SUSTAINABILITY REPORT

VSME- REPORT – Reporting year 2025

Responsible Department: ESG

Date: November 2026

Stand EFRAG Voluntary Sustainability Reporting Standard for non-listed SMEs (VSME) – DECEMBER 2024

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1. Introduction

This report presents RAFARM's sustainability information in alignment with the VSME Standard, covering the main environmental, social and governance aspects relevant to the company for the 2025 reporting period.

RAFARM is an international pharmaceutical company specializing in ophthalmics, complex injectables and sterile medicines. The company combines strong development, regulatory and manufacturing capabilities with a broad portfolio of complex generic products and an established global partnering network. Sustainability is increasingly integrated into the company's business strategy through initiatives addressing environmental performance, employee wellbeing and development, community impact, responsible business conduct and corporate governance.

The report considers the Basic Module and selected disclosures from the Comprehensive Module of the VSME Standard, where relevant and supported by available information. Its objective is to provide a structured and transparent overview of RAFARM's ESG performance, key initiatives and sustainability priorities, while responding to the growing information needs of customers, business partners, financial institutions and other stakeholders.

The information presented is primarily based on the analysis of the most recent full financial year (2025) and reflects the company's ongoing efforts to strengthen ESG monitoring, transparency, and continuous improvement.

2. Relevant VSME-Modules

As part of this sustainability report, prepared in accordance with the VSME Standard (as of December 2024), RAFARM has fully addressed 100% of the requirements set out in the Basic Module. Furthermore, to enhance transparency, the company has proactively incorporated selected disclosures from the Comprehensive Module that would provide significant added value to the reader.

General Information

MODULE	PERTINENCE
B1 – Basic Information	YES
B2 – Practices, Strategies and Future Initiatives for the Transition to a More Sustainable Economy	YES
C1 – Strategy: Business Model and Sustainability – Related Initiatives	YES
C2 – Description of Practices, Strategies and Future Initiatives for the Transition to a More Sustainable Economy	NO

Environment

MODULE	PERTINENCE
B3 – Energy and Greenhouse Gas Emissions	YES
C3 – Greenhouse Gas Reduction Targets and Climate Change	YES
C4 – Climate Risks	NO
B4 – Pollution of Air, Water and Soil	YES
B5 – Biodiversity	YES (*)
B6 – Water	YES
B7 – Resource Use, Circular Economy and Waste Management	YES

Social

MODULE	PERTINENCE
B7 – Basic Module – Social Metrics	YES
B8 – Workforce – General Characteristics	YES
C5 – Additional (General) Workforce Characteristics	NO
B9 – Workforce – Health and Safety	YES
B10 – Workforce – Compensation, Collective Bargaining and Training	YES
C6 – Additional Information on the Company's Own Workforce – Human Rights Policies and Processes	YES
C7 – Severe Negative Human Rights Incidents	NO

Corporate Governance

MODULE	PERTINENCE
B11 – Convictions and Fines Related to Corruption and Bribery	YES (*)
C8 – Revenues from Certain Sectors and Exclusion from EU Benchmark Indices	YES (*)
C9 – Gender Diversity in Governing Bodies	YES

(*) Note: Modules B5, B11, and C8 are covered in this report. Since the corresponding questions in the VSME Excel file are structured in a way that prevents direct data entry, the relevant details have been provided in the "additional disclosures" sections of Pillars E and G.

3. Company Introduction

RAFARM is an international pharmaceutical company specializing in ophthalmics, complex injectables and sterile medicines. The company combines strong development, regulatory and manufacturing capabilities with a broad portfolio of complex generic products and an established global partnering network. With an FDA-approved ophthalmic portfolio, presence in more than 60 countries and ongoing investments in advanced sterile and value-added medicines, RAFARM continues to expand its international partnering opportunities and product development.

To date, the company has developed more than 100 pharmaceutical products and secured over 1,350 product approvals worldwide. In parallel with its international activities, RAFARM maintains a strong commercial presence in the Greek market, representing and marketing pharmaceutical products from leading global companies.

Research and Development constitutes a key pillar of RAFARM's growth strategy, with approximately 10% of its net annual turnover invested in R&D activities. The company's evolution is supported by continuous investments in new technologies and development platforms, scientific expertise and enhanced production capabilities.

RAFARM's manufacturing and R&D facilities are located in Paiania, Attica, while its headquarters and commercial operations are based in Athens. As of 2025, the company employs approximately 700 people and continues to invest in highly qualified personnel and advanced pharmaceutical infrastructure.

Through its business activities and continued investments in Greece, RAFARM contributes to the development of the domestic pharmaceutical industry, employment and economic growth, while further strengthening its international presence and expanding its pharmaceutical portfolio. At the same time, the company integrates sustainability considerations into its broader business approach, seeking to support healthier people and communities while operating responsibly and with respect for the environment.

GENERAL INFORMATION

This chapter provides an overview of the organizational, economic, and structural framework conditions of RAFARM. This includes fundamental information on the legal form, business area, locations, markets, and key corporate figures.

The information presented here serves as a contextual basis for interpreting the subsequent sustainability data. It enables readers to better understand the company's size, structure, and economic environment, and facilitates comparability with other companies both within and outside the industry.

In addition, this section outlines key methodological notes on reporting in accordance with the VSME Standard, as well as the consolidation scope of sustainability reporting.

