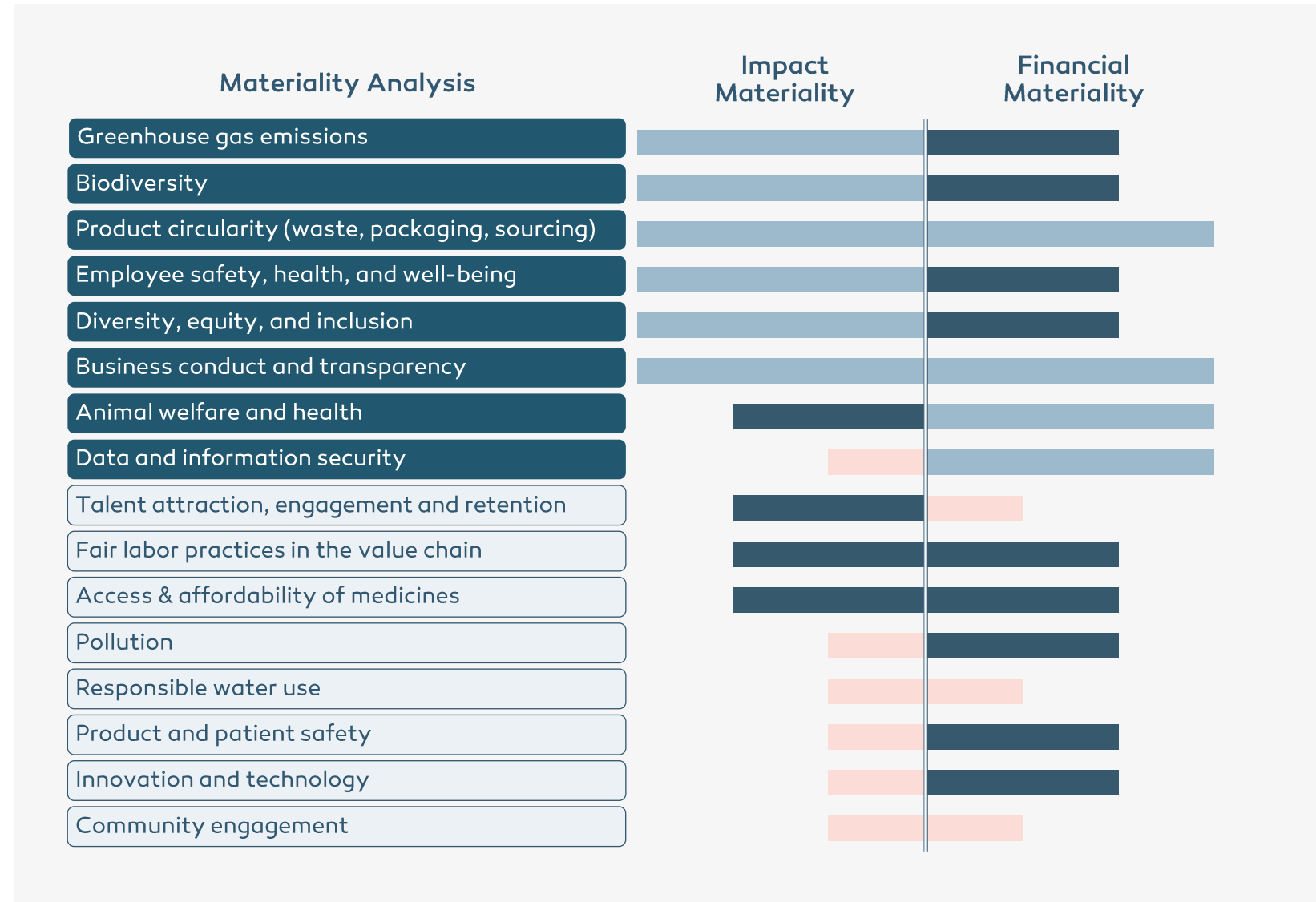
Outlook for our materiality approach

We aim to review and update our materiality assessment at least every three years. Therefore, the next assessment will take place in 2026.

Materiality Results

The results of our materiality assessment are illustrated in the table on the right. These topics were established based on the process described on the previous page. The results of this materiality assessment were used to shape DFE Pharma's ESG strategy. According to the 2023 materiality analysis, the material topics that are most important are greenhouse gas emissions, biodiversity, product circularity, employee safety, health and well-being, business conduct and transparency, animal welfare and health, and data and information security.

Those topics were considered more material than responsible water use or product and patient safety, which were considered material in the previous 2022 limited materiality analysis.



