GRÜNENTHAL REPORT 2024/2025

GO TO ››

Our Grünenthal Report provides information about our key objectives and activities, as well as our recent business development highlights and financial performance.

GRÜNENTHAL RESPONSIBILITY REPORT 2024

GO TO ››

Our Responsibility Report shares insights into how we conduct our business responsibly, as well as details about our impact on society and the environment.

GRÜNENTHAL

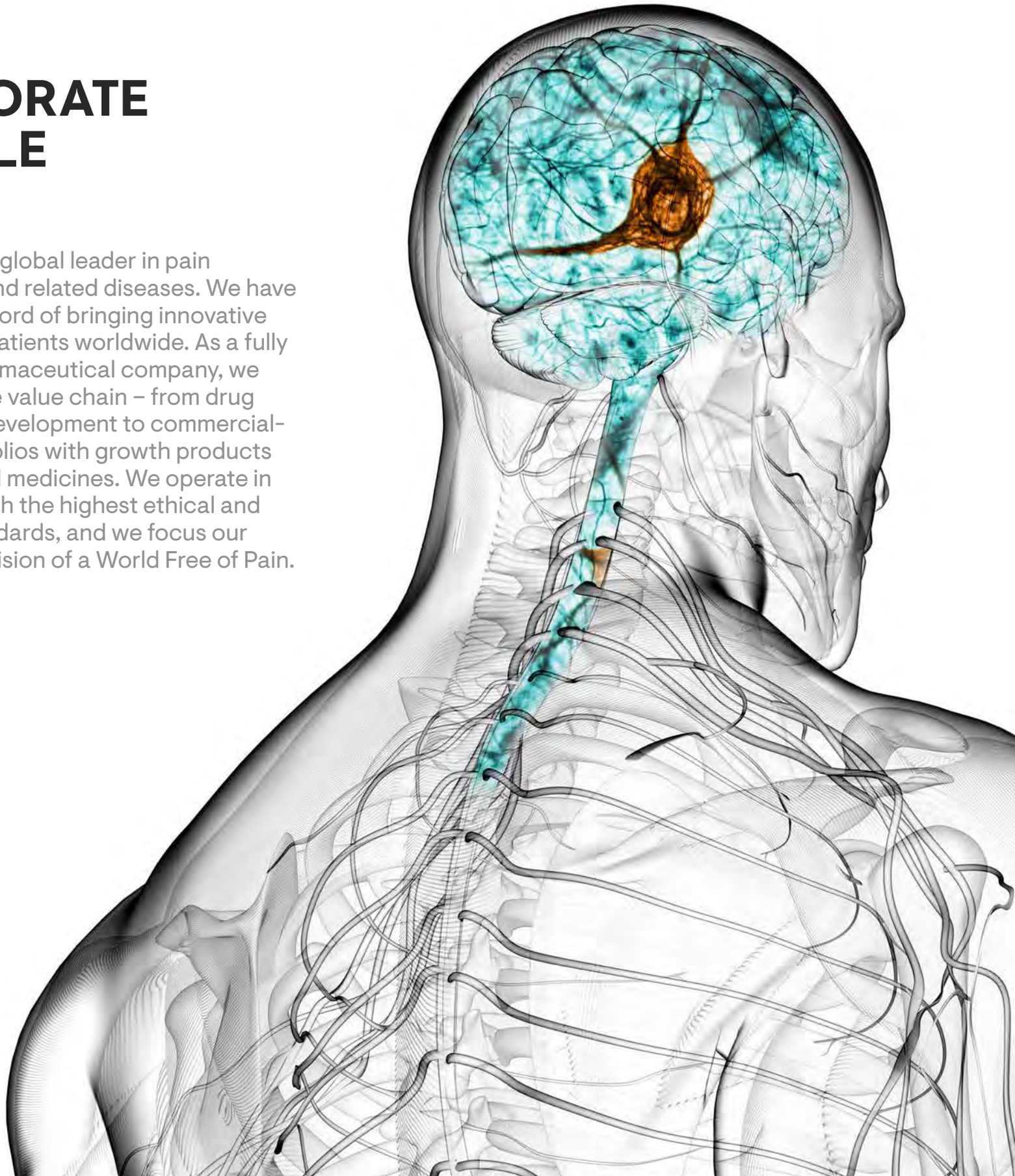
Grünenthal Report

2024/2025

GRÜNENTHAL

CORPORATE PROFILE

Grünenthal is a global leader in pain management and related diseases. We have a long track record of bringing innovative treatments to patients worldwide. As a fully integrated pharmaceutical company, we cover the entire value chain – from drug research and development to commercialisation of portfolios with growth products and established medicines. We operate in accordance with the highest ethical and regulatory standards, and we focus our efforts on our vision of a World Free of Pain.



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LETTER FROM THE CEO

Dear Friends and Partners,

Chronic pain causes suffering for one in five people worldwide.[1] There is an urgent need for better pain treatment, now and in the future. At Grünenthal, we are leading the way by researching the next generation of pain medicines and serving today's unmet needs. 2024 was a pivotal year of progress towards our vision of a World Free of Pain.

Strong financial performance

The Grünenthal team has achieved robust business results for many years. Since 2017, we have more than tripled our company value. Our transformational journey is progressing well, guided by a clear corporate strategy. Grünenthal's business is in a uniquely strong position to continue its growth in the coming years.

In 2024, Grünenthal's revenue reached € 1.8 billion, which is equal to the record level from 2023, despite the revenue erosion of € 74 million caused by the loss of exclusivity for Palexia™. Our adjusted EBITDA for 2024 was € 412 million. After considering the impact of Palexia™ on the EBITDA, this is an increase of 9 % compared to 2023. These results are driven by strong business performance, especially from Qutenza™ in the US and Europe, and strategic investments in R&D, business deals and growth markets.

Business growth through strong organic performance and M&A

Grünenthal has built a strong platform and unique capabilities to acquire, successfully integrate and maximise the performance of established brands and even entire portfolios. Since 2017, we have completed successful acquisition of established brands worth more than € 2.1 billion.

In July 2024, Grünenthal acquired the US company Valinor Pharma and its product Movantik™ for around $ 250 million. This deal strengthens our presence in the United States, the most important growth market for Grünenthal. Overall, the acquisition is expected to contribute around $ 50 million to our EBITDA from 2025 onwards and adds an additional growth product for our US organisation. The product is patent protected until 2032 in the US.

These acquisitions boost our profitability, which is particularly important because Palexia™ lost exclusivity in 2021, and generic versions have entered the market. Since 2016, we have transformed our portfolio to decrease reliance on Palexia™ and other products with generic competition. The ongoing erosion of Palexia™ is now stabilising like expected.

The growth of Qutenza™ in the USA during 2024 is a powerful example of our ability to acquire, integrate and market brands effectively. Since 2020, this brand has significantly grown and still has enormous untapped potential. In 2024, more than 105,000 patients had treatment with Qutenza™ worldwide, and around 19,000 patients in the US received treatment with Qutenza™ for painful diabetic peripheral neuropathy (DPN) and postherpetic neuralgia (PHN). Grünenthal only recently entered the US market, and due to its growth, the US in 2025 is our second biggest affiliate worldwide.

Investing in innovation

As a science-driven company, we are committed to researching and developing novel treatments that address the unmet medical needs of many patients worldwide.

With our Glucocorticoid Receptor Modulator (GRM), we investigate a new treatment option for Duchenne Muscular Dystrophy (DMD), a fatal inherited disease characterised by the progressive loss of muscular function. There is currently no curative therapy available for patients. Glucocorticoids, the current standard of care for DMD, come with several significant side effects, including reduced bone formation that may lead to osteoporosis, as well as increased glucose levels, which raises the risk of diabetes. These side effects are a strong limitation for the long-term use of glucocorticoids despite their efficacy. Grünenthal's GRM has the potential to provide similar or even better efficacy to those patients but without the common side effects of Glucocorticoids.

Although several different treatment options are available, many patients with neuropathic pain still suffer from treatment non-response or insufficient pain relief. With our NOP programme, we are pursuing the development of a selective, peripherally-restricted oral treatment with a unique mechanism of action for chronic pain that offers a more favourable safety profile than current therapies. This programme is based on our many years of intense and ground-breaking research in the field of NOP receptors, and opens up a unique opportunity for a transformative first-in-class treatment.

With our promising Na_V channels programme, we investigate genetically and clinically well-validated human pain targets known to play a key role in pain signaling. We have developed highly potent and selective candidates that have the potential to provide a significant analgesic effect across a number of chronic and acute pain conditions, adding to our industry-leading pipeline of non-opioid investigational medicines.

In November 2024, our US subsidiary, Averitas Pharma, Inc., completed recruitment for the Phase III clinical trial AV001. The trial investigates the efficacy, safety and tolerability of Qutenza™ in post-surgical neuropathic pain (PSNP) and if successful could support an extension of the US label. The topline results are expected in Q4 2025.

The two Phase III studies for resiniferatoxin, an investigational medicine for the treatment of pain associated with knee osteoarthritis, did not meet their primary endpoint.

Boosting efficiency and sustainability

Our manufacturing teams and facilities are another key focus of our constant push for progress. In July 2024, we inaugurated modernised production sites in Latin America after investing more than € 80 million. Our factory in Santiago de Chile is now a world-class manufacturing centre with the capacity to make 1.8 billion tablets annually. In our new facility in Quito, Ecuador, we plan to produce 300 million high-quality tablets for patients in 17 European countries each year.
We continue our efforts to become a more sustainable company. Every Grünenthal site worldwide is powered by renewable energy, for example. In 2024, we received the EcoVadis Gold medal for sustainability. Our progress in sustainability has also been recognised by the rating agency MSCI, which provides an exceptional (p) AA ESG rating, positioning Grünenthal as an industry leader.

Inspiring our talented team

We always strive to add new talent, develop employees and strengthen our culture. 2024 saw further progress in this regard. In particular, we are deeply proud of our record-high results in the Great Place to Work® survey last year. More than 3,700 Grünenthal employees gave anonymous feedback, and 20 of our operating countries have been certified as a Great Place to Work®.
Changes also reshaped Grünenthal's Executive Board in 2024. In October, Jan Adams, MD, became our new Chief Commercial Officer (CCO) after serving as our Chief Scientific Officer (CSO) since 2019. Jan has played a key role in driving our company's transformation, and it is exciting to see him embrace this new role.
We are delighted that Uli Brödl, MD, joined Grünenthal as our new Chief Scientific Officer in February 2025. He joins Grünenthal from Boehringer Ingelheim, where he served as Corporate Senior Vice President, Head of Global Clinical Development & Operations, and member of Boehringer Ingelheim's Venture Fund Investment Committee.

On behalf of the Executive Board Team, I invite you to join us as we continue to work toward our vision of a World Free of Pain.

Gabriel Baertschi
Chief Executive Officer

Leadership position in pain-related markets*

#1

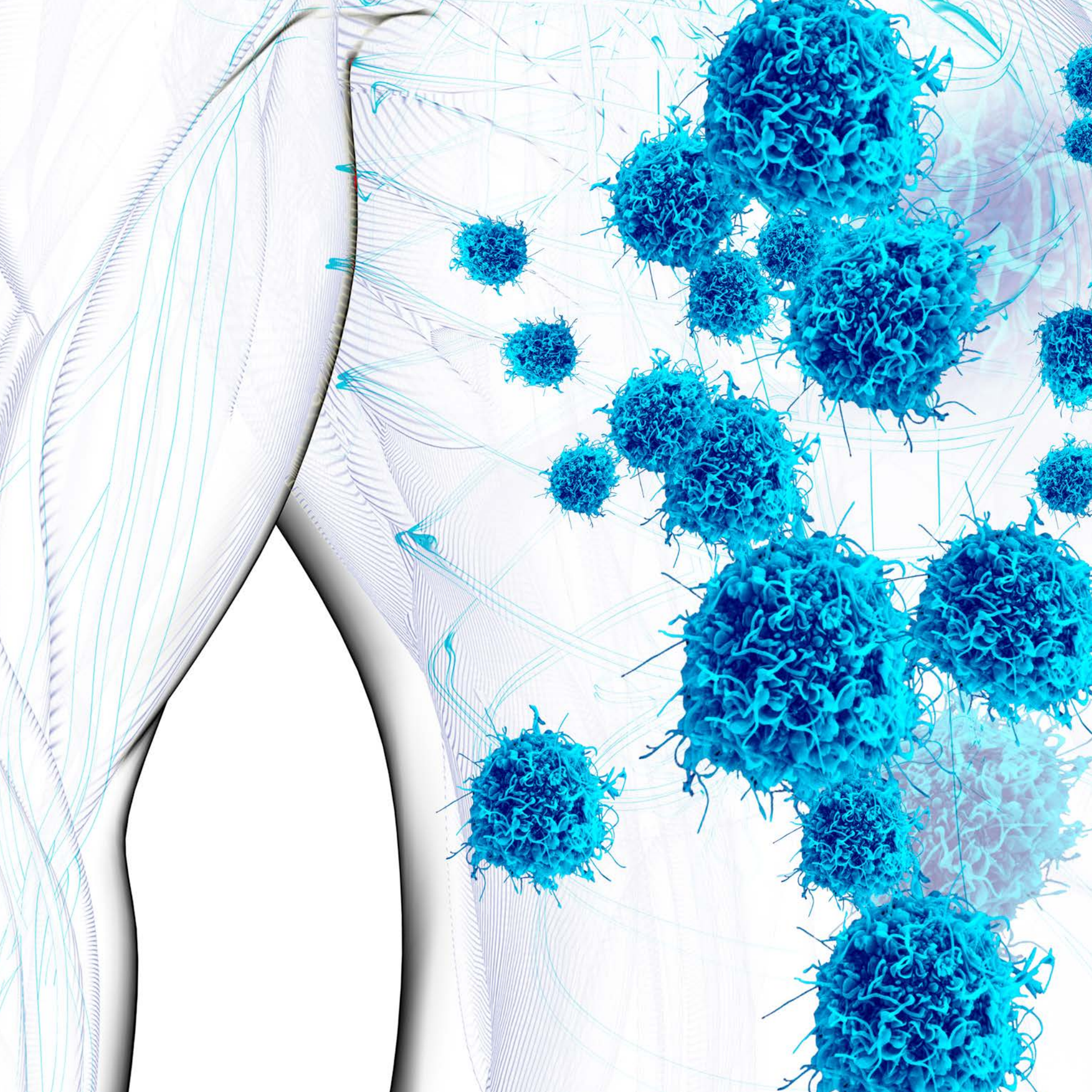
in Latin America** and Europe***

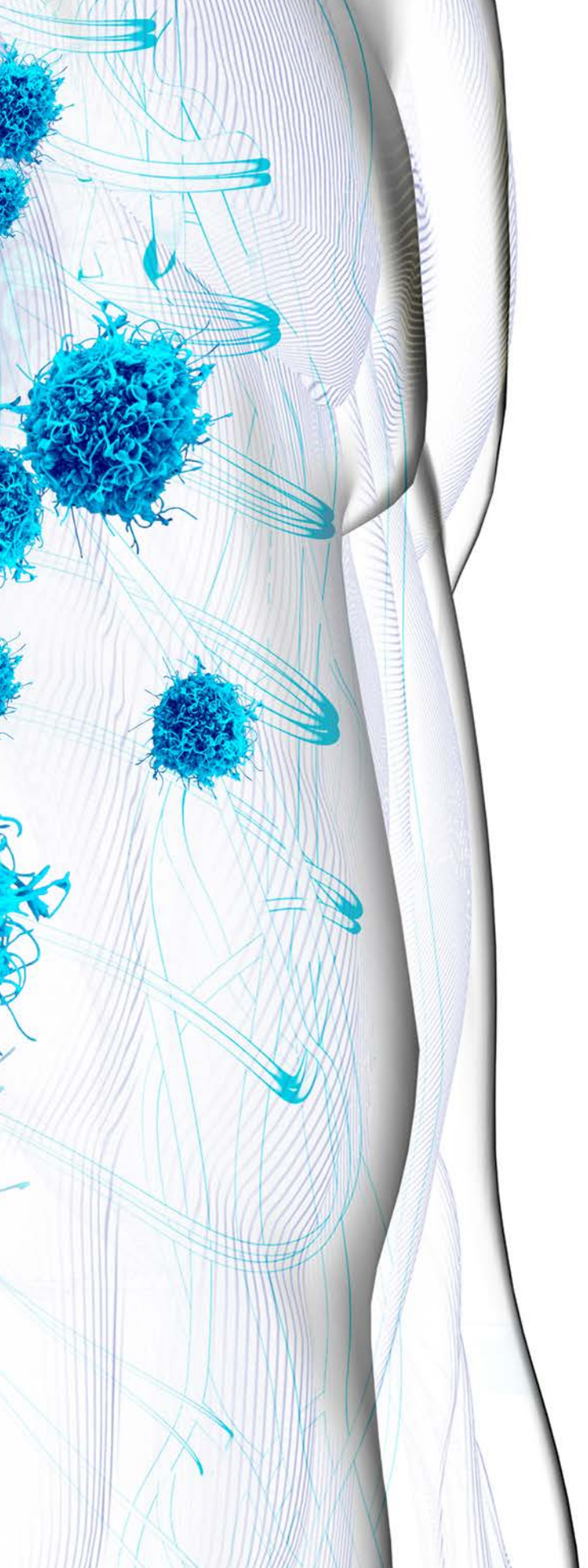
Solid revenue base

€1.8 bn

in 2024

* Including Anti-Calcitonin Gene-Related Peptides (CGRPs). Defined Pain Market incl.: Strong opioids, weak opioids (Codeine, Dihydrocodeine, Hydrocodone, Meptamizol, Nalbuphine, Tilidine, Tramadol), NSAIDs & plain Cox2 Inhibitors, oral solid Rx, Antimigraine Triptans, Lidocaine & Capsaicine Patches, Anti-epileptics & Anti-depressants with their respective share in Localized Neuropathic Pain acc.
*** Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, UK.
** Argentina, Brazil, Central America, Chile, Colombia, Ecuador, Mexico, Peru





ABOUT US

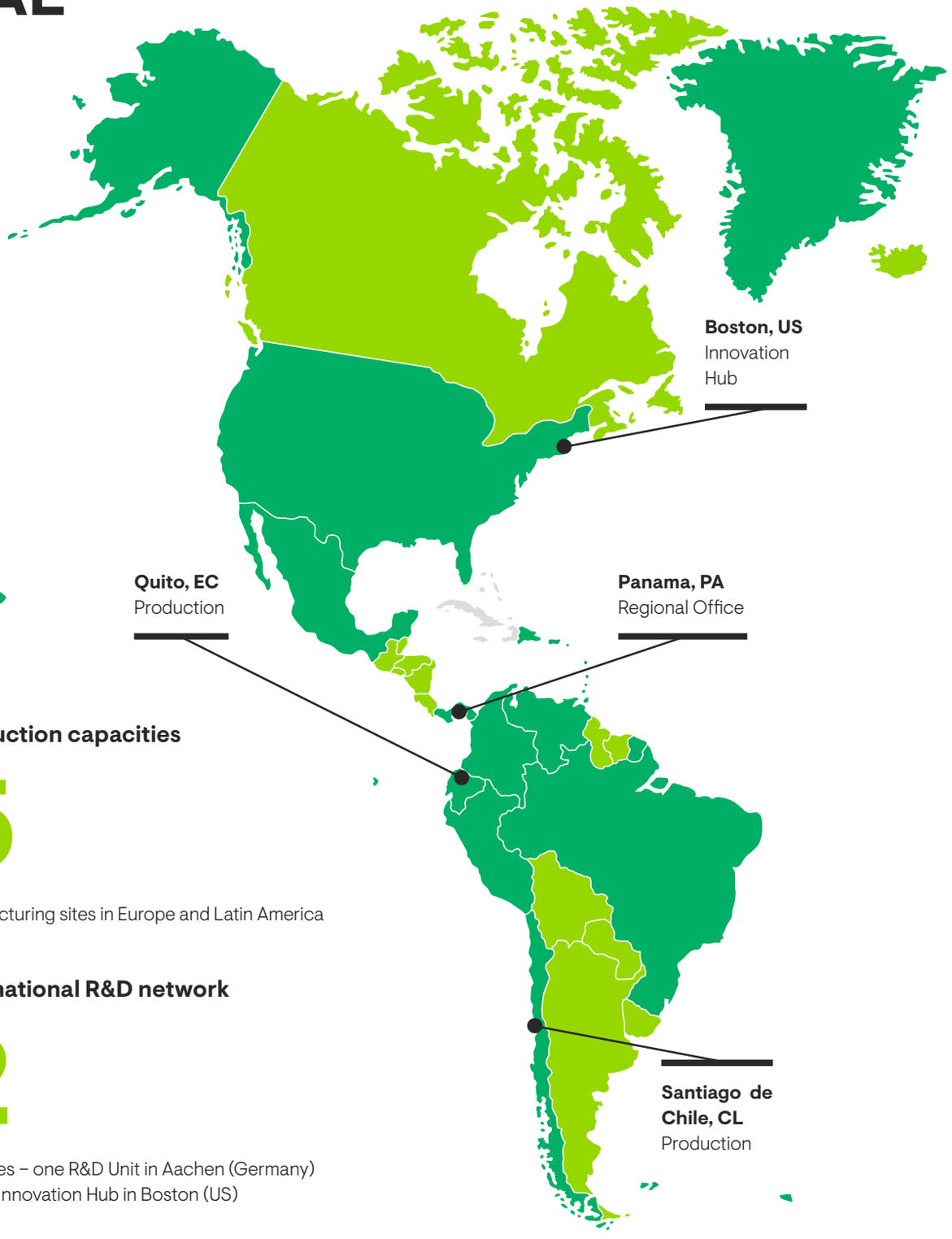
We are proud to work for a World Free of Pain.

THE GRÜNENTHAL WORLD

Grünenthal is a global company based in Aachen, Germany, with affiliates in 28 countries across Europe, Latin America and the US. Our products benefit patients in around 100 countries worldwide.

As a family-owned business, we have been delivering innovative medicines for over 75 years, focusing on pain treatments for the past five decades. We aim to strengthen our leadership in this field by creating cutting-edge, non-opioid therapies.

We cover the full value chain from research to distribution and collaborate with top scientific organizations to enhance our impact. Our company's profitable growth has been driven by acquisitions of established brands that secure our financial stability and enable investments in research.



Products sold in around

100

countries

Production capacities

5

manufacturing sites in Europe and Latin America

Strong and capable team

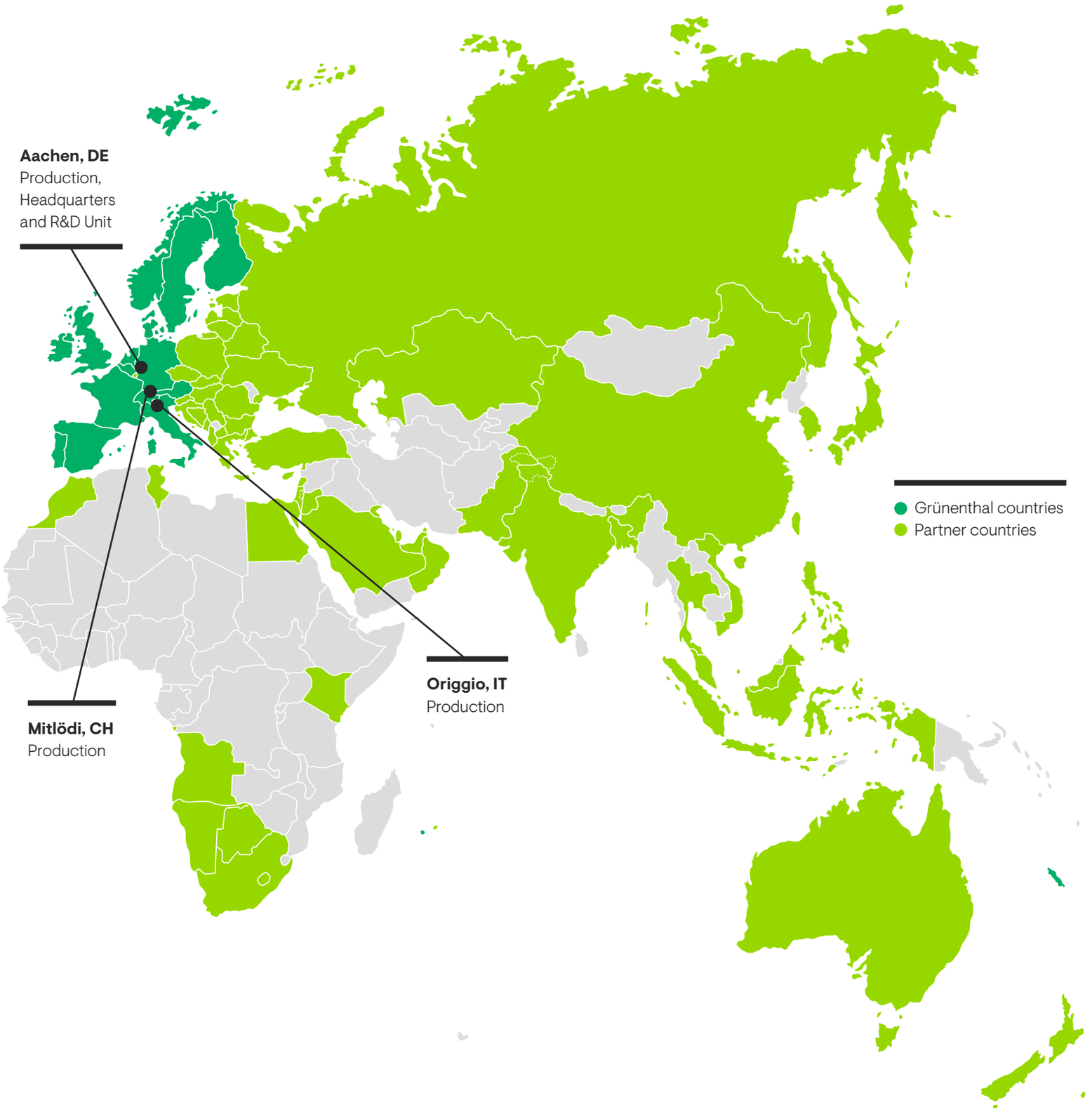
4,300

employees worldwide

International R&D network

2

R&D sites – one R&D Unit in Aachen (Germany) and an Innovation Hub in Boston (US)


Aachen, DE
Production,
Headquarters
and R&D Unit
Mitlödi, CH
Production
Origgio, IT
Production
Grünenthal countries
Partner countries

OUR EXECUTIVE BOARD TEAM

Gabriel Baertschi

Chief Executive Officer
I love science and have a deep passion for improving patients' lives. I chose a career in the pharma industry because of this, and it is also why I was excited to join Grünenthal as its CEO and Chairman of the Corporate Executive Board in 2016. Since then, our teams have transformed this company and more than tripled its value by completing big acquisitions and expanding our R&D pipeline. We have a great strategy that our people are delivering every day. I am excited about our future and the positive impact we can continue to have on patients, communities and our environment .

Jan Adams, MD

Chief Commercial Officer
I assumed the role of Chief Commercial Officer in October 2024, after leading Grünenthal's R&D organization as Chief Scientific Officer (CSO) since 2020. During my time as CSO, we created a state-of-the-art R&D organization and built an industry-leading pipeline focused on innovative treatments for acute and chronic pain. After joining Grünenthal in 2017 and prior to my CSO role, I was Head of Strategy and Portfolio, where I worked at the intersection of Strategy, R&D, and Commercial, contributing to successful M&A projects and Grünenthal's entry into the US market. I am an MD by training, and prior to Grünenthal worked in different roles in the healthcare and pharmaceutical industry at Takeda, McKinsey&Company, and Novartis.

Fabian Raschke

Chief Financial Officer
After joining Grünenthal in 2016, I was appointed to the role of Chief Financial Officer (CFO) in 2019. Together with a committed team, we have delivered several significant achievements that have contributed to the organisation's growing success in recent years – including placing the organisation's first ever bonds on the capital markets in 2021. With more than 20 years in finance-related roles, as CFO I also cover the evolution of our value-driving IT function, where our people collaborate on forward-looking projects that support Grünenthal's digital roadmap.

Uli Brödl, MD

Chief Scientific Officer
I joined Grünenthal as Chief Scientific Officer in February 2025, drawn by the significant potential to improve the lives of people living with pain. Improving patient outcomes has been the driving force throughout my academic and professional life. After training as a medical doctor, I have spent two decades developing innovative healthcare solutions and leading clinical projects that bring advanced medicines to patients. Now, I am continuing this work as part of Grünenthal's R&D organisation and alongside an inspirational team of thought-leading scientists.

OUR EXECUTIVE BOARD TEAM

Victor Barbosa

Head Global Operations
My journey at Grünenthal began in 2006, and since then, I have worked across our supply chain and operations teams in many countries around the world. Leading our Global Operations (GO) since 2017, my team and I are accountable for pharmaceutical product quality, safety, cost and continuous supply to our patients and healthcare organisations worldwide. This is an incredible responsibility which fills me with pride, and together with over 2,000 people from our outstanding GO team, we ensure our mission day in and day out.

Leen Hofkens

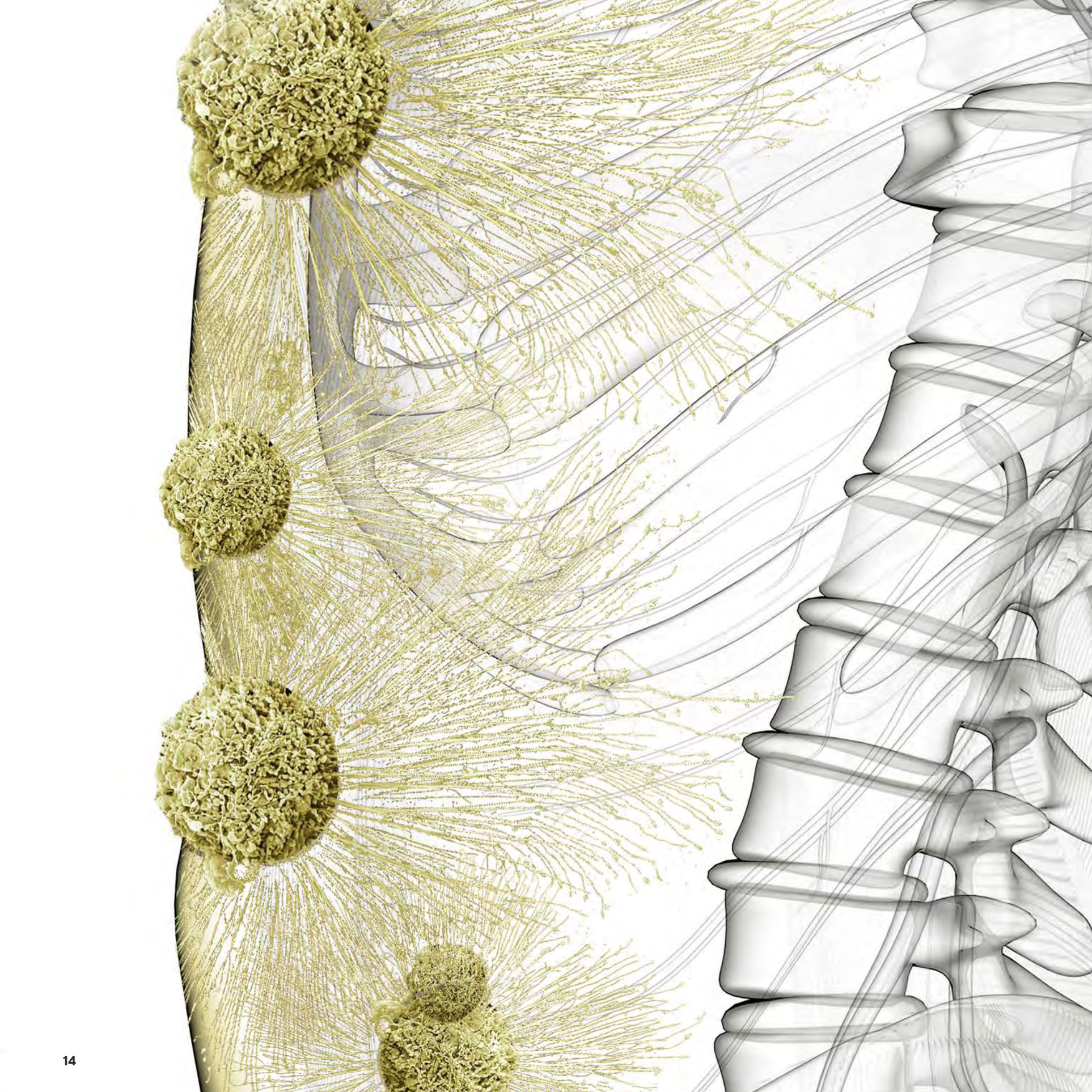
Head Global Human Resources
One of my top priorities after joining Grünenthal in 2018 as Head Global Human Resources was to launch our Values & Behaviours, which now guide our decision-making and shape our culture. Our HR team has also strengthened Grünenthal's approach to performance, development and compensation in recent years, while driving progress for our diversity and engagement agenda. Together, these have helped to create a high-performance culture where individuals can thrive and make a positive impact.

Sebastian Köhler

General Counsel
I joined Grünenthal in 2018, bringing over ten years of experience in executive roles and strategic legal consultancy. Since then, I have had the privilege of building and leading the General Counsel Area team, a one-stop shop for Legal, Compliance, Responsibility, Enterprise Risk, Internal Audit, Legal Operations, and Patents & Trademarks. Our mission is to guide the company through its complex challenges, staying true to our ethical framework while driving Grünenthal's strategic goals forward. We focus on delivering clear, actionable advice that supports the company's sustainable growth.

Quentin Le Masne de Chermont

Head Corporate Strategy and Portfolio Management
I have more than a decade of experience in consultancy, supporting organisations in the healthcare sector to define and implement business strategies. Since 2019, I have led a team responsible for creating the roadmap that Grünenthal follows to achieve its ambitious goals. Our work brings together experts from the Strategy, Commercial, R&D and Operations teams, and we are integral in underpinning our build-muscle strategy through the development of potential acquisitions.



TRANSFORMING A COMPANY

Our path to a World Free of Pain.

STORY OF TRANSFORMATION

Our vision and strategic approach

Since 2017, Grünenthal has made far-reaching changes that put us in a strong position to achieve growth and reach more patients with life-changing treatments.

Grünenthal strives to be a leading innovator in pain treatments, focusing on non-opioid treatments to address unmet medical needs. We drive the success of our brands and also complement our portfolio with strategic acquisitions.

Over the past few years, Grünenthal has fundamentally transformed its business. We have created solid growth, diversified our portfolio and built a leading innovation pipeline to provide patients with better, non-opioid treatments to manage their pain. And we have evolved our culture to make Grünenthal an attractive workplace for international talents. Today, Grünenthal touches the lives of millions of patients worldwide with innovative treatments that can give patients the quality of life they deserve.

Transformation milestones since 2017

Financial growth
More than tripled company value, entered debt capital market and received favourable credit ratings.

R&D transformation
Built promising R&D pipeline with projects in all three Phases of clinical development and innovative preclinical platforms.

M&A
Closed successful acquisitions of established brands and a Joint Venture, outperforming benchmark M&A in the pharmaceutical market, with total expected deal value of more than € 2.1 billion since 2017.

Patient supply
Continued reliable supply of medicines despite strong headwinds in recent years.

Latin America
Focused promotion on innovative products in pain for better profitability and sustainable growth.

US presence
Fully represented in the USA with our research site Boston Innovation Hub and our commercial affiliate Averitas Pharma. In 2024, Grünenthal acquired US-based pharmaceutical company Valinor Pharma and its product Movantik®. This expands Grünenthal's portfolio of innovative treatments for patients with pain and related conditions and grows its presence in the US.

> Our transformational journey is progressing well, guided by a clear corporate strategy. Grünenthal's business is in a uniquely strong position to continue its growth in the coming years.

Gabriel Baertschi
Chief Executive Officer

Inclusive culture and responsible business
Became a workplace with winning culture, ensuring the highest standards for conducting business responsibly.