4. General Company Information | B1 (24 – 25)

Basis for Preparation	OPTION A: Basic Module only
Has the company omitted any disclosures because they are considered confidential or sensitive information?	No information was omitted due to confidential or sensitive considerations.
Was the sustainability report prepared on an individual basis (i.e., limited to the company's own information) or on a consolidated basis (i.e., including information on the company and its subsidiaries)?	The sustainability report was prepared on an individual basis
Legal form of the company	Private limited liability undertaking
NACE sector classification code(s)	NACE C - 21.10 Manufacture of basic pharmaceutical products NACE G - 46.46 Wholesale of pharmaceutical and medical goods
Reporting period	2025
Balance sheet total (in euros)	EUR 164.358.915
Revenue (in euros)	EUR 109.117.927
Number of employees (headcount or full-time equivalents);	688
Employee counting methodology (At the end of reporting period or as an average during the reporting period)	At the end of the reporting period
Employee counting methodology (Headcount or Full-time equivalent)	Headcount
Country of main operations and location of significant assets;	Greece
Geolocation of owned, leased, or managed sites;	Registered Office: 12, Korinthou str., GR-154-51, N. Psihico, Athens, Greece Warehouse: 39 Agiou Louka str, GR-19-002, Paiania, Attica – Greece Industrial plant: Agiou Louka str, GR-19-002, Paiania, Attica - Greece
If the company has obtained a sustainability certification or quality label, a brief description of these certifications or labels must be provided, including, where applicable, the issuing body, the date, and the assessment.	RAFARM operates under strict quality frameworks mandated by the pharmaceutical industry, holding robust quality and safety certifications such as Good Manufacturing Practices (GMP / cGMP). These quality labels are continuously verified through successful, rigorous inspections by competent issuing bodies, including the US FDA, Health Canada, and the Greek National Organization for Medicines (EOF). Furthermore, in relation to the social pillar of sustainability, RAFARM has achieved the Great Place to Work® Certification (issued by the Great Place to Work® Institute, valid from December 2024 to December 2025). This internationally recognized label validates the company's strong workplace culture, employee trust, and high-quality work environment.

5. Sustainable Policies and Practices | B2 (26-28)

5.1. Sustainable Policies

RAFARM discloses that it has put in place specific practices, policies, and/or future initiatives for transitioning towards a more sustainable economy. Guided by the sustainability issues outlined in Appendix B of the VSME standard, the company effectively manages its material impacts through the following formal policies:

- **Environmental Policy:** Addresses impacts related to Climate change, Pollution, Water, Ecosystems, and the Circular economy.
- **Health and Safety Policy & Human Rights Policy:** Ensures secure working conditions, equal opportunities, and health and safety for its own workforce and workers in the value chain. These policies also consider the company's impact on affected communities.
- **Code of Ethics and Conduct:** Governs its business conduct, promoting a strong corporate culture, ethical behavior, and preventing corruption and bribery.
- **Sustainable Procurement Policy:** Extends RAFARM's sustainability principles to its suppliers and the broader value chain.

Please note that, at this current stage, RAFARM has not set specific quantitative targets related to these policies.

5.2. ESG Strategy

RAFARM has established a publicly available ESG Strategy, structured around three pillars:

- **Green Planet** – reduction of environmental impact, resource efficiency, waste management, renewable energy, water reuse and GHG emissions reduction.
- **Responsible Operations** – inclusive workplace, employee development, health and safety, ethical labor practices, integrity and transparency.
- **Healthy Communities** – Supporting communities through innovation and excellence in the development of high-quality, affordable healthcare solutions, alongside initiatives and partnerships with NGOs that improve health and support vulnerable groups, contributing to a healthier and more equitable future for all.

5.3. Sustainable practices

RAFARM has implemented a range of sustainability-related practices, including:

Environmental Stewardship

- **Energy Efficiency & Renewables:** The company optimizes its production processes, upgrades its equipment, and invests in photovoltaic panels. In 2025, its electricity consumption remained broadly stable compared to the previous year (7,185 MWh vs 7,169 MWh).
- **Emissions Reduction:** RAFARM successfully reduced its total greenhouse gas emissions

(Scope 1 and 2) by 33% (location-based[1]) and 36% (market-based[2]) between 2022 and 2025. Further details regarding these metrics are provided in Section 7.2. This milestone was achieved mainly through replacing heating oil with natural gas, implementing energy optimization measures, and gradually electrifying the company's vehicle fleet.

- **Water Management:** The company systematically monitors its water consumption and operates a dedicated water recycling program to promote responsible water management and reuse.
- **Circular Economy:** RAFARM actively applies "reduce, reuse, and recycle" principles across its operations, ensuring the separate collection and recycling of plastic, paper, glass, batteries, metals, and electronic equipment.

Empowering Its People

- **Health & Safety:** Supported by rigorous preventive procedures, the company prioritizes a secure working environment and recorded six work-related injuries in 2025.
- **Diversity & Inclusion:** RAFARM actively fosters an inclusive culture governed by strict anti-discrimination practices. As a testament to its focus on diversity and equal opportunity, women represented 47.2% of the total workforce in 2025.
- **Training & Development:** In 2025, RAFARM partnered with Skillsoft to launch Percipio, a comprehensive digital learning platform designed to provide targeted upskilling and reskilling pathways for its workforce.

