



HUVEPHARMA® ESG POLICY

General Statement

The purpose of our ESG Policy (the Policy) is defined by the pursuit of excellence in Environmental, Social and Governance matters. Our Policy integrates the following strategic sustainability aspects: ethics, labour, health and safety, environment, and management systems.

We believe that the human factor is the key to our success. Therefore, we share and discuss the Policy within Huvepharma Group, so that every worker and employee can understand and follow our ESG commitments.

Kiril Domuschiev

President and CEO of Huvepharma Group

Environment

Protection of the environment, prevention of pollution and environmental crimes, and continuous improvement of performance are the main goals of the Huvepharma Group, achieved by implementing and maintaining an Environmental Management System and by continuous investments in innovations and technology.

Climate

Huvepharma Group acknowledges climate change as a significant problem for our future and recognises the necessity to mitigate the negative impact of its operations on the climate. The Group intends to pursue this target using integration of renewable energy sources and optimization of resources use.

Water Management

Huvepharma Group is committed to protecting water resources by preventing contamination and promoting responsible use. We progress towards water consumption minimization through efficient processes and practices, and investment in technology optimization. By focusing on minimization of water contamination and water treatment operations, continuous technological improvement and monitoring programs for control and prevention, we aim to minimize the impact of our production operations on the surrounding ecosystem.

Decarbonization

To support our commitment to carbon neutrality, Huvepharma Group prioritizes the deployment of photovoltaic and green energy systems. This initiative aims to reduce our greenhouse gas emissions by replacing fossil fuel-based electricity with clean, renewable solar energy. This Policy supports our long-term sustainability goals and aligns with our climate targets by accelerating the transition to a low-carbon energy system.

Biodiversity

Huvepharma Group is committed to protecting and enhancing biodiversity across all activities. This includes preserving natural habitats, minimizing disruption to

local ecosystems, and promoting restoration projects. We perform environmental assessments during our planning and development to ensure that biodiversity is taken into consideration and protected throughout the decision-making process.

Waste and Air Emissions

Huvepharma Group actively manages and reduces air emissions by implementing cleaner technologies, optimizing operational efficiency, and transitioning to low-emission alternatives where feasible. Regular monitoring and adherence to national and local air quality standards ensure that the Group activities minimize their impact on human health and the environment. Our commitment to responsible waste management is through practices that reduce waste generation, increase recycling, and promote operations that prioritize waste minimization at the source and energy valorisation for materials that are otherwise unusable. To prevent negative impact to the environment and human health, hazardous and non-hazardous waste is managed from its generation to final disposal or is reused in accordance with our EHS management procedures and in compliance with the applicable legislation and standards.

Circular Economy

Huvepharma Group is committed to promoting a circular economy by reducing waste, studying and optimizing the life cycle of products, and supporting their safe usage with respect to health and environment. We prioritize the use of local suppliers and service providers to strengthen regional value chains, reduce transportation impacts, and support community-based economic resilience.

Social

Health and Safety

The Huvepharma Group is committed to:

- ▶ communicating the principles of the Health and Safety Management System at Work to all workers, employees and contractors and fostering a safety culture;
- ▶ implementing the highest safety standards for risk control and prevention;
- ▶ promoting continuous improvements to health and safety, wherever technically and operationally feasible;
- ▶ controlling all identified risks to workers' and employees' health and safety that are generated internally or externally. More specifically, our quality risks management system must ensure that the hazards generated by chemical agents, use of equipment, and manufacturing and testing activities, are mitigated or prevented.;
- ▶ ensuring that all workers, employees and contractors are informed and trained to operate with awareness and full knowledge of the potential risks associated with the activities, within the scope of their competences and duties, under ordinary, extraordinary and emergency operating conditions.
- ▶ ensure that workers and employees at any organizational level are aware of the safety requirement to avoid dangerous behavior that can cause injuries to themselves or to other people.

Major Incident Prevention – where necessary and applicable the Huvepharma Group is committed to:

- ▶ undertaking all appropriate actions and initiatives to prevent major accidents and to minimize any consequences for the people, the environment and the property;
- ▶ ensuring that any potential disasters are managed with appropriate plans and in close coordination with the local authorities, and communicated to all interested parties, as needed.