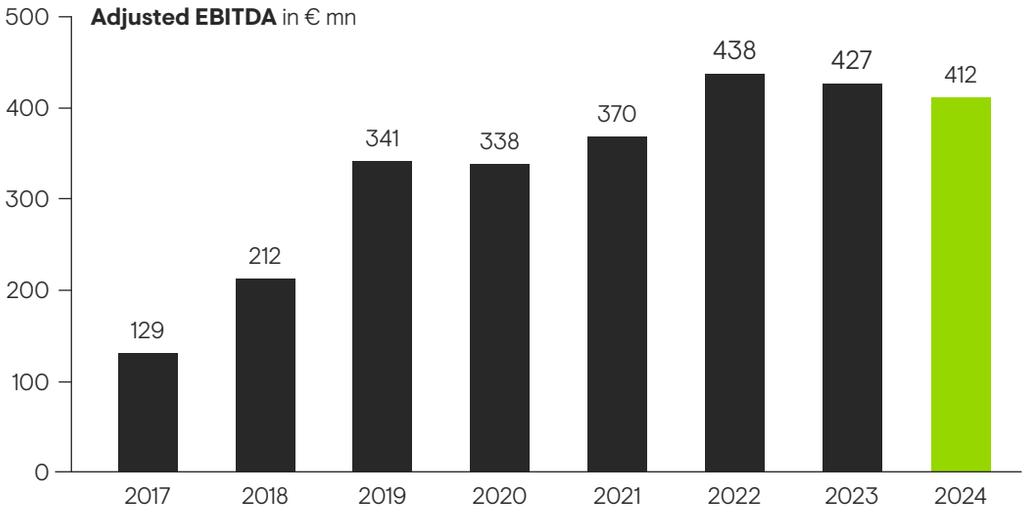
Financial growth

Financial performance

Grünenthal has continued to make remarkable progress with its financial performance since 2017. Its profitability, measured by adjusted EBITDA, has more than tripled during this period, with the company's value (measured by equity market value and operating cash flow) also more than three times higher.

In 2024, Grünenthal's revenue reached €1.8 billion, matching the level of 2023, despite the revenue erosion of €74 million caused by the loss of exclusivity for Palexia™. Our adjusted EBITDA for 2024 was €412 million. After considering the impact of Palexia™ on the EBITDA, this is an increase of 9% compared to 2023.

Grünenthal's business results 2017-2024



R&D transformation

Driving innovation in pain

Since 2017, we have dramatically expanded our innovation pipeline. Several exciting candidates are making their way through the development process. In 2020, we achieved a label extension for Qutenza™ in the US. Under the extended label, this non-opioid treatment option is now available to patients with Diabetic Peripheral Neuropathy of the feet in adults. AV001, an ongoing clinical Phase III trial, investigates the efficacy, safety and tolerability of Qutenza™ (capsaicin) 8% topical system in post-surgical neuropathic pain (PSNP) to support another extension of the US label. Recruitment was completed in November 2024. We are expecting topline results in Q4 2025 and - subject to positive data - aim to submit a supplemental new drug application (sNDA) in 2026 at the latest.

Grünenthal's growing pipeline of innovative investigational medicines reflects the success of our R&D strategy launched in 2019. It has created a modern operating model that enables our scientists to pursue high-potential assets in a modality-agnostic manner. Among others, our scientists are researching Nociceptin (NOP) Receptor Agonists and voltage-gated sodium channels to create the next generation of non-opioid pain medicines and achieve breakthroughs for patients. They can rely on cutting-edge methodologies from bioinformatics and systems biology all the way to genetic medicine approaches.

As part of our global approach that includes research partnerships with academia and start-ups, we set up our Innovation Hub in Boston in 2020. It established a centre of excellence for pain research, where our experts can identify and develop promising external innovation opportunities by collaborating with institutions in the Boston area, one of the world's largest life science hotspots.

Pipeline development 2019-2025

2019	RESEARCH/ PRE-CLINICAL	PHASE I	PHASE II	PHASE III
Qutenza™ LCM				
RTX (Resiniferatoxin)				
MPC-06-ID* (Rexlemestrocel-L)				
GRM (Glucocorticoid Receptor Modulator)	Chronic inflammatory diseases			
NOP (Nociceptin Receptor Agonist)	Chronic pain			
Further research projects	Acute and chronic pain			

2025	RESEARCH/ PRE-CLINICAL	PHASE I	PHASE II	PHASE III
Qutenza™ LCM	Post-surgical neuropathic pain			
RTX (Resiniferatoxin)	Osteoarthritis knee pain			
MPC-06-ID* (Rexlemestrocel-L)	Chronic back pain			
GRM (Glucocorticoid Receptor Modulator)	Chronic inflammatory diseases			
NOP (Nociceptin Receptor Agonist)	Chronic pain			
Further research projects	Acute and chronic pain			

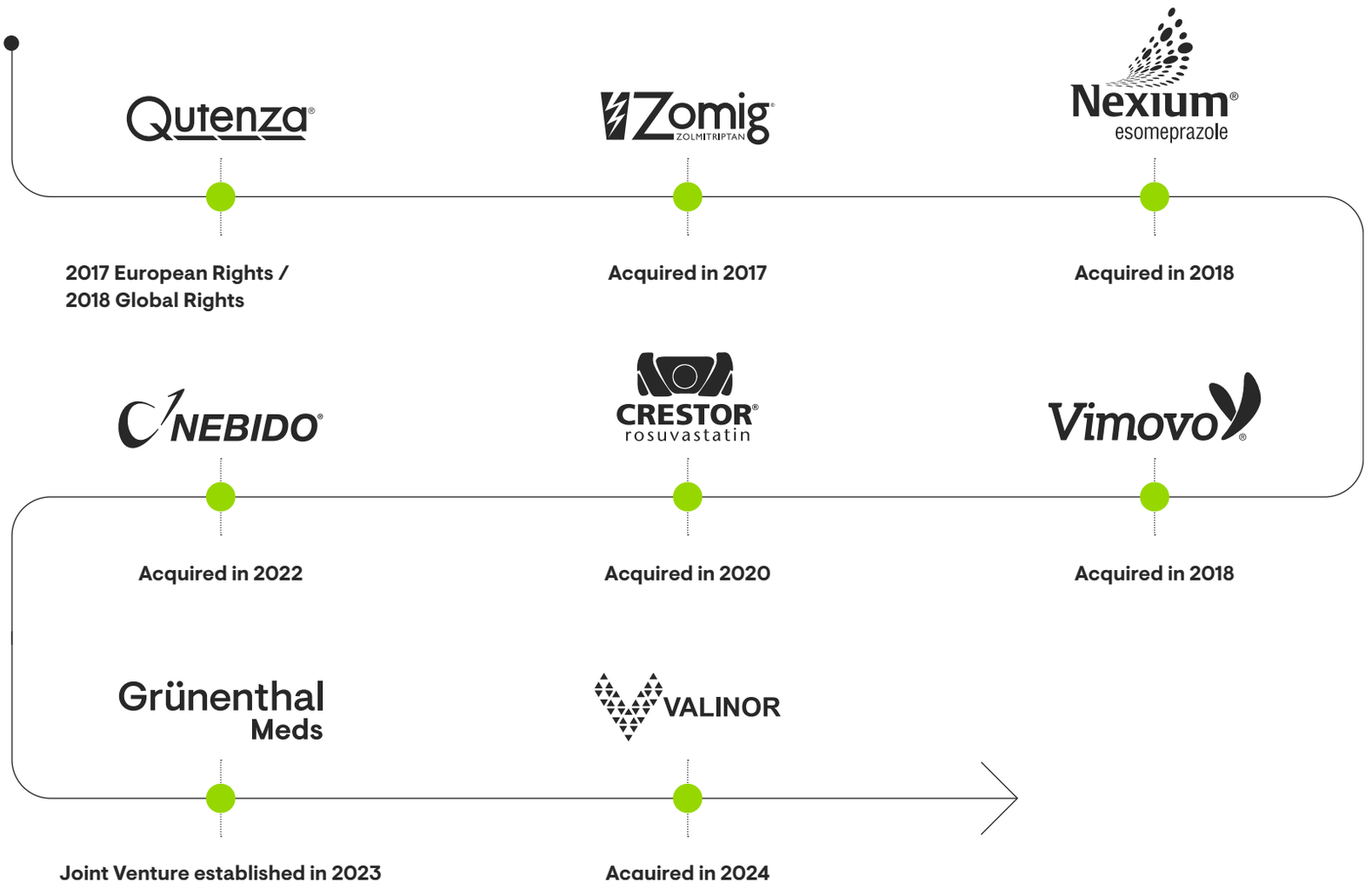
* Collaboration with Mesoblast

M&A

Growth from M&A

Since 2017, Grünenthal has invested more than € 2.1 billion in successful deals that expand our portfolio of products and R&D assets – while also boosting our company's profitability.

Mergers and acquisitions (M&A) contribute significantly to our business growth strategy. We place a sharp focus on acquiring brands that can quickly increase our profitability and cash flow. We explore opportunities to diversify our portfolio by adding new products that address unmet medical needs. Our teams also target acquisitions that offer potential synergies in production, logistics and commercial activities.



Commercial success

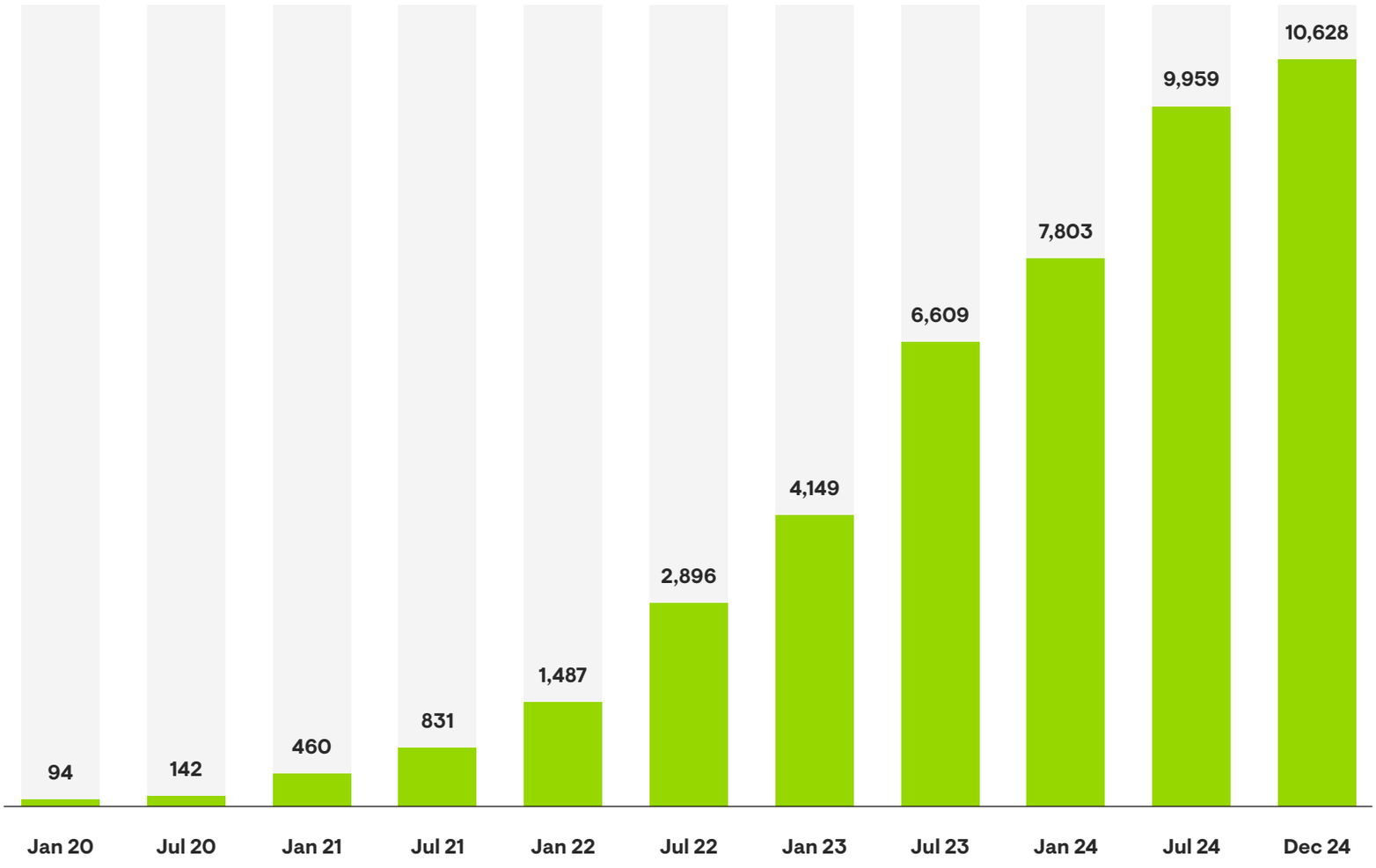
We continue to see strong commercial performance across our portfolio and geographies. In Europe, our established brands have grown faster than the market and our growth brand Qutenza™ has shown strong performance in key markets such as France, Spain and Germany.

In 2018, we extended our commercial footprint to the US. We entered the market with the non-opioid topical system Qutenza™ and we built an entire organisation from scratch. We have seen strong growth in the US since then.

Today, the US is Grünenthal's second biggest affiliate worldwide.

Uptake of Qutenza™ in the United States

In-market topical systems (TS) volume



Almost a quarter of Grünenthal's revenue comes from Latin America, with a very diverse product portfolio. Since 2017, we have been focusing on innovative pain products (+30 % growth) and profitable diversified products (+23 % growth), a successful strategy that has led to increased profitability in the region.

As we look to the future, we continue to evaluate opportunities to further expand our portfolio and our geographic footprint. As part of this ambition, in 2022 we entered into a commercial partnership with Shionogi in Japan.

In November 2024, Grünenthal expanded its geographic footprint in the Middle East and North Africa through a partnership with Menarini, bringing Zomig™, Nebido™ and Vimovo™ to patients in this region.

Working in Grünenthal's laboratories

Patient supply

Reaching patients worldwide

Global Operations (GO) started its journey in 2017 when it was founded as a new business area to enable end-to-end processes for our global product supply. In 2020, GO took a strategic leap forward with GO2025, a growth plan designed to create the optimal setup for seamlessly integrating new products into our portfolio and ensuring reliable patient supply.

As part of GO2025, our GO team is committed to driving Grünenthal's profitability by optimising processes and continuously innovating the way we operate. A key objective of GO2025 is to achieve €100 million in annual profitability improvements. By the end of 2024, €85 million of these improvements had already been achieved, reinforcing the company's sustainable growth.

GO's mission remains clear: To ensure a safe, efficient and reliable product supply to patients. In line with this, our manufacturing and operations teams successfully kept our business running at all times – despite the pandemic and other global supply challenges.

€ 151 million investment

in our manfacturing capacity
2020 until end of 2024

30 end-to-end integrations

into our Global Operations (finalised or in progress)
2017 until end of 2024

Cost-effective integration of acquired products

Successful acquisitions depend on integrating new brands into our supply chain quickly and effectively. Our GO team ensures that we get maximum value for our investments. We are often able to achieve substantial cost reductions in production. Here are some examples:

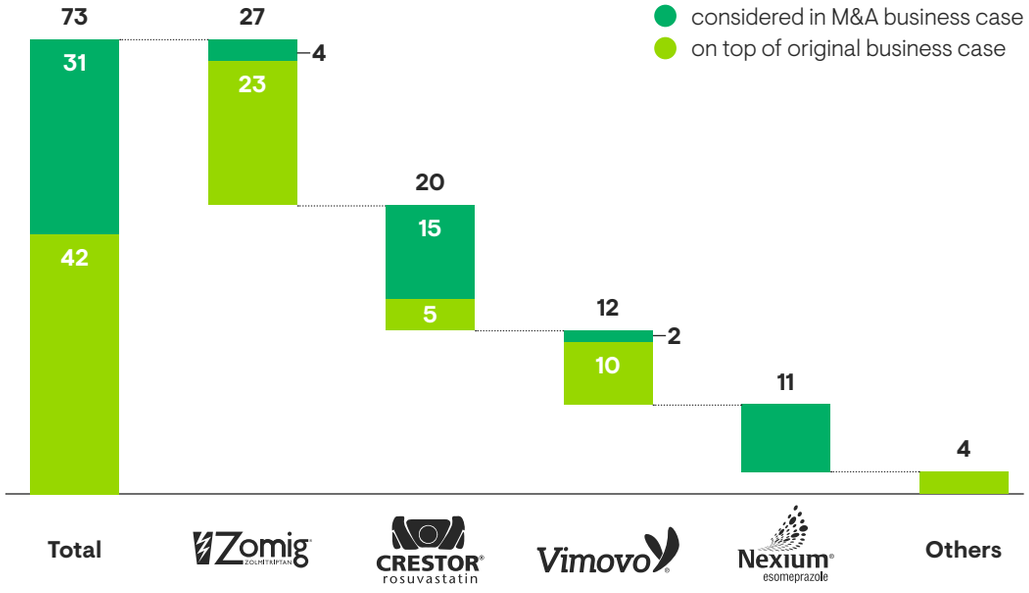
- **Nexium™ and Vimovo™:**
  expected cost reduction of ca. € 46 million per annum through in-house packaging and bulk production
- **Zomig™**:
  approx. € 2 million annually achieved and further € 2 million expected through in-house bulk production and packaging
- **Crestor™:**
  approx. € 20 million per annum expected through in-house API and bulk production and packaging

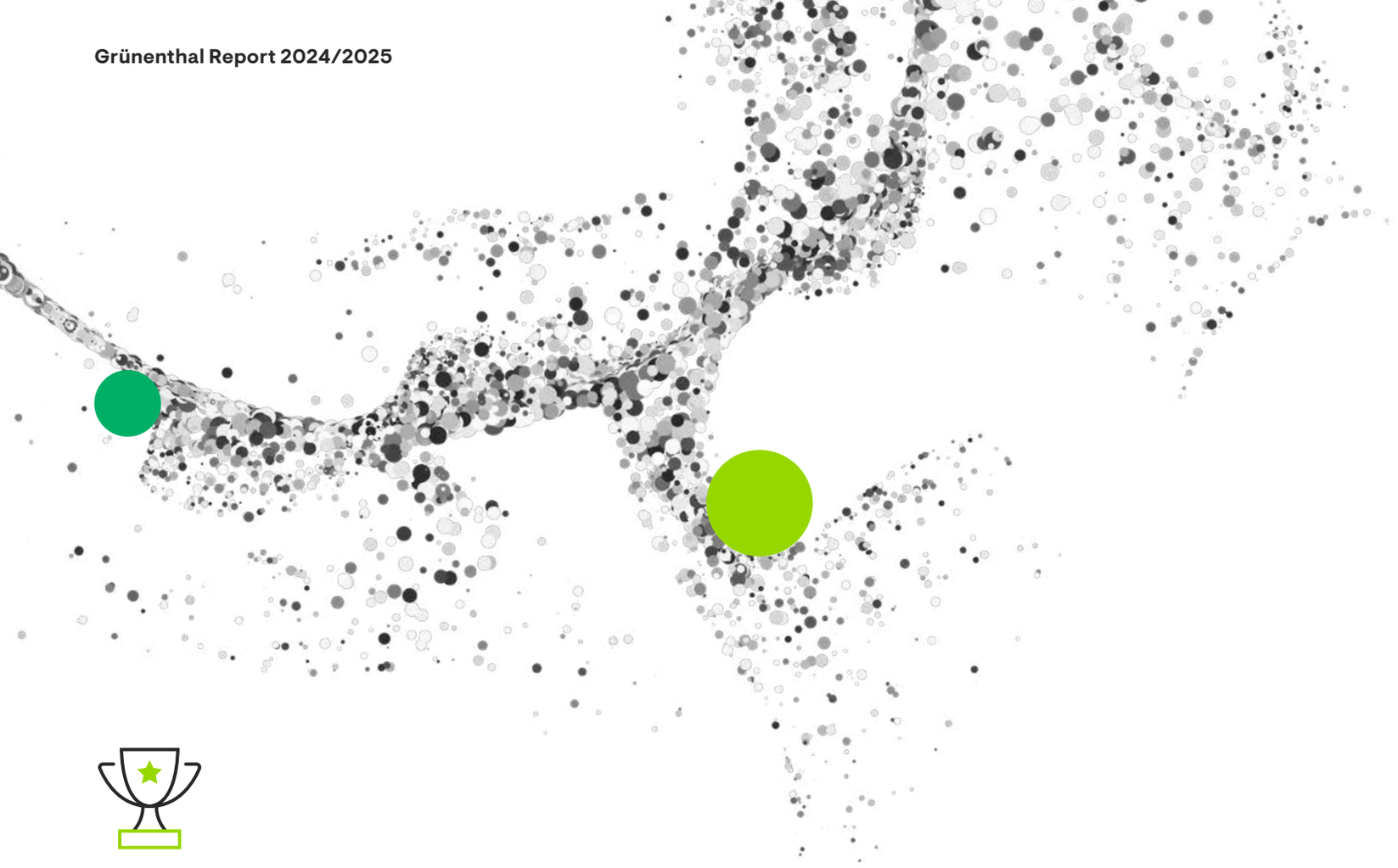
Global Operations drives € 73 million peak EBITDA surpassing business case by € 42 million annually for recent acquisitions

EBITDA in € mn

~€ 73 m

total peak incremental EBITDA contribution





Inclusive culture and responsible business

Ensuring the highest standards for conducting our business responsibly

As a global leader in pain management, we constantly seek to achieve positive outcomes for patients and their families. We also aim to maximise our beneficial effect on employees, partners and society – while reducing the environmental footprint of our business.

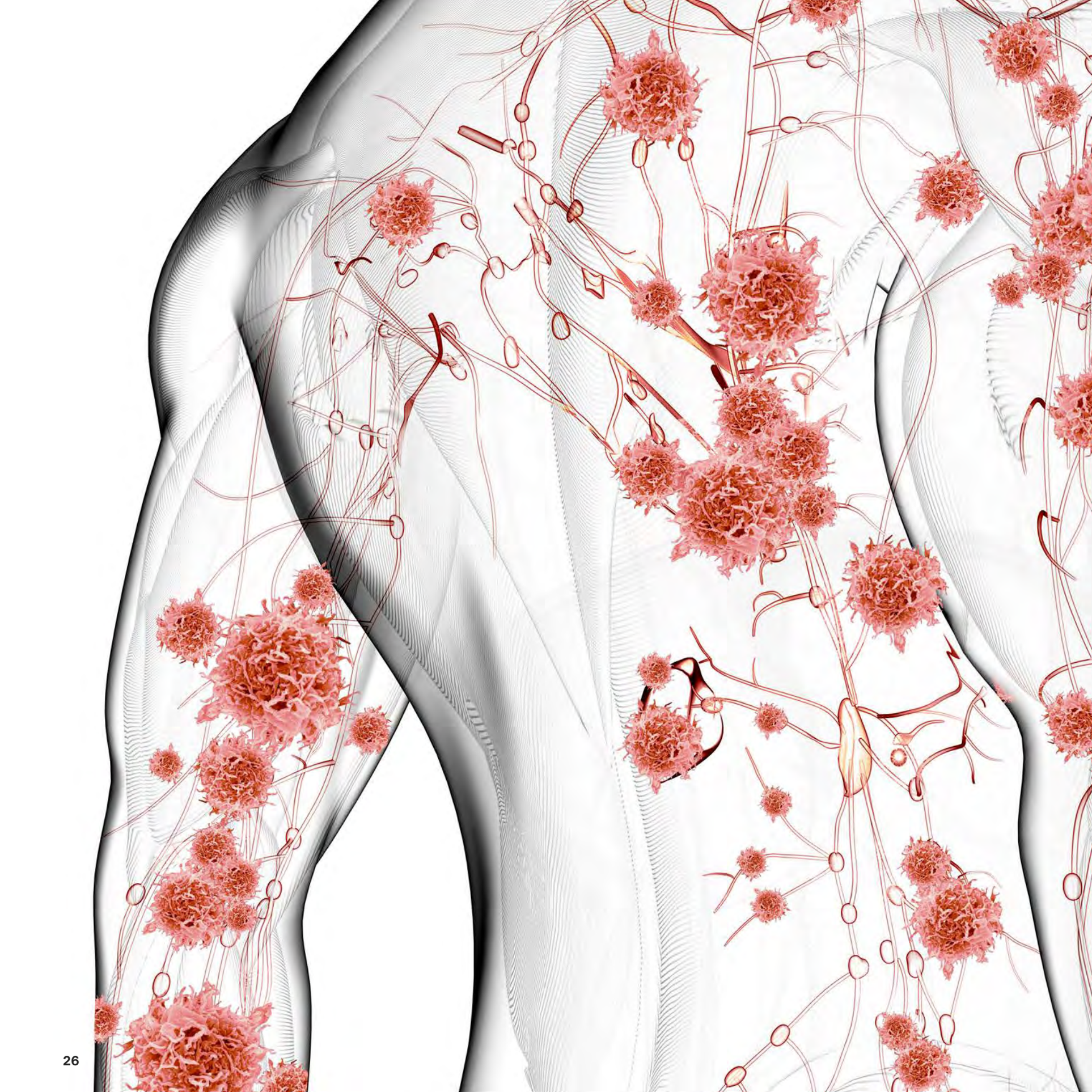
We bring these ambitions to life by pursuing a holistic Corporate Responsibility Programme which is embedded in our company's overall business strategy. It centres around three focus areas: Patient, People and Planet. Within those focus areas, we have defined key topics, each with specific ambitions that guide our work to achieve progress every day. This structured approach ensures that we take real-world action to protect the long-term future of our company, our communities and our environment.

We transparently communicate the latest achievements for this programme in our annual Responsibility Report. Our performance in environmental, social and governance (ESG) criteria is regularly evaluated by independent external rating agencies, which reaffirm our company as an industry leader for ESG.

Winning culture

At Grünenthal, our success hinges on our talented people, who positively impact patients' lives each day. In recent years, our colleagues have collaborated to transform the company into a more agile organisation, ready to capture numerous opportunities. Since 2017, we have implemented various initiatives to enhance our culture, culminating in record results in our 2024 Great Place to Work survey, where 83 % of colleagues globally stated Grünenthal is a great place to work. This milestone reflects the enthusiasm and commitment of our motivated team, which drives our progress each day. An ethos of continuous improvement has been instrumental in our transformation and will remain a key focus as we move forward, ensuring that Grünenthal is well-positioned to leverage opportunities that boost our success and improve the lives of patients around the world.

Grünenthal employees characterise our company as a Great Place to Work



STRATEGY AND FINANCIALS

Our corporate strategy is transforming Grünenthal and preparing our company for success – today and tomorrow.

BRINGING OUR VISION TO LIFE

The five pillars of our corporate strategy

1. Innovation
Be a leading innovator in pain treatments to address critical unmet medical needs, with a focus on non-opioid treatments.

2. Growth
Drive the commercial success of our growth brands and evolve our go-to-market model towards digital and omnichannel approaches.

3. Acquisitions
Complement our portfolio with deals for established brands, irrespective of therapeutic area.

4. Efficiency
Drive profitability through efficiencies across the value chain and manufacture at the best safety, quality and cost level.

5. People
Invest in building capabilities of our people and operate in line with the highest ethical and regulatory standards.

We are committed to our vision of a World Free of Pain. Our strategy gives Grünenthal a powerful plan for bringing that vision to life.

1. Innovation

As a science-driven company, Grünenthal develops novel non-opioid treatments for pain that address unmet medical needs. Our teams focus on four key indications: peripheral neuropathic pain, post-surgical pain, chronic low back pain and osteoarthritis. We also acquire early-stage and late-stage R&D assets that fit our portfolio. And we engage in partnerships to share the costs and risks of late-stage development.

Our work on nociceptin (NOP) receptor agonists is an exciting example of our approach. NOP receptors are involved in regulating various brain activities, including pain signals. Grünenthal has developed molecules with a unique mechanism of action for treating chronic pain by targeting these receptors. In this way, we aim to provide a non-opioid treatment that delivers safer and more effective relief for patients with neuropathic pain. You can find specific details about our R&D projects in the chapter Cutting-Edge Science.

2. Growth

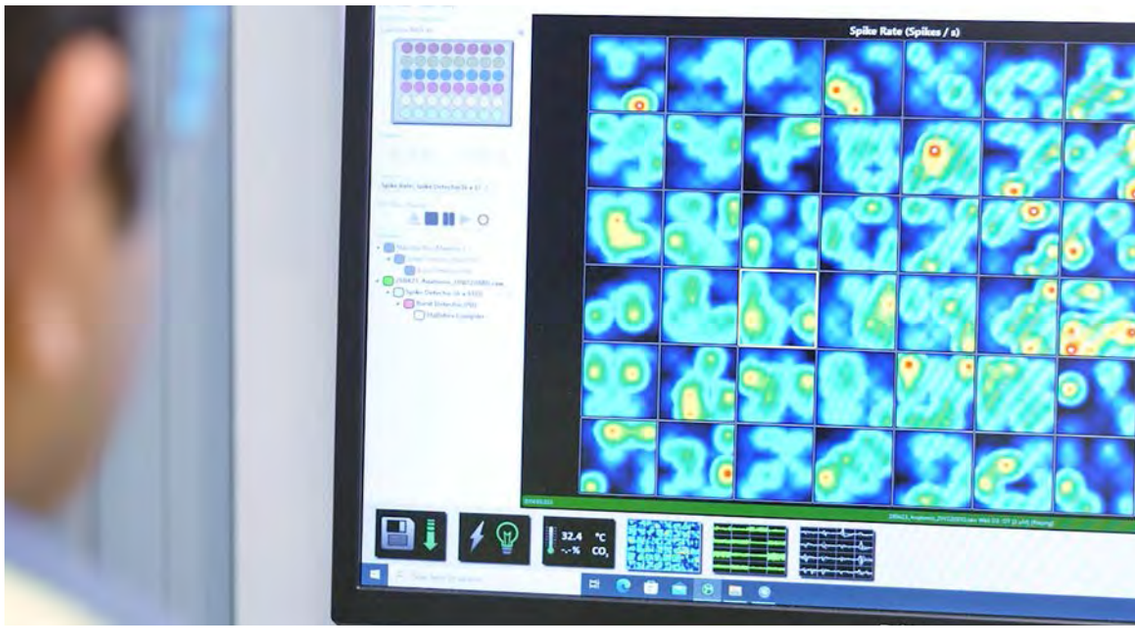
Grünenthal is in a strong position to maximise business opportunities and build successful brands – now and in the future. Most of the products in our established medicines portfolio performed above plan in 2024. We also achieved important progress with our growth engine, Qutenza™, during the past twelve months.

With Qutenza™, our topical non-opioid patch, we aim to improve the lives of patients suffering from peripheral neuropathic pain (PNP). Read more in the chapter Serving the Unmet Needs of Patients Living with Pain.

3. Acquisitions

Grünenthal has a proven record of driving business growth via targeted acquisitions of established brands. Some acquisitions are also made through collaborations and joint venture arrangements, like Grünenthal Meds, the joint venture we established with Kyowa Kirin International in 2023. Since 2017, we have closed successful deals with a value of more than € 2.1 billion.

In 2024, we acquired US-based Valinor Pharma and its product Movantik™. This has expanded our portfolio of innovative treatments for patients with pain and related conditions, while also helping to grow our business presence in the US. You can read more about this latest step forward for our growth strategy later in this chapter.



Multi electrode array (MEA) system used to investigate/identify specific cell types in (human) tissue

Our acquisition criteria

- Established brands with high brand loyalty and predictable sales.
- Products that offer synergies and have significant overlaps with our existing infrastructure and regulatory expertise, ideally in places where Grünenthal has a commercial footprint.
- Acquisitions that enhance the diversification of our portfolio by adding new products in areas with high medical needs.
- Immediate positive contributions to profitability (in terms of EBITDA) and cash flow, with acquisitions at attractive multiples that guarantee fast payback and deleveraging.

4. Efficiency

We always seek new ways to boost efficiency in our value chain – from raw materials to production and logistics. Our sites use the latest methodologies and technologies to improve processes, cut costs and save resources. We implement these measures for manufacturing our own medicines and for products we make for other companies as a trusted supplier.

Our teams have deep experience in ensuring effective integration of acquired products. In 2024, we opened a state-of-the-art factory to produce Vimovo™ in Quito, Ecuador. We plan to deliver up to 300 million tablets to patients in 17 European countries each year starting in 2025. The in-house production will enable Grünenthal to save around € 10 million per year.

5. People

Our employees are the key to Grünenthal's success. Creating a strong culture gives our company an ethically minded workforce that is fully engaged every day. We made positive progress on our cultural journey last year. More than 3,700 employees gave feedback via the Great Place to Work® survey, for example, and we achieved record-high results. We have received certifications across 20 countries globally.

Grünenthal is committed to maintaining the highest ethical and regulatory standards in our business operations. This includes advocating for the responsible use of our products – including medically necessary opioids. Our performance in environmental, social and governance (ESG) criteria is regularly evaluated by independent external rating agencies, which reaffirm our company as an industry leader in this field.

STRONG FINANCIAL PERFORMANCE

Resilience and stability

Grünenthal's financial performance in 2024 demonstrated resilience and stability, navigating challenges and capitalising on opportunities to maintain robust results. Despite the ongoing generic erosion of Palexia™, one of our key brands, three factors helped to offset this impact: the growth of Qutenza™, the strong development of our established brands, and the continued bolstering of our portfolio with strategic acquisitions, including Valinor Pharma and its product Movantik™.

Our brands continue to drive growth

The continuous growth of Qutenza™ in the US and European markets, as well as the solid performance of the Grünenthal Meds joint venture (JV) and the remaining established brands portfolio, reinforced Grünenthal's growth. The decline in sales of Palexia™ continued to slow, supporting the belief that Palexia's™ performance will stabilise, akin to the performance of other late-stage brands of the type and size of Palexia™.

Financial flexibility and operational achievements

Our adjusted EBITDA for 2024 was € 412 million, in line with our expectations and despite the revenue erosion caused by the loss of exclusivity for Palexia™. After considering the impact of Palexia™ on the EBITDA, this is an increase of 9 % compared to 2023. Grünenthal's financial position remains strong, with the early carve out of brands from KKI and the acquisition of Valinor Pharma and its product Movantik™ positively impacting 2024 adjusted EBITDA from the second half of the year. In addition, adapting our cost structures to help offset the Loss of Exclusivity impact related to Palexia™ has led to a decrease in our European commercial costs.

By leveraging the benefits of being fully vertically integrated across the pharmaceutical value chain, we are also able to realise significant manufacturing and supply synergies. These have led to a cost reduction on the manufacturing side. Proactive cost control measures and limited capital expenditure needs also supported robust free cash flow generation.

Finally, in December 2024, Grünenthal successfully closed a € 500 million bond transaction, reinforcing our financial strength and setting the stage for future growth. The bond issuance included a 4.625 % senior secured note due in 2031, rated by Fitch, Standard & Poor's, and Moody's. The proceeds will refinance part of the company's existing debt, including € 100 million from its revolving credit facility and a € 400 million note due in 2026.

Financial performance in numbers*

IN € MILLION	ACTUAL 2023	ACTUAL 2024
Revenue**	**1,819**	**1,798**
Cost of sales***	-625	-669
Gross profit#**	**1,194**	**1,129**
Marketing, Sales & Medical costs##	-519	-504
Core Research & Development cost	-162	-179
Other Costs	-325	-342
Depreciation Fixed Assets###	202	246
EBITDA	**390**	**350**
Adjusted EBITDA+	**427**	**412**
Earnings before taxes	**123**	**32**

* **Management view** Profit and loss statements (P&L) can be displayed in Accounting and Management view. Both P&Ls include the same information, but are designed to serve different needs. The Accounting P&L is used for reporting according to German Commercial Code (HGB) while the Management P&L is used for internal steering and tracking. Both views are similar for Revenue, Cost of sales and thus Gross profit. But they differ in terms of the recognition of depreciation on acquired product rights and medical affairs costs. Depreciation of acquired products rights are recognised in Management view as part of "other costs" whereas Accounting view shows it as part of "selling expenses". Medical commercial R&D costs comprise post approval product costs, e.g. for the maintenance of registration, for clinical studies for Phase IIIb/IV and the support of investigator initiated studies as well as structural costs. These costs are part of "Marketing, Sales & Medical costs" in Management view whereas shown as "Research & Development costs" in Accounting view.

** **Revenue** primarily comprises sales of products and revenue from licensing, as well as milestone payments. It also includes service income from our contract manufacturing business, such as customer refunds for the purchase of machines required to produce a certain product or for customisation of product formulations.

*** **Cost of sales** are any costs that can be directly associated with products sales

\# **Gross profit** reveals how much money a company earns taking into consideration the costs that it incurs for producing its products and/or services.

Marketing, Sales & Medical costs consists of all costs to promote, sell and distribute our products to the customer. This excludes depreciation on acquired products which is part of "other costs".

Depreciation of machines, IT equipment and several other items is an incremental part of CoGs, Marketing, Sales and Medical costs, R&D costs. In order to derive the Earnings before interest, taxes, depreciation and amortisation (EBITDA), it needs to be added back.