Innovation & Community Impact

- **Strategic R&D Partnerships:** RAFARM actively invests in the development of Value-Added Medicines to address serious ophthalmic unmet needs for patients around the world. This includes a landmark development program with the Cleveland Clinic for a non-invasive therapy for corneal scarring, and its joint Greek start-up, BNS Ophthalmics, which leverages nanotechnology for a novel tacrolimus formulation for Chronic Anterior Uveitis.
- **Employee Volunteering:** Driven by more than 250 active employee volunteers, the company’s workforce proudly participated in hands-on community action. Initiatives included internal blood donation drives, "cooking for a cause" for vulnerable groups, contribution to the PEF food drive for "Together for Children", and local tree-planting actions.
- **Community Support:** The comprehensive 2024–2026 Social Action Program underscores RAFARM’s commitment to society. The company partnered with Humanity Greece to provide monthly essentials to 25 vulnerable families and supported prominent NGOs such as Together for children, ATLAS, and Make-A-Wish.
- **Environmental Education:** RAFARM collaborated with we4all to plant 1,000 trees annually and launched a 2024–2026 environmental education program for 273 students in Paiania schools, featuring interactive games and school plantings.
- **Medicine Donations:** The company is committed to expanding access to healthcare by donating over 6,500 medicines annually to local Social Pharmacies.

[1] **Location-based method:** Quantifies Scope 2 greenhouse gas emissions based on the average emissions intensity of the national electricity grid where energy consumption occurs.

[2] **Market-based method:** Quantifies Scope 2 greenhouse gas emissions based on the specific electricity procured by the reporting company. It utilizes emission factors derived from contractual instruments (such as specific supplier energy mixes, Guarantees of Origin, or Renewable Energy Certificates), reflecting the company's deliberate purchasing decisions.

6. Company Strategy and Business Model | C1 (47)

The following information on strategy and business models helps to put the sustainability strategy in context of the operating business.

6.1. Main products

RAFARM is a pharmaceutical company primarily engaged in the development and manufacturing of sterile generic pharmaceutical products, with expertise in:

- Ophthalmic pharmaceutical products, including solutions, suspensions and emulsions;
- Complex injectable pharmaceutical products;
- Value-Added Medicines (VAMs); and
- Commercialization and distribution of RAFARM's own products and products from international pharmaceutical companies across Greece and Cyprus.

Ophthalmology represents RAFARM's core therapeutic area, with more than 350 ophthalmic products holding regulatory approvals and over 80% of its new product development pipeline focused on ophthalmics.

6.2. Material markets in which the company operates

RAFARM operates primarily in B2B pharmaceutical markets, through manufacturing, exports and sales/distribution partnerships.

With exports representing over 65% of its production in units, the company's footprint spans more than 60 countries worldwide. Its key material markets specifically include Greece, Europe, the United States, and Canada.

6.3. Key business relationships

RAFARM's key business relationships include:

- International pharmaceutical partners and customers for the development, manufacturing and export of pharmaceutical products.
- Multinational pharmaceutical companies whose products RAFARM represents, commercializes and distributes in Greece and Cyprus.
- Academic and research institutions of international standing, alongside global pharmaceutical companies, with which RAFARM collaborates to advance the development of complex sterile generics and value-added medicines, particularly in areas of unmet medical need.

ENVIRONMENTAL DISCLOSURES

This chapter presents the main environmental aspects of RAFARM's activities in accordance with the relevant requirements of the VSME Standard. It covers key areas such as energy consumption, greenhouse gas emissions, water use, waste management, resource efficiency, and circular economy practices.

The chapter provides an overview of RAFARM's environmental impacts and the measures and initiatives implemented or planned to reduce its environmental footprint and improve resource efficiency.

Through the monitoring of these indicators and the implementation of environmental initiatives, RAFARM aims to continuously improve its environmental performance and support the transition towards more sustainable operations.

7. VSME Report – Environmental Disclosures

7.1. Total energy consumption and its breakdown | B3 (29)

For the reporting period, the company's total energy consumption amounted to 7,273.60 MWh. The majority of its energy needs were met through grid electricity supply (7,185 MWh).

In alignment with RAFARM's sustainability goals and its efforts to reduce its carbon footprint, it is worth noting that 51.6% of the total electricity consumed (3,689 MWh) was sourced from Renewable Energy Sources (RES), while the remaining 3,496 MWh came from non-renewable sources, based on the provider's energy mix.

Direct fuel consumption amounted to 88.60 MWh (exclusively from non-renewable sources), representing a very small fraction—just 1.2%—of the company's total consumption.

Total Energy Consumption (in MWh)			
Total Energy Consumption			7,273.30
Breakdown of energy consumption (in MWh)			
	Renewable	Non-renewable	Target renewable and nonrenewable
Electricity (as reflected in utility billings)	3,689	3,496	7,185
Self – generated electricity	-	-	-
Fuels	-	88.60	88.60

7.2. Estimated Greenhouse Gas Emissions | B3 (30)

The following information is based on the GHG Protocol Corporate Standard, an internationally recognized framework for the accounting and reporting of greenhouse gas emissions. Greenhouse gases (GHGs) contribute to climate change, and their effects are expressed in a common unit, carbon dioxide equivalent (CO_2e), allowing emissions from different gases to be compared on a consistent basis.

