Our Policies

Corporate Environmental Sustainability Policy

Version 3 - October 2025

ESG

ZENTIVA

Introduction

At Zentiva, we provide health and wellbeing for all generations by developing, producing and delivering high-quality and affordable medicines to those who depend on them every day. Our core business activity positively impacts the lives of more than 100 million people in Europe and beyond.

We are deeply aware of our responsibility and the significant impact we have on society and the environment. Zentiva operates within a broader ecosystem of people, values, other organizations, and the natural environment. We believe that our environmental responsibility extends beyond our business operations, compelling us to give back to the world as generously as it gives to us.

Policy Purpose

As a pharmaceutical company dedicated to sustainable practices, we at Zentiva recognize the critical importance of implementing measures focused on several areas, like decarbonization for inhouse operations and throughout our value chain, water stewardship, waste management and circular economy, pollution management and efforts to restore biodiversity. This Corporate Environmental Sustainability Policy serves as a comprehensive framework to guide those efforts to net-zero emissions by 2050, minimizing our environmental footprint, ensuring responsible resource consumption, positively influence our value chain and promoting sustainable practices across all our operating sites, offices and beyond. We act in line with the European Goal to be climate-neutral by 2050 – with net-zero greenhouse gas emissions.

This policy outlines our approach to:

- **Decarbonization:** Reducing greenhouse gas emissions throughout Zentiva's operations and across our value chain.
- **Water Stewardship:** Implementing sustainable and responsible water management in manufacturing processes.
- **Waste Management & Circular Economy:** Promoting efficient waste management practices, maximizing the recyclability of our outputs, and aiming to increase the amount of material and waste that can be brought back into the circular economy.
- **Pollution prevention:** Prevent and mitigate the effects of pollution and resource conservation throughout our manufacturing processes
- **Biodiversity:** Protecting and enhancing ecosystems around our operational sites and supporting Biodiversity projects and reforestation efforts.

Through this Corporate Environmental Sustainability Policy, Zentiva aims to make a positive impact on the environment, contribute to the health and wellbeing of society, and support the sustainable development of our industry. By integrating these principles into our operations, we strive to create a healthier and more sustainable future for all.

Scope

This Policy is company-wide in scope and includes all employees, board members, subsidiaries, and affiliated companies at Zentiva worldwide.

Zentiva's Sustainability Strategy

Zentiva's Sustainability strategy is framed around 3 pillars: People, Partners and our Planet and follows the principles of ESG (Environmental, Social, Governance). The five components to this Policy (decarbonization, water stewardship, pollution prevention, waste management & circular economy, and biodiversity) form the basis for the "Environmental" pillar of our strategy.

Our Sustainability commitments are summarized in our corporate policies and published on the Zentiva website. Our corporate policies may be supplemented by local policies as needed.

All our Sustainability commitments are directly connected to the Material Impacts, Risks and Opportunities (IROs) identified by Zentiva.

Zentiva's Sustainability Priorities

- **People:** We are building Zentiva as a great place to work where authenticity is embraced. We take care of our people, their loved ones, and the people we serve. Through transparent communication and a united approach, we create value as ONE team, we take our role as a Corporate Citizen with great responsibility.
- **Partners:** We endeavor to establish and maintain trustworthy partnerships across our value chain, working with partners who share our values. We actively encourage our partners to collaborate with us towards a more sustainable supply chain and require them to implement safeguards to mitigate their impact.
- **Planet:** We are dedicated to fostering a greener planet, pledging to reduce our absolute Scope 1,2 and 3 emissions by 63% by 2034 and achieving net-zero greenhouse gas emissions by 2050. This commitment entails implementing a comprehensive decarbonization plan, applying energy efficiency improvements, sourcing renewable energy, optimizing water efficiency, investing in circular economy practices and actively manage and minimize waste and pollution. Additionally, we contribute to the planet's health by restoring biodiversity.

Related Policies and Documents

Other Relevant Zentiva Policies	Version Number	Link to Policy
CSR Policy	Version 2	rcsr-policy_122024.pdf
Health, Safety & Environment (HSE) Policy	Version 1	hse-policy_final-2023.pdf
Responsible Sourcing Policy	Version 2	responsible-sourcing-policy.pdf

Governance of the Corporate Environmental Sustainability Policy within Zentiva

Role	Responsibility
Head of Sustainability	Sets and owns the Corporate Environmental Sustainability Policy and disseminates it throughout the organization.
Sustainability Steering Committee (SSC)	The Sustainability Steering Committee (SSC) reviews and approves Sustainability strategic plans and supervises the activities, reviews progress and outcomes regularly. The committee approves financial support for Biodiversity projects.
Investment Committee (ZIRC)	Is accountable for reviewing and approving material investments across Zentiva's network.
Head of Product Supply	Is accountable for HSE and Sustainable Procurement and the implementation of related policies across Zentiva's network.
Direct/Indirect Procurement/Category Managers	Responsible for the relations with suppliers and partners and the adherence to the programs and policies.
Site / Country Heads and local HSE teams	Is accountable for the implementation and execution of local policies and the execution of local strategies.