\+ **Adjusted EBITDA**, short for adjusted Earnings Before Interest, Taxes, Depreciation and Amortisation, is a key performance indicator for the Grünenthal Group. It is calculated by adjusting the operating result for amortisation, depreciation and impairment and special effects, in particular from restructuring and acquisition-related expenses

Focus on M&A and an innovative product pipeline

Grünenthal's outlook for 2025 also anticipates continued challenges from the generic erosion of Palexia™ and Nebido™, but our strategic focus on expanding our product pipeline is expected to mitigate this. We remain committed to a disciplined M&A strategy, leveraging our financial strength to acquire established brands and products with attractive growth potential. Our strong liquidity position, supported by existing credit facilities, provides a robust platform to fund these strategic initiatives. Overall, we will continue to focus on maximising the value of our current portfolio, advancing our R&D pipeline, and executing our growth strategy across new and existing markets.

Solid financial position confirmed

Leading independent credit rating agencies have confirmed Grünenthal's solid financial position.

RATING AGENCY	GRÜNENTHAL	OUTLOOK
Fitch Ratings (January 2025)	BB	stable
Moody's Investors Service (April 2024)	B1	stable
Standard & Poor's (July 2024)	BB-	stable

"It was a strong year for Grünenthal, highlighted by the robustness of our organisation and the continued commitment of our people."

Fabian Raschke
Chief Financial Officer

We are taking a decisive step towards protecting information and digital assets

DRIVING VALUE BY ENSURING CYBERSECURITY

In today's interconnected digital landscape, technologies like cloud services and mobile devices increase exposure to risks, making vulnerability management essential for defending against cyberattacks. By implementing our Vulnerability Management Platform (VMP), Grünenthal has taken a critical step toward safeguarding information and digital assets.

"The VMP is a key investment in our cybersecurity infrastructure," says Andreas Garstecki, Chief Information Officer. "It continuously identifies, assesses and addresses vulnerabilities, enabling us to proactively manage risks and protect the business. It is not just about fixing issues – It is about staying ahead of potential threats."

The platform uses automated patch management to close vulnerabilities before they can be exploited, while addressing more complex weaknesses requires collaboration with system owners and prompt action. Solutions are selected and designed to allow regular security updates, ensuring emerging risks are mitigated quickly.

While the VMP is a significant achievement, it is just one example of how Global IT drives value for Grünenthal daily.

"Our goal is to empower every department to perform at its best with secure and efficient technology," Andreas says. "The VMP represents the beginning of an evolving strategy to respond to threats, guided by continuous monitoring and improvement."

By integrating innovative cybersecurity measures like the VMP, Grünenthal is building a resilient, forward-looking organisation where technology drives success.

MOVANTIK™: A PERFECT FIT FOR GRÜNENTHAL

Grünenthal's growth strategy focuses on acquiring established brands to boost profits and fund R&D for innovative pain treatments. In July 2024, we took another step forward with this strategy by acquiring US-based company Valinor Pharma and its product Movantik™ (branded as Moventig™ outside the US) for around $250 million.

This marks the latest milestone in our strategy of growth through acquisitions. The deal was financed using available liquidity and expands our portfolio of innovative treatments for patients with pain and related conditions worldwide.

Global leader for patients with OIC

Movantik™/ Moventig™ is the world's leading prescription product for treating opioid-induced constipation (OIC), one of the most common and distressing side effects of opioids.

The patent-protected drug blocks the binding of opioids to certain receptors in the gut and is approved in Europe, the US and several other countries.

With this deal, we now own the rights to Movantik™ and Moventig™ everywhere in the world (except Canada). Grünenthal already owned the rights to the European brand, Moventig™, following its acquisition as part of our joint venture with Kyowa Kirin that led to the creation of Grünenthal Meds.

An excellent strategic fit

Valinor Pharma supports our ongoing efforts to strengthen Grünenthal's market presence in the US – our most important growth market. It also complements our existing portfolio of products and is highly relevant for our customer base. Overall, the acquisition is expected to contribute around $50 million annually to Grünenthal's EBITDA performance from 2025.

Investing in business growth

Since 2017, we have invested more than € 2.1 billion in successful transactions, with the acquisition of Valinor Pharma marking another exciting moment in our strategy to expand our portfolio and increase our profitability through targeted acquisitions. It is also strengthening our role as a global leader in providing relief for patients with pain and related diseases.

$250m

total value of the deal

#1

leading prescription product for opioid-induced constipation in the US

>80%

of patients who are likely to experience opioid-induced constipation

70%

of patients who report little to no benefit from other treatments

VALINOR

Acquisitions like this do not come around often. It takes countless people working around the clock and it is only successful because everyone pulled together to make it happen.

Quentin Le Masne de Chermont
Head Corporate Strategy and Portfolio Management

CRESTOR™: INTEGRATION COMPLETE

People from across our teams worldwide successfully completed the integration process for Crestor™ in October 2024 – while ensuring an uninterrupted supply of this medicine for patients.

A multifaceted workstream

Grünenthal acquired the European rights to Crestor™ (excluding Spain and the UK) for a total of US$350 million in February 2021. The deal marked an important milestone for our strategy of achieving business growth by acquiring established brands. It is also a vivid example of how Grünenthal has gathered expertise and established highly effective processes for integrating these brands in a fast, cost-efficient way that generates benefits for patients and for our company.

Successfully integrating an established brand is a complex and multifaceted task that involves specialists from every area of our business. For Crestor™, we officially completed the integration process in October 2024 – while making certain patients could rely on access to Crestor™ at all times.

A smooth transition of ownership

The efficient and professional transition of this brand into our value chain demanded an incredible range of activities. Grünenthal teams identified and transferred all relevant clinical data, patents, trademarks, supplier relationships, customer relationships, marketing and promotional material, packaging designs and production processes. They also transitioned a wide range of contracts with third parties, while selecting and contracting new partners in some cases. In addition, our teams transferred marketing authorisations across the territory. This is particularly challenging because every country has unique regulations for acquisitions of pharmaceutical products – even within the European Union.

Such a wide-ranging project requires a variety of expertise. That is why Grünenthal formed a core integration team of around 30 people who represented every function of our business. This group was supported by colleagues from across the company who helped implement changes and bring Crestor™ into Grünenthal's portfolio. Representatives from AstraZeneca also worked alongside our teams to ensure a smooth transition of ownership.

> The successful integration of Crestor™ demonstrates our capacity to bring strong brands to patients across markets – while strengthening Grünenthal's financial performance.

Gabriel Baertschi
Chief Executive Officer

More than 150 Stock-Keeping Units (SKUs) for different Crestor™ formula strengths and package sizes have now been transferred from AstraZeneca to Grünenthal.

Crestor™ (rosuvastatin) is a statin. These treatments, known as lipid-lowering medicines, are used for blood lipid disorders and to prevent cardiovascular events like heart attacks or strokes. The lipid-modifying effect of Crestor™ is produced in two ways. First, it blocks an enzyme in the liver and causes the liver to make less cholesterol. Second, it increases the liver's uptake and breakdown of cholesterol in the blood. The product is approved in more than 100 countries worldwide.

A constant focus on patients

Since 2017, our company has closed deals with a value of more than € 2.1 billion. That includes four acquisitions from AstraZeneca: Crestor™, Nexium™, Vimovo™ and Zomig™. Brands that join our portfolio boost our profitability and make it possible for Grünenthal to invest in R&D projects for innovative pain treatments. In this way, we are securing the long-term future of our business while also driving progress towards our vision of a World Free of Pain.

March 2025 marked the successful completion of all transition activities with our strategic alliance partner AstraZeneca. These activities cover a total deal value of $1.6 billion. Grünenthal is now in full control of all assets for all acquired brands. Our teams manage manufacturing, supply and commercialisation across more than 60 countries.

The first finished goods batches of Crestor™ manufactured at our site in Origgio, Italy, reached patients in January 2025. At every step in the integration and post-integration process, Grünenthal teams look for ways to leverage synergies and increase efficiency throughout the value chain. In this way, we are able to maximise the positive business impact of brands like Crestor™. And we also make sure patients get access to the treatment they need with the right level of quality, cost and availability.

4

major brands have completed transition into Grünenthal in March 2025:

CRESTOR® rosuvastatin

Nexium® esomeprazole

Vimovo®

Zomig® ZOLMITRIPTAN

> We have a very experienced and dedicated team to manage such complex integration processes. Even in the most challenging situations, our colleagues find solutions to move things forward to always ensure product supply.

Helge Engel
Head of Integration & Alliance at Grünenthal

The power of partnerships

Working with partners is the best way to achieve our vision of a World Free of Pain.

R&D partnerships in pain management
We actively seek R&D collaborations for non-opioid treatments that focus on our core pain indications, and that have the potential to make a real difference for patients – independent of the modality and their stage of development. An example is the partnership with NovaQuest Capital Management.

Commercial out-licensing partnerships
Through our commercial partner business, we give patients access to our products in business segments and territories where we do not have our own presence. Territories that are fully operated through partner business include Africa, Asia, Australia, Canada, Central Eastern Europe and the Middle East. After the recent deals to partner Qutenza™ in Canada and Turkey, we're working on partnering the product in Asia Pacific (including Australia). In addition, Grünenthal is pursuing out-partnering opportunities for established brands, such as Vimovo™, Nebido™ and Palexia™.

Commercial in-licensing partnerships
Our exceptional commercial capabilities and regulatory expertise make us a natural partner for businesses that want to bring projects to the market successfully. We are proud of our robust in-market capabilities for commercialising brands. We do this by using in-person promotion, as well as via a range of digital channels.

Strong network

100

partners

Global partnerships

60

partner countries

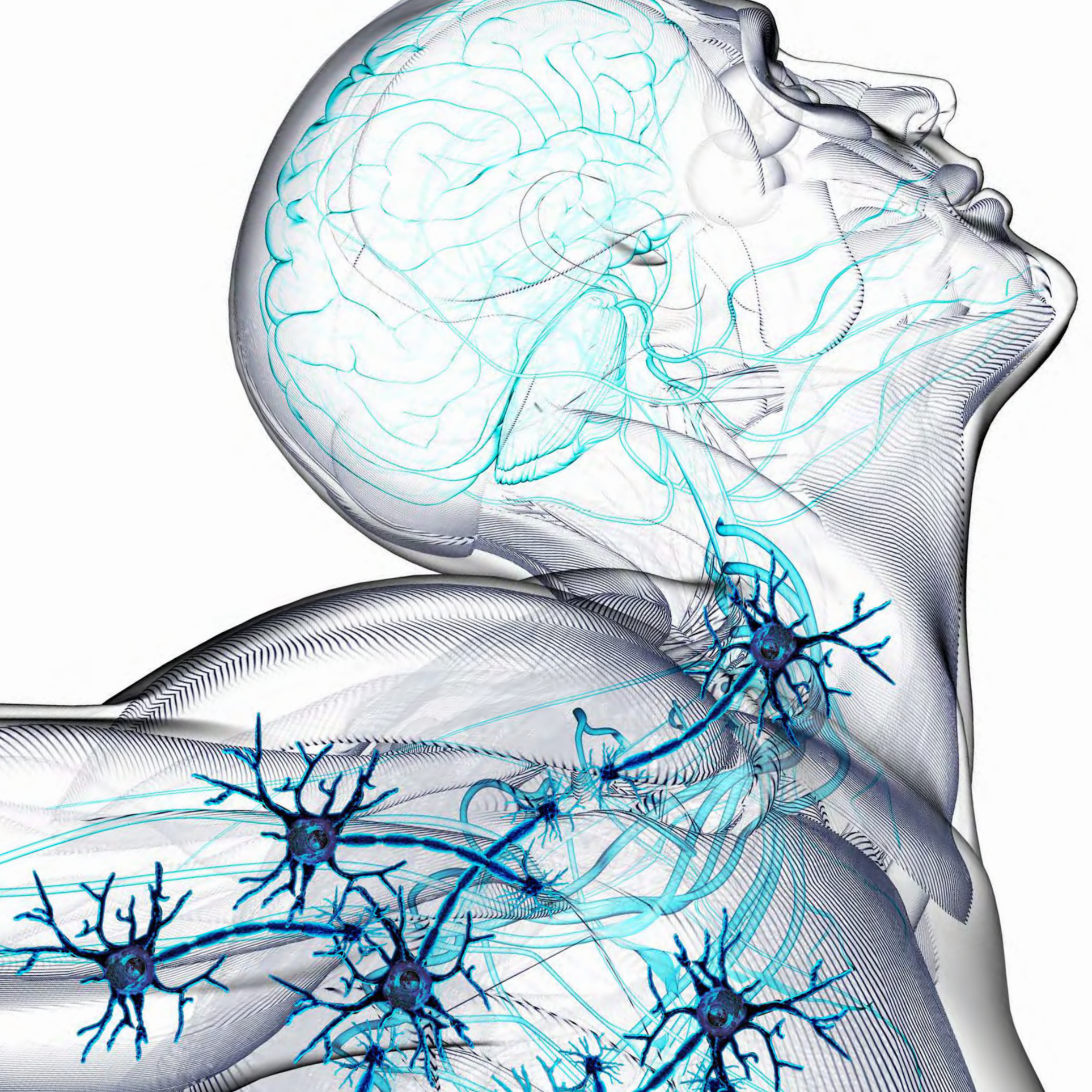
Significant revenues

39%

of Group revenues (actual 2024 revenues) come from partnering and licensing

"Grünenthal's professionalism and commercially focused approach is fundamental to the successful partnership AZ has built with Grünenthal. Strong collaboration between the two partners has been in evidence across multiple divestments and asset transition projects over many years.

James O'Leary
Head of Third Party Supply & Operations Business Development at AstraZeneca



SERVING THE UNMET NEEDS OF PATIENTS LIVING WITH PAIN

For over 50 years, we have been a pioneer in pain treatments, tackling critical unmet medical needs and bringing us closer to our vision of a World Free of Pain.

MEET ULI BRÖDL, MD OUR NEW CHIEF SCIENTIFIC OFFICER

Uli Brödl, MD, joined Grünenthal in February 2025 as Head of Research and Development, Chief Scientific Officer (CSO) and Member of the Executive Board. We caught up with him a few weeks into his new role to discuss his impressions and priorities.

Uli, what attracted you to join Grünenthal?

Uli: The people. The passion. The science. Everyone I met in the process was passionate about their work, about Grünenthal and about our shared vision of a World Free of Pain. And not only is it a bold vision, it is backed by a fantastic pipeline including potential first-in-class compounds that aim to improve the lives of people living with pain. This made it easy for me to join Grünenthal and I am excited to be developing such promising assets with my team.

You have been with Grünenthal since February 2025. What are your first impressions?

Uli: I have joined a very committed organisation and am still in the middle of my onboarding. I think it is important not to form an opinion too quickly, but to immerse myself in the organisation and get to know my colleagues. I have spent a lot of time doing this in my first few months here - my ambition is to get to know all of the 300 or so colleagues in R&D personally in the first six to twelve months. I am convinced that valuable ideas, answers to open questions and the knowledge we need to move the needle are already available within the organisation and its network. If we work together, we can create the solutions that are so urgently needed in the field of pain.

What shaped your view of pharmaceutical research?

Uli: I am a medical doctor by training, which has put patients and improving patient outcomes at the centre of my ambitions. Seeing patients' overall quality of life improve with the right treatments, and hearing from those for whom we have not yet found an effective treatment are formative experiences. That is why I always think of pharmaceutical research and the work we do from the patient's point of view.

How does this patient-centric approach translate into the day-to-day work of an R&D organisation?

Uli: There are many aspects. It starts with understanding the needs of patients and healthcare professionals. What do people with a particular disease expect or want from a new treatment option? Where do healthcare professionals see a gap in patient care? By addressing these issues, we can optimise patient outcomes and take our discussions with authorities, payers and regulators to a new level.

In practical terms, this means involving patients and healthcare professionals in all our efforts and co-creating solutions. For example, when we design a clinical trial, they need to have a say in the protocols and endpoints - we need to listen to their voices and trust their assessment of our ideas.

Finally, it is about instilling a sense of urgency in everything we do. Patients can not wait for innovation, and they should not have to. When we have great science, we should move it forward and bring it to market as quickly as possible, without compromising quality.

Speaking of joining forces, who are other key players you would like to connect with?

Uli: We can only make a difference for patients if we bring together everyone who can help us achieve our vision. This includes regulators, payers, academia, patient advocacy groups, Contract Research Organisations and other partners.

Together, we can produce the best science, evidence and actionable plans to develop the future of healthcare and life sciences. And since our common goal is to improve patient outcomes, it should be a no-brainer that we work together to get there.

I invite everyone to join us in co-creating innovative solutions, which has been the concept at Grünenthal for some time already. Our Boston Innovation Hub, for example, is our embassy in one of the most dynamic life science hotspots to establish contacts and strengthen our network.

Where do you see the priorities for Grünenthal and pain research in the future?

Uli: As I said, it is important not to make up your mind too early. Although success is never guaranteed, science is a fascinating and fast-moving field - and it is great fun. Especially today, it is great to see the opportunities that digitalisation, AI and new developments such as genetic medicine offer us. As part of my onboarding, I want to discuss all these opportunities with my team. I am sure that together we can figure out how to make the most of these opportunities for us at Grünenthal and ultimately for the patients we serve.

Uli Brödl, MD, Chief Scientific Officer

UNDERSTANDING THE GLOBAL BURDEN OF PAIN

Over 1.5 billion people worldwide suffer from chronic pain[1] and the condition has a profound impact on patients, families and society. Grünenthal's Head of Research, Gillian Burgess, took some time to reflect on what it means to be a leader in pain medicine and our ongoing efforts to strive for a World Free of Pain.

What is chronic pain and what can cause someone to experience this condition?

Gillian: The important thing to understand is that chronic pain is not just another symptom. It is a disease in its own right – something that the World Health Organization (WHO) and the International Association for the Study of Pain recognised in 2019.[2]

Pain is considered to be chronic when it has lasted for more than three months.[3] For some people, pain is their only complaint, but others can be experiencing chronic pain due to an underlying condition such arthritis, cancer or diabetes.[4]

What we know is that chronic pain is very complex and can be influenced by a whole range of interconnected factors including injury, illness, nerve damage, poor sleep, anxiety or depression.[4]

Gillian Burgess, Head of Research

What is the global burden of chronic pain?

Gillian: I think the impact that chronic pain has on individuals, their loved ones and society as a whole is often greatly underestimated. Those with chronic pain can experience higher rates of anxiety and depression, have insomnia and struggle to maintain an independent lifestyle.[5] In addition to this, chronic pain is one of the most common reasons that a person will visit their doctor.

On a societal level, chronic pain can often lead to missed days at work, lower productivity, unemployment and early retirement.[6] And across Europe and the US, the cost of chronic pain is estimated to be in the billions.[7]

What more can be done to better support people living with chronic pain?

Gillian: The biggest issue we face is that existing pain therapies work for some patients, but not for all of them, either because the medications do not provide enough pain relief, or the side effects are severe. This is something we have to address so we can provide more patients with better outcomes.

That is why Grünenthal is investing into the development of innovative, non-opioid pain medicines that offer effective relief for people living with chronic pain.

What is Grünenthal's legacy in the field of chronic pain?

Gillian: We are a leader in the pain medicine space, having spent more than 50 years striving to develop innovative treatments for people affected by pain. Over that time, we have successfully brought six innovative pain medicines to the market.

These include Tramal™ (Tramadol), which is still one of the most frequently prescribed opioid analgesics in the world, Palexia™ (Tapentadol), the first innovative molecule in the opioid analgesic class to be approved for over 25 years and Qutenza™, which leverages Nobel Prize-winning science to provide an innovative treatment option for those with painful diabetic neuropathy (pDPN) and peripheral neuropathic pain (PNP).

What therapeutic areas is Grünenthal currently focused on?

Gillian: As a team we are determined to develop the next generation of pain medicines. Our R&D activities focus on four indications where we see large patient populations with a significant need for additional treatment options. These are:

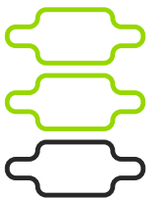
- Peripheral neuropathic pain
- Chronic post-surgical pain
- Chronic low back pain
- Osteoarthritis

With every research project we launch and every pain treatment we create, the team at Grünenthal is striving to make life better for patients and their families

Some of the most common types of chronic pain are:[2]

Migraine

Pain associated with osteoarthritis



Low back pain or lumbar pain

Neck pain

Musculoskeletal pain

The burden of chronic pain

1 in 5 people suffer from chronic pain worldwide[1]

60 % of permanent work incapacity in Europe is related to musculoskeletal pain[8]

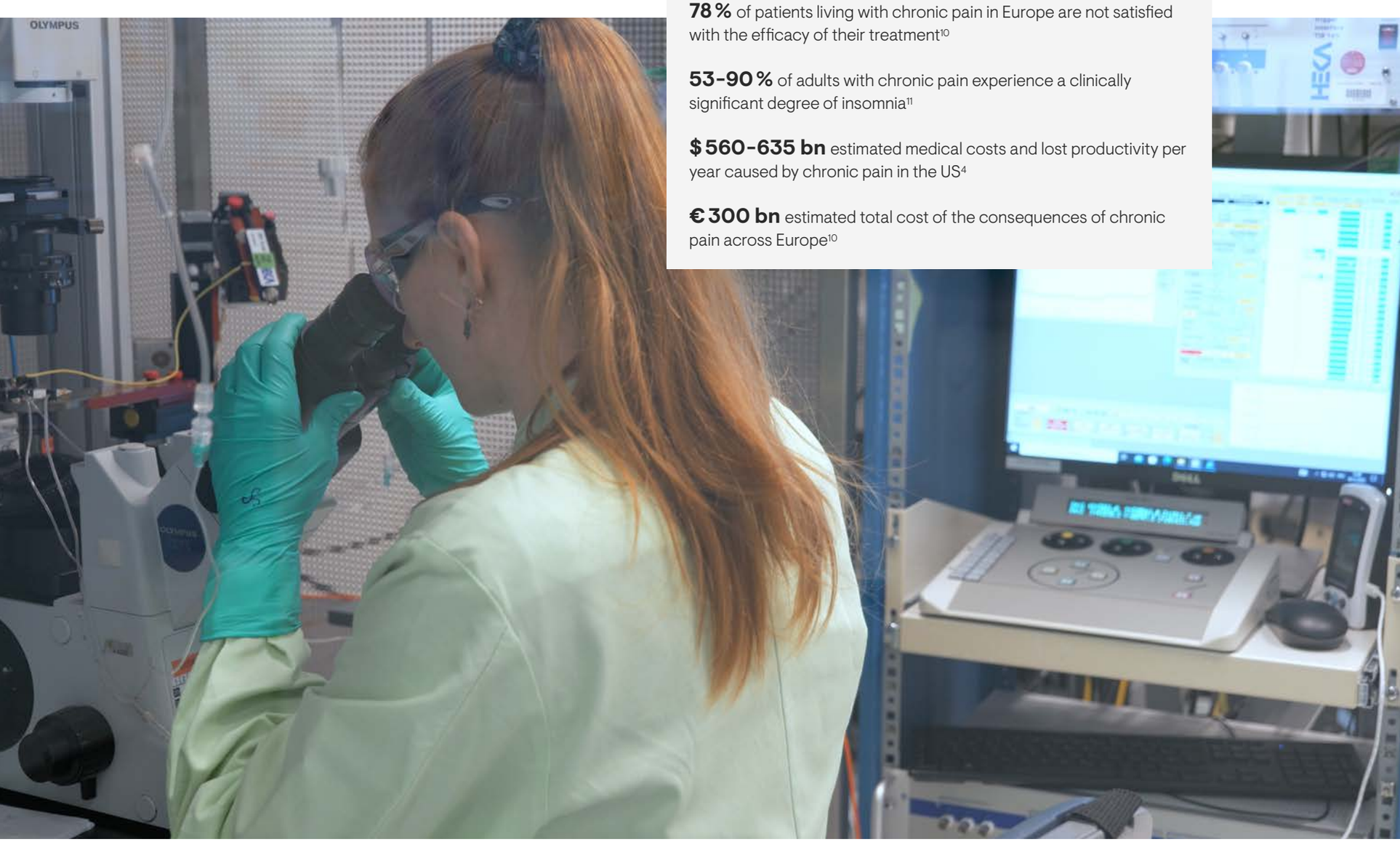
13 % lower back pain prevalence in Southern Latin America in 2017[9]

78 % of patients living with chronic pain in Europe are not satisfied with the efficacy of their treatment[10]

53-90 % of adults with chronic pain experience a clinically significant degree of insomnia[11]

$ 560-635 bn estimated medical costs and lost productivity per year caused by chronic pain in the US[4]

€ 300 bn estimated total cost of the consequences of chronic pain across Europe[10]



Working in Grünenthal's laboratories

Pain research at Grünenthal

Focused therapeutic area strategy
We focus our R&D efforts on four pain indications characterised by high unmet medical need.

Comprehensive disease understanding
Deep understanding of the underlying human disease biology enables us to identify well validated, highly promising targets.

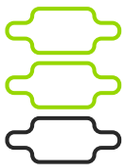
Double down on most promising targets
We pursue targets holistically and leverage a wide range of modalities to minimise compound-specific risks and maximise probability of success.

Teaming up
We collaborate with leading institutions around the world to tap into the best science and technologies wherever they exist.

A concise therapeutic area strategy

Substantial in-house research including identification and validation to disease understanding. Projects in all Phases from research up to clinical development are potential interest.

Peripheral neuropathic pain



Chronic low back pain

Osteoarthritis

Chronic post-surgical pain

Focus on identifying and establishing collaborative partnerships for projects undergoing clinical development.

Peri-surgical pain

Migraine

Fibromyalgia

CRPS

IMPROVING CARE FOR PATIENTS

We empower healthcare professionals to provide better treatment for patients worldwide.

One out of five people worldwide suffers from chronic pain.[1] Grünenthal aims to improve the lives of people living with pain by developing and delivering life-changing treatments.

Our products are available in around 100 countries, either directly from our 28 affiliates or indirectly from our strategic partners. We serve a diverse customer base of approximately 230,000 customers.

Over the last 50 years, we have built a strong presence in Europe and Latin America. This enables us to provide millions of people with access to different medicines that improve their health condition, particularly effective pain treatments.

In the US, we continue to observe significant growth with our non-opioid cutaneous system, Qutenza™, and anticipate that this rapid growth will continue in the coming years. Even though effective treatments are available for some forms of pain, there is still a significant unmet medical needs among patients.

Engaging with diverse markets and customer groups in today's world requires new ways of operating. It is particularly important to ensure a strong focus on our customers' needs. With our omnichannel engagement model, we provide a tailored customer experience and meaningful interactions for our customers everywhere, at any time and across multiple channels.

Key brands outperform the market

In 2024, Qutenza™ made an exceptional impact on our business, propelling global sales growth by 25 % year-on-year. This impressive performance is underscored by 49 % in-market volume growth within the US market. Furthermore, Qutenza™ not only surpassed the significant milestone of € 100 million in revenue but also delivered innovative treatment to 90,000 patients worldwide, demonstrating our commitment to improving patient outcomes globally.

Many brands in the established medicine portfolio (Nexium™, Versatis™, Zomig™ and Vimovo™) continue outperforming the defined European markets they compete in. Revenue from the overall established medicines portfolio was higher than planned in 2024. The loss of exclusivity for Palexia™ and Nebido™ in many markets led to price pressure from generic treatments and volume erosion. We were able to compensate for that decline by continuing with strict cost management, as well as valuable contributions from across our established medicine portfolio. For example, Zomig™ and Versatis™ benefitted from better access and selling conditions, growing versus previous year +8 % and +9 % respectively. The acquisition of Nebido™ in 2022 generated € 120 million operational revenue in 2024.

We continue to expand our omnichannel initiatives to evolve with our customers' needs

In 2024, the Commercial team launched over 377 omnichannel campaigns, generating 1,089 million interactions with healthcare professionals, accounting for 44 % of our total customer engagements.

By integrating AI and content tagging into our operations, we have dramatically improved both efficiency and impact. Currently, 44 % of the content we generate is shared and reused across multiple markets, enabling us to deliver more personalised customer experiences which has resulted in a significant boost in customer satisfaction and optimised resources. Additionally, we are investing in our people's capabilities to embrace

Scientists are working to improve patient care

future opportunities. This year, we delivered over 1,000 impactful training sessions, including AI training for more than 500 colleagues, ensuring our teams are well-equipped for the future.

Solid strategy in Latin America

In Latin America, our business grew 4 % in promoted product sales. Furthermore, we grew 16 % in EBITDA, from 120 million in 2023 to € 139.5 million during 2024. This growth was driven by a concentrated effort on promoted products across different countries and continues the upward trend for Grünenthal in this important region. Our local team has achieved this success by channeling resources to the most differentiated brands with the highest potential as well as ensuring a strong focus on execution with enhanced commercial capabilities. We are now in a strong position to keep investing in future growth across Latin America.

Shaping our future setup

Grünenthal closed a joint venture deal with Kyowa Kirin International (KKI) in August 2023. This expands our portfolio with 13 brands across six therapeutic areas, with the highest revenue contribution coming from pain medicines. As part of this collaborative agreement, we have created a new enterprise called Grünenthal Meds to bring these medicines to patients. It is already contributing strongly to our results. In 2024, we began integrating this business into our affiliates in Europe.

The integration activities for our acquired brands Crestor™, Nebido™, Vimovo™ and Zomig™ progressed as planned in 2024. Integration supports our growth strategy by quickly tapping into the potential positive impact that acquired brands can contribute to Grünenthal.

> We continue to achieve impressive growth with our innovative asset, Qutenza™, while consistently outperforming the market with many of our established medicines. This not only shows that our commercial strategy is working but, more importantly, means that as many people as possible have access to our medicines.

Jan Adams, MD
Chief Commercial Officer

STRONG PRODUCT PORTFOLIO

Grünenthal's product portfolio has a well-balanced mix of resilient established medicines complemented by innovative growth brands.

The established medicines portfolio includes all mature and off-patent products. They are characterised by high brand awareness, predictable and stable sales, and high profitability. Examples include Nexium™, Crestor™, Nebido™ and Tramal™.

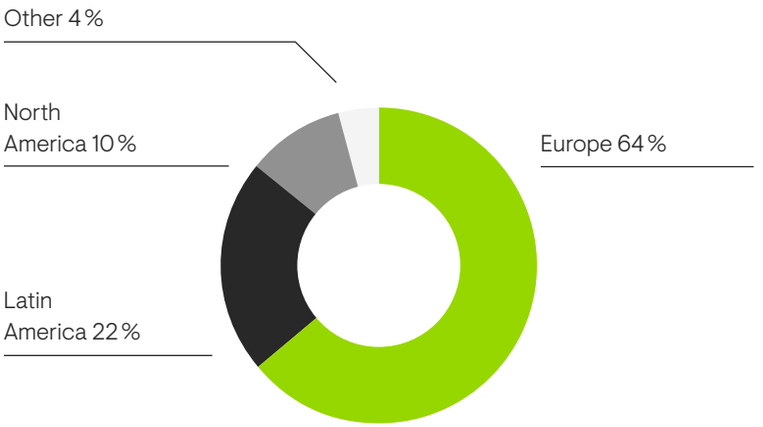
The growth brands are innovative and patent-protected products like Qutenza™.

Combining these two product categories provides us with a well-balanced and resilient business. Profit from that portfolio finances our innovation to create new pain treatments.

Revenue by geography

Diversifying products and geographies enables us to manage our business risks more effectively, making us less dependent on a single product or market.

Revenue by geography

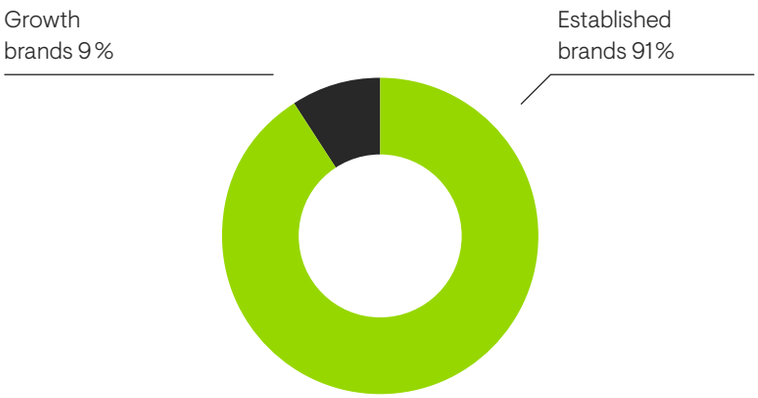


Our products benefit patients in around 100 countries worldwide

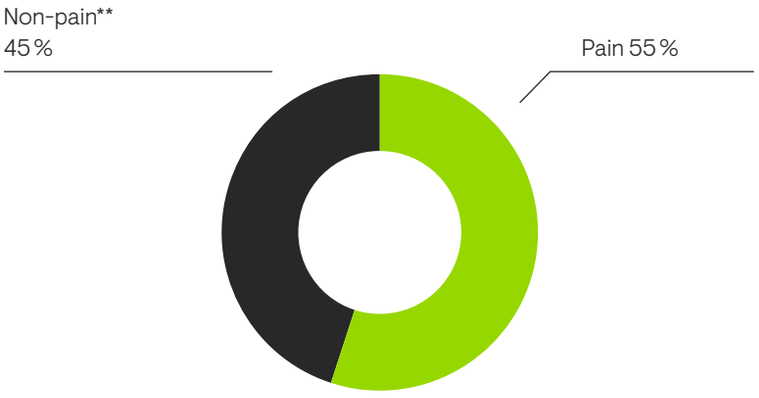
Diversified product mix

Revenue from pain products accounted for 55 percent of our revenue in 2024. In recent years, we have diversified our product portfolio beyond the pain segment through successful acquisitions of established brands.

Revenue by product typology*



Revenue by therapeutic area



* Revenue split as of December 31, 2024. Based on operational revenue of products. Movantik™/ Moventig™ incl. in Established brands. In 2025 Movantik™/ Moventig™ has been moved to Growth Brands.
** Includes Nexium™, Andromaco branded generics, contract manufacturing, partner business in APAC, R&D cost reimbursement, and Women's Healthcare.

MAXIMISING BRANDS ALONG THE LIFE CYCLE

Grünenthal operates a portfolio of global brands with various levels of market maturity, divided into two categories: Growth brands and established brands. Together, brands in these two categories give our company a balanced and resilient overall market presence. Our established brands are mature products that are characterised by high brand awareness, predictable sales and strong profitability. Examples include Abstral™, Crestor™, Nebido™, Nexium™, Tramal™, Transtec™, Versatis™, Zaldiar™ and Zomig™.

With our global portfolio, we contributed to improving quality of life for millions of patients worldwide.

Managing the late-stage life cycle

At Grünenthal, we proactively manage our established portfolio to reflect the needs of patients and customers while also delivering the highest profit for our company. The majority of our established brands are in later stages of their life cycle and already face generic competition or other market pressures. However, some of these brands do not face generic competition yet. In fact, attractive business opportunities are available for many of them.

Our teams collaborate across departments and functions to maximise the performance of this diverse portfolio of established brands. By applying our expertise in late-stage life cycle management, we unlock differentiated strategies for our portfolio that reflect the unique market conditions for each treatment and its respective market.

Promotional activities for these established brands are developed in line with a strong focus on Return on Investment (ROI). In recent years, we have transformed our go-to-market model into an omnichannel and digital-focused approach. During 2024, our Commercial team ran more than 337 omnichannel campaigns and engaged in approximately 1,089 million interactions with healthcare professionals.

We have substantially expanded the use of channels that enable remote interaction in recent years. Now, our teams conduct almost half of our interactions via digital channels. Innovative technologies like AI are enabling us to increase our focus on personalisation. This supports a more customer-centric approach that meets the needs of healthcare professionals more effectively and ensures high levels of engagement with our brands, while also boosting cost-efficiency.

As a result of this active management, our established brands outperformed expected sales levels and contributed revenue of € 1,517 million in 2024.

Nebido™, which we acquired in 2022, contributed € 120 million to our overall revenue. Versatis™ also delivered strong performance in 2024, with 9 percent growth and € 168 million revenue.

88%

of Grünenthal's operational revenue is from established medicines (incl. Palexia™)

> Our established brands benefit millions of people each year and we bring them to patients via our customer-centric, omnichannel approach.

Ana Inacio
Global Head Established Medicines

OUTSTANDING GROWTH FOR QUTENZA™

2024 was an important year for Qutenza™. We expanded our reach to more patients worldwide and thereby increased our revenues.

With Qutenza™, we aim to improve the lives of patients suffering from peripheral neuropathic pain (PNP). We are focused on optimising the customer experience for patients, healthcare professionals and payers.

Qutenza™ is a topical non-opioid patch that is approved, in Europe, for the treatment of peripheral neuropathic pain in adults either alone or in combination with other medicinal products for the treatment of pain. In the US, it is approved for the treatment of neuropathic pain associated with postherpetic neuralgia (PHN) and neuropathic pain associated with diabetic peripheral neuropathy (DPN) of the feet.