For reporting purposes, emissions are classified as follows:

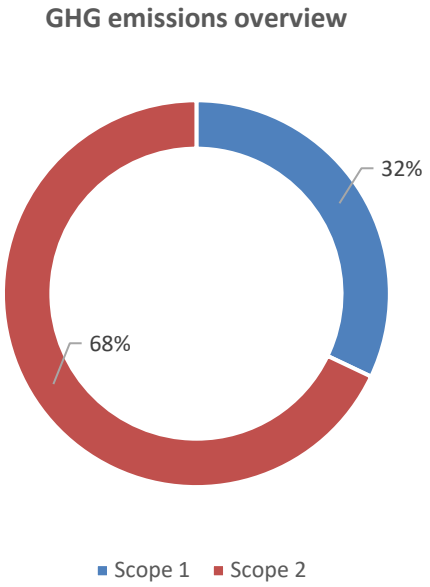
- Scope 1 – direct GHG emissions from sources owned or controlled by RAFARM, such as fuel combustion in company facilities and company vehicles.
- Scope 2 – indirect GHG emissions associated with purchased energy, primarily electricity consumed by RAFARM.
- Scope 3 – other indirect emissions occurring across RAFARM's upstream and downstream value chain. These may be considered where relevant, including under the VSME Comprehensive Module. However, at present, the company has not yet proceeded with the calculation of its Scope 3 emissions.

RAFARM monitors its energy consumption and calculates its Scope 1 and Scope 2 emissions to assess the effectiveness of measures implemented to reduce its environmental impact.

Reference year	2025
Baseyear	2022
Gross Scope 1 GHG Emissions (in $tnCO_2e$)	1,290.77
Gross Scope 2 location – based GHG Emissions (in $tnCO_2e$)	2,592.52
Gross Scope 2 market – based GHG	1,980.24

Emissions (in $tnCO_2e$)	
Total Scope 1 and Scope 2 GHG Emissions (location-based) (in $tnCO_2e$)	3,883.28
Total Scope 1 and Scope 2 GHG Emissions (market-based) (in $tnCO_2e$)	3,271.01

The calculation of the company's carbon footprint was conducted by categorizing emissions into Scope 1 and Scope 2, utilizing validated emission factors for the reporting period.

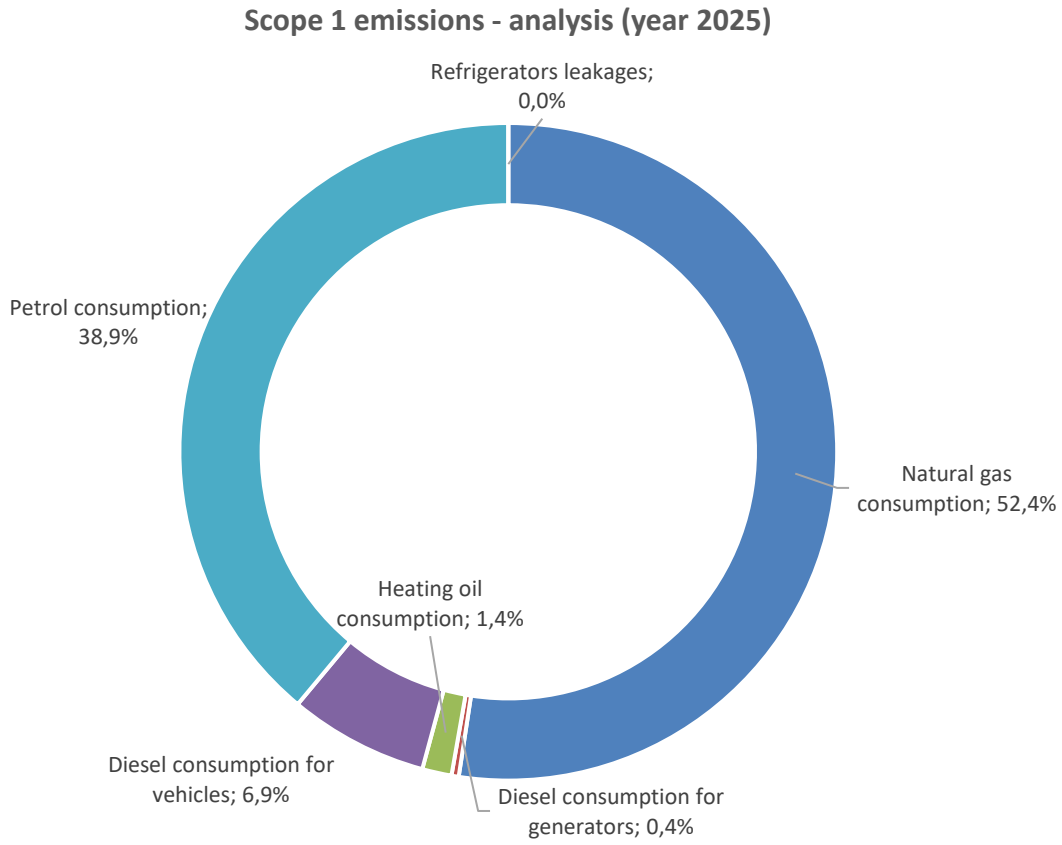


All emissions from Scopes 1 to 2 are reported uniformly in kilotons of CO_2 equivalents (CO_2e). In addition to carbon dioxide (CO_2), methane (CH_4) and nitrous oxide (N_2O) are also included to provide the most comprehensive climate impact assessment possible.