Process to a Revised and Integrated Sustainability Strategy

Integrated Sustainability Strategy

DFE Pharma has taken the next step in our sustainability journey, building further on the ESG strategy that is already embedded in our corporate strategy and purpose: “Your medicines, our solutions. Moving to a healthier world”. This step marks our commitment to further integrating sustainability into our core strategy, emphasizing its value to both our organization and our stakeholders.

Market Value Story

DFE Pharma’s strategic differentiators are set out in its value story towards the market and our customers. Sustainability is defined as one of those market values.

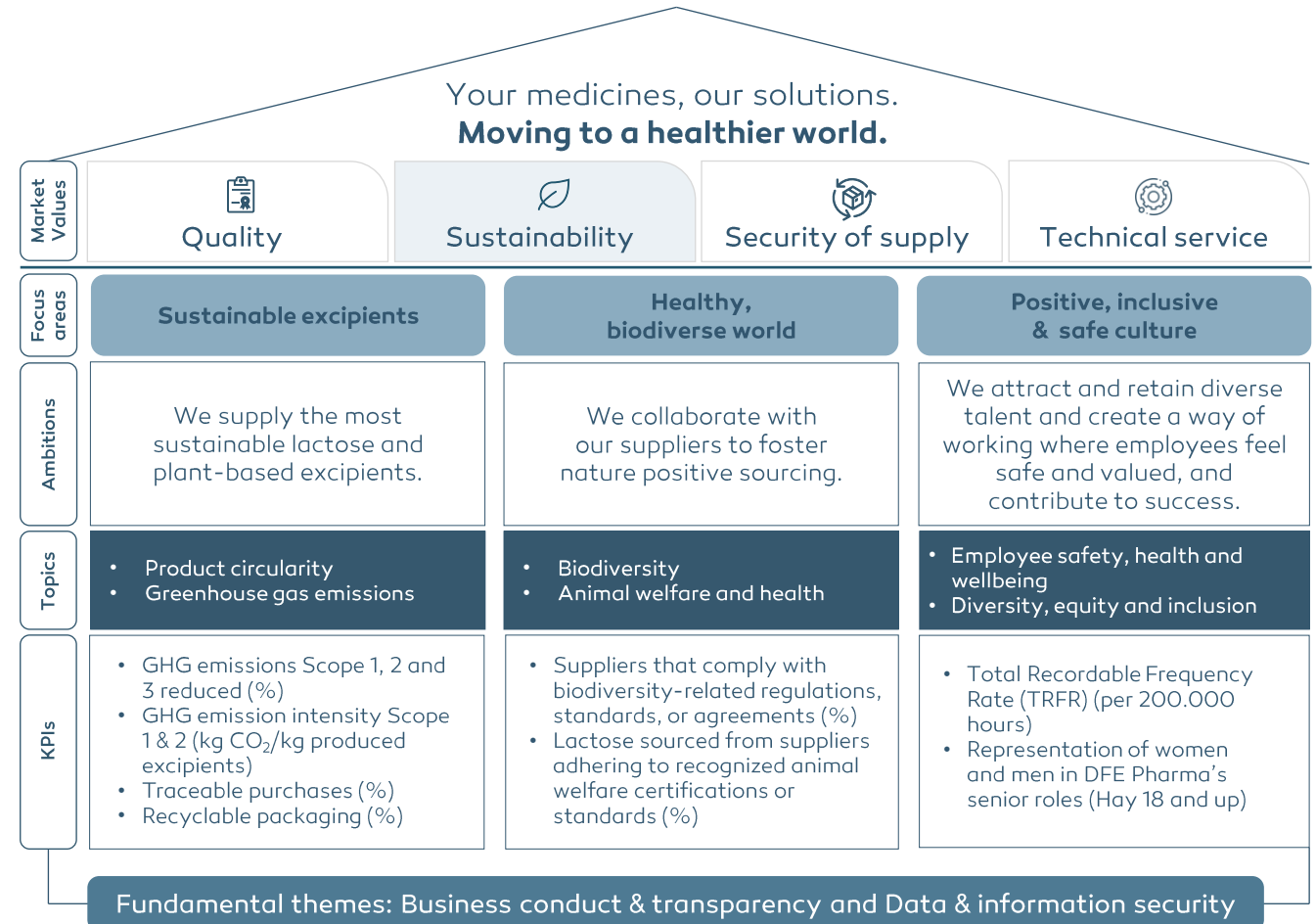
Materiality

Following the double materiality analysis, eight materiality topics have been determined to be most material for DFE Pharma and its stakeholders. These topics are categorized within the three unique sustainability elements or defined as fundamental to DFE Pharma.

Focus Areas and Ambitions

The three unique sustainability elements are: 1) the impact of its products on the environment; 2) the impact of its (sourcing) processes within the value chain on nature; and 3) the impact of people arrangements within its own organization. These three focus areas are defined with clear ambitions.