Globally, PNP conditions are highly prevalent and account for around 40 percent of all chronic pain cases[12]. The most common type of PNP condition is related to neuropathic pain associated with diabetic peripheral neuropathy (pDPN). It affects 60 to 70 percent of individuals with diabetes[13]. More than five million people suffer from pDPN in the US.

pDPN is a debilitating complication of diabetes with the potential to impact the daily lives of people living with this disease. The far-reaching impact of neuropathic pain underscores the importance of our ongoing clinical studies aimed at expanding the Qutenza™ indication in the US to include treatment for post-surgical neuropathic pain (PSNP).

Investing for growth

Grünenthal is taking decisive action to accelerate positive momentum for Qutenza™. Our company has launched a dynamic commercial strategy, and we are constantly expanding our expertise in Key Account Excellence, Market Access and Medical Affairs.

Grünenthal is dedicated to ensuring a seamless experience for customers and patients. Through our healthcare professional and patient portals, we meet our customers wherever they are. And we leverage omnichannel strategies to provide unparalleled support and accessibility.

Patient-centric strategy

Our approach for Qutenza™ places a sharp focus on patients' needs.

- We focus on the patients' voices: For example, we have created several patient advisory councils where people living with neuropathic pain share their experiences of this condition.
- We aim to broaden access to Qutenza™: For example, we have increased the number of lives covered by health insurance companies to 193 million in the US and launched the first ever Grünenthal co-payment support programme to ensure eligible patients can afford this treatment.
- And we work closely with patients to optimise their Qutenza™ treatment: For example, we run various patient support programmes in Europe to enable the best possible treatment experience.

Trusted by the medical community

Several key updates to treatment guidelines emphasise the medical community's confidence in Qutenza™.

- Qutenza™ is featured in The Neuropathic Pain Guidelines (Neu-PSIG) from the International Association for the Study of Pain (IASP).
- In the US, the American Diabetes Association (ADA) and the American Association of Clinical Endocrinology (AACE) recommend Qutenza™ for diabetic peripheral neuropathy (DPN).
- And the American Society of Pain and Neuroscience (ASPN) and the American Limb Preservation Society included Qutenza™ in their updated guidelines for managing painful diabetic neuropathy (pDPN) during 2023.

Further expanding access to therapies

Our global commercial strategy for Qutenza™ demonstrates our commitment to improving patient care. Grünenthal is focused on engaging

with healthcare professionals, payers and other institutions to provide great customer experiences and expand access to innovative therapies. This approach helps us establish sustainable partnerships for long-term growth. And it accelerates progress towards our vision of a World Free of Pain.

We are now setting high expectations to build on our outstanding performance in 2024 and achieve even more success with Qutenza™ in 2025. Our goal is to extend our reach and bring this innovative treatment to even more patients around the globe.

> We have a relentless focus on improving patient outcomes for those living with pDPN and PNP. This focus on patient outcomes drives our ambitious plans for Qutenza™.

Arvashni Seeripat
General Manager of Averitas Pharma.

GLOBAL BRANDS

BRAND NAME	ACTIVE INGREDIENT / TECHNOLOGY	INDICATION RANGE*	OPERATIONAL REVENUE** 2024 IN € MILLION
Qutenza®	**Capsaicin**	**EU indication:** Treatment of peripheral neuropathic pain in adults either alone or in combination with other medicinal products for the treatment of pain. **US indication:** Indicated in adults for the treatment of neuropathic pain associated with postherpetic neuralgia (PHN) and for neuropathic pain associated with diabetic peripheral neuropathy (DPN) of the feet.	**147**
Vimovo®	**Fixed-dose combination of Esomeprazole and Naproxen**	In adults for the symptomatic treatment of osteoarthritis, rheumatoid arthritis and ankylosing spondylitis, in patients who are at risk for developing non-steroidal anti-inflammatory drug (NSAID)-associated gastric and/or duodenal ulcers and where treatment with lower doses of naproxen or of other NSAIDs is not considered sufficient.	**71**
versatis®	**Lidocaine**	**EU and Peru indication:** Symptomatic relief of neuropathic pain associated with previous herpes zoster infection (postherpetic neuralgia, PHN) in adults. **Latin America indication:** Treatment of localised neuropathic pain, including pain associated with a previous herpes zoster infection (postherpetic neuralgia).	**168**
Zomig® ZOLMITRIPTAN AscoTop® Nasal	**Zolmitriptan**	**Oral formulations:** In adults aged 18 years and older for acute treatment of migraine headache with or without aura. **Nasal spray:** In adults and adolescents aged 12 years and older for the acute treatment of migraine headache with or without aura, and in adults for the treatment of cluster headache.***	**80**
NEBIDO®	**Testosterone undecanoate**	Treatment of male hypogonadism, when testosterone deficiency has been confirmed by clinical features and biochemical tests.	**120**

BRAND NAME	ACTIVE INGREDIENT / TECHNOLOGY	INDICATION RANGE*	OPERATIONAL REVENUE** 2024 IN € MILLION
Nexium® esomeprazole	**Esomeprazole**	**20 mg; 40 mg gastro-resistant tablets:** **Indicated in adults for:** **Gastroesophageal Reflux Disease (GERD)** • Treatment of erosive reflux esophagitis • Long-term management of patients with healed esophagitis to prevent relapse • Symptomatic treatment of gastroesophageal reflux disease (GERD) **In combination with appropriate antibacterial therapeutic regimens for the eradication of Helicobacter pylori and:** • Healing of Helicobacter pylori associated duodenal ulcer and • Prevention of relapse of peptic ulcers in patients with • Helicobacter pylori associated ulcers **Patients requiring continued NSAID therapy:** • Healing of gastric ulcers associated with NSAID therapy. • Prevention of gastric and duodenal ulcers associated with NSAID therapy, in patients at risk. **Prolonged treatment after i.v. induced prevention of rebleeding of peptic ulcers. Treatment of Zollinger Ellison Syndrome Indicated in adolescents from the age of 12 years for:** **Gastroesophageal Reflux Disease (GERD)** • Treatment of erosive reflux esophagitis • Long-term management of patients with healed esophagitis to • Prevent relapse • Symptomatic treatment of gastroesophageal reflux disease (GERD) **In combination with antibiotics in treatment of duodenal ulcer caused by Helicobacter pylori** Nexium™ is also available in other dosage forms with slightly varying indications.#	**191**

* Status: February 2025. If not otherwise mentioned the EU SmPC approved at the time of review is used as a basis. Please note that indications and formulations may vary from country to country. Please refer to the respective local product information or Summary of Product Characteristics (SmPC).
** without license and milestone income
*** Indication in UK: Zomig Nasal Spray is indicated for the acute treatment of migraine with or without aura.
# see SmPC for 'Nexium™ 10 mg gastro-resistant granules for oral suspension, sachet' and for 'Nexium™ 40 mg Powder for solution for injection/infusion'.

BRAND NAME	ACTIVE INGREDIENT / TECHNOLOGY	INDICATION RANGE*	OPERATIONAL REVENUE** 2024 IN € MILLION
CRESTOR® rosuvastatin	Rosuvastatin	**Treatment of hypercholesterolaemia** Adults, adolescents and children aged 6 years or older with primary hypercholesterolaemia (type IIa including heterozygous familial hypercholesterolaemia) or mixed dyslipidaemia (type IIb) as an adjunct to diet when response to diet and other non-pharmacological treatments (e.g. exercise, weight reduction) is inadequate. Adults, adolescents and children aged 6 years or older with homozygous familial hypercholesterolaemia as an adjunct to diet and other lipid lowering treatments (e.g. LDL apheresis) or if such treatments are not appropriate. **Prevention of cardiovascular events** Prevention of major cardiovascular events in patients who are estimated to have a high risk for a first cardiovascular event, as an adjunct to correction of other risk factors.	86
PALEXIA	Tapentadol	**Prolonged-release tablet:** Management of severe chronic pain in adults which can be adequately managed only with opioid analgesics. Management of severe chronic pain in children above 6 years and adolescents, which can be adequately managed only with opioid analgesics. **Film-coated IR tablet:** Relief of moderate to severe acute pain in adults which can be adequately managed only with opioid analgesics. **Oral solution:** Relief of moderate to severe acute pain in children*** and adolescents from 2 years of age and in adults, which can be adequately managed only with opioid analgesics.	160
Tramal®	Tramadol	EU and Latin America indication: Treatment of moderate to severe pain.	85

BRAND NAME	ACTIVE INGREDIENT / TECHNOLOGY	INDICATION RANGE*	OPERATIONAL REVENUE** 2024 IN € MILLION
ZALDIAR®	**Fixed-dose combination of Tramadol and Paracetamol**	Symptomatic treatment of moderate to severe pain; use should be restricted to patients whose moderate to severe pain is considered to require a combination of tramadol and paracetamol.	**59**
Transtec® NORSPAN® DAS 7-TAGE-SCHMERZPFLASTER	**Buprenorphine**	Transtec™: Treatment of moderate to severe cancer pain and severe pain which does not respond to non-opioid analgesics. Transtec™ is not suitable for the treatment of acute pain. Norspan™: Management of moderate to severe chronic pain in adults.# Norspan™ is not suitable for the treatment of acute pain.	**57**
moventig naloxegol movantik® (naloxegol) 25 mg, 12.5 mg tablets	**Naloxegol**	Moventig™ Indication Europe: Moventig™ is indicated for the treatment of opioid-induced constipation (OIC) in adult patients who have had an inadequate response to laxative(s). Movantik™ Indication US: Movenatik™ is an opioid antagonist indicated for the treatment of OIC in adult patients with chronic non-cancer pain, including patients with chronic pain related to prior cancer or its treatment who do not require frequent (e.g., weekly) opioid dosage escalation.	**51**
Portfolio of Grünenthal Meds		Portfolio of 13 brands across six therapeutic areas, of which more than 60 percent of operational revenue is generated in the area of pain – key brands Abstral™, PecFent™, Oramorph™ and Rectogesic™.	**126**##

* Status: February 2025. If not otherwise mentioned the EU SmPC approved at the time of review is used as a basis. Please note that indications and formulations may vary from country to country. Please refer to the respective local product information or Summary of Product Characteristics (SmPC).
** without license and milestone income
*** in children restricted to hospital use where appropriate equipment to enable respiratory support is available. As with all symptomatic treatments, the continued use of tapentadol exceeding 3 days must be evaluated on an ongoing basis.
# Please note that for Norspan™ Grünenthal is only the Market Authorisation Holder in Latin America.
Grünenthal Meds portfolio represents the operational revenue with the product portfolio of the joint venture collaboration with Kyowa Kirin, following the closing of the joint venture collaboration in August 2023.

Responsible usage
opioid-info.com

STATEMENT REGARDING THE RESPONSIBLE USE OF OPIOID-BASED MEDICINES

General considerations for the management of pain with any medication that contains an opioid mechanism of action. All opioid medications are not authorised for all types of pain indication. Always refer to the product prescribing information.

An individualised, patient-centred approach for the diagnosis and treatment of pain is essential to establish a therapeutic alliance between patient and clinician.[14]

To optimise opioid treatment:

- It is important to optimally use multimodal, non-opioid approaches in acute and chronic pain before escalating to opioids or in conjunction with opioid therapy.[14]
- Opioids should be used only when benefits for pain and function are expected to outweigh risks.[15]
- Consider patient variables that may affect opioid dose for each patient prior to opioid use.[14]
- During ongoing opioid therapy, clinician should collaborate with patients to evaluate and carefully weigh benefits and risks of continuing opioid therapy and exercise care when increasing, continuing, or reducing opioid dosage.[15]
- Make a careful selection of patients, abuse risk factors evaluated, and regular monitoring and follow-up implemented to ensure that opioids are used appropriately and in alignment with treatment goals (pain intensity and functionality) as agreed with the patient.[16,17]
- Make patients aware of the potential side effects of opioids and the potential for developing tolerance, dependence and addiction.[16,17]
- Addiction is possible even when opioids are taken as directed.[18]
- Signs of opioid use disorder should be monitored and addressed.[16,17]

If an opioid is authorised and selected for treatment of acute pain, please consider:

- The use should be for the shortest necessary time.[14]

If an opioid is authorised and selected for treatment of chronic pain, please consider:

- To continue opioid therapy only if there is clinically meaningful improvement in pain and function that outweighs risks to patient safety.[15]
- Regular monitoring, clinical reviews, re-evaluations are required for long-term opioid treatment to assess pain control, impact on lifestyle, physical and psychological well-being, side effects and continued need for treatment.[16,17,19]
- How opioid therapy will be discontinued if benefits do not outweigh risks (CDC new ref), incl. tapering down the dose where possible.[16,17]

Patients and the general public can benefit from clear educational materials and awareness interventions to support the responsible use of opioids.[20]

Patient and doctor in dialogue

Scan here to see the Grünenthal Statement on the Responsible Use of Opioids

Responsible usage
opioid-info.com

PROMOTING PAIN RESEARCH

We are committed to building a better future for patients. Participating in various initiatives that advance this goal is essential.

EGG
EFIC-GRÜNENTHAL GRANT

EFIC-Grünenthal-Grant (EGG)

Through the EFIC-Grünenthal-Grant (E-G-G), Grünenthal supports young scientists early in their career in carrying out innovative clinical pain research with up to €110,000 provided every two years. Research grants are intended for clinical and human experimental pain research, including innovative educational initiatives aimed at improving diagnosis and treatment of pain. Since 2004, the E-G-G has successfully funded 73 innovative research projects, awarding almost €1.8 million to participants in more than 14 countries.

The three recipients of the 2023 E-G-G were recognised at the 13th Congress of the European Pain Federation EFIC in September 2023.

www.grunenthal.com/en/worldfree-of-pain/initiatives/e-g-g

> Fatigue and pain was quite a new area for me. I am so grateful that the E-G-G gave me the opportunity to pursue this project and expand my work.

Joukje Oosterman
Professor of Neuropsychology and Rehabilitation Psychology department at Radboud University, Winner of the 2016 E-G-G

CHANGE PAIN

In 2009, we established our CHANGE PAIN initiative in 12 European countries. The initiative is endorsed by the European Pain Federation EFIC and Pain Alliance Europe (PAE). The initiative's mission is to improve patient outcomes by improving pain management through appropriate research, communication and education. We educate healthcare professionals about pain management and both healthcare professionals and patients about pain conditions with our CHANGE PAIN initiative. The goal is to build up knowledge about the responsible use of pain medicine to reduce risks related to misuse of medication and create trust among patients and healthcare professionals.

Through CHANGE PAIN, many tools have been developed, such as web-based learning modules and workshops across Europe. In 2024, we reached 32,531 healthcare professionals through virtual educational events and 1,013 086 visitors through our educational websites. This was part of our effort to educate the healthcare sector about pain management and improve patient outcomes from pain treatment by providing practical tools for pain therapy via effective communication and education.

A change in strategy to achieve this ambition, recognising the need for local characteristics, such as local languages and availability of well-established local websites, resulted in the discontinuation of the global Change Pain hub at the end of 2024. From 2025 onwards, our efforts to effectively improve access to medical educational materials about the responsible use of pain medication are aimed at various regional websites instead of one central website.

To contribute to our ambition of increasing awareness of the responsible use of pain medicines and offering Continuing Medical Education (CME) in collaboration with external partners, we have provided an educational grant to Medscape.[21] This grant was for the independent development and delivery of a CME-accredited educational programme related to the responsible use of pain medicines. This was launched in 2024 with the title Primary Care Best Practices in Managing Neuropathic Pain and a total of 12,269 people engaged with the programme.

www.grunenthal.com/en/world-free-of-pain/initiatives/change-pain

Raising awareness – The Societal Impact of Pain platform

The Societal Impact of Pain (SIP) platform is a multi-stakeholder partnership led by the European Pain Federation and Pain Alliance Europe, and Grünenthal is one of the main sponsors. The partnership aims to raise awareness about pain and encourage changes to pain policies by providing opportunities for discussion among healthcare professionals, pain advocacy groups, politicians, healthcare insurance providers, representatives of health authorities, regulators and budget holders.

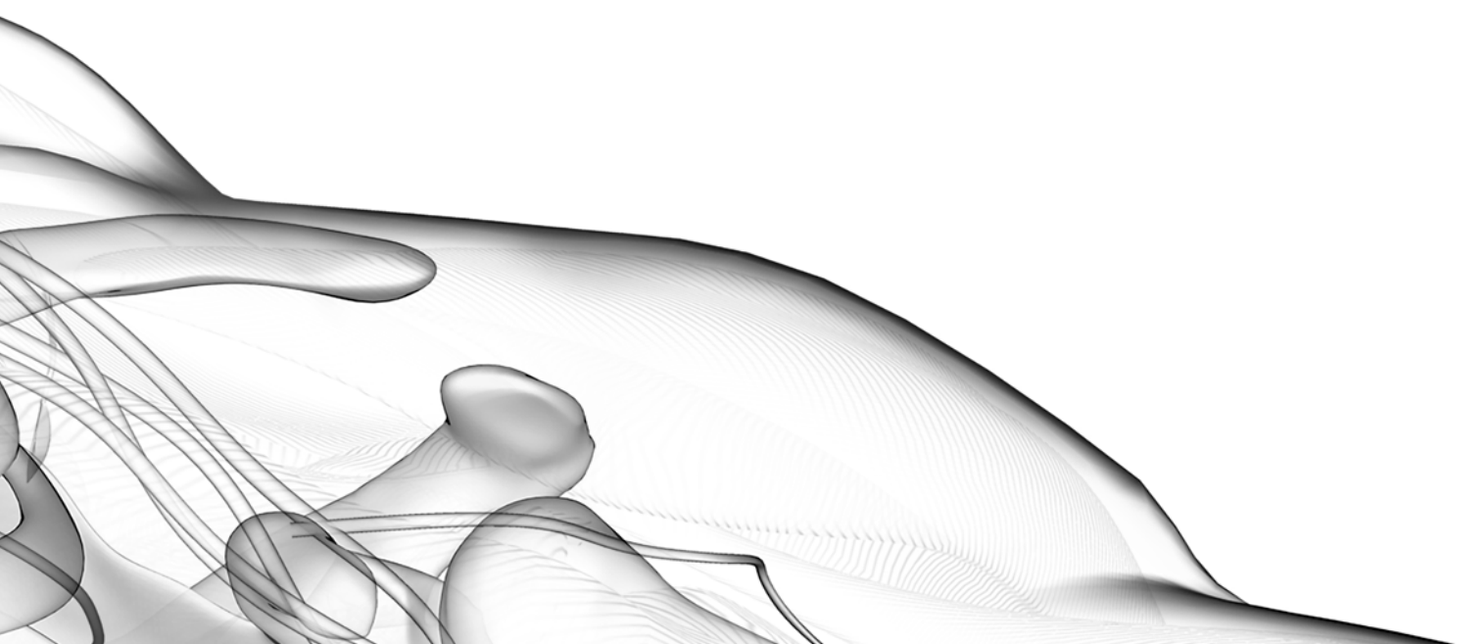
SIP is endorsed by more than 310 European and national patient and healthcare organisations, and collaborates with organisations from other disease areas to advocate for improved management of pain, for example in cancer and rheumatology.

In 2024, SIP released several position papers to demonstrate the relevance of pain to EU policy makers. Main priority areas were pain in the International Classification of Diseases (ICD-11), as well as pain and mental health and Access to Treatment with the launch of "The Burden of Pain: A Societal Impact of Pain (SIP) Book of Evidence" - with impactful events on European and national level.

www.sip-platform.eu

CUTTING-EDGE SCIENCE

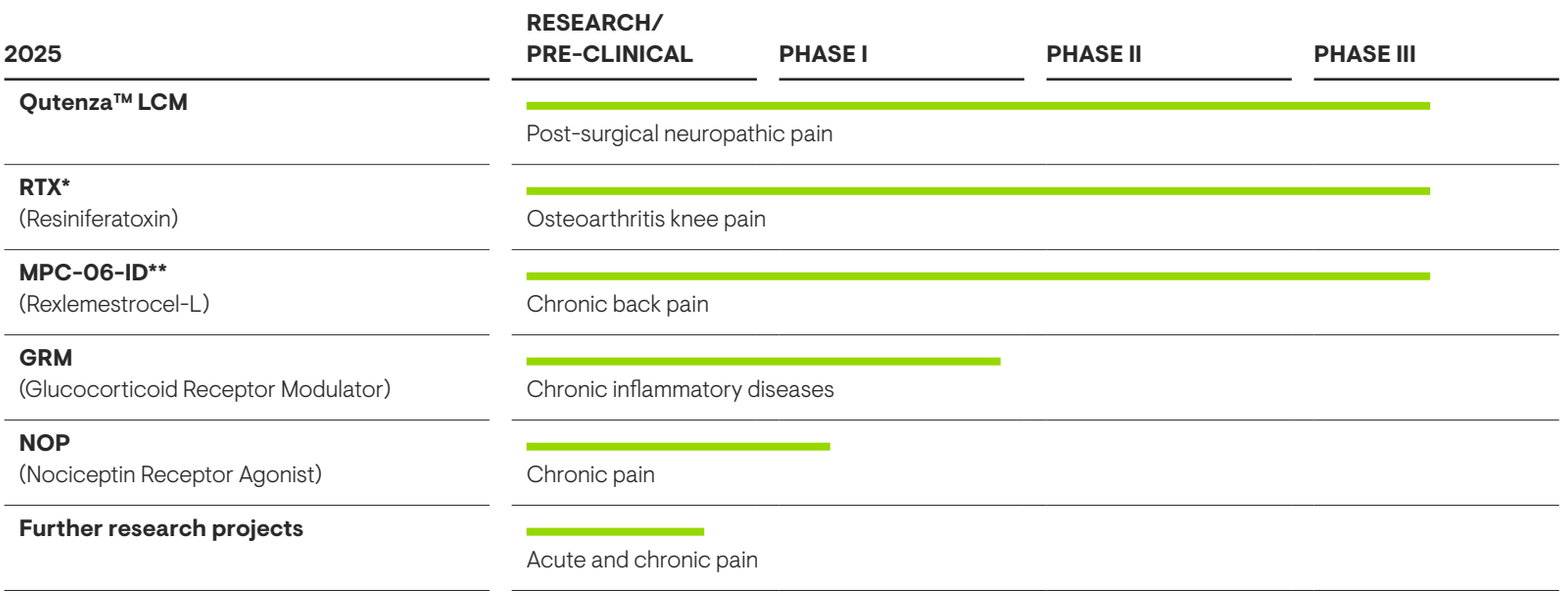
Our team of experts is at the forefront of groundbreaking research, creating next-generation pain medications that have the potential to transform the lives of patients in need, no matter where they are in the world.



Scientists in Grünenthal's biology laboratories

DEVELOPING LIFE-CHANGING TREATMENTS

Grünenthal is uniquely positioned in the therapeutic area of pain. Since the 1970s, we have focused on developing innovative pain therapies and have become a leading company. Our scientists have developed several life-changing pain medicines for patients. And in 2024, we made significant progress in strengthening our pipeline and moving forward with high-priority projects.



* Both pivotal trials did not meet their primary endpoints
** Collaboration with Mesoblast

OUR KEY PROJECTS IN R&D

Qutenza™ – Reaching more patients in the US

Qutenza™ is a topical system that contains prescription-strength capsaicin. It is a non-opioid treatment that can provide prolonged pain relief for several months. Its most frequently reported adverse effects were usually transient, self-limiting, mild-to-moderate reactions on the application site.[22]

In Europe, it is approved for treating peripheral neuropathic pain (PNP) in adults either alone or in combination with other medicinal products for the treatment of pain. In the US, Qutenza™ is approved for treating PNP associated with post-herpetic neuralgia and for treating pain associated with diabetic peripheral neuropathy (DPN) of the feet.[23] The US FDA approval of Qutenza™ for the treatment of pain associated with DPN of the feet in adults in 2020 marked a major milestone in our efforts to bring this treatment to more patients. Painful DPN is a progressive and debilitating complication of diabetes that affected more than five million Americans in 2020.[24] It is difficult to diagnose, treat and manage effectively.

Our life cycle management activities aim to make Qutenza™ more widely available by expanding the label – particularly in the US. In Q4 2024 we announced the completion of recruitment for an additional Phase III trial to investigate the efficacy, safety and tolerability of Qutenza™ in post-surgical neuropathic pain (PSNP). Assuming positive data is available in Q4 2025, the goal is to file a supplemental new drug application with the FDA in 2026 at the latest. We are also pursuing further exploratory activities for other indications in collaboration with external partners.

AV001 – Clinical Trial

AV001 is a Phase III, randomised, double-blind trial evaluating the efficacy and safety of Qutenza™ in subjects with moderate-to-severe post-surgical neuropathic pain (PSNP). The study aims to enrol 408 patients across multiple sites, who have been diagnosed with moderate-to-severe PSNP for at least six months.

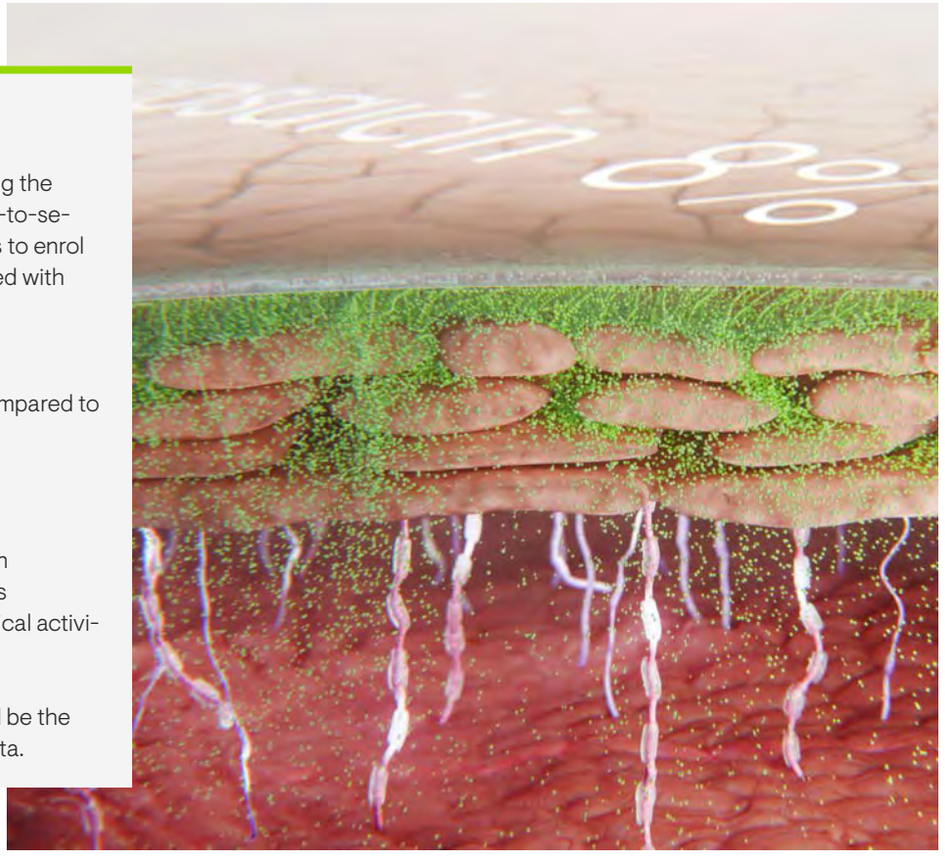
Primary endpoint

- Reduction in the average pain intensity after 12 weeks compared to baseline

Key secondary endpoints

- Reduction in the average pain intensity after 42 weeks
- Progressive response over time with repeated application
- Reduction of the treatment area over several applications
- Quality of life outcomes such as sleep interference, physical activity, anxiety and depression

With the entirety of the trial remaining blinded, AV001 could be the first trial in PSNP to provide blinded long-term treatment data.



Qutenza™ (capsaicin) 8 % topical system releases capsaicin through the skin

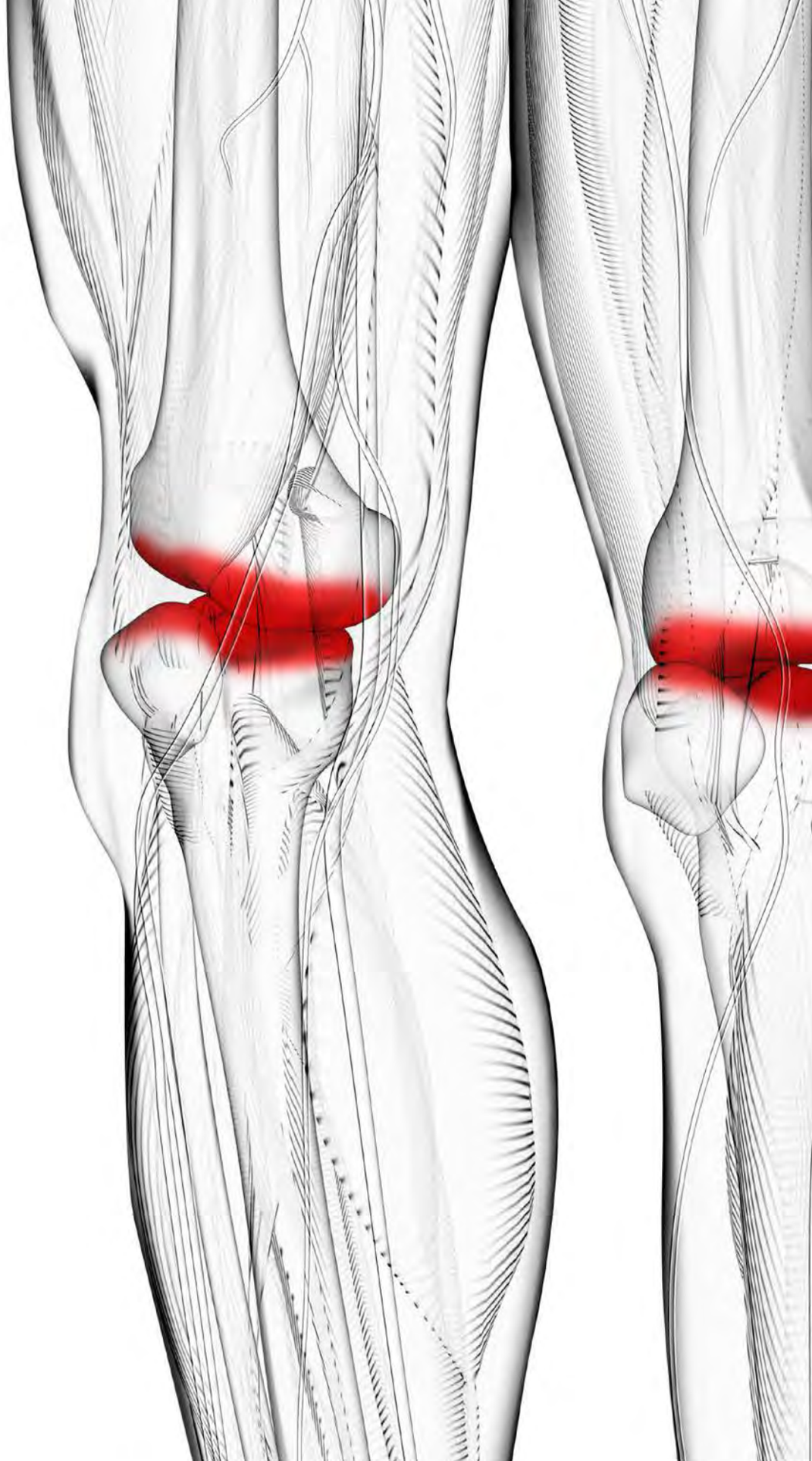
RTX – A highly potent TRPV1 agonist

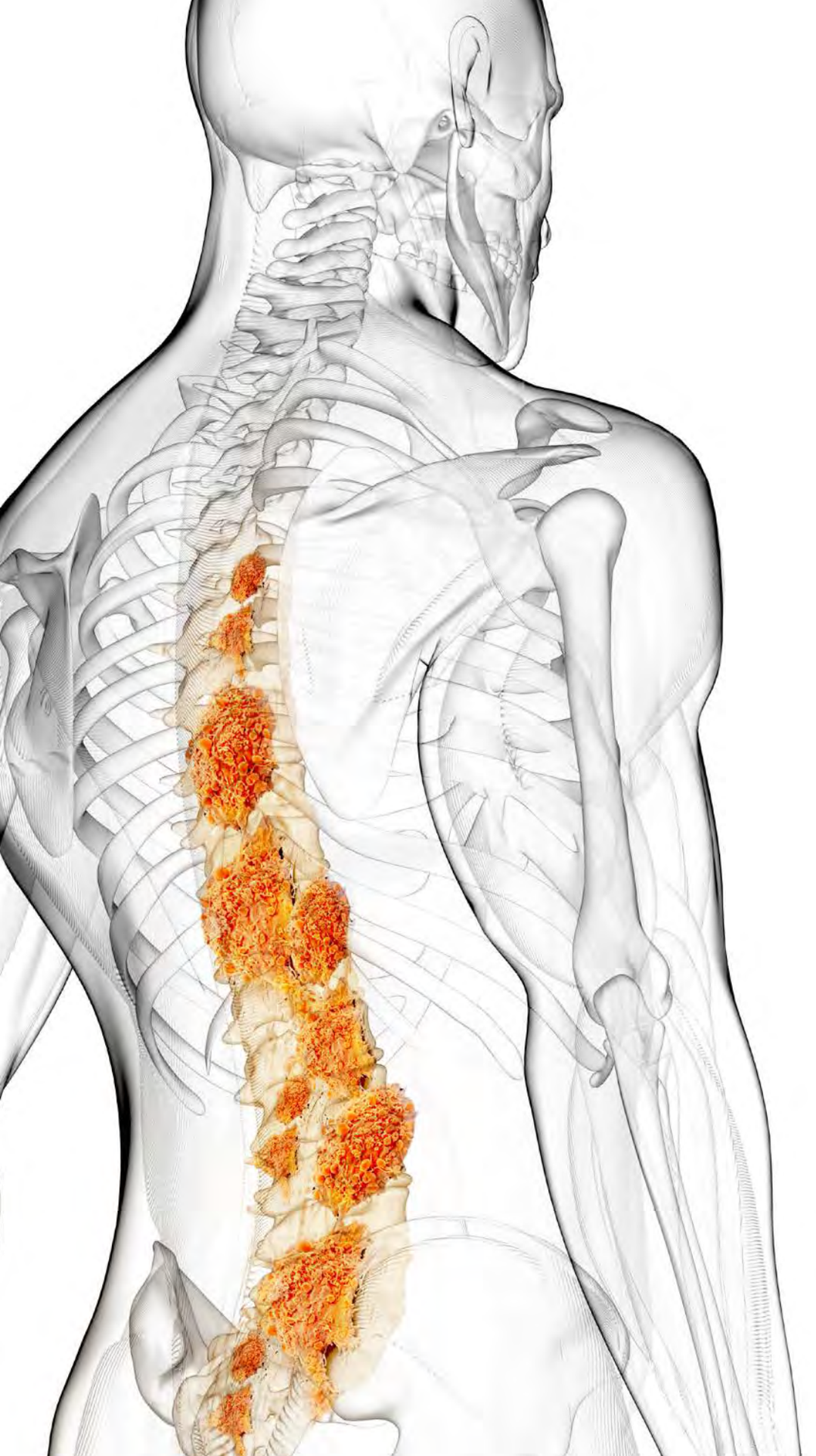
In April 2021, we acquired the Swiss biotech company Mestex AG and its lead compound resiniferatoxin (RTX), a highly potent TRPV1 agonist. Grünenthal initiated a global Phase III clinical development programme in 2022 to evaluate the efficacy and safety of intra-articular injections of RTX in adults with moderate to severe pain associated with osteoarthritis of the knee for whom available treatment options provide inadequate relief.

The programme consists of three trials - two pivotal trials (KF7039-01 and KF7039-02) and an open-label safety study (KF7039-03). As primary endpoints, the pivotal trials evaluated the change in pain score on the Western Ontario and McMaster Universities (WOMAC) Osteoarthritis Index. At the same time, the trials measured several secondary endpoints, including change in pain and physical function scores on the WOMAC Osteoarthritis Index.

Both pivotal trials did not meet their primary endpoints. Grünenthal will conclude this development programme with the completion of the open-label safety study KF7039-03 in the second half of 2025. To date, RTX has shown a favourable safety profile and has been well tolerated.

Grünenthal's resinferatoxin partner for Japan, Shionogi, has initiated a detailed review of the study and its results, and is assessing the best way to proceed in the context of treatment standards and pathways, patient characteristics, and regulatory pathways in Japan.





MPC-06-ID – Cell therapy for chronic low back pain

In 2019, we partnered with Mesoblast to develop a highly innovative mesenchymal precursor cell therapy for patients with chronic low back pain associated with degenerative disc disease who have not found effective relief from available treatment options.

Early in 2021, Mesoblast published results from the Phase III trial MSB-DR003 that was carried out in the US and Australia. The trial provided several important findings, including a significant and long-lasting treatment effect on pain relief. However, it did not achieve its primary outcome measure between the treatment groups.