Scope 1 encompasses direct emissions from sources owned or controlled by the company. As reflected in our data, these sources include:

		2025	Unit	kg CO_2	kg CH_4	kg N_2O	kg CO_2e	%
1.1	Natural gas consumption	3,358,950	kWh	674,504.03	1,692.91	320.44	676,517.39	52.4%
1.2	Diesel consumption for generators	1,751	lt	4,563.47	5.23	9.91	4,578.62	0.4%
1.3	Heating oil consumption	7,080	lt	18,612.29	21.19	40.11	18,673.60	1.4%
1.4	Diesel consumption for vehicles	33,600	lt	87,568.65	104.80	744.69	88,418.14	6.9%
1.4	Petrol consumption	211,740	lt	496,161.78	3,584.07	2,835.69	502,581.54	38.9%
1.7	Refrigerators leakages	-	kg				-	-
						Total Scope 1 emissions	1,290,769.28	

To quantify these emissions, the relevant emission factors from the National Inventory Report for Greece (published in April 2026) were applied.



Scope 2 emissions arise from the consumption of purchased electricity. Scope 2 emissions are reported using two distinct methodological approaches:

- **Location-based approach:** This reflects the average emission intensity of the national grid. The calculation utilized emission factors provided by DAPEEP (Administrator of Renewable Energy Sources and Guarantees of Origin), which are based on the country's average energy mix.
- **Market-based approach:** The calculation was performed using emission factors provided by DAPEEP for the year 2025, which are based on the specific energy mix of the energy providers chosen by the company.

		2025	Unit	kg CO_2	kg CH_4	kg N_2O	kg CO_2e
2.1	Electricity consumption Location-based approach	7,184,584.20	kWh	2,588,911.75	1,022.54	2,580.70	2,592,515.00
2.1	Electricity consumption Market-based approach	7,184,584.20	kWh	1,976,633.64	1,022.54	2,580.70	1,980,236.89

Furthermore, the company's Photovoltaic (PV) system generated 524,000 kWh of clean energy, which was fed directly into the national electricity grid.

7.3. Greenhouse Gas Intensity | B3(31)

The company has calculated its greenhouse gas emission intensity for the year 2025, measuring it against its financial turnover. This indicator is derived by dividing the total gross greenhouse gas emissions (Scope 1 and Scope 2), which amounted to 3,883 tCO_2e (location-based), by the company's total turnover of 109,117,927 €. In 2025, RAFARM's Scope 1 and Scope 2 GHG emissions intensity was 35.6 tCO_2e per € million of turnover on a location-based basis and 30.0 tCO_2e per € million on a market-based basis.

Indicator	2025
Turnover	EUR 109,117,927
Scope 1 & Scope 2 emissions (location-based) (in tnCO2e)	3,883
GHG intensity (tCO_2e / € million of turnover)	35.6
Scope 1 & Scope 2 emissions (market-based) (in tnCO2e)	3,271
GHG intensity (tCO_2e / € million of turnover)	30.0

7.4. Green Gas Reduction Targets | C3 (54)

RAFARM has established a greenhouse gas reduction target covering its combined Scope 1 and Scope 2 (location-based) emissions. The company reduced these emissions by **32%** by 2025 compared with the 2022 baseline, achieving an absolute reduction from **4,840.91** tCO_2e (Base Year) to **3,287.51** tCO_2e (Target Year).

It should be noted that the Scope 1 emissions accounted for in this specific reduction target exclude emissions from backup generators and company vehicle fuels, focusing primarily on the company's core stationary combustion sources. RAFARM reports that Scope 2 emissions are estimated using the electricity provider's emission factors based on Greece's energy mix.

RAFARM's principal GHG reduction measures include:

- Replacement of heating oil with natural gas, which has now become the primary heating energy source.
- Optimization of energy consumption and production processes, including equipment upgrades and energy-efficiency measures.
- Use of photovoltaic energy, supporting the reduction of electricity-related environmental impacts.
- Gradual electrification of the company vehicle fleet, including the introduction of electric and hybrid vehicles.
- Continued monitoring of energy consumption and overall GHG emissions to assess progress and the effectiveness of decarbonisation measures.

7.5. Pollution of air, water and soil | B4 (32)

The activities of RAFARM primarily involve non-emission-intensive processes. The resulting direct greenhouse gas emissions are calculated and recorded within the Corporate Carbon Footprint (Scope 1 emissions).

Regarding specific air pollutants—such as nitrogen oxides (NOx), sulfur oxides (SOx), carbon monoxide (CO), and particulate matter (PM)—the company actively monitors and records the exhaust gas emissions from its boilers in strict compliance with Greek legislation. As current

legislation does not require public disclosure of the total quantities for these emissions, RAFARM focuses on strict internal monitoring.

7.6. Biodiversity | B5 (33 – 34)

RAFARM does not own, lease, or manage any land in or in the immediate vicinity of areas classified as particularly sensitive to biodiversity according to national or international criteria (e.g., Natura 2000 sites, nature reserves, Ramsar sites). The company's existing facilities are primarily situated in industrial areas, which do not possess any special features relevant to nature conservation.