DFE Pharma’s Sustainability Framework



Explanation of the Material Topics

#	Topic	Definitions
1	Greenhouse gas emissions	• Climate change mitigation • Scope 1 emissions • Scope 2 emissions • Scope 3 emissions • Energy (efficiency)
2	Pollution	• Pollution of air (Air emissions other than GHGs) • Pollution of water • Pollution of soil • Pollution of living organisms and food resources • Substances of concern • Substances of very high concern • Pollution of air, water, and soil in the supply chain
3	Responsible water use	• Water management (consumption, withdrawal, and discharges) in own operations and supply chain • Water efficiency • Water discharges in the oceans from own operations
4	Biodiversity	• Land-use change • Direct exploitation of biodiversity • Impact on ecosystems • Ecosystem and resource dependency • Natural habitat damage resulting from operations and in the supply chain
5	Product circularity (waste, packaging, sourcing)	• Waste reduction, reuse, and recycling • Materials with a lower impact • Sustainable packaging • Circular systems • Sourcing raw materials (e.g., lactose) • Sustainable product/process development/innovation

Explanation of the Material Topics

#	Topic	Definitions
6	Employee safety, health, and well-being	- Working conditions of own employees (secure employment/working time/adequate wages/social dialogue/freedom of association, the existence of works councils and the information, consultation and participation rights of workers/collective bargaining, including rate of workers covered by collective agreements/work-life balance/stress reduction) - Health and safety of own employees (health check-ups & vaccination/safety & health measures/avoiding accidents) - Work-related rights for own workforce: child labor; forced labor
7	Talent attraction, engagement, and retention	- Training (re-skilling and up-skilling) - Education - Employer branding - Internal growth opportunities - People engagement - People and talent management
8	Diversity, Equity & Inclusion	- Offering equal treatment and opportunities for all - Diverse workforce - Inclusive work environment (e.g., measures against discrimination/measures against violence and harassment in the workplace) - Gender equality and equal pay for work of equal value
9	Fair labor practices in value chain	- Work-related rights for the value chain: child labor; forced labor - Working conditions of workers in the value chain: (secure employment/working time/adequate wages/social dialogue/freedom of association, the existence of works councils/collective bargaining/work-life balance/health and safety/gender equality and equal pay for equal work/measures against aggression and harassment in the workplace) - Ethics in the value chain

Explanation of the Material Topics

#	Topic	Definitions
10	Product & patient safety	• Hygiene • Health and safety across the life cycle of the product • Customer health and safety • Regulations and voluntary codes • Product excellence and quality
11	Access & affordability of medicines	• Social inclusion of consumers and/or end-users • Affordable medicines through efficient processes • Wide range of geographic and community availability
12	Community engagement	• Employee volunteering • Corporate sponsorship
13	Business conduct and transparency	• Corporate culture • Protection of Speak Up reporters • Conflict of interest • Political engagement • Management of relationships with suppliers including payment practices • Corruption and bribery • Interaction with suppliers and business relationships • Business ethics • Cultural integrity • Supplier transparency (SMP program) • ESG public disclosure
14	Animal health and welfare	• Animal welfare and well-being • Five freedoms (freedom from hunger and thirst; from discomfort; from pain, injury or disease; to express normal and natural behavior; from fear and distress)

Explanation of the Material Topics

#	Topic	Definitions
15	Data and information security	• Data and information security measures (e.g., cybersecurity training and awareness) • Data ethics and policies • Stakeholder cooperation for cybersecurity • Compliant with all relevant legislation • Privacy
16	Innovation and technology	• Sustainable innovation • Leveraging innovative technologies and new technology adaptation

Definition of Key Performance Indicators

KPI	Definitions
Total GHG emissions	Total GHG emissions are reported as the sum of reported Scope 1, Scope 2 and Scope 3 emissions.
Scope 1 emissions	Scope 1 emissions include all direct GHG emissions that occur from sources owned by DFE Pharma.
Scope 2 emissions	Scope 2 emissions include all indirect GHG emissions associated with the generation of electricity, heating, cooling, or steam purchased for DFE Pharma's own consumption.
Scope 3 emissions	Scope 3 emissions are indirect emissions (other than those covered in Scope 2) that occur outside DFE Pharma, including upstream and downstream emissions.
Scope 3 FLAG emissions	Scope 3 emissions are indirect emissions (other than those covered in Scope 2) that occur outside DFE Pharma, including upstream and downstream emissions. FLAG (Forest, Land and Agriculture) emissions are emissions related to agriculture, land-use change, and land management, including forestry.
Total GHG intensity	Total GHG intensity is reported as the ratio of total GHG emissions divided by produced volume.
GHG emission intensity Scope 1 and Scope 2	GHG intensity is reported as the ratio of Scope 1 and Scope 2 emissions divided by the produced volume.
Total energy consumption	Total energy consumption is all the energy consumed during operation.
Total energy intensity	Total energy intensity is reported as the ratio of total energy consumption divided by produced volume.
Total water consumption	Total water consumption is reported as the sum of all water that is consumed.
Total water intensity	Total water intensity is reported as the ratio of total water consumption divided by produced volume.
Total wastewater	Total wastewater is reported as the sum of all wastewater released from operation in liquid form.