After analysing the data obtained through this trial, Mesoblast anticipated conducting another confirmatory trial in the US and received positive feedback from the FDA regarding a new Phase III programme for MPC-06-ID in patients with chronic low back pain due to degenerative disc disease. The new trial will be conducted with up to 20 percent of the patient population involved coming from Europe, to support potential product approvals in both the US and Europe.

GRM – Potential anti-inflammatory with an improved safety profile

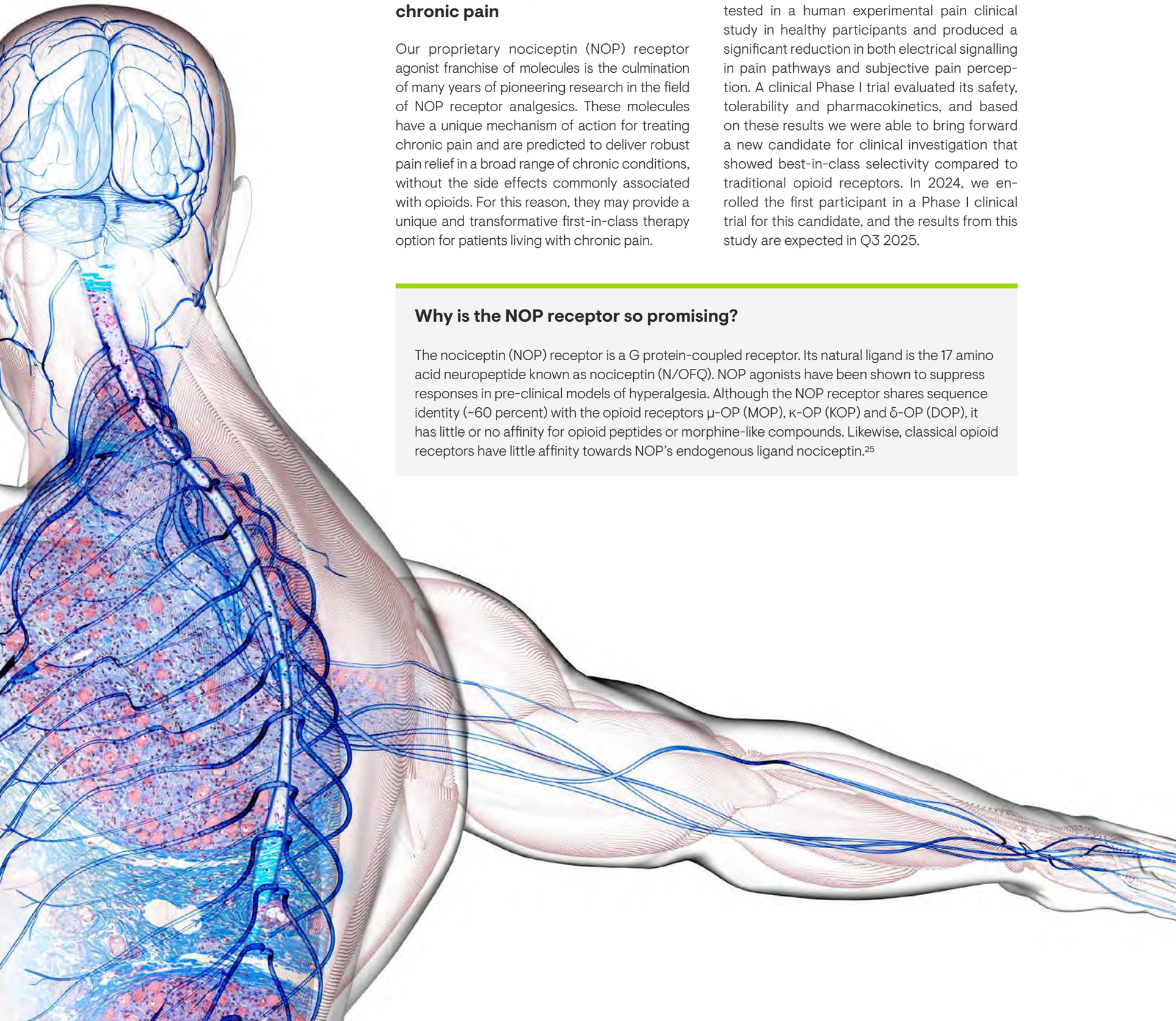
Our proprietary Glucocorticoid Receptor Modulator (GRM) is an oral investigational medicine developed to provide broad anti-inflammatory efficacy. It also has the potential to deliver a safety profile that will allow for longer-term treatment, which will address unmet medical needs and make an important difference to patients' lives.

Current glucocorticoid-based therapies like prednisolone are highly effective anti-inflammatory drugs, but they come with side effects. This includes reduced bone formation, which may lead to osteoporosis. They are also connected to increased glucose levels, which raises the risk of diabetes and means their use must be limited to short-term treatments.

Our new GRM compound has the potential to combine the efficacy of the current glucocorticoid-based therapies with a significantly improved safety profile. This may enable longer-term treatment, which is an unmet need for many indications. The clinical Phase I study for our GRM involved 88 healthy participants and primarily aimed to characterise the safety and tolerability profile, while also confirming the pharmacokinetic characteristics of the compound.

Biomarker data demonstrated the compound's potential to offer a therapy that combines high efficacy with a favourable safety profile. Following an analysis of a number of potential indications, we are now working on plans for a clinical Phase II trial in Duchenne Muscular Dystrophy (DMD). Given the significant unmet medical need in this area, we believe that a GRM therapy could provide an important new therapy option for this underserved patient population.

Scan the QR code
to learn more about
GRMs



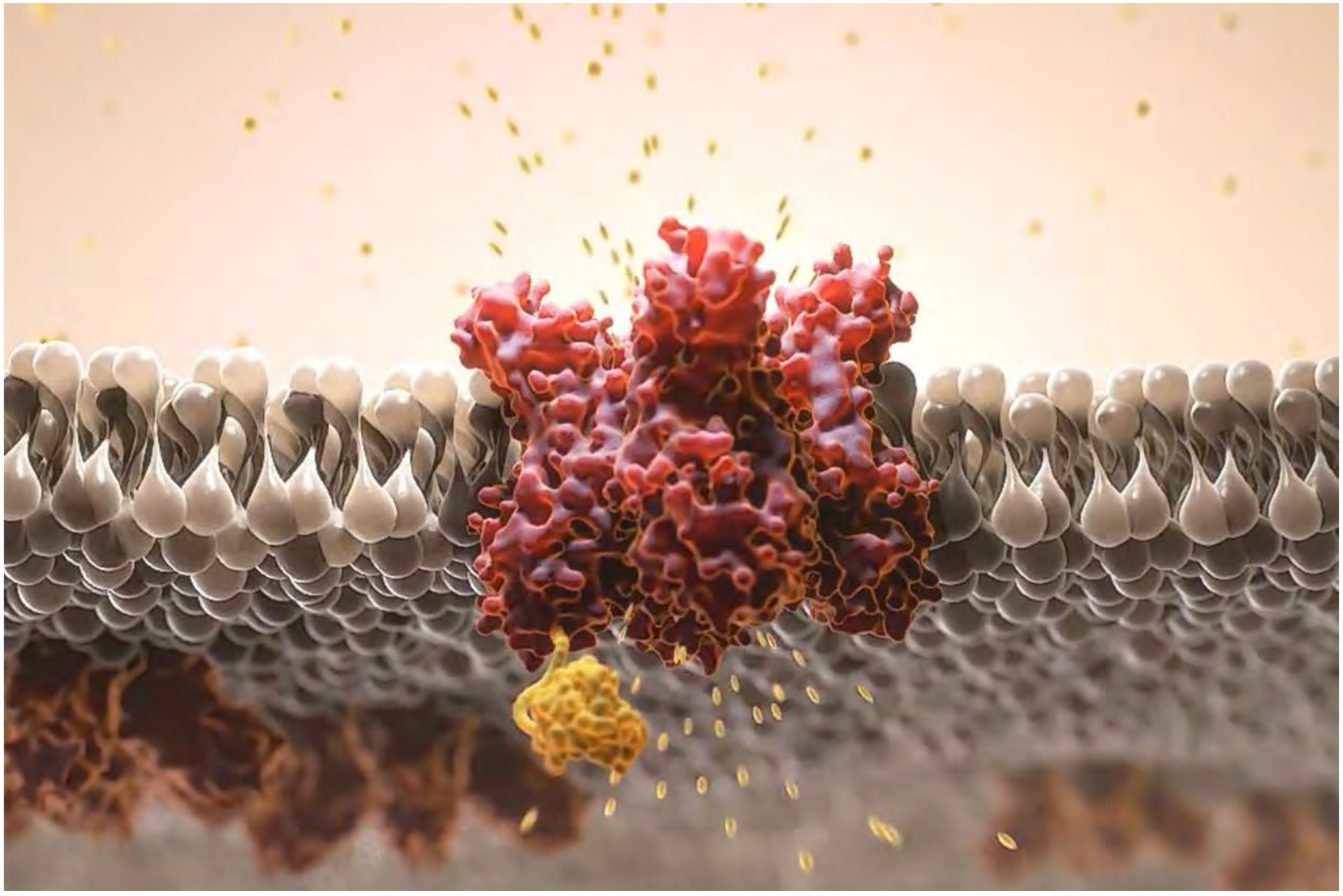
NOP – Promising treatment for chronic pain

Our proprietary nociceptin (NOP) receptor agonist franchise of molecules is the culmination of many years of pioneering research in the field of NOP receptor analgesics. These molecules have a unique mechanism of action for treating chronic pain and are predicted to deliver robust pain relief in a broad range of chronic conditions, without the side effects commonly associated with opioids. For this reason, they may provide a unique and transformative first-in-class therapy option for patients living with chronic pain.

In 2022, a NOP agonist from this franchise was tested in a human experimental pain clinical study in healthy participants and produced a significant reduction in both electrical signalling in pain pathways and subjective pain perception. A clinical Phase I trial evaluated its safety, tolerability and pharmacokinetics, and based on these results we were able to bring forward a new candidate for clinical investigation that showed best-in-class selectivity compared to traditional opioid receptors. In 2024, we enrolled the first participant in a Phase I clinical trial for this candidate, and the results from this study are expected in Q3 2025.

Why is the NOP receptor so promising?

The nociceptin (NOP) receptor is a G protein-coupled receptor. Its natural ligand is the 17 amino acid neuropeptide known as nociceptin (N/OFQ). NOP agonists have been shown to suppress responses in pre-clinical models of hyperalgesia. Although the NOP receptor shares sequence identity (~60 percent) with the opioid receptors μ-OP (MOP), κ-OP (KOP) and δ-OP (DOP), it has little or no affinity for opioid peptides or morphine-like compounds. Likewise, classical opioid receptors have little affinity towards NOP's endogenous ligand nociceptin.[25]



Model of a voltage-gated sodium channel

Na_V – Creating the next generation of non-opioid pain medicines

One of Grünenthal's most promising early research areas is our voltage-gated sodium channels (Na_V) programme, where we are striving to create the next generation of non-opioid pain medicines. Na_V channels can carry sodium ions into cells, resulting in an excitatory signal. If a channel's activity is modified so it can no longer carry sodium ions, it will also no longer be able to evoke excitatory signals. Of the family of nine Na_V channels, we are particularly interested in those expressed in dorsal root ganglion neurones (such as Na_V 1.7, Na_V 1.8 and Na_V 1.9).

These specific channels play roles in triggering excitatory signals in nociceptive neurones which are felt as pain by the human brain. As well as recognising their key role in pain signalling, genetic and some clinical validation make them promising human pain targets. Manipulating these Na_V channels in a way that suppresses or prevents their excitatory signalling could provide a significant analgesic effect across a range of chronic and acute pain conditions. Grünenthal has created excellent, selective therapeutic candidates and we are preparing a first-in-human study for our lead candidate.

Scan the QR code to learn more about Na_V channels

CREATING INNOVATIVE MEDICINES

Scientists at Grünenthal develop promising new treatments by identifying the best potential targets – and we pursue them by leveraging our deep expertise in bioinformatics, systems biology and pain biology.

Humanising pain research – predictive validity

After decades of research, pain scientists now understand that pre-clinical in vivo behavioural models have limited capability of predicting the biological relevance of potential new targets in humans. This could in part be because the expression profile and/or function of proteins can differ between species.

As a result, Grünenthal's experts select targets by studying human genetic and clinical data, and by developing pre-clinical models using human tissues and cells. This helps to increase the probability of success for the clinical translation of a chosen target in patients.

For example, we are conducting investigations on human nociceptive neurones, which carry pain signals from the periphery to the spinal cord. By studying these neurones and examining how they interact with other cell types, we can understand how they work in healthy individuals and in patients with pain conditions.

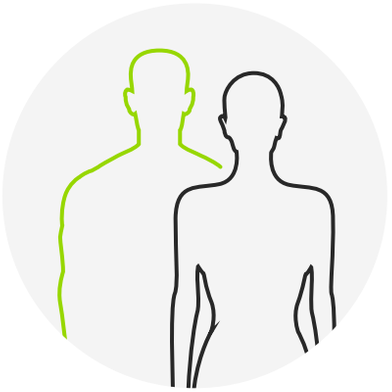
Our research teams are also investigating the role of key targets in processing pain signals. Based on these investigations, we are evaluating whether natural variation in a target, such as genetic differences, may have functional consequences. Beyond genetic evidence, we analyse existing clinical and pharmacological evidence that modulating the activity or function of a target may impact pain. Within our scientific framework a target is considered very promising if it is possible to combine an understanding of its function in pain processing with clinical and genetic evidence for a role in disease pathophysiology. In addition, we always consider the safety implications of modulating a target before adding it to our portfolio.

Innovation – Humanising Pain Research

Application of innovative technologies and diverse therapeutic modalities

Multi-modal molecular data

Pain-centric biobanks

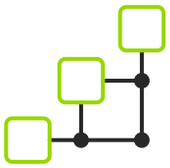


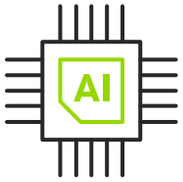
Human-centric disease understanding

Functional readout 

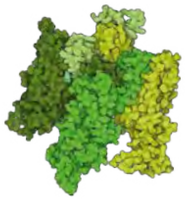
Biomarkers 

Clinical data 

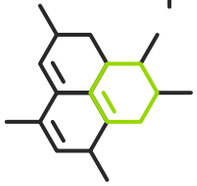




Integrated & Intelligent data analysis

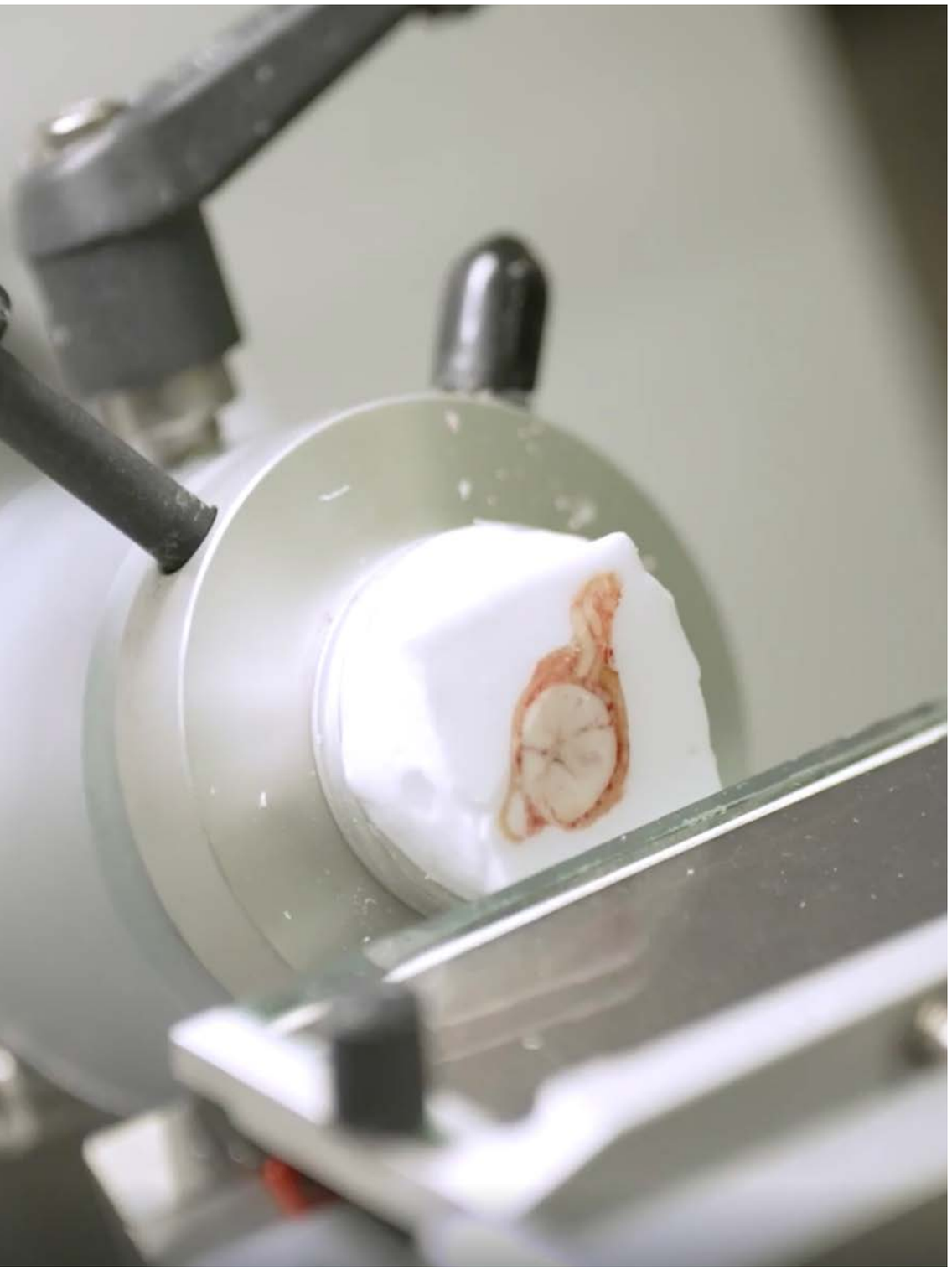


Human-validated targets



Small molecule

Genomic medicine



Human validation in early research

Turning data into knowledge

We use our expertise in bioinformatics and systems biology to screen, analyse and process large volumes of omics data generated from pain-centric human and disease model samples. Our scientists leverage state-of-the-art data analytics and digital technologies to analyse such multi-modal data sets and transform them into insights that can guide our research strategy. We build strong collaborative relationships with external partners such as academic groups and key opinion leaders to mine this data together – and deepen our understanding of how cells and tissues communicate when someone is experiencing pain.

The power of omics data

Omics approaches are high-throughput technologies that can be used to simultaneously profile biological systems at different levels of cellular hierarchy and organisation, including, but not limited to genes, transcripts and proteins:

- **Genomics** analyses the entire set of genes within an organism and studies their interrelationships
- **Transcriptomics** investigates all RNA molecules, including mRNA, rRNA, tRNA, and other non-coding RNAs
- **Proteomics** enables the study of all of the proteins produced by an organism

Enabling data-driven decision making through bioinformatics

Grünenthal's human-centric research approach is anchored in holistic exploration and analysis of multi-modal data sets from omics techniques, biomarkers, functional assays and clinical data. We have built advanced digital platforms to integrate and analyse this wealth of data, to generate actionable insights for our research programmes and portfolio.

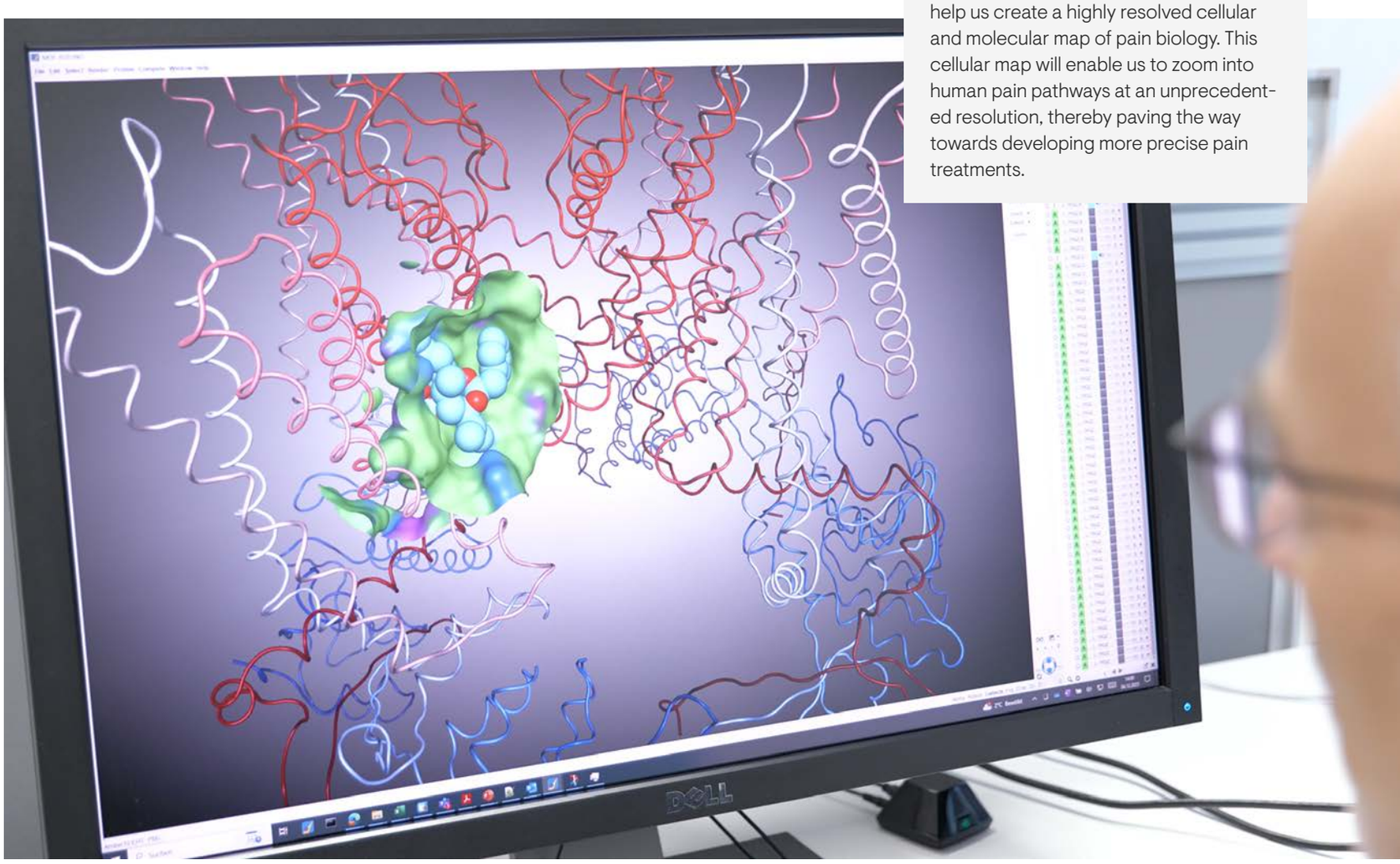
Our bioinformatics strategy deploys industry-leading Artificial intelligence (AI) paradigms to solve diverse scientific problems, with far reaching impact across research domains. For instance, we have implemented:

- **Machine learning (ML) methods** to discern cellular states in electrophysiology assays and optimise oligonucleotide libraries to catalyse our genetic medicine strategy
- **Deep learning (DL) models** to predict molecular properties of chemical libraries

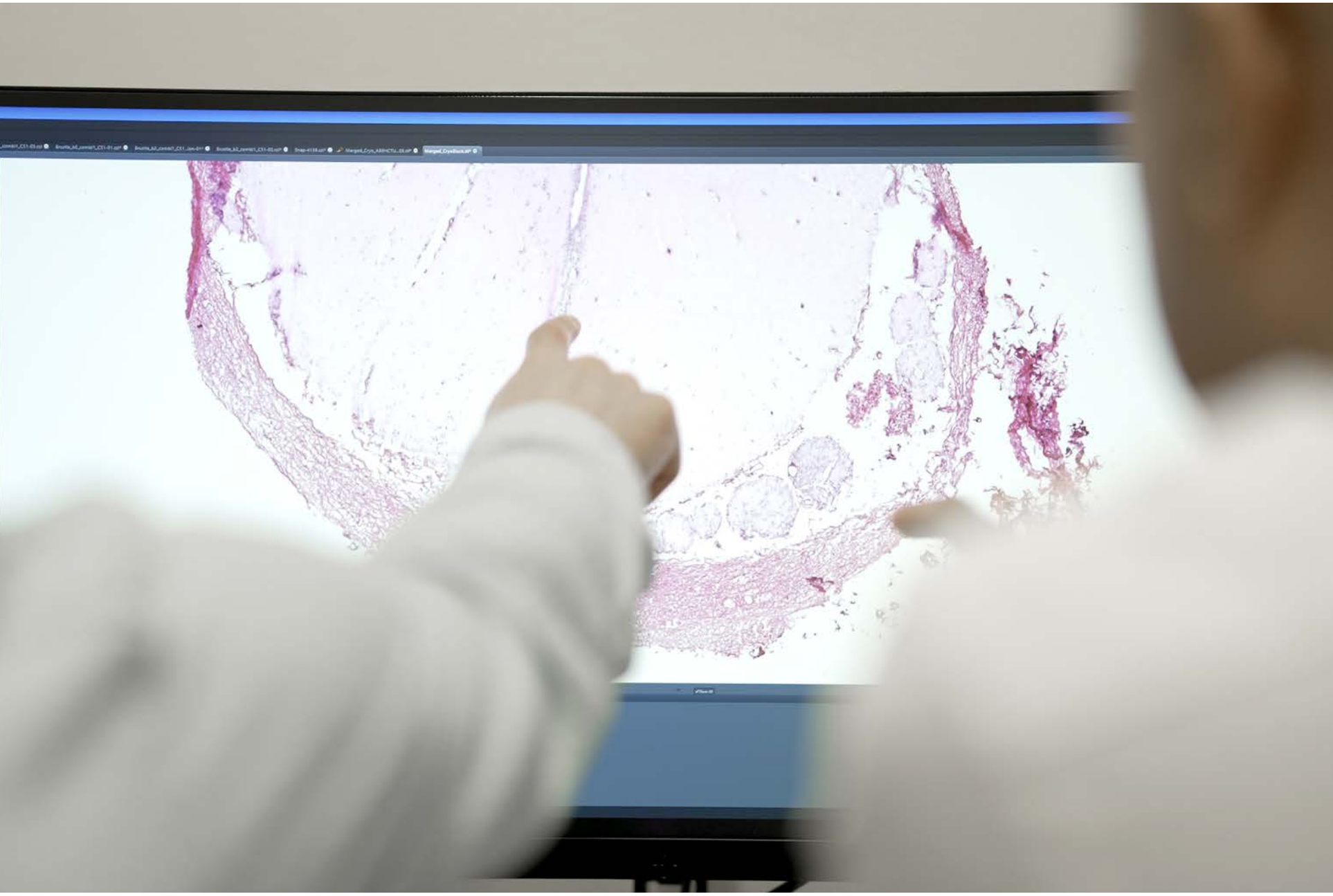
Our interdisciplinary bioinformatics research enables us to collaborate with experts from diverse disciplines for testing and validating in silico hypotheses.

Dissecting pain at the cellular level

Grünenthal has made strategic investments in deploying single-cell omics to dissect pain biology at the cellular level. We have perfected key aspects of single-cell technologies in-house to apply them effectively in pain research. The ongoing acquisition of disease-relevant data sets and in silico innovations will help us create a highly resolved cellular and molecular map of pain biology. This cellular map will enable us to zoom into human pain pathways at an unprecedented resolution, thereby paving the way towards developing more precise pain treatments.



Computational Biology at Grünenthal



Scientists analyse the microscope image of a cell

EXPLORING NEW MODALITIES FOR TREATING PAIN

Scientists at Grünenthal are leveraging genetic medicine to develop innovative approaches for treating pain.

We are broadening our approach to pain management by integrating genetic medicine into our established portfolio of small molecule treatments. Our team is placing a particular emphasis on RNA therapeutics. The primary objective will be to harness the distinctive characteristics of RNA-based treatments – such as their precise design, their reversible, yet long-lasting impact, and their ability to modulate targets that were previously inaccessible to small molecules. We aim to develop molecules that offer transformative specificity and efficacy.

The utilisation of the base genetic code in molecule design is central to RNA therapeutics. By using genetic coding when designing our molecules, we can create drugs aimed at specific pain targets with remarkable levels of precision. This approach enables a high degree of selectivity and ensures the effectiveness of our interventions, while also significantly reducing the likelihood of off-target effects. This is vital for patient safety.

A prime example of this strategy is the use of specifically designed antisense oligonucleotides (ASOs) to target messenger RNA (mRNA). These ASOs can selectively inhibit the production of specific proteins involved in human pain sensation, addressing targets that were previously beyond the reach of conventional pain management modalities.

Our genetic medicine strategy also includes efforts to develop an advanced RNA therapeutics delivery platform. This platform will optimise the precise delivery of RNA-based treatments to pain-relevant sensory neurones. This 'plug-and-play' concept, where different RNA sequences can be seamlessly integrated into the existing chemistry framework, would allow for rapid customisation and development of new therapies for various indications. It offers the potential to significantly accelerate the expansion of our portfolio in an efficient manner.

Our internal teams have made significant progress with our leading RNA-based pain programmes, which have generated exciting data and are advancing rapidly. These programmes are moving towards key milestones, demonstrating the potential of RNA therapeutics in targeting previously inaccessible pain mechanisms. In parallel, we are actively evaluating next-generation delivery technologies through external partnerships, particularly leveraging the expertise of biotech innovators and collaborations fostered through our Boston Innovation Hub. This collaborative approach is critical in identifying cutting-edge solutions for the precise and efficient delivery of RNA therapeutics to sensory neurons. Targeted drug delivery represents a critical frontier in addressing pain at its source, and these advances, driven by both internal progress and external innovation, are positioning Grünenthal at the forefront of this emerging field within pain medicine.

"I am proud to be at the forefront of developing new RNA pain therapies with Grünenthal.

Keith Philips
Head of Genetic Medicine

A PARTNER OF CHOICE FOR PAIN RESEARCH

We collaborate with organisations worldwide to drive progress for pain research and development (R&D). From evaluating new molecules to successfully commercialising products, we are always on the lookout for partnerships with the potential to elevate our research efforts.

Understanding the R&D landscape

Historically, a significant proportion of clinical programmes in pain have derived from reformulating existing drugs or repositioning medicines from other central nervous system (CNS) indications in pain. Pain research has also attracted less funding from industry or venture capital when compared with disease areas like oncology and immunology, and many large pharmaceutical companies have exited the pain medicine space.

However, over the last few years the pain R&D landscape has been slowly transforming. Innovation driven by smaller companies and academic institutions has led to breakthroughs related to genomics, and a movement away from rodent models to those that offer more translatable insights. These methods are making it possible to identify new targets and novel non-opioid mechanisms with the potential to address the significant unmet medical need still associated with many pain conditions today.

Looking to the future, several companies are now pursuing novel approaches like gene therapy or cell therapy, that carry a higher risk but may provide better patient outcomes in the long run. Grünenthal is investigating novel modalities such as RNA therapeutics, which have provided scientific breakthroughs outside of the pain medicine space and may have the potential to act on well-known pain targets.

A powerful partner for pain R&D

Grünenthal is committed to maintaining its leadership in pain R&D. This makes us an attractive partner for small or large companies that are seeking deep expertise to support progress for pain assets, as well as organisations that need a source of non-dilutive revenue through licensing or are keen to divest their pain programmes completely.

We also believe it is vital to work closely with academia to drive progress in pain R&D. Universities have strong relationships with hospitals and can leverage their academic networks to access human tissue, proprietary models and biomarker research. Therefore, we also collaborate with pioneers from academia who are pursuing progress in pain medicine.

Our partnering approach is flexible depending on the stage of the asset and the aspirations of our partner. It may involve licensing deals for an early research collaboration and access to our capabilities, co-development or co-commercialisation, a geographic-split deal for an asset in clinical development or an asset acquisition.

Grünenthal has a leading position in pain and a long tradition of driving progress for pain management. We are committed to continuing that progress in the future and that makes us a strong partner for innovation

Innovating with academia

Grünenthal has collaborated with renowned universities to develop next-generation treatments and research methodologies, including leading researchers at Uniklinik RWTH Aachen, RTWH Aachen University, McGill University (Montreal, Canada) and King's College London (UK).

These collaborations have furthered our internal research by:

- Enabling access to ethically sourced human tissues
- Applying advanced microfluidic culture models based on human induced pluripotent stem cells (iPSCs) that are customised for pain research
- Exploring novel pre-clinical techniques to assess sensory neuron activity

If successful, these activities would provide us with access to novel, translational models that could increase our understanding of human pain mechanisms and provide new insights into how to modulate these therapeutically.

Finding the right partnership opportunities

We are open to pain programmes at any stage of development, as well as novel technology platforms with transformative potential for patients. In particular, we are seeking selective and potent molecules, of any modality, that address key pain pathways and where there is strong target validation. Since animal models of pain have low translatability to the clinic, we are interested in collaborations with companies that use more "human-relevant" models or cell systems and are investigating credible biomarkers for pain.

There remains a huge unmet medical need in the many pain indications we are pursuing. Ultimately, our collaborative approach is all about connecting expert scientists and entrepreneurs who share a deep passion for providing relief to people suffering from pain.

Working with partners is the best way to achieve our vision of a World Free of Pain

MEET THE INNOVATORS

Our R&D team are championing innovation in all aspects of pain medicine.

In a world of data and science, it can sometimes be too easy to focus on the numbers and forget about the people. But the real power of our R&D engine comes from our amazing team. Several hundred individuals from around the world come to work each day, dedicated to finding and delivering the next innovative pain therapy for patients. This spirit of innovation is what drives our company and propels us on our journey towards a World Free of Pain.

Maria Stupar
Global Safety Lead

The efficacy of a product is important, but its safety is everything. Using the power of data, Maria works tirelessly to ensure that we maintain the highest safety standards of our products, from pre-clinical development all the way to commercialisation. Through her efforts, she is ensuring that we continue to stand as a trusted leader in the pain medicine space, for healthcare professionals and the patients we serve.

Scan to
learn more

Chanchal Kumar
Head Bioinformatics, Disease Understanding

With an insatiable desire to turn data into knowledge, Chanchal and his team are leveraging state-of-the-art data analytics and digital technologies to identify the specific cells that lead to chronic pain. In doing so, Chanchal is on the hunt for new precise targets that could represent the future of pain medicine.

Scan to
learn how

Dalena Brockwell
Head Commercial Regulatory Affairs US

Motivated by her own experience of being unable to access the right pain medicines, Dalena comes to work each day with a desire to bring innovative medicines to patients in need. From ensuring that all our products meet the requirements of the FDA to supporting advertising that is informative and accurate, Dalena's work helps patients across the US gain access to the medicines they need.