Regarding space utilization metrics, RAFARM does not currently disclose detailed data such as total land area, sealed area, semi-natural area on-site, or near-natural area outside its sites. However, despite its urban footprint, the company actively supports local biodiversity through initiatives such as organizing local tree-planting actions using native flora to enhance the surrounding ecosystem.

7.7. Water Use | B6 (35 – 36)

As water is a critical input in its pharmaceutical manufacturing operations, and considering its facilities are located in a high water-stress area, responsible water management is a key environmental priority for RAFARM. In 2025, the company's total water withdrawal across all its sites amounted to 28,908 m^3.

To proactively minimize its environmental footprint and ensure no additional strain is put on local water resources, the company monitors its water use and has implemented a dedicated water recycling program that collects clean water from machinery for reuse. Through these conservation efforts, RAFARM successfully reused 1,366 m^3 of water in 2025, representing a reuse rate of approximately 4.7% of its total withdrawal.

7.8. Resource Use, Circular Economy and Waste Management | B7 (37 – 38)

RAFARM actively integrates circular economy principles into its operations by prioritizing resource efficiency, waste reduction, reuse, and recycling. The company is committed to the "reduce, reuse, recycle" framework, ensuring the systematic collection, and recycling of non-hazardous manufacturing waste, which includes plastics, paper, glass, batteries, metals, and electronic equipment. Highlighting this commitment to operational circularity, in 2025, 100% of the non-hazardous waste generated by its facilities was successfully directed to recycling and recovery streams.

7.8.1. Waste management

RAFARM places a high priority on responsible waste management, strictly adhering to all national and European legislative obligations regarding environmental protection. As part of its commitment to regulatory compliance and transparency, the company systematically records and reports all waste streams through the national Electronic Waste Registry. This rigorous traceability ensures proper management, recovery, and safe disposal of all materials.

For the reporting year 2025, RAFARM meticulously monitored its total annual waste generation, classifying it into non-hazardous and hazardous streams. To support the transition toward a circular economy, the company maximized resource recovery by ensuring that all of its tracked

non-hazardous waste streams—amounting to 272.41 tonnes of materials such as paper, plastic, glass, and mixed packaging—were successfully diverted from disposal and sent for recycling or reuse.

Hazardous waste, which amounted to 83.96 tonnes and consisted primarily of organic solvents from manufacturing processes, was managed in accordance with applicable legal and regulatory requirements. Specific streams were directed to recovery, while the remainder was transferred by authorized partners to specialized facilities for appropriate disposal.

Accounting for both non-hazardous and hazardous streams, the total amount of recorded waste generated in 2025 amounted to 356.37 tonnes.

The detailed breakdown of the company's waste generation and management methods for 2025 is presented in the tables below:

Non-hazardous waste according to AVV/waste code	**Waste diverted to recycle or reuse (in tn)**	**Waste directed to disposal (in tn)**	**Total waste recycled, reused and directed to disposal (in tn)**
200136 Non-Hazardous Waste - Discarded equipment other than fluorescent tubes and other mercury-containing waste and discarded equipment containing chlorofluorocarbons	0.003	-	0.003
150101 Non-Hazardous Waste - Paper and cardboard packaging	11.73	-	11.73
150102 Non-Hazardous Waste - Plastic packaging	5.20	-	5.20
150107 Non-Hazardous Waste - Glass packaging	5.48	-	5.48
150106 Non-Hazardous Waste - Mixed packaging	250.00	-	250.00
		Total non-hazardous waste	**272.41**

Hazardous waste according to AVV/waste code	**Waste diverted to recycle or reuse (in tn)**	**Waste directed to disposal (in tn)**	**Total waste recycled, reused and directed to disposal (in tn)**
200133 Hazardous Waste - Mixed batteries and accumulators containing batteries or accumulators included in lead batteries, Ni-Cd batteries or mercury-containing batteries	0.03	-	0.03
200121 Hazardous Waste - Fluorescent tubes and other mercury-containing waste	0.07	-	0.07
150202 Hazardous Waste - Absorbents, filter materials, wiping cloths, protective clothing contaminated by dangerous substances	0.12	-	0.12
070104 Hazardous Waste - Other organic solvents, washing liquids and mother liquors[3]	-	83.74	83.74
		Total hazardous waste	**83.96**

7.8.2. Packaging materials

As part of its Extended Producer Responsibility (EPR) and its commitment to sustainable packaging management, RAFARM is officially affiliated with the Hellenic Recovery Recycling Corporation. Through this strategic partnership, the company ensures legislative compliance and contributes to the national system for the alternative management, recovery, and recycling of applicable packaging materials it places on the market. In 2025, the total annual mass-flow of key packaging materials used—comprising paper and cardboard, plastics, glass, and metals/aluminium—amounted to 85,860.40 kg.

[3] Due to the predefined categories available in the VSME template, quantities of organic waste containing hazardous substances (officially registered under EWC 16 03 05*) have been mapped and reported under the closest applicable category (EWC 07 01 04).

The detailed breakdown of these packaging material flows is presented in the table below:

Name of the key material	Mass/ Volume (Kg)
Paper and cardboard	42,963
Plastics	28,017.4
Glass	9,970
Metals/ Aluminium	4,910
Total annual mass-flow of relevant materials used (mass in kg)	**85,860.40**

SOCIAL DISCLOSURES

This chapter presents the main social aspects of RAFARM's activities, covering its own workforce, working conditions, health and safety, employee development, diversity and equal opportunities, as well as its broader impact on communities and other stakeholders.