Decarbonization

We are committed to a comprehensive climate strategy that defines our contribution to limiting temperature increase by mid-century to no more than 1.5 degrees Celsius as outlined in the Paris agreement. At Zentiva we have a concrete ambition, reducing our absolute Scope 1,2 and 3 emissions by 63% by 2034 and reaching net-zero in all our operations and value chain by 2050. This is reflected in our Sciened Based Targets validated by the Science Based Targets Initiative (SBTI) in 2025. The following climate topics are addressed by Zentiva's Climate Change strategy:

- **Climate Change Mitigation:** Implementing strategies to reduce greenhouse gas emissions and minimize our greenhouse gas footprint across all operations.
- **Climate Change Adaptation:** Developing and applying adaptive measures to manage and reduce the risks associated with climate change impacts on our business and communities.
- **Energy and Energy Efficiency:** Promoting the use of renewable energy sources and enhancing energy efficiency in our manufacturing processes and facilities.
- **Make a positive impact in our value chain:** We align our strategy with the United Nations Sustainable Development Goals[1] (SDGs) and the 10 Universal Principles of the United Nations Global Compact[2] related to Human Rights, Labour, Environment and Anti-Corruption and the Pharmaceutical Supply Chain Initiative (PSCI) Principles[3].

[1] THE 17 GOALS | Sustainable Development
[2] The Ten Principles | UN Global Compact
[3] The Principles - PSCI

Targets

To underline our commitment to staying within 1.5 degrees of warming by 2050, we have set near-term, long-term and overall net-zero Science Based Targets in 2025. Our concrete targets are:

1. Near-term: We commit to reduce absolute Scope 1 and 2 GHG emissions 63% by 2034 from a 2021 base year.* We also commit to reduce absolute Scope 3 GHG emissions 63% by 2034 from a 2024 base year.[4]
2. Long-Term Targets: We commit to reduce absolute Scope 1 and 2 GHG emissions 90% by 2050 from a 2021 base year.* We also commit to reduce absolute Scope 3 GHG emissions 90% by 2050 from a 2024 base year. [5]
3. Overall Net-Zero Target: We commit to reach net-zero greenhouse gas emissions across the value chain by 2050.

Our decarbonization ambition is supported by concrete actions that includes:

- **Reducing** our reliance on **natural gas** and other fossil fuels
- Driving energy **efficiency** in our operations, prioritizing electrification whenever possible
- Increasing the share of our own sources of **renewable energy**, focused on solar and wind energy
- Driving energy efficiency and prioritizing the use of renewable energy in our warehousing and transport operations and in collaboration with partners
- Transition our car fleet to electric vehicles
- Continue investing in **modernizing** our buildings and equipment
- Engage with our suppliers, and contract manufactures to reduce GHG emissions in our value chain
- **Continuous Improvement:** Zentiva is dedicated to ongoing evaluation and improvement of our manufacturing practices. Regularly monitoring our performance, setting and monitoring targets energy conservation and efficiency, and investing in minimizing our negative environmental impact..

To reach these goals, we implemented various measures across our manufacturing sites and offices primarily through engineering and technical solutions. In our value chain, we implemented environmental criteria in our key relevant procurement practices, business operations, supplier documents and agreements.

Water Stewardship

As a pharmaceutical company focused on sustainable practices, we at Zentiva recognize the importance of responsible water consumption. Water is used throughout our value chain. We use it as a direct ingredient in many of our products and as a key utility in manufacturing, cleaning, and sanitation. Access to high-quality water is vital for high standards of pharmaceutical safety and quality.

Zentiva is committed to implementing a comprehensive policy that guides our operations and minimizes our impact on water resources at all our operating sites.

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[4] *The target boundary includes land-related emissions and removals from bioenergy feedstocks.

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Targets

We strive to optimize water use and promote efficient practices across all our operations. Additionally, we are committed to monitoring water scarcity at and near production sites to address the issue of water stress.