KPI	Definitions
Total wastewater intensity	Total wastewater intensity is reported as the ratio sum of all wastewater divided by produced volume.
Total waste	Total waste is reported as the sum of all solid waste types collected from the premises.
Degree of material separability	The degree of material separability is defined as the effort required to separate different packaging materials from a packaging unit.
Recyclable packaging	Percentage of packaging material that can be recycled
Guarantees of origin/green certificates	Guarantees of origin are certificates issued for each unit of electricity and/or gas from renewable sources: wind, solar, co-fermentation of biomass, and manure fermentation.
Traceable purchases	The percentage of purchased volume of raw materials that is traceable to its source
Suppliers that comply with biodiversity-related regulations, standards, or agreements	The percentage of suppliers that comply with globally recognized regulations, standards, or certificates, or products for which a plan for sustainable development is created.
Lactose sourced from suppliers adhering to recognized animal welfare certification or standards	The percentage of suppliers that adhere to certification or globally recognized standards
Total Recordable Frequency Rate	The ratio of the total number of recordable own personnel multiplied by the number of hours worked divided by 200,000.
Representation of women and men in DFE Pharma's senior roles	Number of women and men in DFE Pharma roles in level Hay 18 and up.

ESG Data: Sustainable Excipients

	Unit	2021	2022	2023	2024	2025	Comments
1. ENVIRONMENT							
1.1 Greenhouse Gases							
Total GHG (Scope 1, 2, and 3)	[ton CO₂ eq.]	929,953	945,758	929,311	831,923	803,927	2024 data has been updated based on finalized waste reporting. Updated data in Version 02: 2025 data has been restated due to a conversion error.
Scope 1	[ton CO ₂ eq.]	6,401	6,721	6,276	6,211	5,443	
Scope 2	[ton CO ₂ eq.]	7,688	8,068	5,977	5,688	1,462	2024 data has been updated based on finalized energy data. Updated data in Version 02: 2025 data has been restated due to a conversion error.
Scope 3	[ton CO ₂ eq.]	915,864	930,969	917,058	820,024	797,022	2024 data has been updated based on finalized waste reporting.
1.2 Energy							
Total Energy Consumption	[GJ]	225,378	233,627	208,176	278,657	321,574	
Energy consumption from non-renewable sources	[GJ]	158,038	163,522	134,678	135,620	98,078	
Energy consumption from renewable sources	[GJ]	67,340	70,104	73,498	143,037	223,495	
Total Energy Intensity	[GJ/ton]	10.78	10.05	9.26	12.76	13.22	

ESG Data: Sustainable Excipients (continued)

	Unit	2021	2022	2023	2024	2025	Comments
ENVIRONMENT (continued)							
1.3 Water							
Total Water Consumption	[m³]	544,545	581,784	531,010	666,459	648,566	
Total Water Intensity	[m³/ton]	26.35	25.10	23.69	30.51	26.67	
Total Wastewater	[m³]	489,330	519,604	482,109	619,601	595,413	
Total Wastewater Intensity	[m³/ton]	23.68	22.41	21.51	28.36	24.48	
1.4 Waste							
Total Waste	[ton]		626	690	1,787	1,322	
Total hazardous waste	[ton]		81	61	63	114	
Total non-hazardous waste	[ton]		545	629	1,724	1,208	
Total waste to landfill	[ton]		98	403	1,133	837	
Total reused or recycled waste	[ton]		270	203	57	72	
Total waste used for incineration	[ton]		160	15	122	309	
1.5 Packaging							
Total Packaging Materials	[ton]	4,476	4,310	4,543	4,153	4,978	
Plastics packaging materials	[ton]	2,383	2,095	2,206	2,096	2,641	
Metal packaging materials	[ton]	91	96	102	97	102	
Wood packaging materials	[ton]	1,560	1,674	1,745	1,500	1,749	
Paper packaging materials	[ton]	443	445	491	459	487	