RAFARM's social approach is based on creating an inclusive, safe and supportive working environment, promoting continuous learning and professional development, respecting human rights and ethical labor practices, and supporting local communities and access to healthcare.

The chapter also presents relevant workforce indicators, occupational health and safety performance, training initiatives and policies addressing equal opportunities, discrimination, employee wellbeing, and responsible business conduct.

8. VSME Report – Social Disclosures

8.1. Workforce – General characteristics | B8 (39)

At RAFARM, employees are considered the company's most valuable asset, and it is committed to transparently reporting on its workforce dynamics. In accordance with reporting requirement B8 (39), this section presents a comprehensive overview of RAFARM's employee demographics for the 2025 reporting period.

As of 2025, the total workforce comprises 688 employees. Reflecting its strong local roots and ongoing contribution to the national economy, 100% of its employment contracts are based in Greece.

RAFARM is actively dedicated to fostering a diverse, inclusive, and balanced workplace. This is clearly reflected in its gender distribution, which shows near parity: women account for **47.24%** (325 employees) of its workforce, while men represent **52.76%** (363 employees). Regarding employment structure, **77.91%** of its staff (536 employees) hold indefinite (permanent) contracts, with the remaining **22.09%** (152 employees) engaged under fixed-term (temporary) agreements.

The detailed breakdown of the workforce by employment contract type, gender, and country of employment is presented in the tables below:

Contract	Number of employees	Share
Permanent contract	536	77.91%
Temporary contract	152	22.09%
Total	**688**	**100%**

Sex	Number of employees	Share
Female	325	47.24%
Male	363	52.76%
Miscellaneous / Other	0	0%
Not reported	0	0%
Total	**688**	**100%**

Country of employment contract	Number of employees	Share
Greece	688	100%
Total	**688**	**100%**

8.2. Workforce – Turnover | B8 (40)

RAFARM continuously monitors its employee turnover rate as a key metric of workforce stability and retention.

During the 2025 reporting period, the company successfully expanded its team. RAFARM began the year with 646 employees and increased its total workforce to 688 employees by year-end, reflecting its steady business growth and ability to attract new talent. Over the course of the year, 83 employees left the organization. Consequently, the employee turnover rate for 2025 stood at **12.44%**.

The specific figures regarding its workforce changes and turnover rate for the reporting period are detailed in the table below:

Number of employees who left during the reporting period	83
Number of employees at the beginning of the reporting period	646
Number of employees at the end of the reporting period	688
Employee turnover rate [%] in the reporting period	12.44%

8.3.Workforce – Health and safety | B9 (41)

At RAFARM, the health, safety, and well-being of its employees are absolute priorities. The company is deeply committed to maintaining a safe working environment, strictly adhering to safety protocols, and transparently monitoring its performance.

During the 2025 reporting period, the workforce accumulated a total of 1,376,000 hours worked. Across these hours, RAFARM recorded 6 work-related accidents, resulting in a recordable work-related accident rate of 0.87. Furthermore, there were zero (0) fatalities resulting from work-related injuries or ill health, reflecting the company's strict adherence to safety measures and preventative practices.

The detailed health and safety metrics for 2025 are summarized in the table below:

Number of recordable work-related accidents in the reporting period	6
Number of hours worked by one full-time employee in the reporting period	2,000
Total number of hours worked in a year by all employees in the reporting period	1,376,000
Rate of recordable work-related accidents in the reporting period	0.87
Number of fatalities as a result of work-related injuries and work -related ill health	0

8.4.Workforce - Remuneration, collective bargaining and training | B10 (42)

RAFARM is committed to responsible and fair employment practices, in compliance with applicable laws and regulatory requirements, and to fostering a workplace that promotes equal opportunities, diversity, fair working conditions and the continuous development of its people.

RAFARM strictly ensures that all employees receive pay that is equal to or above the applicable minimum wage, as determined directly by national minimum wage laws. Furthermore, the company reports that 100% of its workforce (all 688 employees) is covered by collective agreements, ensuring fair working conditions.

Transparency in compensation is a key aspect of RAFARM's corporate governance. For the reporting period, the average gross hourly pay level stands at 16.49 EUR for male employees and 11.77 EUR for female employees. Following the standard VSME methodology, the percentage gap in pay between its female and male employees is calculated at 28.62%.

The company continually invests in the training and skill enhancement of its people. During the reporting period, female employees recorded an average of 3.37 training hours, while male employees recorded an average of 2.64 hours, with the reported overall average standing at 3.00 annual training hours per employee.

RAFARM invests in continuous learning and development to strengthen the capabilities of its people and build the skills required for the company’s long-term growth. In 2025, the company

expanded its Learning & Development approach through a partnership with Skillsoft, providing employees with access to Percipio, a broad digital learning environment covering areas such as leadership, communication, project management, and technology. The initiative supports both upskilling and reskilling, while RAFARM is developing structured learning pathways to better align development opportunities with individual roles, professional growth, and evolving business needs. By making learning more accessible and targeted, RAFARM aims to foster a culture of continuous development and equip its people with the capabilities needed to respond to the evolving demands of the pharmaceutical industry.