▶ **Community Engagement**

Huvepharma Group approaches community engagement with an awareness of its vital role in driving sustainable growth and a recognition of the importance of building and maintaining strong partnerships with local stakeholders.

Human Rights

The Group is committed to respecting the human rights of workers and employees and to treating them with dignity and in full compliance with legislative provisions. For these reasons Huvepharma Group:

- ▶ does not use bonded, forced or indentured labour or involuntary prison labor;
- ▶ does not use child labour. The employment of young workers and employees below the age of 18 shall only occur in non-hazardous work and at the age established by legislative provisions for completing compulsory education;
- ▶ provides a workplace free of harassment and discrimination. Discrimination for reasons such as race, color, age, gender, sexual orientation, ethnicity, disability, religion, political affiliation, union membership and/or marital status is not tolerated;
- ▶ pays workers and employees according to applicable wage laws, including minimum wages, overtime hours and mandated benefits;
- ▶ communicates with the workers and employees on what services they are being compensated for in a timely manner;
- ▶ encourages open communication and direct engagement with workers and employees to resolve workplace and compensation issues;
- ▶ encourages workers and employees to communicate freely and openly with management regarding working conditions without threat of reprisal, intimidation or harassment.

Ethics

- ▶ **Privacy:** Huvepharma Group respects and protects the privacy of our workers, employees, customers, and other partners. Personal and sensitive information is handled with care, stored securely, and used only for legitimate and approved purposes in accordance with applicable legislation and standards;
- ▶ **Animal Welfare:** All animals under our care or influence are treated humanely, with access to food, water, shelter, and appropriate care. Any form of animal abuse, neglect, or cruelty is not tolerated.

Governance

Ethical Business Practices

Huvepharma Group is committed to honest, fair, and transparent business practices. The Group expects everyone at all levels of the separate companies, branches, and representative offices to act with integrity and to take responsibility for their actions, as ethical behavior is mandatory for our success.

Business Integrity and Fair Competition

Huvepharma Group conducts business with honesty and fairness, competes openly and responsibly. The Group strictly refrains from engaging in any unfair practices and always respects laws and rules that promote fair competition. All Huvepharma Group's business decisions and actions are guided by integrity.

Sustainable Supply Chain Management

We are committed to building a sustainable supply chain by:

- ▶ **Ethical Sourcing** – engaging suppliers who uphold human rights, fair labour practices, and anti-corruption legislation;
- ▶ **Environmental Responsibility** – prioritizing suppliers who minimize environmental impact through resource efficiency, waste reduction, and carbon footprint management;
- ▶ **Supplier Engagement** – encouraging and supporting suppliers to improve their sustainability performance and align with our values.

Legal and Customer Requirements

Huvepharma Group strictly follows all legal requirements and industry regulations. The Group is committed to understanding and meeting customer needs, and to ensuring that products and services comply with all applicable rules, standards, and expectations.

Training

Huvepharma Group provides regular training to ensure workers and employees understand their roles and responsibilities in good governance, including ethics, compliance, and responsible decision-making. This helps the Group build a strong, transparent, and accountable organization.

Anti-bribery and Anti-corruption

Huvepharma Group strictly prohibits all forms of bribery and corruption in its business activities and is committed to full compliance with all applicable anti-bribery and anti-corruption laws and regulations. The Group establishes clear guidelines to detect and prevent any potential bribery or corruption risks, thereby safeguarding its integrity and reputation. These anti-bribery and anti-corruption principles and standards are effectively communicated to all workers, employees and stakeholders within the Group to ensure widespread understanding and adherence.

Huvepharma Group respects public opinion and aims to communicate in a transparent manner.

This Policy is shared and made available:

- ▶ to all on-site workers and employees via intranet and on paper on bulletin boards;
- ▶ to all interested parties by presenting multimedia formats.

Improvement Programs and Targets

- ▶ Reduce CO2 direct emissions to carbon neutrality in Scope 1 & Scope 2 by 2030.
- ▶ Enhance ESG training program. Increase annual employee ESG training hours by 50% by 2028.
- ▶ Carry out ESG audit assessment of 100% of target suppliers by 2028.
- ▶ Develop project “Zero Accident Program”.
- ▶ Develop new ESG framework in compliance with Corporate Sustainability Reporting Directive (CSRD).