ESG Data: Positive, Inclusive and Safe Culture

	Unit	2021	2022	2023	2024	2025	Comments
2. SOCIAL							
2.1 Employee Safety							
Total Recordable Frequency Rate		0.3	0.6	0.3	0.3	0.9	TRFR = [total recordable of own personnel] multiplied by [hours worked] divided by [200,000]
Number of safety observation rounds		604	619	673	566	474	
2.2 Employee Health and Well-Being							
Number of Medical and Health Check-Up Campaigns		1	3	3	3	6	
Number of health and well-being trainings and webinars		2	2	2	2	2	
Influenza vaccination rate	[%]		17	12.5	14.7	8.3	Only one location reported: Goch, Germany.
Health and well-being activities				10	9	10	
2.3 Association and Collective Bargaining							
Number of Employee Town Hall Meetings		4	4	4	4	4	Quarterly employee town hall meetings with Leadership Team.
Number of Meetings of Leadership Team and Works Council			5	15	10	10	Meetings between the Leadership Team and Employee Representatives (Works Councils).
Number of works meetings (Betriebsversammlungen)			1	4	4	3	Updating the employees on what has been achieved, what is coming, and receiving input from the employees
Employees represented by collective bargaining agreements	[%]			37	40	40	
Employees in the Netherlands and Germany represented by Works Council	[%]			100	100	100	

ESG Data: Positive, Inclusive and Safe Culture (continued)

	Unit	2021	2022	2023	2024	2025	Comments
2. SOCIAL (continued)							
2.4 Working Conditions							
Total Training Hours				5,147	6,738	8,802	Currently, there is no centralized training-reporting tool in place, which makes data collection challenging. The 2024 number has been updated due to a calculation error.
Total training hours per employee				11	14	18	
2.5 Social and Sports Activities							
Events				73	53	63	
2.6 Diversity, Equity and Inclusion							
Percentage of Women in Workforce	[%]	24	24	25	26	27	
Percentage of women in the Leadership Team	[%]	20	20	17	17	0	
Age groups in the Leadership Team				30-50: 1 > 50: 5	30-50: 1 > 50: 5	30-50: 1 > 50: 4	
Percentage of women in the workforce	[%]			37	39	39	Only HAY employees reported
Age groups in the workforce				<30: 9 30-50: 177 >50: 53	<30: 12 30-50: 192 >50: 58	<30: 13 30-50: 194 >50: 57	Only HAY employees reported
Number of nationalities		35	35	38	37	37	
The difference of Relative Salary Position of men and women	[%]			0.7	2.1	0.2	Only HAY employees reported

ESG Data: Positive, Inclusive and Safe Culture (continued)

	Unit	2021	2022	2023	2024	2025	Comments
SOCIAL (continued)							
2.7 Communities							
Donations to communities	[k€]			50	35.5	13	
2.8 Forced & Child Labor							
Risk for incidents of child labor within DFE Pharma	[%]			0	0	0	
Risk for incidents of young workers exposed to hazardous work within DFE Pharma	[%]			0	0	0	DFE Pharma does not employ young workers (ages between 15 and 18)

ESG Data: Governance

	Unit	2021	2022	2023	2024	2025	Comments
3. GOVERNANCE							
Number of Compass Code of Conduct trainings given	2	3	3	4	3		DFE Compass onboarding Modules 1 and 2 (e-learning), Workplace Respect Toolkit.
Employees trained on Code of Conduct (%)		60	60	97	99		All Hay employees are trained in the Code of Conduct as well as DFE Pharma values (introduced in 2024). All employees have signed Code of Conduct as part of their contract.
Number of data protection and cybersecurity training	1	3	4	2	2		Additionally, awareness communication and phishing simulations.
Number of IT audits on third-party suppliers		1	0	0	1		Based on the initial trials of our IT and OT supplier questionnaire.
Responsible Sourcing Policy signed by suppliers*						100%	KPI added in 2025; *Active suppliers doing business with DFE Pharma in 2025.
Suppliers on-site ESG audit		1	1	11	10		ESG topics have been integrated into Supplier Qualification Management as of 2023. We have high potential sustainability risk evaluated either through sustainability evaluation or on-site audits.
Average supplier performance score (1 = poor; 4 = very good)		3.1	2.9	3.0	3.1		Rating system is an average score including other elements (such as cost, quality, responsiveness & sustainability), revised in 2023, updated to display with one decimal place.

GRI Content Index



Statement of Use

DFE Pharma has reported the information cited in this GRI content index for the period January 1, 2025, to December 31, 2025, with reference to the GRI Standards.