The detailed metrics are presented in the tables below:

Remuneration and collective bargaining	
Average gross hourly pay level of male employees (amount in EUR)	16.49
Average gross hourly pay level of female employees (amount in EUR)	11.77
Percentage gap in pay between the undertaking's female and male employees [%]	28.62%
Number of employees covered by collective bargaining agreements	688
Percentage of employees covered by collective bargaining agreements [%]	100%

Training	
Gender	Number of annual training hours per employee during the reporting period
Male	2.64
Female	3.37
Other	-
Not Reported	-
Average number of annual training hours per employee	2.01*

*Please note that the automatically calculated value of 2.01 in the VSME Excel template is the result of a structural formula error within the spreadsheet. Specifically, the embedded formula calculates a simple, unweighted average of the category cells and incorrectly factors in empty or zero-value categories (such as 'Not reported') into its denominator. As a result, it artificially lowers the final figure.
The correct metric is calculated by dividing the total number of training hours across all categories (2,062.87 hours) by the total company headcount (688 employees). Therefore, the accurate average number of annual training hours per employee is 3.00.

8.5.Additional information about its own workforce - Human rights policy and processes | C6 (61)

RAFARM has established a comprehensive Code of Conduct that is integral to its internal management and corporate culture, serving as a binding framework for all employees. The Code explicitly includes human rights-related principles for its workforce, which are firmly rooted in both national labor law regulations and international frameworks, such as the ILO core labor standards. To ensure these principles are upheld, RAFARM maintains a robust internal procedure for handling complaints and reports. Employees can confidentially raise any concerns or report grievances by contacting their direct manager, the HR department, or through designated internal communication channels.

The Code of Conduct covers, explicitly or implicitly, the following topics:

Subject area	Covered?
i. Child labor	YES
ii. Forced labor	YES
iii. Trafficking in human beings	YES
iv. Discrimination	YES
v. Accident prevention / occupational health and safety	YES
vi. Miscellaneous (e.g. equal treatment, fair treatment in the working environment)	YES

8.6.Serious negative incidents in the field of human rights | C7 (62)

RAFARM reports zero violations of its Code of Ethics and zero non-compliance incidents in 2025. The company also maintains policies covering equal opportunities, violence and discrimination, business ethics, and complaint handling. RAFARM nevertheless operates a complaint resolution mechanism through which employees may raise concerns with supervisors or escalate them, including anonymously, to the Compliance Department.

RAFARM encourages its suppliers, contractors, and partners to operate in accordance with its principles, formally communicating the Code to all of them.

GOVERNANCE DISCLOSURES

This chapter presents RAFARM's approach to corporate governance, business ethics, compliance, and responsible business conduct. It covers the role of the Board of Directors in ESG oversight and the policies supporting transparency, accountability, anti-corruption, conflict-of-interest management, and complaint handling.

In 2025, RAFARM reported zero non-compliance incidents, zero complaints from regulatory bodies, and zero violations of the Code of Ethics and Conduct.

9. VSME Report – Governance Disclosures

9.1. Convictions and fines for corruption and bribery | B11 (43)

Integrity, transparency, and ethical business conduct are foundational pillars of RAFARM's corporate governance. The company strictly adheres to its established Code of Ethics and maintains a zero-tolerance policy toward any form of corruption or bribery.

The company transparently discloses its legal and ethical compliance performance. For the 2025 reporting period, RAFARM reports zero violations of its Code of Ethics and zero incidents of non-compliance. Consequently, there were no legal actions taken against the company, resulting in absolute compliance with anti-corruption and anti-bribery laws.

Accordingly, the metrics for the reporting period are as follows:

- Number of convictions: 0
- Total amount of fines: 0 €

9.2. Gender diversity on boards | C9 (65)

RAFARM firmly believes that diverse leadership is essential for driving innovation, fostering inclusive decision-making, and ensuring long-term sustainable growth.

For the 2025 reporting period, the company's Board of Directors comprises 5 executive members. RAFARM highlights a strong female representation at the executive level, with women constituting the majority of the Board. Specifically, the gender diversity ratio of the management body stands at 60% women and 40% men.

9.3. Revenues from certain sectors and exclusion from EU benchmarks | C8 (63)

Based on RAFARM’s disclosed activities as a pharmaceutical company specializing in the development, production and commercialization of pharmaceutical products, the company does not operate in any of the sectors listed under C8 (63) (specifically: controversial weapons, tobacco cultivation and production, the fossil fuel sector, and the production of pesticides and other agrochemical products).

Conclusion & Outlook

RAFARM continues to implement initiatives related to GHG emissions reduction, energy efficiency, employee development, and occupational health and safety. The company's sustainability framework is designed to guide its long-term efforts, fostering continuous improvement and transparency in future reporting cycles.

Disclaimer

This sustainability report has been prepared with due care based on the information available for the 2025 reporting period, together with current plans, targets, and management assessments.

The report may contain forward-looking statements regarding sustainability objectives, planned initiatives, and expected developments. Such statements are based on current assumptions and are subject to uncertainties and external factors that may cause actual results to differ.

RAFARM does not guarantee the completeness or continued accuracy of all information beyond the reporting date and assumes no obligation to update forward-looking statements, except where required by applicable law.

This report is provided for informational purposes only and does not constitute legal, financial or investment advice, nor does it create any rights or obligations towards third parties.