Scan to
learn more

Sevil Davidson
Computational Biologist

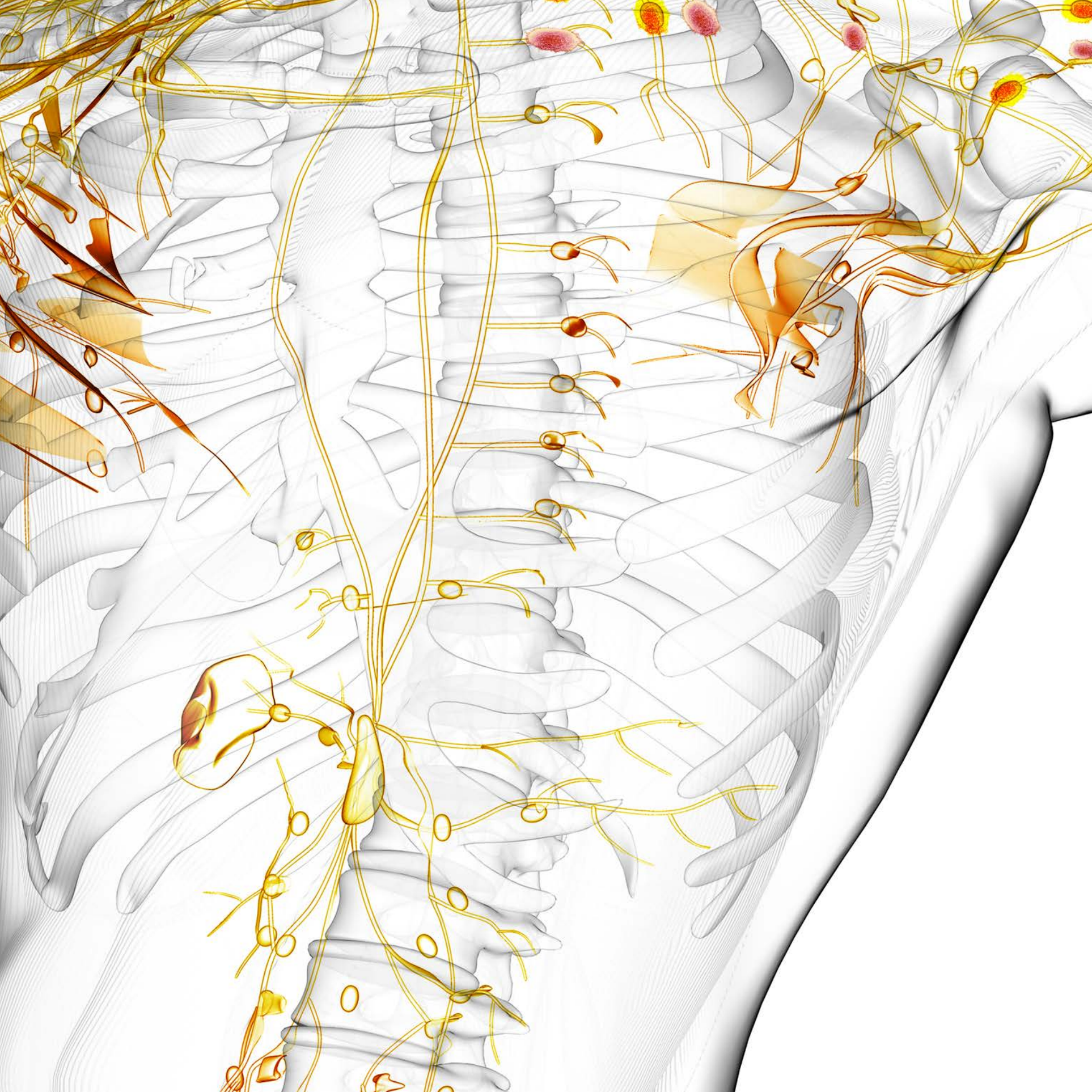
With the power of artificial intelligence (AI) and machine learning (ML) at her fingertips, Sevil is developing algorithms to predict the properties of different molecules and accelerate the identification of promising therapeutic candidates. By optimising the structures of the molecules that are sent for synthesis in the lab, Sevil ensures that our research efforts are as efficient and sustainable as possible.

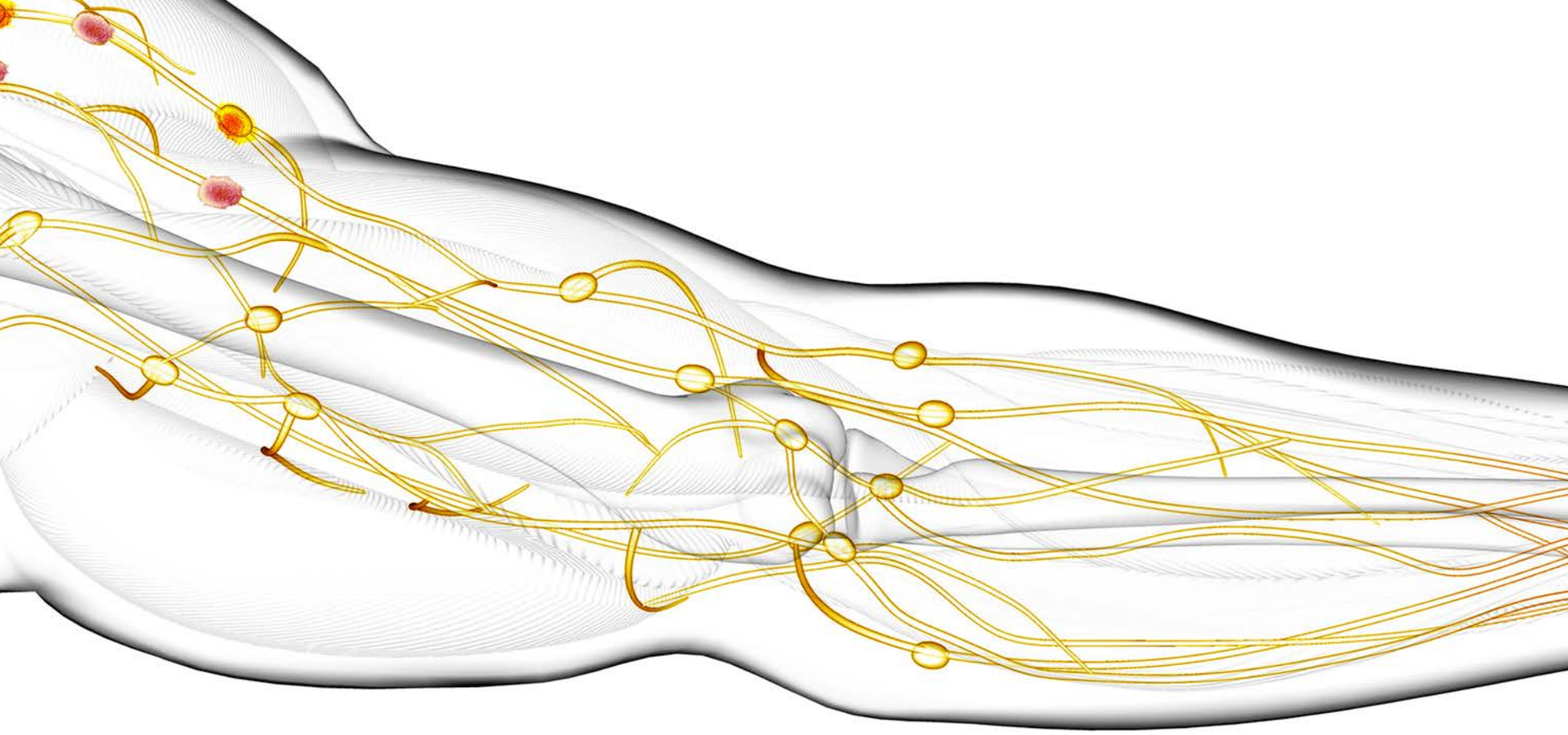
Scan to
learn more

Florian Jakob
Head of Drug Discovery Engine

Florian Jakob has always been excited by the idea of taking a tiny molecule and designing it to have a very specific, positive effect for patients. He has grown from an early career researcher into Head of Drug Discovery Engine at Grünenthal. Currently, he advances the leading science of our GRM programme, aiming to create a molecule with anti-inflammatory effects in patients without the side effects of common therapies.

Scan to
learn more





RELIABLE SUPPLY TO PATIENTS

Our Global Operations team is made up of over 2,000 people working tirelessly to provide patients around the world with a safe, efficient and reliable supply of life-changing medicines.

MANAGING THE END-TO-END VALUE CHAIN

In Global Operations we are committed to ensuring the highest levels of safety, quality and cost-efficiency in all of our activities – and at every stage in our value chain.

Every day, every single person in our Global Operations (GO) team comes to work with one goal in mind – to ensure patients have access to the medicines they need in almost 100 countries worldwide. We are incredibly proud to have maintained an uninterrupted supply of medicines throughout 2024, overcoming a number of significant local and global challenges while integrating various acquisitions into our company.

In GO, our people are united by a strong culture of commitment, openness and innovation. We operate a robust production network with five specialised production facilities – in Chile, Ecuador, Germany, Italy and Switzerland, where we manufacture Grünenthal products as well as medicines for key external partners. In 2024, third-party manufacturing accounted for almost 50 percent of our production volume. By always looking for new ways to drive excellence, we are improving patients' lives and also supporting the continued growth of Grünenthal.

Each year, our Global Operations team supplies millions of people worldwide with critical medicines. Victor Barbosa, Head of Global Operations, shares his thoughts on what it takes to deliver on this tremendous responsibility.

Over the last year, how did the GO team contribute to Grünenthal's business strategy?

Victor: In 2024 we found our footing after the challenges of the post-COVID years. As a result of the outstanding efforts of the team, we strengthened our end-to-end supply chain, enhanced our profitability and improved our risk management processes. And while other players in the space experienced supply issues, I am extremely proud to say that we maintained a constant supply of all of our medications to patients. This is no small feat and is entirely down to the hard work and dedication of our team.

We also successfully integrated a number of new products into the organisation – underscoring our position as a best-in-class integration machine and the premier company for established brands in the market. This is one of our biggest strengths as an organisation and something that the GO team is constantly looking to improve on.

What is your vision for the future of GO?

Victor: In 2020 we looked ahead and set ourselves a moonshot for 2025. It was a bold and ambitious plan to overhaul our team culture, increase our profitability by €100 million per year and optimise critical operational processes.

I am proud to say that we have made tremendous progress against these targets and are on track to deliver an organisation that is highly engaged, cost-efficient and better able to deal with an ever-changing landscape. But the journey doesn't end next year. As we look beyond 2025, our key focus will be on finding ways to harness the power of technology, robotics and digitalisation to maximise our ability to deliver for patients and facilitate the continued growth of the Grünenthal business.

In your view, what makes the GO team special?

It is a simple answer – the people. Over the last few years, we have placed an emphasis on our team culture and creating an environment of openness, where people feel comfortable addressing issues quickly, transparently and without blame. We have also worked hard to empower leaders across GO to take control, be accountable and strive for continuous improvement.

This has led us to a place where every single member of the GO team understands that they play a critical role in our ability to deliver Grünenthal's vision of a World Free of Pain. From analysts to engineers, scientists to operators, pharmacists to strategists, you can really feel the sense of commitment and pride that the team has in knowing that, because of what they do each day, patients will receive safe and effective products when they need them.

Victor Barbosa during a visit to our site in Aachen

OUR WORLD-CLASS MANUFACTURING SITES

In 2024, thanks to the outstanding work of the entire Global Operations team, 177 million packs of Grünenthal medicines reached patients worldwide.

We operate five world-class manufacturing sites around the globe, where we produce all of our own products, as well as manufacturing medicines for key industry partners. We have made significant investments into our facilities and are fully committed to ensuring the quality, safety and sustainability of every medicine we produce for patients.

Santiago, Chile

Our manufacturing site in Santiago is a centre of excellence for hormone production, as well as the production and packaging of solid products.

Grünenthal has made a significant investment into the Santiago site to fully upgrade the bulk manufacturing and packaging capabilities of the facility.

In 2025, the site will be focused on securing EMA certification so that it can begin exporting products to Europe, in order to serve even more patients around the globe.

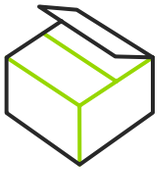
> We are incredibly proud of the inauguration of our state-of-the-art facility in June 2024. This plant stands as a beacon of innovation and cost-efficiency, ensuring safe, efficient and reliable product supply to our patients. We are dedicated to continuously enhancing our processes and building capabilities to achieve EMA certification in 2025. Our ambition is to become a global site, exporting products to Europe and the rest of the world.

Leonardo Tonelli Fava
Site Director – Santiago

2024 Fast Facts

Size: 25,720m²

Employees: 400



28 million packs

1.05 billion tablets

Quito, Ecuador

We consider the Quito site one of the strongest manufacturing sites in the Andean region, servicing countries across Latin America and Europe. Adhering to world-class quality standards, it produces solids, liquids and semi-solids for Grünenthal and our partners. The site maintains a robust Quality Management System and holds key certifications from regulatory authorities such as ANVISA and European certification.

In 2024, following a significant investment of € 24 million, the team unveiled a new manufacturing facility for the production of Vimovo™. At the same time, the first Ecuadorian-produced product, Finasteride, reached Europe for one of our partners, opening new opportunities for future collaborations.

In 2025, the Quito site will complete the hiring of 60 additional people to support the production of up to 300 million tablets of Vimovo™ each year, for patients in 17 European countries.

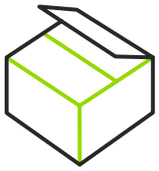
> 2024 was a transformative year for the team in Quito. With the inauguration of a new Vimovo™ production facility, we took significant steps to increase the global impact of our operations and are now focused on expanding our team to support this new production line. As we look to the future, we are fully committed to continuing to provide patients across Latin America and Europe with a safe and uninterrupted supply of the medicines they need.

Ana Maria Lazo
Site Director – Quito

2024 Fast Facts

Size: 60,000m²

Employees: 253



14 million packs

Aachen, Germany

Our largest packaging site can be found in Aachen, Germany. It is responsible for packaging the products that make up around 50 % of our annual revenue.

400 team members manufacture a wide variety of products from our core portfolio, including Qutenza™, Palexia™ and Versatis™ and have overseen the integration of build-muscle deals such as Vimovo™ and Nexium™.

Over the last year, the site has seen significant improvement in all key operational performance indicators and is focused on advancing leadership development and maximising the potential of automation and digitalisation.

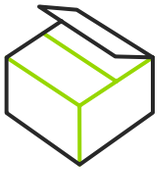
> We have set an ambitious goal to become the Best Pharma Packaging Site in Europe by 2026, and so all our efforts this year have been in service of this mission. I am extremely proud of how the team has worked tirelessly to optimise our operating procedures, so that we can maximise efficiency and productivity while maintaining the highest safety standards. Patients continue to sit at the heart of all we do, and we will continue to work each day to ensure they have access to the medicines they need.

Christoph Hausser
Site Director – Aachen

2024 Fast Facts

Size: 6,500m²

Employees: 400



92 million packs

API Site, Aachen, Germany and Mitlödi, Switzerland

We have two multi-purpose API plants, that are responsible for manufacturing key products within the Grünenthal portfolio, as well as a number of medicines for our key external partners.

Our Swiss plant, in particular, remains extremely busy, continuing to deliver Tramadol to the market 50 years after its launch. This plant consistently enhances its operations, maintaining competitiveness while upholding high standards of quality and reliability.

In a world facing frequent drug shortages and supply chain challenges, the reliability of our Swiss plant stands out as a critical asset.

In 2024, both plants achieved a production volume record, successfully integrated the starting material for Tapentadol into their manufacturing process and achieved outstanding results in the Great Place to Work® survey. Looking to next year, the Mitlödi plant will be focused on implementing new technologies to become CO_2 emission free by mid-2025 and the Aachen plant will be initiating production of the first batches of rosuvastatin, the API of Crestor™. In addition to producing the API for Tapentadol, the Aachen plant is now insourcing this additional API, and actively working on its technical transfer and production ramp-up.

> 2024 was a record year for our API site, where we exceeded our previous production volume and also saw high employee satisfaction scores. Our people are the foundation of our operations, and we are committed to maintaining our collaborative culture and fostering an environment that supports innovation. As we look to the future, we are excited about exploring how data analytics and digital tools can optimise our practices and expand our productivity and services.

Jochen Schmalfuss
Site Director – API

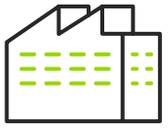
2024 Fast Facts Aachen

Size: 2,650m²

Employees: 40

>70 tonnes of product

2024 Fast Facts Mitlödi



Size: 2,190m²

Employees: 65

>320 tonnes of product

Origgio, Italy

Our Origgio site in Italy has a key role in manufacturing several strategic Grünenthal brands, including Palexia™, Zomig™ and Crestor™, while supplying the largest variety of markets, including the US and Japan. The site manages various technologies, like oral solids, nasal spray and medical device assembly and packaging. During 2024, the team achieved a number of key milestones including the successful initiation of Crestor™ manufacturing and distribution, the integration of new partner products and the launch of new photovoltaic panels in the plant.

Looking to the future, this site continues to be a significant area of growth. It has been instrumental in driving many of our recent acquisitions. The team is heavily engaged in ramping up production of Crestor™, contributing to its robust output. Additionally, the site launched new products in biopharma packaging and secured contracts to drive growth in the coming years.

To enable new opportunities, the site initiated a three-year master plan expansion project in 2024, covering production, warehouse, office, and laboratory facilities. Looking ahead, this site remains a key driver of product integrations, supporting Grünenthal's acquisition strategy and enhancing profitability.

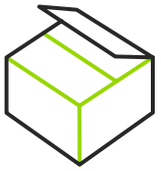
> Strategic product integrations, capacity expansions and new contract acquisitions are impressive milestones achieved by the team at our Origgio plant in 2024. We look forward to 2025 and beyond with great confidence to continue the growth with further products, technologies and expansions while always keeping the well-being and safety of our employees at the centre of our strategy alongside quality and efficiency.

Giovanni Marangoni
Site Director – Origgio

2024 Fast Facts

Size: 22,000 m²

Employees: 500



23 million packs

2.2 billion tablets

5 million vials

Operators on the packaging line at our Aachen site

Insight into hormone production at our Santiago site

INVESTING IN OUR FUTURE

We made the largest manufacturing investment in our company's history, to modernise our Latin American production sites.

We established our operations in Latin America decades ago, and over that time, our manufacturing plants in Quito, Ecuador, and Santiago, Chile, have supplied life-changing medicines to patients across the region. Looking ahead, these facilities are expanding their reach to serve patients beyond Latin America, including the US and Europe.

In an effort to safeguard and expand our ability to provide patients with a safe and reliable supply of products for the decades to come, we made the decision to invest € 80 million to upgrade our facilities in Ecuador and Chile.

Built for excellence, designed for impact – the new plant at our Quito site

Celebrating the grand opening of our cutting-edge facility in Quito

Quito, Ecuador

Our facility in Quito houses Ecuador's largest and most modern manufacturing plant for pharmaceuticals and is one of only a handful of facilities in Latin America licensed to supply medicines to Europe. The team at this facility manufactures a wide variety of products including granules, coated tablets, capsules, liquids and semi-solids.

Our manufacturing investment facilitated the expansion of our existing facility with the construction of a brand-new and state-of-the-art plant to support the global production of Vimovo™. The new plant extends our capabilities and we plan the production of 300 million tablets a year for patients living with pain across 17 European countries.

The facility has been certified by various Latin American authorities, such as ANVISA (Brazil) and INVIMA (Colombia), and is the only facility in Ecuador with an EU Good Manufacturing Practice certificate. We are incredibly proud of this achievement and are committed to ensuring that this site continues to stand as a beacon of quality in the region.

Santiago, Chile

We have been operating in Santiago for over 45 years, and the site is home to our centre of excellence for hormone production. We are proud that it is one of the most modern facilities of its kind in Latin America and is also responsible for the production and packaging of solid products.

To maintain our manufacturing leadership in the region, we chose to fully refurbish our 3,500m² solids plant to create a world-class manufacturing facility with a production capacity of 1.8 billion tablets a year. Thanks to the advanced technological capabilities of the new plant, the team now has access to new training opportunities and areas for specialisation. This will facilitate the accelerated growth and development of our colleagues in Chile, and it also strengthens our position as we aim to complete the European Medicines Agency (EMA) certification process next year, to expand our distribution reach to Europe.

Grünenthal employees celebrate the opening of the completely refurbished facility

> Our investment in Latin America reflects our unwavering commitment to providing high-quality medicine from the region to patients worldwide.

Javier Martin
Head of Manufacturing LatAm & API and Global Manufacturing Operations

From four machines to one: Our cutting-edge stick pack machine in our Santiago site streamlines the entire production process for single-dose sachets

GO2025 – OUR ROADMAP FOR SUCCESS

In 2020, the GO2025 programme was initiated and has served as our roadmap for success for the last four years. The strategy supports our mission to ensure that we provide a safe, efficient and reliable product supply to patients. We set out on an ambitious journey designed to transform the way we work, innovate and grow. We aimed high, defining clear goals that would reshape our team culture, enhance operational excellence and drive €100 million in annual profitability improvements.

Four years in, our progress has been remarkable and we remain fully focused on ensuring we reach our goals for 2025.

1. Building a high-performing organisation

At the heart of GO2025 is our commitment to creating a highly engaged workforce and establishing a culture that makes us a Great & Cool Place to Work. The strength of GO lies in our people, and we know that to drive innovation and maximise the performance of our business, it is essential that we attract, retain and develop talent. In order to achieve this, we have invested heavily in the learning and development of our team and have worked to foster a culture that supports innovation, collaboration and inclusivity.

Through our GO-specific education and training programme, we ensure that our operators are equipped with all required skills, providing a “license to operate” as well as developing new skills and enabling them to work even more autonomously. Looking to 2025, we are expanding this programme to our maintenance technicians and analysts, increasing the programme's scope and allowing even more team members to participate and acquire new skills. We have expanded this programme beyond our operators and implemented global competency frameworks for all our GO roles, ensuring every team member understands their

development journey and provides tailored steps to advance further.

Beyond education for the wider GO team, we also launched a Leadership Academy, designed to support the growth of every leader across GO and ensure that they have the capabilities and tools to lead by example. In 2024, over 80 percent of GO leaders had enrolled in the academy, demonstrating the successful uptake of this programme.

Beyond personal development, we continue to transform GO into a place where people enjoy coming to work each day and feel supported and valued. That is why we were thrilled to see that 88 percent of the GO team completed our annual Great Place to Work Survey in 2024 and that GO achieved a record score of 79 percent. This tremendous achievement underscores the success of our efforts to create a high-performing organisation and ensures that GO is a place where people can thrive.

2. Driving profitability improvements to support Grünenthal's vision of a World Free of Pain

GO2025 set a bold ambition: to significantly enhance Grünenthal's profitability while reinforcing our vision to create a World Free of Pain. Today, we are proud to say that we have achieved this goal. By building on our strong backbone of continuous improvement, leveraging best-in-class integration capabilities, evolving our procurement strategy and expanding our Contract Manufacturing Business (CMB), we have identified €100 million in annual profitability improvements. Of this, €85 million had already been achieved by the end of 2024, ensuring sustainable growth for the company.

€100m

annual profitability gains target by the end of 2025

A world-class integration machine

Acquisitions have played a crucial role in Grünenthal's growth, and our ability to rapidly and seamlessly integrate new brands has been a defining strength of the GO team. Over the past few years, we have built such strong capabilities, transforming GO into a true integration machine. This is one of our greatest strengths as an organisation, and our GO team has a strong track record of helping unleash the full growth potential of Grünenthal's acquired products and technologies. From the successful integration of Nexium™ and Vimovo™ to the full insourcing of our Crestor™ value chain, our approach has consistently delivered substantial cost savings and operational synergies, boosting our competitiveness in the industry.

A prime example of this is our strategic investment in manufacturing capabilities. The integration of Nexium™ and Vimovo™ packaging into our supply network resulted in annual cost savings of €13 million. Additionally, in the new Vimovo™ production facility in Quito, Ecuador, we plan to manufacture up to 300 million Vimovo™ tablets per year, leading to projected savings of €10 million annually. Now, we are taking the next major step in our Nexium™ journey. After successfully integrating packaging at our Aachen site, we are launching an almost €50 million investment to bring full production in-house at our facilities in Origgio and Santiago. This is the most complex project we have ever undertaken, ensuring a safe, efficient and reliable supply for 1.6 million patients annually while increasing annual EBITDA from Nexium™ by up to €23 million. Each site will produce 500 million tablets per year, reinforcing our commitment to operational excellence. For Crestor™, we are fully insourcing production, driving efficiencies worth up to €15 million per year through bulk manufacturing and packaging and an additional €5 million through in-house API production from 2027 onwards.

A key enabler of our fast and seamless integration is our approach to vertical start-up, which we implemented for the first time in 2024. It ensures that production lines move rapidly from installation to full-scale manufacturing. Whether integrating new products or machinery, vertical start-up enables a swift, efficient and error-free ramp-up, reinforcing our ability to deliver high-value treatments without delay.

Our latest integration milestones include the Grünenthal Meds joint venture, which brings 12 established brands into our portfolio, and the acquisition of Valinor Pharma in 2024, securing global ownership of Movantik®/Moventig® (excluding Canada). These moves strengthen our market position and also reinforce our ability to deliver high-value treatments to patients worldwide. Across GO, the team is now working to initiate the integration of this business into Global Operations.

Strong integration capabilities and successful insourcing of critical value chain steps also increase our supply chain resilience. In today's dynamic market environment, it is more important than ever to have a robust supply chain in place to absorb sudden uncertainties and delays. Leveraging our strong integration capabilities enables us to control our supply chains more actively and ensure an uninterrupted supply of treatments. In addition, the synergies generated by our integration efforts enable the company to grow and to continue investing in R&D.

Maximising value through procurement
Each year, our procurement team is responsible for overseeing the allocation and spending of hundreds of millions of Euros – more than € 500 million addressable spend. That is a tremendous responsibility, and only by maximising our spending can we continue to invest in our vision of a World Free of Pain. Given the highly strategic nature of this element of our business, procurement has been a core element of the GO2025 plan from the beginning. By optimising supplier relationships, increasing transparency around budgets and ensuring every investment delivers maximum value, we have unlocked significant cost efficiencies. Our procurement team has worked relentlessly to challenge suppliers to innovate, explore new efficiencies and drive smarter spending decisions. This approach has enabled Grünenthal to reinvest savings into research, development and future growth initiatives.

Grünenthal PRO: A key growth driver
Our Contract Manufacturing Business, Grünenthal PRO, has been another critical contributor to our financial success. Offering specialised manufacturing services – including biopharma assembly, unit dose nasal spray filling, and packaging of complex drug formulations – Grünenthal PRO has expanded rapidly, achieving record-breaking performance in 2024. The demand for our high-quality manufacturing capabilities continues to grow, with new customer partnerships, expanded service offerings and increased production volumes driving strong revenue growth.

We focus on a selected customer base with a long-term partnership view, ensuring that we build sustainable collaborations that deliver mutual success. This approach has been instrumental in fostering trust and securing high-value contracts with leading pharmaceutical companies.

In 2024, the US was our single biggest growth market, with three product launches by our customers. It was a year of record API production for third-party customers. Finally, we decided to invest further in machinery supporting our growth path, enhancing our capacity and technological capabilities.

Our Grünenthal PRO team takes great pride in satisfying our customers' needs. Our people constantly seek to build trust-based relationships while proactively mitigating market risks and striving for win-win situations for our partners and us. We take care of their products as if they were our own, ensuring the highest levels of quality and reliability in every step of the manufacturing process.

3. Striving for excellence and innovation
Excellence and innovation have been at the heart of GO2025 from the very beginning. We set out to embed a culture of continuous improvement across the entire organisation, ensuring that we remain agile, efficient and ready to embrace the future. Today, this ambition is a reality. Through our Global Operations Business System (GOBS), we have established a robust foundation for operational excellence – one that drives sustainable efficiencies, fosters innovation and strengthens Grünenthal's ability to grow and scale fast.

At the start of our GO2025 journey, we introduced GOBS as a structured approach to maximise efficiency and improve performance across all relevant areas of Global Operations. More than just a framework, GOBS defines our mindset and way of working. It provides the tools, processes and methodologies needed to achieve best-in-class results while fostering a culture of continuous improvement. By anchoring GOBS across the entire organisation, we have delivered continuous improvement initiatives that generate over € 10 million in sustainable annual savings – efficiencies that will continue to support Grünenthal's financial strength and future growth.

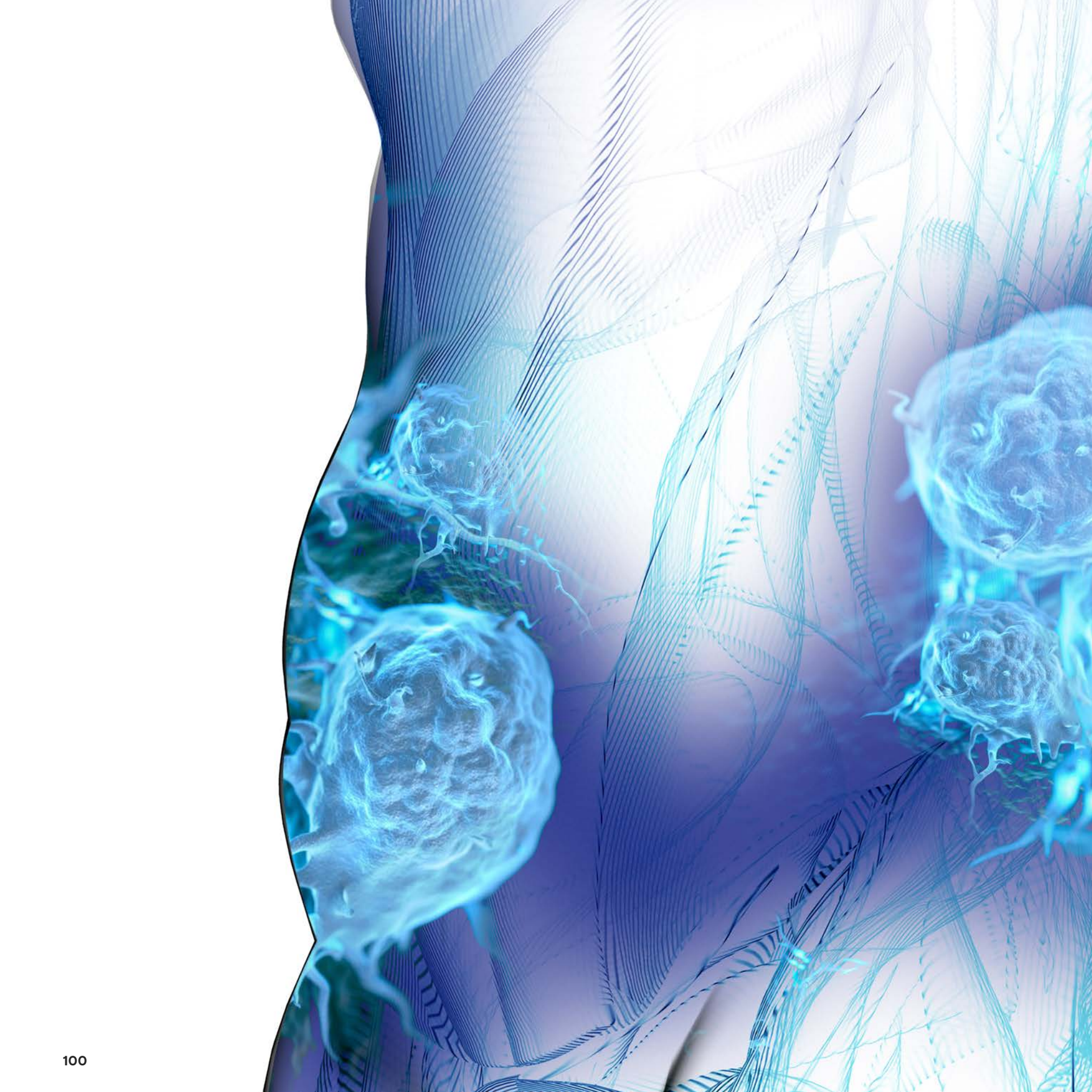
In 2024, we took GOBS to the next level with the launch of the GOBS Academy. This initiative plays a crucial role in strengthening our capabilities, equipping our teams with critical skills and capabilities, and training employees on how to integrate these best practices into their daily work. The academy ensures that striving for excellence is not just an aspiration but a lived reality within every part of GO.

Beyond process optimisation, innovation remains a core focus. Digitalisation and data analytics are key enablers in this transformation, allowing us to leverage automation and smarter decision-making to enhance productivity and streamline operations. As we look ahead to 2025 and beyond, we will continue expanding our digital capabilities to unlock even greater efficiencies and drive long-term business success.

The GO Business System provides the foundation for future-proofing our operations, ensuring that we remain competitive and resilient in an evolving market. Through our commitment to innovation and improvement, we are optimising our cost of goods sold (COGS) and also strengthening Grünenthal's financial position and ability to invest in its mission of a World Free of Pain.

With a relentless focus on excellence, agility and innovation, we are building an operational model that will drive Grünenthal's success for years to come.

Biopharma assembly at our Origgio site



PEOPLE AND CULTURE

We are making significant strides toward further increasing the engagement levels across our organisation and promoting an inclusive workplace, as reflected by our record results in the 2024 Great Place to Work® survey.

A GREAT PLACE TO WORK AND GROW

We actively listen to our people and take action to maintain high levels of engagement across the organisation, resulting in high trust and satisfaction.

In 2024, we strengthened our position as a leading employer, achieving our highest-ever satisfaction levels in the Great Place to Work® (GPtW) survey that we have conducted regularly since 2009. We were certified as a Great Place to Work® in 20 countries, including our headquarters and all of our production sites. This reflects our employees' positive feedback about our workplace culture and leadership approach, and reveals the significant progress we have made together. The results highlight our commitment to building a positive and inclusive workplace where everyone can thrive and contribute to our shared vision of a World Free of Pain.

Our high-performance culture is key to our success. To keep our employees engaged in working towards our shared priorities, we make sure everybody understands and fully supports our company strategy. Together, we strive to bring our Values & Behaviours to life – every day, everywhere, every one of us.

Regular employee surveys help us gain a clear picture of our progress in evolving our culture. The consistently high participation rates strongly indicate our employees' commitment to shaping our culture. And we are proud of the positive progress on our cultural journey. Our employee engagement levels reached new heights in 2024, with the response rate in the GPtW survey climbing to 88 %, the highest since the survey's introduction.

"We are proud that we have maintained high levels of engagement across the organisation, achieving our highest-ever results in the Great Place to Work® survey, underscoring the strides we have made in growing trust, inclusion and engagement. This milestone reflects our collective commitment to creating a workplace where everyone feels valued and empowered to contribute to our shared vision of a World Free of Pain.

Leen Hofkens
Head Global Human Resources

88%

of our employees shared feedback

83%

of participations stated Grünenthal is a great place to work

The 2024 results of the Great Place to Work® survey confirmed the positive trends seen in previous surveys. More than 3,700 individuals, representing 88 % of our employees, shared their feedback last year:

- **78 %** Trust Index.
- **90 % +** High satisfaction with fair treatment across gender, race, and sexual orientation.

Our employees' feedback helps us to continue taking the right steps forward on our cultural journey:

- **90 %** feel pride in Grünenthal's accomplishments and community contributions.
- **86 %** agree that diversity is a strength.
- **88 %** feel accepted and respected for their identities.
- **81 %** are encouraged to share diverse ideas and opinions.
- **83 %** feel they can make an impact.
- **86 %** are given significant responsibility.
- **79 %** feel empowered.
- **85 %** can take time off when needed.
- **94 %** see Grünenthal as a physically safe workplace.
- **92 %** of part-time employees consider Grünenthal a great place to work.

Great Place To Work.® Certified

20

countries certified by Great Place to Work®

Colleagues celebrate Great Place to Work® results

OUR DIVERSITY AND INCLUSION JOURNEY

We are making substantial progress in fostering an inclusive culture where individuality is celebrated and colleagues have a sense of belonging.

At Grünenthal, we are committed to creating an inclusive environment where every team member feels valued and empowered to bring their authentic self to work. Our employees bring great ideas to the table and develop their full potential as contributors to the success of Grünenthal and the communities we serve.

Our dedication to diversity and inclusion is reflected in a broad range of initiatives. With our global volunteering programme Grünenthal Gives, every employee can spend one working day per year contributing to a good cause in their local community. And our Proud to be Myself initiative is focused on supporting the LGBTQ+ community and building awareness. Many more culture-building activities celebrate individuality and encourage a sense of belonging.

Our Diversity and Engagement strategy:

Enhancing our diversity

Enhancing our talent pool through attraction, retention and enablement of diverse talent.

Driving conscious inclusion

Creating psychological safety and belonging through our people processes and leadership.

Positively impacting our local communities

Inspiring younger generations, partnering with diverse suppliers and supporting communities through volunteering.

When nobody gets left behind,
everybody moves forward

Through activities including cultural celebrations, where colleagues share what their culture and beliefs mean to them, and new joiners being given a personal welcome by our Executive Board Team members, we continue to build a workplace where respect and understanding are at the core.

The impact of these efforts is evidenced in our GPtW survey results:

- 88 % of our employees report that they feel accepted and respected for all aspects of their identity.
- 86 % of our employees report that diversity is seen as a strength.
- 81 % report that managers encourage those with different opinions or ideas to speak up

Stories like those of our colleagues who participated in Grünenthal Gives and experienced its positive impact reinforce our commitment to an inclusive culture. We will continue to advance these initiatives to ensure that everyone at Grünenthal has the opportunity to thrive and contribute to our shared vision of a World Free of Pain.

Grünenthal Gives

Employees take part in Grünenthal Gives volunteering day

Pride celebrations in Aachen, Germany

Colleagues gather in Milan, Italy, to celebrate Pride

50%

Millennials and Gen Z

42%

female leaders

70

nationalities

Celebrating personal culture and beliefs

Colleagues from across Grünenthal shared how they celebrate their unique cultures and beliefs, including on World Day for Cultural Diversity and Dialogue, giving an insight into the importance of these factors in their lives and those of their loved ones.

Engaging all generations

The importance of all dimensions of diversity was in the spotlight in Spain during a flagship event that explored the benefits of diversity and inclusion in enriching the organisation's culture.

Taking pride in each other

To mark Pride Month, we held several celebrations across our affiliates and ran webinars for colleagues to learn the 'ABCs of LGBTQ+' and how to become allies to those in the community.