DISCLOSURE	LOCATION	OMISSION		
		Requirement(s) Omitted	Reason	Explanation
GRI 2: General Disclosures 2021				
2-1 Organizational details	a. DFE Pharma GmbH & Co. KG b. Privately owned c. Klever Strasse 187, 47574 Goch d. See the website for an overview of locations: https://dfepharma.com/offices-distributors-overview/			
2-2 Entities included in the organization’s sustainability reporting	a. DFE Pharma: Germany,the Netherlands, India, Japan, USA, New Zealand, China, Singapore, Brazil	b-c.	Confidentiality constraints	DFE Pharma is a privately owned company and does not publish its financial information on public record. Financial information are reported and consolidated in FrieslandCampina Annual Reports.
2-3 Reporting period, frequency and contact point	a. 2025 ESG Report page 4; report is published annually b. The financial year is the same as the reporting year in (a) c. Version 01 published on April 10, 2026; Version 02 published on June 30, 2026 d. esg@dfepharma.com			
2-4 Restatements of information	a-i Version 01: Update of Scope 3 emission numbers for 2024 due to update on waste reporting; Version 02: Update of Scope 2 emission numbers due to conversion error a-ii Version 01: GHG emissions are ~0.5% higher than previously reported; Version 02: GHG emissions for 2025 are ~1.2% higher than previously reported			
2-5 External assurance		a-b	Information unavailable/incomplete	External assurance has not yet been executed for this report.

GRI Content Index

DISCLOSURE	LOCATION	OMISSION		
		Requirement(s) Omitted	Reason	Explanation
2-6 Activities, value chain and other business relationships	a. Pharmaceuticals b. c. See website About Us: https://dfepharma.com/about-us/ d. ESG 2025 Report, page 6			
2-7 Employees	a. 2025 ESG Report page 8; page 27 c. Head count	b, d, e	Information unavailable/incomplete	At the time of compilation of this report, this information was not available.
2-8 Workers who are not employees		a-c	Information unavailable/incomplete	At the time of compilation of this report, this information was not available.
2-9 Governance structure and composition	a. 2025 ESG Report page 7 - Governance Board comprising members from the two shareholders	b-c.	Information unavailable/incomplete	At the time of compilation of this report, this information was not available.
2-10 Nomination and selection of the highest governance body		a-b	Confidentiality constraints	DFE Pharma does not currently publicly disclose the details of its Governance Board.
2-11 Chair of the highest governance body	a. Yes	b	Confidentiality constraints	DFE Pharma does not currently publicly disclose the details of its Governance Board.
2-12 Role of the highest governance body in overseeing the management of impacts	a, c: 2025 ESG Report page 7	b	Information unavailable/incomplete	Information not fully available at the time of publishing this report.

GRI Content Index

DISCLOSURE	LOCATION	OMISSION		
		Requirement(s) Omitted	Reason	Explanation
2-13 Delegation of responsibility for managing impacts	a. 2025 ESG Report page 7 b. During Governance Board meetings			
2-14 Role of the highest governance body in sustainability reporting	a. Formal sign-off materiality topics by LT b. NA			
2-15 Conflicts of interest	a. Annual risk and control updates b. Yes			
2-16 Communication of critical concerns	a-b	Information unavailable/ incomplete	At the time of compilation of this report, this information was not available.	
2-17 Collective knowledge of the highest governance body	a	Information unavailable/ incomplete	At the time of compilation of this report, this information was not available.	
2-18 Evaluation of the performance of the highest governance body	a-c	Information unavailable/ incomplete	At the time of compilation of this report, this information was not available.	
2-19 Remuneration policies	a-b	Confidentiality constraints	DFE Pharma does not currently publicly disclose the composition of its Remuneration policies.	
2-20 Process to determine remuneration	a-b	Confidentiality constraints	DFE Pharma does not currently publicly disclose the composition of its process to determine remuneration	
2-21 Annual total compensation ratio	a-c	Information unavailable/ incomplete	At the time of compilation of this report, this information was not available.	
2-22 Statement on sustainability development strategy	a. 2025 ESG Report page 2, 7, 9			

GRI Content Index

DISCLOSURE	LOCATION	OMISSION		
		Requirement(s) Omitted	Reason	Explanation
2-23 Policy commitments	a.-f. See website: Governance https://dfepharma.com/our-commitment/governance/ 2025 ESG Report page 29, 31			
2-24 Embedding policy commitments	a. 2025 ESG Report page 29, 31, 35; See code of conduct on website: https://dfepharma.com/media/glhh20ai/dfc-code-of-conduct-business-partners.pdf			
2-25 Processes to remediate negative impacts	a.-e. 2025 ESG Report page 31; See code of conduct on our website: https://dfepharma.com/media/glhh20ai/dfc-code-of-conduct-business-partners.pdf			
2-26 Mechanisms for seeking advice and raising concerns	a. 2025 ESG Report page 31; See code of conduct on our website: https://dfepharma.com/media/glhh20ai/dfc-code-of-conduct-business-partners.pdf			
2-27 Compliance with laws and regulations	a. Zero b. Zero c. NA d. NA			
2-28 Membership associations		a.	Information unavailable/incomplete	Information not fully available at the time of publishing this report.
2-29 Approach to stakeholder engagement	2025 ESG Report page 35	a	Information unavailable/incomplete	Information not fully available at the time of publishing this report.
2-30 Collective bargaining agreements	2025 ESG Report page 24	b	Information unavailable/incomplete	Information not fully available at the time of publishing this report.