- **Compliance with Regulations:** We are committed to complying with all applicable laws, regulations, and permits related to water use and discharge. Working closely with relevant regulatory bodies to ensure that our operations meet or exceed the required standards for water quality and conservation.
- **Stakeholder Engagement:** We seek to understand and address the concerns of external stakeholders and contribute to water conservation initiatives and projects promoting access to clean and safe water.
    - Engaging with local communities, water management authorities, and other stakeholders to foster dialogue and collaboration on water-related issues.
    - Engaging with suppliers to ensure water conservation and efficiency monitoring mechanisms are in place.
- **Continuous Improvement:** Zentiva is dedicated to ongoing evaluation and improvement of water management practices. Regularly monitoring our performance, setting and monitoring targets for water conservation and efficiency, and investing in research and innovation to identify innovative technologies and approaches that further minimize our footprint, drive water recycling and replenishment initiatives.

By adhering to these principles, Zentiva strives to be a responsible steward of water resources, contributing to the long-term sustainability of the environment and the communities in which we operate.

Pollution Prevention

As a responsible manufacturer of medicines, we take proactive measures to prevent water, air and soil pollution and minimize the release of pollutants into water bodies.

Targets

Pollution is an important topic to Zentiva. As a pharmaceutical company we comply with REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals). Zentiva has proactively prepared for unforeseen events by developing comprehensive emergency plans. Procedures for such occurrences are outlined in our regularly approved and practiced Business Continuity Plans.

- **Compliance with Regulations:** We are committed to complying with all applicable laws, regulations, and permits related to management of harmful substances and discharges. Working closely with relevant regulatory bodies to ensure that our operations meet or exceed the required standards for water quality and conservation.

Discharge water is water released from Zentiva manufacturing sites into the environment after being used in production processes or other activities. It is treated onsite for contaminants but is closely monitored to minimize any negative environmental impacts and ensure compliance with regulations.

- Implementing proper wastewater treatment systems, utilizing best management practices for handling hazardous substances, and promoting responsible waste disposal practices to protect water quality.

- Ensuring manufacturing effluents are treated according to local regulatory requirements.

We are also committed to complying with all applicable laws, regulations, and permits ensuring air emissions and potential soil pollution are monitored and treated according to the regulatory requirements.

- **Stakeholder Engagement:** We seek to understand and address the concerns of external stakeholders and contribute to prevent air and soil pollution, local water conservation initiatives and projects promoting access to clean and safe water.
- **Continuous Improvement:** Zentiva is dedicated to ongoing evaluation and improvement of our pollution management practices. Regularly monitoring our performance and seeking opportunities to minimize and prevent pollution.

Waste Management & Circular Economy

This policy outlines our commitment to efficient waste management and the promotion of a circular economy within our pharmaceutical manufacturing processes.

As a producer of medicines, we buy various elements, such as packaging, laboratory chemicals, and raw materials – encompassing API and excipients, among others. We aim to minimize waste through effective waste management practices. Our waste management strategy is based on the 10 circularity principles, Refuse, Rethink, Reduce, Reuse, Repair, Refurbish, Remanufacture, Repurpose, Recycle and Recover.

Targets

We embrace the principles of the circular economy by designing products and processes that maximize resource efficiency and facilitate material recovery.

We prioritize waste reduction via efficient resource use and process optimization to reduce waste generation. Achieve zero waste to landfill disposal from routine operations by 2030.

We promote the reuse and recycling of packaging and materials to extend their lifecycle and reduce our environmental footprint. Repurpose 100% of our plastic waste by 2030.

- **Compliance and Regulations:** We will comply with all applicable laws, regulations, and international standards related to waste management and circularity impacting Zentiva operations and its products.
- **Stakeholder Engagement:** Provide training and awareness programs to empower employees to participate in waste reduction and recycling efforts. We partner with experts on the topic of circular economy and communities to ensure we address their views and concerns.
- **Continuous Improvement:** We are committed to regularly monitoring our performance and seeking opportunities to minimize the waste generation and find more efficient waste disposal strategies.

Restoring Biodiversity

At Zentiva, we recognize the critical importance of restoring biodiversity. As a manufacturer of pharmaceuticals, we have an impact on nature and biodiversity. Our commitment is to minimize our impact, restore biodiversity, and protect certain species.

Targets

We are committed to protecting and enhancing biodiversity in key areas where we operate. This includes preserving ecosystems, habitats, and species diversity through responsible practices.

Our focus is supporting the population of bees in the countries where we operate in order to restore biodiversity. We have started a multi-year project in Czech Republic, Romania and Bulgaria and will further extend our efforts by increasing the number of beekeepers and apiaries supported in various countries.

We aim to make a positive impact on the ecosystems around us through tree planting initiatives and promoting sustainable forestry practices. We commit to planting 1 million trees by 2030.