Finding gender balance

Our Italian affiliate partnered with a business association dedicated to promoting gender balance and building inclusive cultures in organisations, including through proactive engagements with colleagues.

A diverse way of learning

Leaders across the organisation attended Learning Labs, which focus on building diverse teams by identifying and mitigating biases in recruiting, and understanding how to build high-performing, diverse teams that recognise cultural norms and differences.

Action through dialogue

To promote equity, respect and belonging among all employees, our Grünenthal subsidiaries create opportunities for dialogues through events, ranging from in-person breakfasts to virtual "Coffee Conversations".

A GREAT PLACE TO LEARN AND DEVELOP, TOGETHER

Our focus on developing talent and fostering continuous learning – from grassroots to leadership levels – is stronger than ever.

We continue to build new capabilities internally, as well as by bringing in diverse talent from outside the company to help us achieve our strategic priorities today and in the future. We welcomed more than 570 new colleagues worldwide in 2024, of which 40 % work in our production sites and contribute to our growth strategy in Global Operations.

Every employee is a talent bringing great skills and experience to Grünenthal. We are committed to providing development opportunities for all our employees, whether emerging leaders or experienced professionals, to reach their full potential. The majority of our employees have a personal development plan in place that they have actively worked on throughout 2024. Employees can flexibly design and enhance their learning journey by accessing relevant content that is fully focused on their individual needs – at any time and from anywhere.

We provide a range of growth opportunities, including internal job moves, on-the-job training and skill-building initiatives available to everyone in our organisation. In 2024, we continued to invest in development programmes such as Leadership Learning Labs and our Academies to develop strategic and foundational competencies in our core functions, combined with learning platforms such as LinkedIn Learning and Coursera. In addition, many employees took part in a comprehensive pilot programme testing Generative AI tools with a focus on Microsoft CoPilot, supported by comprehensive training sessions.

By facilitating more and more internal job moves in 2024, we are proud that we have continued to enrich our talent pool and strengthen our culture of continuous development. Stories like that of Carlos Piqueras Estepa, who has held a variety of positions across the organisation, highlight how our support and development resources empower employees to thrive in new roles and grow their careers within Grünenthal.

A JOURNEY OF GROWTH AND OPPORTUNITY AT GRÜNENTHAL

Carlos Piqueras Estepa has been with Grünenthal for a decade, beginning his career in the Marketing department of our Spanish affiliate. Reflecting on his journey, Carlos shares how Grünenthal's commitment to fostering internal opportunities has significantly shaped his professional development.

Carlos: My first major transition at Grünenthal was moving from my role as Country Brand Manager in Spain to Panama, where I took on the position of Regional Marketing Manager for Latin America. This role allowed me to engage with new stakeholders in a rapidly growing market and gain invaluable experience across multiple countries. Grünenthal's exceptional support during my relocation and onboarding made this transition seamless. After three years, I returned to Europe to assume a global role, working remotely as a Global Commercial Manager for a new brand launch.

This journey has been both a personal and professional adventure, offering me the chance to deepen my understanding of the business, explore diverse markets and experience life in different countries.

Grünenthal's Talent Mobility strategy has been a cornerstone of my career development. It has enabled me to work in various markets and roles, collaborating with a diverse range of colleagues, while also adapting to my personal situation. These experiences have empowered me to make a meaningful impact.

I always advocate for embracing such challenges. By being open to new roles within different parts of the organisation, you can gain fresh perspectives, understand new stakeholders, their cultures and ways of working, and contribute your unique insights to the mix.

Grünenthal's professional and personal support during Carlos's transitions has been instrumental in the successful development of his career. His experience highlights the benefits of Grünenthal's approach to talent mobility within the organisation, including gaining new perspectives, building a diverse network and achieving a better work-life balance.

NURTURING TALENT FROM THE START

In 2024, we brought our Global Graduate Programme to the next level, now including even more countries and sites across the world. The programme has become very important for Grünenthal, helping us to fuel our pipeline of talents and future leaders, and increasing the diversity of our workforce and diversity of thinking. More leaders are convinced of the value of this programme as part of their hiring and succession planning strategy.

- >30 graduates have already gone through the programme with 23 currently enrolled.
- Almost all graduates who finished the programme have landed in a role at Grünenthal in many different areas/functions.
- We are able to attract highly qualified and motivated young talents with diverse backgrounds, and see a very positive external reputation resulting in a very high numbers of applications.

We continuously gather feedback from graduates, leaders and mentors to enhance the programme, making it more tailored to their needs and improving the graduate experience. Close collaboration and networking between graduates, Grünenthal and mentors is a key success factor. The organisation is actively involved in recruitment through activities such as full assessment days and university campus events. The programme offers significant flexibility in its two-year rotation setup, allowing graduates to typically land their first role after just 17 months.

Join forces. Make an impact. Innovate for a World Free of Pain

Our Employer Brand helps us attract, develop and retain talented and diverse colleagues on all levels. Follow us on LinkedIn for regular updates and check out open positions on our Careers website.

careers.grunenthal.com

Recent members of Grünenthals' Graduate Programme

WE ARE GRÜNENTHAL: OUR VALUES & BEHAVIOURS

Our people and our decisions are guided by Grünenthal's Values & Behaviours. They define what great leadership looks like at Grünenthal.

Being recognised as a Great Place to Work® in 2024 is a testament to our dedication to creating a supportive, inclusive and empowering environment for everyone at Grünenthal. We are excited to build on this momentum as we look to 2025, with a continued focus on strengthening our talent, promoting learning and development opportunities, and further growing an inclusive and diverse culture across our organisation.

Our Values & Behaviours are at the core of our culture and guide our decision making. We work hard and challenge each other to drive performance while supporting each other, collaborating closely and demonstrating integrity in everything we do. We make sure outstanding results are recognised and rewarded, while always considering how achievements have been made possible.

Great leadership at Grünenthal means exemplifying our Values & Behaviours. We have identified the essential personal attributes and skills that enable our leaders to live up to that expectation. To support leaders in driving their personal development accordingly, we have been offering comprehensive 360° Leadership Feedback surveys to our leaders followed by individual coaching sessions. More than 80 % of our leaders have already benefitted from this opportunity in 2024, and we will continue this initiative throughout 2025.

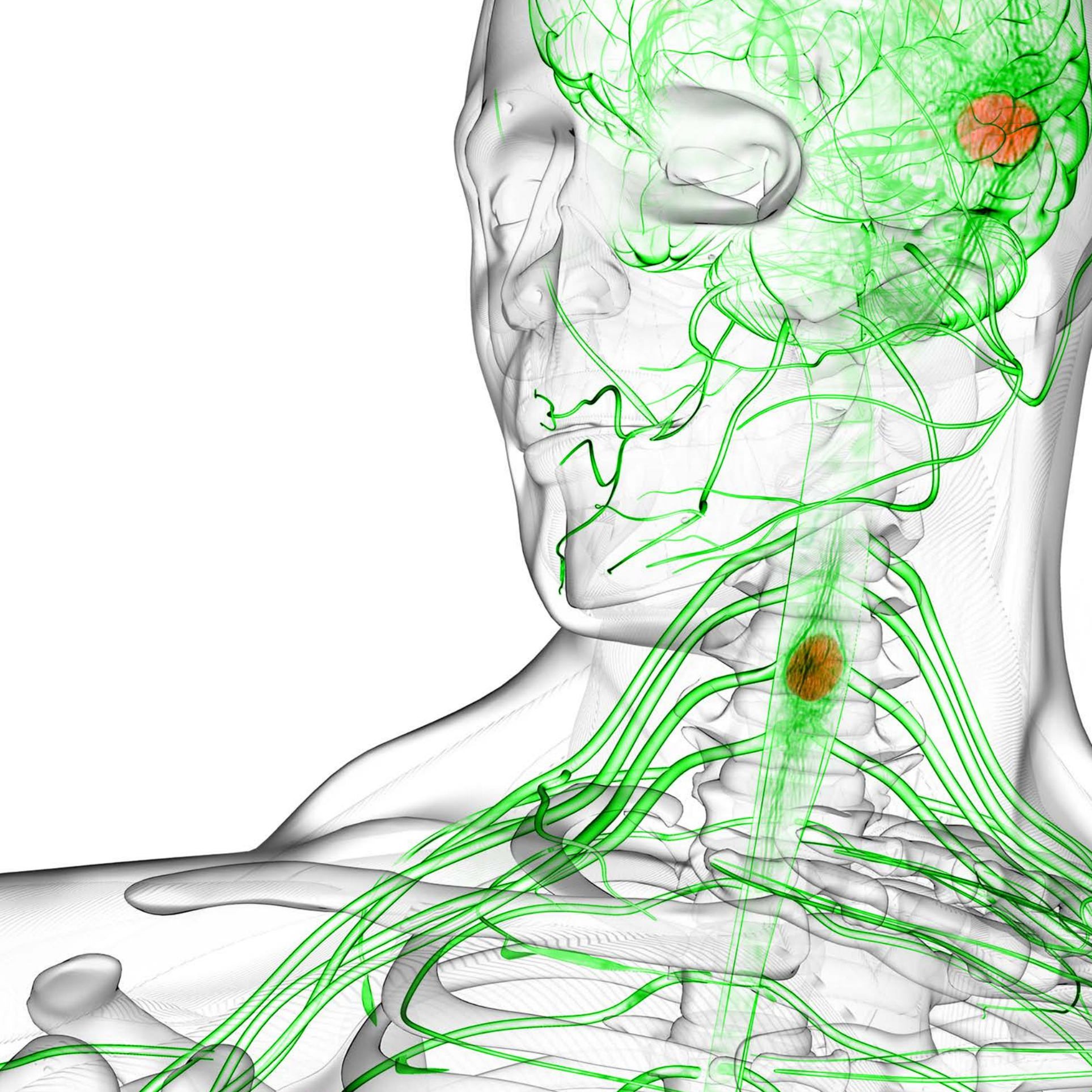
We put our patients first when making decisions. We want to understand their needs and experiences, and customise solutions to improve their lives.

We try new things and take smart risks. We think and act strategically, spot trends, plan long-term and create opportunities for growth. We work to win – and be better.

We actively seek diverse input when designing solutions. We listen to each other, share knowledge to ensure a common understanding, and we always strive to learn from each other.

In everything we do, we always advocate and apply the highest ethical standards, while treating people with respect and empathy.

We want to share our vision and inspire each other to achieve our meaningful success together.



RESPONSIBLE BUSINESS

Our approach to corporate responsibility ensures that we operate our business legally, ethically, respectfully and sustainably.

OUR FOCUS: PATIENT, PEOPLE, PLANET

We want to make a valuable and sustainable contribution to society – and we have a deep commitment to Environmental, Social and Governance (ESG) topics. All areas of our business join forces to manage ESG risks at every step in our value chain. Together, we create sustainable value for patients and their families, for our employees, for our customers and investors, and for the communities in which we operate. Our efforts to make a net-positive impact are in line with the three focus areas of our Corporate Responsibility Programme: Patient, People and Planet.

Learn more about some highlight initiatives across the globe:

Patient

We focus our activities on topics such as patient safety, product quality, enhancing patients' quality of life, fostering innovation in pain management, promoting the responsible use of opioids, and improving access to healthcare. Raising awareness of pain as a disease is also a topic close to our heart.

Powerful stories that raise awareness of pain as a disease

Facts and diagrams help to raise awareness about pain – but real-world stories from patients carry more emotional power. In 2024, Grünenthal Mexico published a book featuring authentic experiences from people living with chronic pain. It is called “Pain and Me: Personal Chronicles” and it aims to inspire progress towards better treatment outcomes for patients by highlighting the urgent need to improve pain management. This patient-focused project shines a spotlight on the physical, psychological and emotional impact of chronic pain by going beyond data and diagrams to unlock the power of true stories from real patients.

Book “El dolor y yo: Crónicas personales” (“Pain and Me: Personal Chronicles”) sharing authentic experiences of people living with chronic pain

María José Molero, Head of Marketing and Omnichannel Delivery, during an event for "Women in Pharma" at Grünenthal's office in Madrid

People

We aim to generate sustainable value in crucial areas such as workplace safety and health protection, fair working conditions, training and development and the merit-based promotion of diversity, inclusion and equal opportunities.

Empowering employees and driving diversity

Grünenthal Spain has a strong commitment to professional development and equal opportunities. Our local business supported several activities to empower employees, including a mentoring initiative called "Two to the Power of Three" (Dos al cubo). A special event with the title "Leave Self-Limitation Behind" was another highlight. It brought together senior leaders from Grünenthal Spain and other companies in our industry to discuss ways of advancing professional development for employees. Additionally, our Spanish team worked closely with the non-profit platform Women in Pharma in 2024. This organisation promotes gender diversity in the Spanish pharma industry.

Solar power system at Grünenthal's headquarters in Aachen, Germany

Responsibility Report

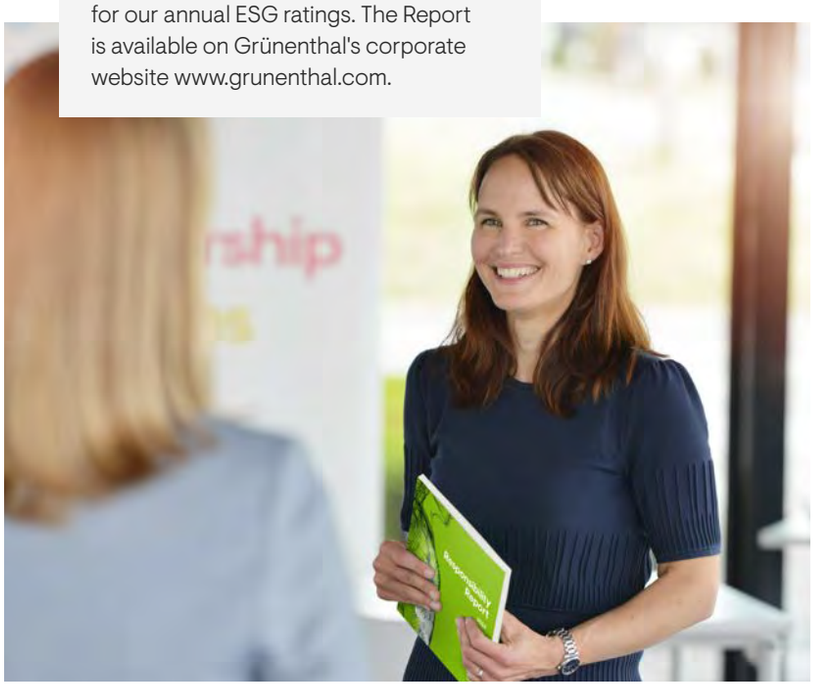
Grünenthal's annual Responsibility Report shares updates on our Environmental, Social and Governance ambitions. It transparently communicates our progress while also forming the foundation for our annual ESG ratings. The Report is available on Grünenthal's corporate website www.grunenthal.com.

Planet

Our employees work with suppliers, partners and customers to reduce CO_2 emissions, save energy and resources in our own operations, and decrease waste across our entire value chain.

100 percent renewable electricity and zero waste for our sites

Renewable electricity powered by the sun: In August 2024, Grünenthal connected the largest solar power system in Aachen, Germany, to the grid. It marks an important step on our path to a sustainable future. Almost 4,000 solar modules with an output of 1.9 MWp produce electricity over an area of 18,000 m^2. This will enable our company to reduce its CO_2 emissions by around 366 tonnes per year, which corresponds to the emissions from flying an Airbus A380 for around 63 hours. All Grünenthal manufacturing sites now use 100 percent renewable electricity and send zero waste to landfill.



Grünenthal employee with Responsibility Report

BEING A GOOD CORPORATE CITIZEN

As a global company, Grünenthal takes its social responsibility very seriously. It is important for us to make a meaningful contribution to broader society. For this reason, we send donations to support measures, initiatives and institutions that align with our donation criteria. We have defined four strategic donation categories:

Strategic categories for Corporate Citizenship

Social responsibility activities

Environmental protection activities

Activities that promote health and well-being

Ad hoc disaster relief

In 2024, we donated €110,000 to help the victims of natural disasters in Chile, Brazil, and Spain. We also supported people affected by the war in Ukraine with donations in kind and monetary donations to purchase medical equipment for the treatment of injured people.

As part of our wide-ranging commitment to promoting hospice and palliative care, we supported local hospices, foundations and advice centres and funded innovative projects such as the production of family audiobooks to support the creation of professional audio-biographies of parents with a palliative disease as a memento for their underage children. We also sponsored a Children's Life Run event that raised awareness for children with life-shortening illnesses.

Our social commitment extended to financing riding holidays for children with cancer, donating healthy snacks to children from socially disadvantaged families, supporting a citizens' initiative against racism and intolerance in society, and much more.

€1 m

donated for disaster relief since 2021

COMPLIANCE AND ETHICS FRAMEWORK

We want to ensure trust from patients, customers, employees, partners, suppliers, investors and the communities we serve. To earn that trust, we do business in line with our Compliance and Ethics Framework. It provides clear guidance and structure for our decisions and actions, alongside Grünenthal's established processes for control and compliance. We encourage a speak-up culture while continuously training our employees to ensure they act in alignment with the highest ethical standards.

Compliance and business ethics

Our mature compliance management system is accompanied by a clear framework. It is based on a global Code of Conduct that brings together specific policies that outline our high standards for ethical and legal conduct. These policies cover topics including anti-corruption, anti-money laundering, data privacy and digital ethics. In addition, our policies provide guidance to prevent opioid-related risks.

Speak-up culture
All employees receive training related to the Code of Conduct and are responsible for complying with it in their daily work. In fact, integrity is one of the five core values that define our company culture and shape our behaviour. We believe in fostering a speak-up culture, where employees feel empowered to identify and report questions, concerns or doubts. As part of this approach, Grünenthal offers a 24/7 Ethics Helpline that is available for anyone within or outside Grünenthal. Every complaint or concern received via any channel is reviewed diligently by our compliance organisation.

Organisational setup
Our compliance organisation is fully integrated within the business as part of the General Counsel area. Compliance officers are members of the local leadership teams across the company. They directly report to the Global Compliance & Responsibility Officer, who regularly reports to the Executive Board and the Supervisory Board. This setup allows compliance officers to be trusted advisors for the business leaders while being independent in their role. It also supports our efforts to build synergies between various topics and to align them across the globe effectively.

Business partner compliance
Grünenthal also insists that all business partners act lawfully and with integrity in line with our Compliance and Ethics Framework. They undergo state-of-the-art due diligence and adhere to our Code of Conduct for Business Partners. It clearly sets out our expectations related to compliance, ethics and integrity.

> Compliance and responsibility are closely connected by a shared foundation of always doing the right thing.

Hannah Engels
Global Compliance & Responsibility Officer

Hannah Engels, Global Compliance & Responsibility Officer (second from right) with team members

Data privacy, data ethics and AI governance

In today's digital age, it is essential to manage data and artificial intelligence (AI) responsibly. Grünenthal believes that robust data privacy, ethical data management and strong AI governance are essential to our mission of delivering life-changing pharmaceutical products – because they foster trust, ensure compliance and drive sustainable innovation.

A comprehensive approach to managing data and AI

Data privacy, data ethics and AI governance are interconnected elements that ensure the responsible use of data and AI technologies. Data privacy ensures that personal information is protected. Data ethics ensures that data practices are fair and transparent. And AI governance ensures that AI systems are developed and used responsibly. Together, these three areas of focus help us maintain trust, uphold ethical standards and leverage AI's benefits.

Governance for AI

In recent years, AI has gained a lot of attention. This technology offers significant benefits for innovation and efficiency. However, it is crucial to balance these advantages against the potential impacts on human rights. Ultimately, our goal is to achieve a net-positive impact from embracing AI in Grünenthal's daily business activities.

Handling data responsibly

Grünenthal has robust privacy and data ethics frameworks that ensure ethical and compliant (personal) data handling. Our Data Protection Team provides guidance on data protection topics to support functional areas in processing personal data in line with all applicable requirements – and the European Union (EU) General Data Protection Regulation (GDPR). Our Data Ethics Charter sets out principles that guide our digital activities. We put these principles into practice with support from our Data Ethics Community and based on strategic input from our Data Ethics Steering Committee, which includes members of senior management who represent most areas of our company. We are also implementing an AI Governance Framework that ensures all AI systems are deployed in line with our Data Ethics Charter and applicable laws, including the new AI Act from the EU.

A RECOGNISED INDUSTRY LEADER IN ESG

Independent and external organisations provide ratings of Grünenthal based on detailed assessments of our approach to managing risks related to Environmental, Social and Governance (ESG) topics. These rankings recognise our company as a leader in this area. Managing ESG risks effectively is a key part of our Corporate Responsibility Programme. The scores provided by external rating organisations confirm that we are taking meaningful action to expand our positive impact on society.

MSCI: Industry leader with (p) AA rating

Morgan Stanley Capital International (MSCI) recognised Grünenthal as an industry leader for managing the most significant ESG risks and opportunities by awarding a (p) AA rating. Scores range from CCC (laggard) to AAA (leader), depending on exposure to industry-specific ESG risks and the ability to manage those risks relative to peers. Our rating puts us ahead of several high-profile competitors in the pharmaceutical industry.

Sustainalytics: Low risk and ahead of peers

Sustainalytics, another leading ESG risk rating provider, certified our company a “low ESG risk”. This rating recognises us as one of the top performing companies in our industry, based on our ESG risk rating score. Sustainalytics rated our ESG risk management approach as “strong”, which is the highest possible assessment level.

EcoVadis: Gold medal for sustainability

EcoVadis is a provider of business sustainability ratings, with a global network of more than 150,000 rated companies. Our Gold Medal rating places Grünenthal among the top-ranked companies assessed worldwide. EcoVadis assesses companies across various sustainability criteria including environmental impact, labour practices, ethical business conduct and sustainable procurement.

(from left to right): Sebastian Köhler, General Counsel, with Sibylle Keupen, Mayor of Aachen, and Christoph Hausser, Site Director Germany, at solar plant inauguration at Grünenthal's headquarters

> Our ESG ratings reflect our strong approaches to risk and governance.

Sebastian Köhler
General Counsel

THALIDOMIDE AND OUR RESPONSIBILITY TODAY: DIALOGUE FOR A BETTER FUTURE

People affected by Thalidomide are in their sixties today. They have lived with a wide range of disabilities related to the physical impairments caused by Thalidomide. In some cases, those disabilities are extremely severe. As they grow older, many are now facing increasing or additional health problems and mobility issues.

The Grünenthal Foundation supports affected people by funding projects that contribute to a more independent life. That helps to close the gap between public pensions that cover everyday expenses and the practical needs of affected people. We remain in close contact with people whose lives have been impacted by Thalidomide in Germany and other countries, listen carefully, and aim to provide help where it is most needed.

Throughout the last years, the collaboration between Grünenthal and those affected has intensified. In 2023, the Federal Association of Thalidomide Affected People and the Grünenthal Foundation created the Dialogue Forum. Through regular meetings and working groups, the Dialogue Forum will foster further exchange and joint projects to tackle current and future needs. Such projects comprise, e.g. a digital platform designed to provide comprehensive information on the Thalidomide topic, address medical needs through expert networking, and facilitate connections among those affected.

The Grünenthal Foundation was established in 2012. Since then, it has provided support in nearly 4,500 cases in Germany and 17 other countries.

Through many in-depth conversations with people affected by Thalidomide, the team of the Grünenthal Foundation has learned about the importance of mobility and an independent life in all its facettes.

> It is time to talk about our common goals rather than about the past. I am confident that we will be able to achieve important improvements together.

Jutta Sattler
Thalidomide-affected Person from Germany and member of the board of the German Association of Thalidomide Affected People

Today, the main focus lies in financing measures in these areas:

- **Mobility solutions:** One central area of our support focuses on mobility outside of the home. Most Thalidomide-affected people find it difficult to use local public transportation. Having their own car is key to preserving social contact and participating in social life. For this reason, we also support financing passenger car modifications or the purchase of adapted bicycles.

- **Kitchen modifications**: For many people, the kitchen is the heart of the home. Through personalized adaptations, the kitchen can be made more accessible for disabled people in the long term. The Grünenthal Foundation helps with the corresponding modifications.

- **Bathroom adaptions:** Another important aspect of independent living is the self-reliant accomplishment of personal hygiene. For this reason, the Grünenthal Foundation also finances modifications of bathrooms. These efforts focus on walk-in showers, non-slip floor tiles, height-adjustable wash basins, full-body dryers, and foot-operated fixtures.

Alfonso Javier Fernandez Garcia, member of the advisory board of the German Association of Thalidomide-affected people

Patrick Thevis, Grünenthal Foundation and Jutta Sattler, member of the board of the German Association of Thalidomide-affected people

Thalidomide was a sleep aid and sedative sold in many countries worldwide. In Germany, the drug was sold between 1957 and 1961 under the name “Contergan” and other brands. The medication was also taken by women for morning sickness during pregnancy. In November 1961, it became known that the drug caused severe deformities in newborn children if taken between the 34th and 50th day of pregnancy, counting from the first day of the last menstrual cycle.

The fate of the Thalidomide babies and subsequent court proceedings in Germany are still known today as the “Thalidomide scandal”. The Thalidomide tragedy will always remain a part of our company’s history. We will never forget what happened, and we deeply regret the severe consequences for those affected and their families. We take our responsibility to help these people very seriously and we are committed to keeping the memory alive and supporting those affected via the Grünenthal Foundation.

> The ‘Dialogue Forum’ can be a significant step forward in providing further resources and additional assistance to those impacted by Thalidomide.

Susanne Schmitt-Degenhardt
Grünenthal Foundation

From left to right: Tom Hermes and Susanne Schmitt-Degenhardt, both Grünenthal Foundation, Joe Trebes, member of the advisory board of the German Association of Thalidomide-affected people

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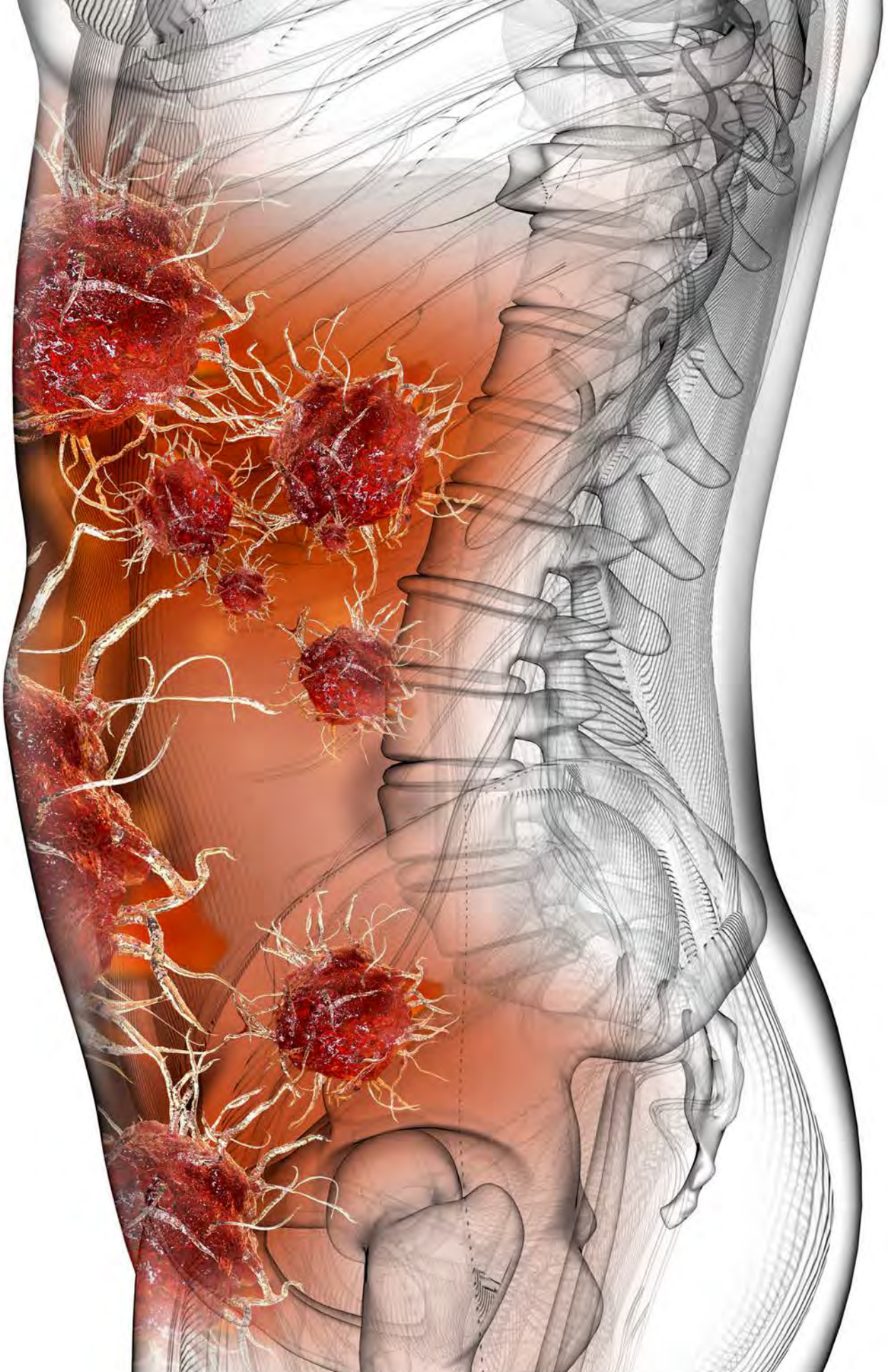

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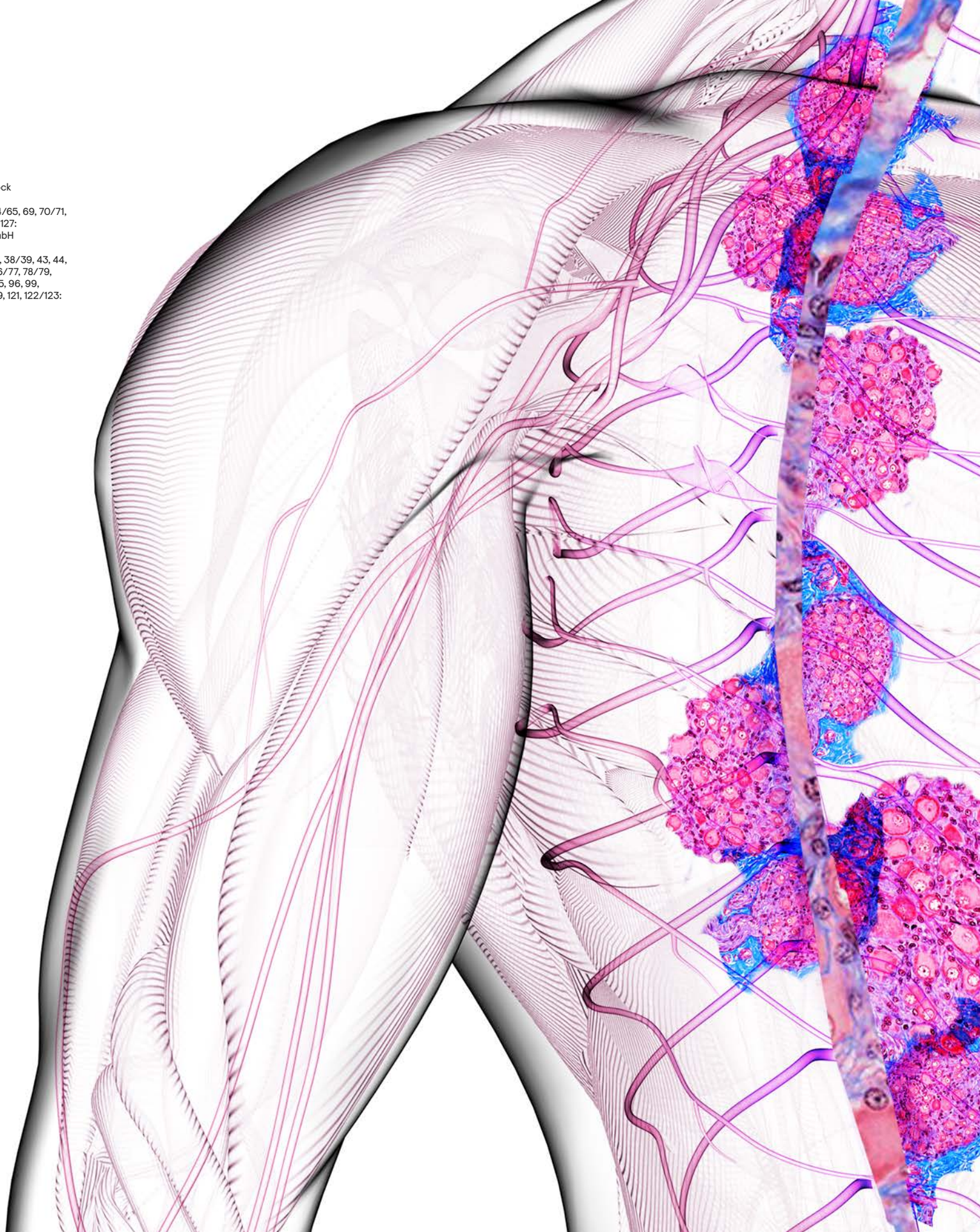

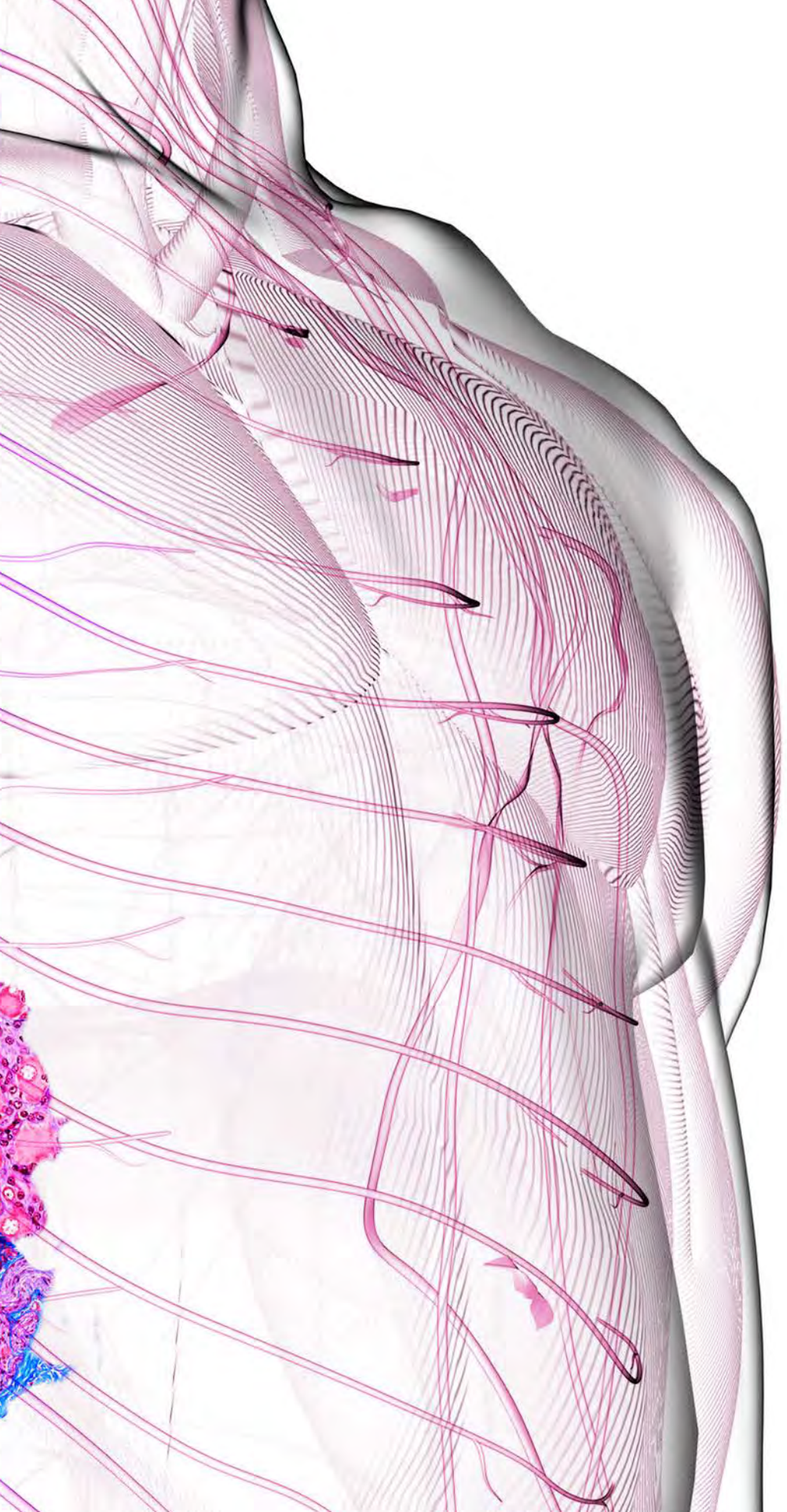

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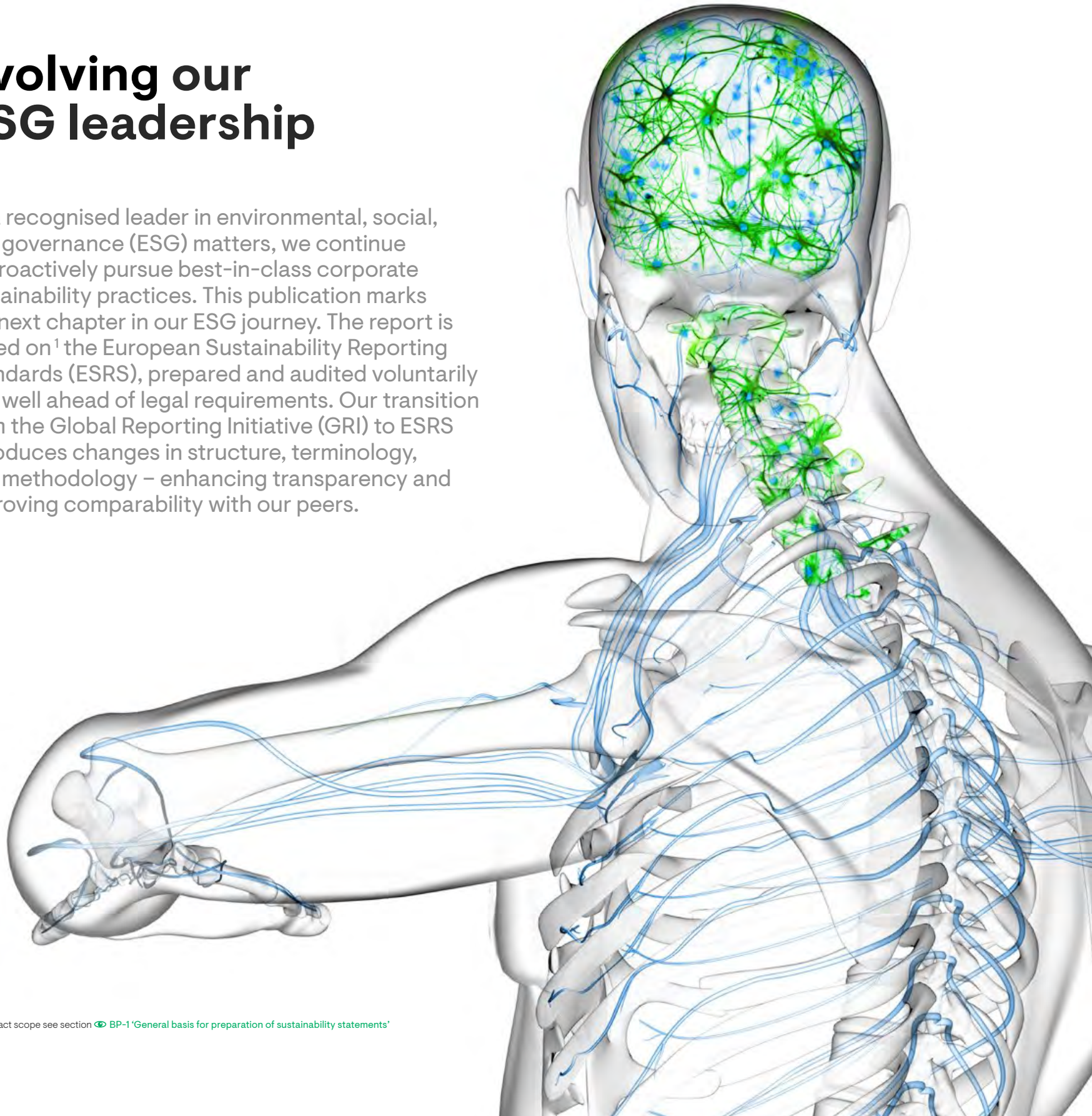
Responsibility Report

2024

GRÜNENTHAL

Evolving our ESG leadership

As a recognised leader in environmental, social, and governance (ESG) matters, we continue to proactively pursue best-in-class corporate sustainability practices. This publication marks the next chapter in our ESG journey. The report is based on[1] the European Sustainability Reporting Standards (ESRS), prepared and audited voluntarily and well ahead of legal requirements. Our transition from the Global Reporting Initiative (GRI) to ESRS introduces changes in structure, terminology, and methodology – enhancing transparency and improving comparability with our peers.