GRI Content Index

DISCLOSURE	LOCATION	OMISSION		
		Requirement(s) Omitted	Reason	Explanation
GRI 3: Material Topics 2021				
3-1 Process to determine material topics	2025 ESG Report page 35			
3-2 List of material topics	a. 2025 ESG Report page 36, 38-40 b. NA			
3-3 Management of material topics	a-f	Confidentiality constraints	DFE Pharma does not currently publicly disclose the action plan.	
GRI 302: Energy 2016				
302-1 Energy consumption within the organization	2025 ESG Report page 11-13, 43			
302-2 Energy consumption outside of the organization	2025 ESG Report page 11-13, 43			
302-3 Energy intensity	2025 ESG Report page 11-13, 43			
302-4 Reduction of energy consumption	2025 ESG Report page 11-13, 43			
302-5 Reductions in energy requirements of products and services	2025 ESG Report page 11-13, 43			
GRI 306: Waste 2020				
306-1 Waste generation and significant waste-related impacts	2025 ESG Report page 15, 44			
306-2 Management of significant waste-related impacts	2025 ESG Report page 15			

GRI Content Index

DISCLOSURE	LOCATION	OMISSION		
		Requirement(s) Omitted	Reason	Explanation
GRI 306: Waste 2020 (continued)				
306-3 Waste generated	2025 ESG Report page 15, 44			
306-4 Waste diverted from disposal		a-e	Information unavailable/ incomplete	At the time of compilation of this report, this information was not available.
306-5 Waste directed to disposal		a-e	Information unavailable/ incomplete	At the time of compilation of this report, this information was not available.
GRI 308: Supplier Environmental Assessment 2016				
308-1 New suppliers that were screened using environmental criteria	See website: Governance https://dfepharma.com/our-commitment/ 2025 ESG Report page 17			
308-2 Negative environmental impacts in the supply chain and actions taken		a-e	Information unavailable/ incomplete	At the time of compilation of this report, this information was not available.
GRI 401: Working Conditions 2016				
401-1 New employee hires and employee turnover		a-b	Information unavailable/ incomplete	At the time of compilation of this report, this information was not available.
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	2025 ESG Report page 25; and website: https://dfepharma.com/our-purpose/safety/	a,b	Confidentiality constraints	DFE Pharma does not currently publicly disclose this information.
401-3 Parental leave		a-e	Information unavailable / incomplete	At the time of compilation of this report, this information was not available.

GRI Content Index

DISCLOSURE	LOCATION	OMISSION		
		Requirement(s) Omitted	Reason	Explanation
GRI 403: Occupational Health and Safety 2018				
403-1 Occupational health and safety management system	2025 ESG Report page 21; and website: https://dfepharma.com/our-purpose/safety/			
403-2 Hazard identification, risk assessment, and incident investigation			Information unavailable/incomplete	At the time of compilation of this report, this information was not available.
403-3 Occupational health services			Information unavailable/incomplete	At the time of compilation of this report, this information was not available.
403-4 Worker participation, consultation, and communication on occupational health and safety			Information unavailable/incomplete	At the time of compilation of this report, this information was not available.
403-5 Worker training on occupational health and safety	2025 ESG Report page 21, 45			
403-6 Promotion of worker health	2025 ESG Report page 21, 22			
403-7 Prevention and mitigation of occupational health and safety impacts directly linked to business relationships	2025 ESG Report page 21, 22			
403-8 Workers covered by occupational health and safety management system	a-b: 2025 ESG Report page 21	c	Information unavailable/incomplete	Information currently not shared publicly.
403-9 Work-related injuries	2025 ESG Report page 21	b-g	Information unavailable/incomplete	Information currently not shared publicly.
403-10 Work-related ill health	2025 ESG Report page 21	a-f	Information unavailable/incomplete	Information currently not shared publicly due to privacy and confidentiality reasons.