- **Compliance and Regulations:** We will comply with all applicable laws, regulations, and international standards related to biodiversity conservation and reforestation.
  All suppliers must comply with European Union Deforestation Regulation (EUDR) requirements for products and derivatives in scope including soy, cattle, oil palm, wood, cocoa, coffee and natural rubber (and any materials or products included at a later stage).
- **Stakeholder engagement:** to actively participate in conservation activities and follow the 10 Principles of the Forest Stewardship Council (FSC)[6] to guide our activities. We engage with relevant stakeholders, including local communities, NGOs, governments, and research institutions, to collaborate on biodiversity conservation and reforestation projects. At Zentiva, we raise awareness to upgrade the knowledge of our ambassadors and share experiences. We permanently engage our employees across various countries on different types of initiatives around reforestation and bees' support.
- **Continuous Improvement:** We are committed to regularly monitoring our performance and seeking opportunities to maximize our biodiversity impact.

Site specific targets and actions monitoring

Our internal performance management plan ensures we address local issues and seek for improvement opportunities connected to our main business priorities:

- **Setting, allocating and monitoring local targets:** In all our production sites (Prague, Bucharest and Ankleshwar) and offices, we set specific site targets for each sustainability pillar. We ensure progress monitoring and correctives actions are in place. **Raising awareness**: At all our affiliates we focus on raising awareness to promote responsible resource consumption practices and driving continuous improvement.
- **Monitoring our value chain**: Across our value chain, we focus on our critical suppliers and contract manufacturers, ensuring they adhere to our sustainable procurement practices and support our environmental targets.

[6] FSC Standards | Forest Stewardship Council

Policy Implementation

To ensure the effective implementation of this policy Zentiva is making sure to have the proper mechanisms to design, deploy, communicate and improve our initiatives across the organization and our value chain. This includes:

- **Reporting Framework:** Our reporting framework is designed to provide clear and regular updates on our progress and impact.
    - **Quarterly Data Collection:** Local teams collect and review KPI data on a quarterly basis. The information is then published in our ESG Internal Dashboard. This ensures our teams review performance, align on corrective actions and track progress towards accomplishing our goals.
    - **Consolidation and Analysis:** The collected data is consolidated at Group level, analyzed, and reviewed to identify trends, successes, and areas for improvement. This analysis supports informed decision-making and planning.
    - **Internal performance management:** By setting clear goals, measuring our performance, and transparently reporting our results, we aim to continuously enhance the impact of our environmental program.
    - **Sustainability Reports:** We regularly report on our Sustainability performance in our Sustainability Report, providing stakeholders with transparent and detailed accounts of our environmental activities, outcomes, and overall impact. These reports highlight our policies and positions, achievements, challenges, and future goals. Zentiva's Sustainability Report is following GRI and aligning with CSRD.
- **Stakeholder Engagement:** We seek to understand and address the concerns of external stakeholders on our key sustainability matters we ensure we:
    - Engage with local communities, authorities, and other stakeholders to foster dialogue and collaboration on environmental issues.
    - Engage with suppliers to ensure conservation and efficiency monitoring mechanisms are in place.
    - Drive our "Every Small Step Counts" campaign to break down Sustainability into small steps that each employee can start doing already from today. Engagement activities are taking place throughout the year. Some engagement activities include:
        - Train to educate our employee ambassadors about the importance of restoring biodiversity.
        - Empower employees to identify opportunities for improvement through energy, water, waste, and biodiversity analysis.
        - Encourage our office-based teams to develop effective waste, separation practices to facilitate recycling and proper disposal and drive local initiatives on water, energy and biodiversity conservation leveraging the #WeHelpOthers campaign that is covered in our CSR Policy.

Integration in Procurement Practices

Building on the work performed on GHG emissions and supply chains, we seek to further integrate other environmental aspects into our procurement processes and supply chain management.

We incorporate all Pharmaceutical Supply Chain Initiative (PSCI) Principles[7] in our key relevant procurement practices, business operations, supplier documents and agreements.

Continued External Collaboration

We partner with NGOs and experts on environmental topics such as on Circular Economy to increase the circularity of our materials and our waste. We collaborate with supply chain partners on environmental projects, for instance to optimize packaging and material sourcing and align with circular principles.

Policy Communication

Internally, the Policy is made available to all employees. Key relevant employees directly responsible for implementing the Policy such as those in the Operations function are made aware of any version changes and undergo regular training to reinforce capacity for environmental management at Zentiva. Externally, the Policy is communicated to all stakeholders by being publicly accessible on the website.

Ines Windisch

Head of Corporate Affairs & Sustainability

Jeff Rope

Head of Product Supply

[7] The Principles - PSCI