GRI Content Index

DISCLOSURE	LOCATION	OMISSION		
		Requirement(s) Omitted	Reason	Explanation
GRI 404: Career Management & Training 2016				
404-1 Average hours of training per year per employee	2025 ESG report page 25, 46, 48			
404-2 Programs for upgrading employee skills and transition assistance programs			Information unavailable/incomplete	At the time of compilation of this report, this information was not available.
404-3 Percentage of employees receiving regular performance and career development reviews			Information unavailable/incomplete	At the time of compilation of this report, this information was not available.
GRI 405: Diversity and Equal Opportunity 2016				
405-1 Diversity of governance bodies and employees	2025 ESG report page 27, 47			
405-2 Ratio of basic salary and remuneration of women to men	2025 ESG report page 27, 47			
GRI 407: Freedom of Association and Collective Bargaining 2016				
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	2025 ESG Report page 17, 18, 24, 29	b	Information unavailable/incomplete	At the time of compilation of this report, this information was not available.

GRI Content Index



DISCLOSURE	LOCATION	OMISSION		
		Requirement(s) Omitted	Reason	Explanation
GRI 408: Child labor, Forced Labor & Human Trafficking 2016				
408-1 Operations and suppliers at significant risk for 2025 ESG Report page 17, 18, 24, 29 incidents of child labor	c		Information unavailable/incomplete	Implementation of IQ + tool for supplier screening
GRI 409: Forced or Compulsory Labor 2016				
409-1 Operations and suppliers at significant risk for 2025 ESG Report page 17, 18, 24, 29 incidents of forced or compulsory labor	b		Information unavailable/incomplete	At the time of compilation of this report, this information was not available.

Measuring, Reporting and Assumptions

Measuring Emissions

Our GHG emissions reporting methods follow the GHG Protocol. This provides the best practice guidance and standards when it comes to calculating and reporting emissions. We recognize that GHG accounting and methodologies are updated frequently, and we are committed to using the best available science, data, and tools. We are transparent about our approach and work with third parties to ensure our methods are inclusive and robust.

Offsets

DFE Pharma is aiming to prioritize emissions reduction through direct abatement, rather than using carbon credits. As such, we plan to avoid the use of offsets to achieve our 2030 emissions reduction targets. We have invested in carbon credit-sourced renewable energy projects in the meantime, until sufficient renewable sources are available.

Identifying our Assumptions and Significant Sources of Uncertainty

The achievement of our 2030 Scope 1 and 2 emissions reduction target depends on our ability to successfully transition via energy efficiency and fuel switching to renewable sources.

The principle that applies to all emission sources is that the base year or other recalculations are based on the Greenhouse Gas Protocol's guidelines. This applies, for example, to changes in methodology.

Our aim is to report as much as possible on actual supplier data. 94.1% of emissions are now based on supplier-specific, amount-based data, 4.3% on amount-based industry averages, and the remaining 1.6% on financial proxies from open-source databases. With respect to all our targets, we will continue to assess the relevant risks and review our pathway to emissions reductions.

Glossary

Abbreviation	Meaning
C2F	Closer to the Formulator
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CISM	Certified Information Security Manager
CO ₂ e	Carbon dioxide equivalent (multiplying the quantity of a greenhouse gas by the relevant global warming potential)
CSRD	Corporate Sustainability Reporting Directive
DE&I	Diversity, Equity and Inclusion
DMV	De Melkindustrie Veghel
EI	Energy Intensity
EPF	Employee's Provident Fund
ESIC	Employees' State Insurance Corporation
ESRS	European Sustainability Reporting Standards
ESG	Environment, Social and Governance
FLAG	Forest, Land and Agriculture guidance for setting science-based targets
GDPR	General Data Protection Regulation
GHG	Greenhouse Gas
GJ	Gigajoule
GRI	Global Reporting Initiative
HMS	Dutch Milk Sugar

Abbreviation	Meaning
HR	Human Resources
ILO	International Labor Organization
INTO	Inhalation Together
IRO	Impact, Risk, and Opportunity
ISO	International Organization for Standardization
IT	Information Technology
KPI	Key Performance Indicator
LCA	Life Cycle Assessment
LPO	Local Privacy Officer
LT	Leadership Team
MCC	Microcrystalline Cellulose
OBM	Organizational Behavior Management
OECD	Organization for Economic Cooperation and Development
OT	Operational Technology
RSP	Relative Salary Position
SBTi	Science-Based Target Initiative
SDGs	Sustainable Development Goals
TRFR	Total Recordable Frequency Rate
UN	United Nations



Your medicines, our solutions. **Moving to a healthier world.**

This report contains forward-looking statements based on DFE Pharma's assumptions and forecasts. Various known and unknown risks, uncertainties, and other factors could lead to material differences between the company's actual and future performance or development, and the estimates given here. DFE Pharma does not assume any obligation whatsoever to update these forward-looking statements or to adjust them to consider future events or developments.



You have ESG questions or ideas?
Please get in touch: esg@dfepharma.com

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