[1] For exact scope see section BP-1 'General basis for preparation of sustainability statements'

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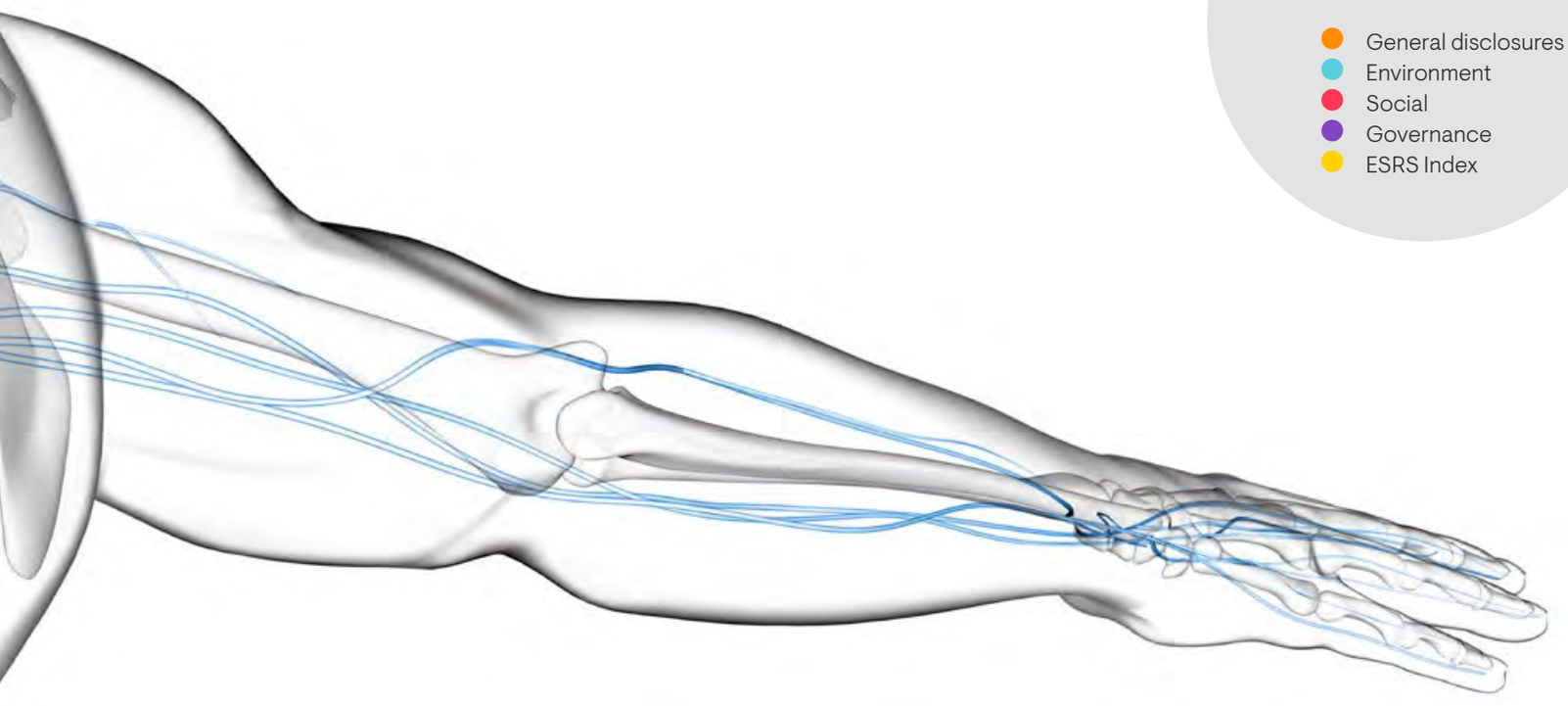
These colours are used as a content index for better orientation within the report:

- General disclosures
- Environment
- Social
- Governance
- ESRS Index



Letter from the CEO

Dear Friends and Partners,

At Grünenthal, everything we do is guided by a bold and meaningful vision: **A World Free of Pain**. With one in five people worldwide suffering from chronic pain [1], our ambition to transform the way pain is managed has never felt more urgent – or more personal.

2024 was a successful year of progress for Grünenthal. We advanced our pipeline of innovative, non-opioid treatments, delivered strong business performance, and reinforced our commitment to sustainability and responsible business. All business areas collaborated to make a positive impact on our focus areas of Patient, People and Planet.

Patient, People, Planet

From harnessing artificial intelligence to designing next-generation molecules, to cutting our environmental footprint and fostering inclusive, healthy workplaces, we believe sustainability continues to be a driver of innovation and impact.

This report offers an honest account of where we have made progress, where we are challenged, and where we are heading as we work towards a fair, healthy, and sustainable future.

Pioneering ESG reporting

As an industry leader in ESG, we have long believed that companies should set the pace, not wait to be told what to do. That is why we proactively aligned our reporting with the new European Sustainability Reporting Standards (ESRS) under the Corporate Sustainability Reporting Directive (CSRD) – even before it is mandatory for us.

This early move reflects our belief in transparency, accountability, and leadership. By shifting from the Global Reporting Initiative (GRI) to ESRS, we have refined our framework, terminology, and data analysis to raise the bar on how we measure and report what truly matters.

Sharpening focus on what counts

In 2024, we conducted a double materiality assessment in line with the upcoming legal requirements. This analysis sharpened our focus on seven material topics which reflect both the impact of our business and the risks and opportunities that shape our future:

- Climate change
- Pollution
- Own workforce
- Personal safety of consumers and/or end-users
- Access to healthcare
- Research and development
- Business conduct

We actively engage stakeholders to challenge ourselves and evolve our goals.

[1] Treede RD, et al. Pain. 2015 Jun;156(6):1003-1007

Recognised ESG industry leader

Our efforts have not gone unnoticed. Leading independent ESG rating agencies consistently position Grünenthal as an industry leader in managing ESG risks and opportunities. We have received a (p) AA rating from MSCI, placing us among the leaders in our industry, a low ESG risk status from Sustainalytics, recognising our strong risk management and a gold medal status from EcoVadis, reflecting our high performance in environmental, social, ethics, and procurement criteria.

These acknowledgements reaffirm that responsibility and performance can – and must – go hand in hand.

Thank you for joining us on this journey

On behalf of the Executive Board Team, I extend heartfelt thanks to everyone who contributes to this journey – especially our employees and partners, whose commitment and ideas fuel our progress. Together, we are not just building a more sustainable Grünenthal but striving for a healthier world.

We look forward to what we can achieve together in the years ahead.

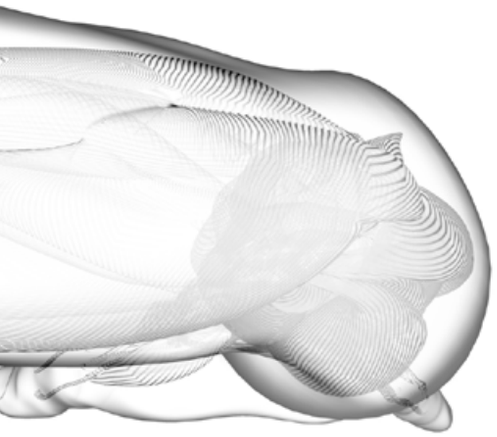
Warm regards,

Gabriel Baertschi
Chief Executive Officer

May 2025

> As one of the world's leading specialists in the therapeutic area of pain, we continue pushing boundaries to make a positive impact – with and beyond our core business.

Gabriel Baertschi
Chief Executive Officer



GENERAL DISCLOSURES

- About this report
- Sustainability organisation
- Sustainability strategy

About this report

BP-1 General basis for preparation of sustainability statements

Consolidated basis of reporting
This sustainability statement has been prepared on a consolidated basis, in alignment with the consolidated financial statements of Grünenthal Pharma GmbH & Co. Kommanditgesellschaft. Unless explicitly noted otherwise, the scope of consolidation reflects the framework applied in the company's financial reporting. This approach aligns with prior reporting periods, ensuring comparability across reporting cycles.

Subsidiary undertakings and exemptions
As of August 2023, Grünenthal has a 51% majority stake in Grünenthal Meds, a joint venture with Kyowa Kirin Co., Ltd., a global specialty pharmaceutical company based in Japan. Grünenthal plans to acquire the remaining 49% share at the beginning of 2026. While this report does not comprehensively cover Grünenthal Meds, the selected topics compliance, climate change and Human Resources have been included as follows: The report covers Healthcare Interactions (HCI) training, see section 'G1-4 Ethical business culture, corruption and bribery, metrics and targets', and opioid-related training for employees and business partners, see section 'S4-5 Responsible use of opioids, metrics and targets'. HR-related data for Grünenthal Meds is collected separately, as it is not integrated into the general HR system, see section 'S1-6 Characteristics of Grünenthal's workforce'. Scope 1 and 2 greenhouse gas (GHG) emissions of Grünenthal Meds are included while Scope 3 emissions are not yet included in the report (see section 'E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions').

As of July 2024, Grünenthal holds 100% ownership of US-based pharmaceutical company Valinor Pharma. While Valinor is now a wholly owned subsidiary, it is not yet fully integrated into Grünenthal's organisational and reporting structures. As a result, HR data for Valinor is collected separately and is not yet incorporated into Grünenthal's central HR systems. For HR-related data, see section 'S1-6 Characteristics of Grünenthal's workforce'.

Coverage of value chain
The sustainability statement encompasses the entire Grünenthal value chain, covering its own operations, upstream and downstream. Material topics have been systematically mapped to reflect their relevance within this value chain, enabling a comprehensive understanding of Grünenthal's sustainability impacts.

Application of the ESRS
Grünenthal provides comprehensive information on the ESRS requirements relevant to general disclosures and material topics. ESRS S1-16 constitutes an exception, as only pilot findings on the gender pay gap are available, with no consolidated Group-level data yet in place. No specific information is omitted in this report. Sections of this report that contain unaudited data or information not covered by the ESRS are visually distinguished either by a grey background or by French quotation marks (»...«) surrounding the relevant text, tables, and graphs.

BP-2 Disclosures in relation to specific circumstances

Disclosure of data using indirect sources, estimations or approximations
Certain Scope 3 emissions (see section 'E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions'), particularly employee commuting, the end-of-life treatment of sold products, and upstream transportation were quantified using data from the ecoinvent database, which converts spending and weight information into emissions figures.

For Grünenthal Meds, emissions from transportation in vehicles owned or controlled by the company were calculated based on the total number of vehicles in use.

Employee commuting emissions were quantified based on a dedicated internal survey conducted in 2023, capturing commuting patterns across Grünenthal operations globally. The survey collected information on commuting frequency, distance, and transport modes. For employees not covered by the survey, commuting profiles were estimated using national statistical averages on transport behaviour. The commuting data was split by transport type and converted to emissions using the UK Government GHG Reporting Factors 2023. Each data stream used the relevant emission factor for either passenger.km or vehicle.km as appropriate. All emission estimates were classified as having 'Fair' accuracy (±25% to +30%) due to uncertainty in self-reported distances and extrapolations.

For leased office spaces, including for Grünenthal Meds, where no electricity meter data was available and electricity costs were bundled into rental agreements, consumption was estimated using floor area (m^2) and country-specific average electricity consumption per square metre, sourced from the Odyssee-Mure energy efficiency database. These averages reflect standard office energy usage per country, and were applied to each relevant building's floor area. The estimated electricity consumption was then converted into GHG emissions using IEA 2022 country-specific electricity emission factors for location-based reporting.

'End-of-life treatment of sold products' was quantified using packaging material data from Germany and Italy, covering approximately 81.5% of total packaging spend. Where weight data was missing, packaging emissions were estimated using a spend-to-weight ratio, applying average material emission factors from Ecoinvent 3.9.1 and Exiobase 3.8.2. For remaining countries, regional averages and proportional assumptions based on spend share (e.g., Latin America, Switzerland) were used. These estimations were based on a blended mix of packaging material types, including plastics, glass, aluminium, and paper.

Emissions from upstream transportation and distribution were calculated using a hybrid methodology combining supplier-provided GHG figures and modelled emissions using tonne.km-based UK.gov emission factors.

The 2024 Scope 3 greenhouse gas (GHG) emissions have been estimated using a spend-based scaling method. In 2023, the following three categories 3.1 (Purchased Goods and Services), 3.4 (Upstream Transportation and Distribution), and 3.6 (Business Travel) have contributed more than 94% of the total Scope 3 GHG emissions. The total Scope 3 emissions for 2024 have been estimated by applying a combined scaling factor based on aggregate spend across these three categories. The underlying assumption is that these three categories drive the majority of Scope 3 emissions also in 2024 and that overall emissions can be reasonably approximated by tracking changes in total spend across them.

This methodology assumes a proportional relationship between financial spend and GHG emissions and provides a simplified, consolidated estimate to reflect directional change in total emissions where a full category-level update is not yet feasible. While this is not the preferred method, the GHG Protocol endorses spend-based estimation for Scope 3 categories where direct emissions data is not available.

Changes in the preparation and presentation of sustainability information
In the current reporting period, we have revised the preparation and presentation of sustainability information to align with the CSRD and the ESRS. This transition from the Global Reporting Initiative (GRI) standards to ESRS involves updates in terminology, methodology, and reporting structures, ensuring compliance with the latest regulatory frameworks. Due to the transition from the GRI standards to ESRS, certain methodological differences may result in variances in reported figures. Consequently, adjustments to comparative information for previous periods may be impracticable. Where relevant, we have provided explanations for significant deviations to maintain clarity and enable stakeholders to follow changes in our sustainability performance metrics.

Sustainability standards and reporting frameworks
Grünenthal does not disclose data points that result from other EU legislation listed under ESRS2 Annex B. We do though take generally accepted sustainability standards and frameworks into account: As a United Nations Global Compact (UNGC) participant, Grünenthal is committed to the ten universal principles of the UNGC on human rights, labour standards, environmental and climate, and corruption prevention (see section 'United Nations Global Compact'). Our Statement of Compliance with Human Rights and Environmental Standards reflects this formal commitment. In addition, we support the achievement of the United Nations Sustainable Development Goals (SDGs) in line with our business strategy. We particularly contribute to SDG 3, which aims at ensuring healthy lives and promoting wellbeing for all, see section 'Grünenthal's contribution to the SDGs'.

We are committed to the Science Based Targets initiative (SBTi), guiding our decarbonisation and emissions reduction efforts. We report according to the Global Logistics Emissions Council (GLEC) Framework, which enables both distance-based and fuel-based GHG emissions calculations.

For specific data points, we reference internationally recognised standards, including:

- ISO 14001 – Environmental Management Systems (Environment, Health & Safety).
- ISO 45001 – Occupational Health & Safety Management Systems.

We continue to implement a comprehensive environmental management system based on ISO 14001:2015, aligned with regulatory requirements, corporate sustainability standards, and the Greenhouse Gas Protocol. Our approach integrates best practices from across industries and geographies to optimise efficiency, reduce emissions, and minimise environmental impact.

To uphold occupational health and safety and achieve our VISION ZERO (zero accidents and zero lost working days to accidents) commitment, all manufacturing sites maintain ISO 45001-certified safety management systems.

External assurance and verification
To ensure the accuracy and reliability of our sustainability disclosures, our data and processes undergo external verification, including:

- SWOT (Strengths – Weaknesses – Opportunities – Threats) analyses conducted in compliance with ISO 45001 and ISO 14001.
- Third-party ISO audits to validate conformance to industry-leading standards.
- Certification processes aligned with ISO 45001 and ISO 14001 to uphold global best practices in health, safety, and sustainability for manufacturing sites.

The individual performance metrics disclosed in this report are not subject to external validation.

Corporate Hub Lisbon

Sustainability organisation

GOV-1 The role of the administrative, management and supervisory bodies

Grünenthal's administrative, management and supervisory bodies play a pivotal role in guiding the organisation's operations, ensuring alignment with regulatory frameworks, ethical standards, and sustainability objectives.

Corporate structure and dual governance system

The ultimate parent company, Grünenthal Pharma GmbH & Co. KG, is a limited partnership (Kommanditgesellschaft) incorporated in Germany with corporate seat in Aachen, and with a limited liability company (Gesellschaft mit beschränkter Haftung) as general partner incorporated under the laws of the Principality of Liechtenstein. It wholly owns Grünenthal GmbH (the 'GmbH'), which is the active pharmaceutical entity. This is a limited liability company incorporated under German law with its corporate seat in Aachen, managing Grünenthal's pharmaceutical business since its establishment under the name Chemie Grünenthal GmbH in 1946. Both the Ultimate Parent Company and the GmbH have a dual management system characterised by a separation of personnel between the management and supervisory bodies, as further explained below.

Advisory Board (Beirat)

The advisory board members are elected by the limited partners ('Principal Shareholders') of the parent company respectively the shareholder of Grünenthal GmbH. Pursuant to the partnership agreement of the parent company, the members of the advisory board of the parent company and the advisory board of Grünenthal GmbH have to be identical (the 'Advisory Board'). The Advisory Board appoints the managing directors (Geschäftsführer) of Grünenthal GmbH, who form the 'Corporate Executive Board'. The Advisory Board supervises Grünenthal's management. For significant actions, such as acquisitions, license deals, and major strategic decisions, the Corporate Executive Board requires the approval of the Advisory Board (Beirat).

The Advisory Board comprises five external, independent voting members with significant expertise in relevant industries (e.g., pharmaceuticals, legal, finance) and four internal members who represent the Principal Shareholders' family of the parent company. The four internal members do not have voting rights, meaning that 100% of the voting members and 56% of all members are independent. One of the five external voting members (20%) and three of the four non-voting members (75%) are female. The five voting members are:

- Dr. Pär Johansson, chairman of the Advisory Board and of the Supervisory Board, a lawyer specialising in corporate law and M&A, providing legal, financial, and governance oversight for Grünenthal.
- Dr. Petra Danielsohn-Weil, a pharmaceutical industry leader with expertise in strategy, operations, and commercialisation.
- Dr. Gotthard Kleine, a strategic consultant supporting organisational development, ethical business practices, and patient advocacy.
- Franz Wynands, a tax consultant and accountant ensuring financial oversight, risk management, and regulatory compliance.
- Dr. Martin Zügel, a healthcare executive offering expertise in business development, private equity, and pharmaceutical strategy.

The Advisory Board also has an Audit Committee and a Personnel Committee to manage specific governance tasks.

Corporate Executive Board

The Corporate Executive Board (CEB) is Grünenthal's senior leadership decision-making body, responsible for the day-to-day management of the company. Its ESG-related duties include reporting on economic, environmental, and social performance, business conduct, as well as on ESG risk management, and aligning business operations with Grünenthal's strategic objectives and corporate responsibility initiatives. As environmental, social and governance impacts by Grünenthal, as well as related risks and opportunities for Grünenthal (IROs) concern nearly all business areas, ESG falls under the overall responsibility of the CEB as such. Nevertheless, the CEB has delegated specific areas to experts e.g. Human Rights Officer or Occupational Safety Officer (Arbeitsschutzbeauftragter). Since 2009, no member of the Principal Shareholders' family is part of the CEB anymore.

The Corporate Executive Board comprises four executive members, the Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Scientific Officer (CSO) and Chief Commercial Officer (CCO), who collectively have experience in relevant roles and sectors across the globe:

- Gabriel Baertschi, Chairman and CEO, with over 20 years of pharmaceutical experience and expertise in transformation leadership.
- Jan Adams, M.D., CCO and former CSO (until September 2024), with extensive experience in R&D and corporate strategy. For the period up to September 2024, the CCO was Janneke van der Kamp, a pharmaceutical industry commercial specialist.
- Prof. Dr. med. Uli Brödl, CSO (as of February 2025), with more than 15 years of industry experience.
- Fabian Raschke, CFO, with a strong background in corporate controlling and financial leadership.

Corporate Executive Board members receive comprehensive training, for example on anti-corruption, corporate responsibility, and ethical conduct, ensuring informed decision-making at the highest level.

The Executive Board Team (EBT) comprises the CEB members plus Victor Barbosa, Head Global Operations, Leen Hofkens, Head Global Human Resources, Sebastian Köhler, General Counsel, and Quentin Le Masne de Chermont, Head Corporate Strategy and Portfolio Management. This team defines the mid-term and long-term corporate strategy to make Grünenthal's vision of a World Free of Pain a reality. While the CEB members are all male, one of the EBT members is female.

Supervisory Board (Aufsichtsrat)
Grünenthal GmbH has an additional third co-determined supervisory board (Aufsichtsrat), with powers limited to the extent as legally permitted. This board supports the governance structure by providing additional oversight and approving actions of the CEB in case these are subject to approval by corporate bylaws. The three members of the Supervisory Board are Dr. Pär Johansson (chairman), Christina Plath and Sabine Hees (employee representative). Two of the three Supervisory Board members are female.

From left to right, top to bottom: Gabriel Baertschi, CEO; Jan Adams, MD, CCO; Uli Brödl, MD, CSO; Fabian Raschke, CFO

Embedding sustainability into governance
Grünenthal's Corporate Responsibility Board serves as the central body for sustainability governance. In the reporting period, it was chaired by the Compliance & Responsibility Officer Headquarters (from 2025, the position holder's title changed to Head of Responsibility) and comprises leaders responsible for material topics and selected strategic business functions.

The Board serves as a decision-making body and sounding board for all Corporate Responsibility matters. Its key duty is to implement, continuously develop and drive Grünenthal's Corporate Responsibility Programme. The Programme aims to create a net-positive impact for society in our focus areas of Patient, People and Planet. It sets ambitious sustainability targets for our material topics and contributes to transparent reporting. Progress is monitored via metrics that are tracked continuously as part of the Group Scorecard. The Board works towards a company-wide, consistent and yet localised implementation of the Programme and gives guidance to employees working on it. Apart from internal stakeholders, the Corporate Responsibility Board engages in a continuous dialogue with external interest groups.

The Corporate Responsibility Board meets quarterly to review sustainability performance. It reports regularly to the Corporate Executive Board and the Advisory Board (Beirat) via the Global Compliance & Responsibility Officer.

Employee representation and governance framework
Grünenthal has established works councils in Chile, France, Germany, Italy and Spain, complying with local legislation to ensure employee representation. In Germany, the Works Constitution Act defines the functions, rights, and responsibilities of the works councils, enabling structured negotiations on social, occupational health and safety, and environmental matters. At the European level, the European Works Council (EWC) represents employees across EU member states and the European Economic Area (EEA), ensuring cross-border employee consultation. National organisations with at least 150 employees – currently Italy, Spain, and Germany – are entitled to appoint members to the EWC, which convenes annually.

GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

Reporting structures and information flow
Grünenthal has established a robust governance framework to ensure that its administrative, management, and supervisory bodies are consistently informed about sustainability matters. The Corporate Responsibility Board (CRB) reports directly to the Corporate Executive Board (CEB) through annual reporting cycles and ad hoc updates when necessary. This structure ensures timely communication on material impacts, risks, and opportunities, as well as updates on the implementation of due diligence processes and the effectiveness of sustainability policies, targets, metrics, and actions.

Sebastian Köhler, General Counsel and Leen Hofkens, Head Global Human Resources

The Global Compliance & Responsibility Officer plays a vital role in reporting to the Corporate Executive-, the Supervisory- and the Advisory Boards respectively. These reports include critical updates on training initiatives, healthcare interactions, audit outcomes, emerging compliance concerns, and significant developments. Both the CRB and the CEB serve as active decision-making bodies, ensuring alignment of sustainability strategies with Grünenthal's corporate objectives, particularly regarding the Compliance Management System.

Consideration of sustainability-related impacts, risks, and opportunities
Grünenthal's Corporate Responsibility Programme integrates sustainability into the core of its business operations. It is designed to manage ESG on a global scale and address material impacts through targeted initiatives. The responsibility for overseeing this programme has been delegated by the CEB to the CRB, ensuring consistent oversight.

Strategic oversight
The CRB conducts periodic reviews to assess key ESG risks and opportunities, ensuring alignment with Grünenthal's long-term corporate strategy and objectives. This includes evaluating both the potential positive and negative impacts of strategic decisions on stakeholders and the environment.

Major transaction decisions
Before approving significant business transactions, Grünenthal conducts a thorough due diligence involving all relevant business areas on a global level, including Quality Assurance, Manufacturing and Supply Chain Management, Legal and Compliance, Drug Safety, Medical and Medical Information, Commercial, Finance, HR and others. Once a recommendation is reached, it is discussed in detail by the Corporate Executive Board, involving also all key functional stakeholders. This includes detailed discussion of the risks and opportunities as well as business

impacts associated with the respective transaction. Amongst others, Grünenthal verifies that all patient-related safety measures and processes meet company standards, examines sustainability and efficiency of the entire production and supply chain, and ensures that the acquisition target has been carefully reviewed in relation to all business relationships with third parties. The company ensures that legal, ethical and sustainable considerations are thoroughly evaluated and prioritised alongside commercial benefits. Upon approval of the CEB, the final decision is taken by the Supervisory Board.

Material impacts, risks, and opportunities
While Grünenthal has identified a range of material ESG impacts across its operations, it has not identified any material ESG-related risks or opportunities. The material impacts, that can be mapped to Grünenthal's material topics, are the result of multiple workshops by the Corporate Responsibility Board and CEB as part of the double materiality analysis process (details in section 'IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities'). All IROs were integrated into the corporate strategy.

Monitoring and performance mechanisms
Grünenthal ensures the continuous monitoring of its sustainability performance through key governance mechanisms. Targets for material topics are reviewed and approved annually by the Executive Board Team and formulated in a Group Scorecard. Progress is tracked throughout the year using metrics embedded in the internal Group Scorecard. This tracking provides transparent and actionable insights to the Executive Board Team, reinforcing Grünenthal's commitment to continuous improvement in sustainability practices.

This comprehensive approach ensures that Grünenthal's administrative, management, and supervisory bodies are not only well-informed but also actively engaged in driving sustainability performance across the organisation.

GOV-3 Integration of sustainability-related performance in incentive schemes

Characteristics of Grünenthal's incentive schemes
Grünenthal has implemented remuneration policies and incentive schemes designed to align individual performance with the company's strategic goals, including sustainability objectives. The remuneration principles, implemented into our remuneration policy, aim to attract and retain top talent by offering competitive, market-aligned compensation.

A key component of Grünenthal's incentive schemes is the Short-Term Incentive (STI) programme, which provides a variable compensation component and rewards employees for achieving agreed-upon priorities within a financial year. These priorities are defined through a global, uniform target-setting process, ensuring that corporate goals are cascaded down to the individual level.

The STI programme applies to most employees, including members of the administrative and management bodies, starting with the Corporate Executive Board. Supervisory Board members are excluded from the STI programme. Sales employees and certain tariff employees, who operate under separate incentive programmes, are excluded from the global STI programme.

The STI bonus payout is determined by two factors:

1. **Employee performance:** Assessed through an annual performance rating.

2. **Corporate performance:** Measured via the Corporate Factor, which is derived from the Group Scorecard. This scorecard assesses the company's performance across key priorities, including financial results, innovation, growth, cultural transformation, and sustainability advancements. The evaluation of these priorities, including sustainability-related metrics which account for 5% of the Corporate Factor calculation, takes place annually and directly influences the Corporate Factor, thereby impacting STI payouts for employees, including senior executives.

By linking personal contributions to overall business goals, the STI programme promotes transparency and employee involvement. It encourages exceptional performance by offering financial rewards tied to both personal achievements and the company's success.

Sustainability is explicitly integrated into Grünenthal's Short-Term Incentive programme. In the Culture area of the Group Scorecard, a key priority is the progress made in implementing the company's responsibility programme, which is shaped by our material topics. We have defined annual operational targets for each of our material topics to reach our mid- and long-term ambitions. Target achievement is transparently measured. For example, for the topic of Patient Safety, we regularly track the target to achieve 97% 'on-time' submissions to authorities for Individual Case Safety Reports. Climate-related performance is included through annual operational targets that contribute to our near-term objectives published under ESRS E1 – Climate Change. These targets are part of the Group Scorecard and influence the Corporate Factor. Climate goals are not reflected in any other remuneration components than the STI. The achievement level for all targets defines target achievement for the overall sustainability priority and thus influences the Corporate Factor by a defined percentage. By linking the Corporate Factor directly to sustainability targets feeding into the Group Scorecard, both individual contribution and corporate achievements for sustainability are being incentivised.

Approval and update processes for incentive schemes
The Corporate Executive Board plays a central role in overseeing and approving the terms of Grünenthal's incentive schemes in alignment with Grünenthal's Global Remuneration Policy and Remuneration Framework. The Group Scorecard serves as the foundation for the calculation of the Corporate Factor. It is reviewed, validated, and approved by the Corporate Executive Board annually at the end of the financial year to ensure alignment with the company's strategic vision and evolving objectives.

GOV-4 Statement on due diligence

Core elements of due diligence	Paragraphs in the sustainability statement
a) embedding due diligence in governance, strategy and business model	SBM-1, SBM-3, S1.SBM-3, GOV-2
b) engaging with affected stakeholders in all key steps of the due diligence	SBM-2, S1-2, S1-3, S4-2, S4-3, G1-1
c) identifying and assessing adverse impacts	IRO-1, G1.IRO-1
d) taking actions to address those adverse impacts	S1-3, S4-3, G1.MDR-A, G1-3
e) tracking the effectiveness of these efforts and communicating	S1-3, S1-4, S4-3, S4-4, G1.MDR-A, G1-3

GOV-5 Risk management and internal controls over sustainability reporting

At Grünenthal, robust risk management and internal control processes are integral to ensuring the accuracy, reliability, and transparency of our sustainability reporting.

Key features of our risk management and internal control framework for sustainability reporting

Risk management
Our risk management approach is centred on evaluating potential risks based on their likelihood and potential impact on Grünenthal. Regarding our sustainability objectives, we prioritise risks that could significantly affect these objectives and take proactive steps to mitigate them. This includes a quarterly review and update to the risks identified, followed by escalation to the Risk Board to ensure ongoing management where appropriate. Grünenthal's Risk Board convenes four times a year, with two full-member meetings and two smaller monitoring sessions in between. Sustainability reporting is not explicitly included in our risk management yet but will be in the future. The risk assessment framework is periodically reviewed and updated to address emerging challenges and maintain its effectiveness.

Ongoing improvements to risk management
A structured approach to fully integrate ESG risks, as well as sustainability reporting risks into the regular risk management system, as well as to monitor opportunities, is under development. As an evolving area of corporate governance and responsibility for Grünenthal, further work is needed to ensure that our risk evaluation and management systems are adequately calibrated to ESG topics. For example, current risk assessment methods are more closely mapped to the evaluation of financial impact. Looking forward, proposals will be made to revise this framework to include a broader range of risk drivers.

In addition to this, over the course of 2025, the Risk Management programme itself will be subject to evolution and update. While the development of these proposals is still underway, collaborations with the ESG team have already begun to identify areas in which additional assurances could be offered as to the integrity of our sustainability reporting mechanisms.

Sustainability reporting risks and mitigation measures
Looking ahead, the main challenge regarding sustainability reporting is the transition to the European Sustainability Reporting Standards (ESRS), respective data availability, and the need to completely re-draft reporting content in alignment with the new framework. These factors introduce complexities in ensuring data completeness, accuracy, and consistency. To mitigate these risks, Grünenthal is conducting a voluntary trial run of ESRS reporting for the reporting year 2024 to proactively identify gaps and potential challenges. The company is conducting multiple validation rounds for both data and content to enhance reporting reliability and compliance. Additionally, Grünenthal plans to further strengthen internal controls throughout 2025.

We conduct an annual review of our sustainability reporting processes to identify and address any potential gaps. This evaluation involves a systematic analysis of reporting accuracy, completeness, and alignment with regulatory requirements. Any identified gaps are discussed with the relevant business areas, ensuring that corrective actions are effectively implemented within the respective data systems. To maintain transparency and consistency, all internal control and process improvements are integrated into our central data control matrix. This matrix serves as the single source of truth for all reported data, consolidating information on data sources, methodologies, and responsible persons.

Findings of our annual analysis are shared with the Corporate Responsibility Board and may lead to strategic and/or operational adaptions. An example of such an operational adaption might be the installation of additional meters to measure consumption of energy, water etc.

Master data document as a single source of truth

We maintain a centrally governed master data document, which serves as the definitive source for all sustainability-related data and disclosures. This document is updated regularly to incorporate the latest metrics, performance indicators, and disclosures, ensuring consistency and accuracy across our reporting.

Internal approval steps

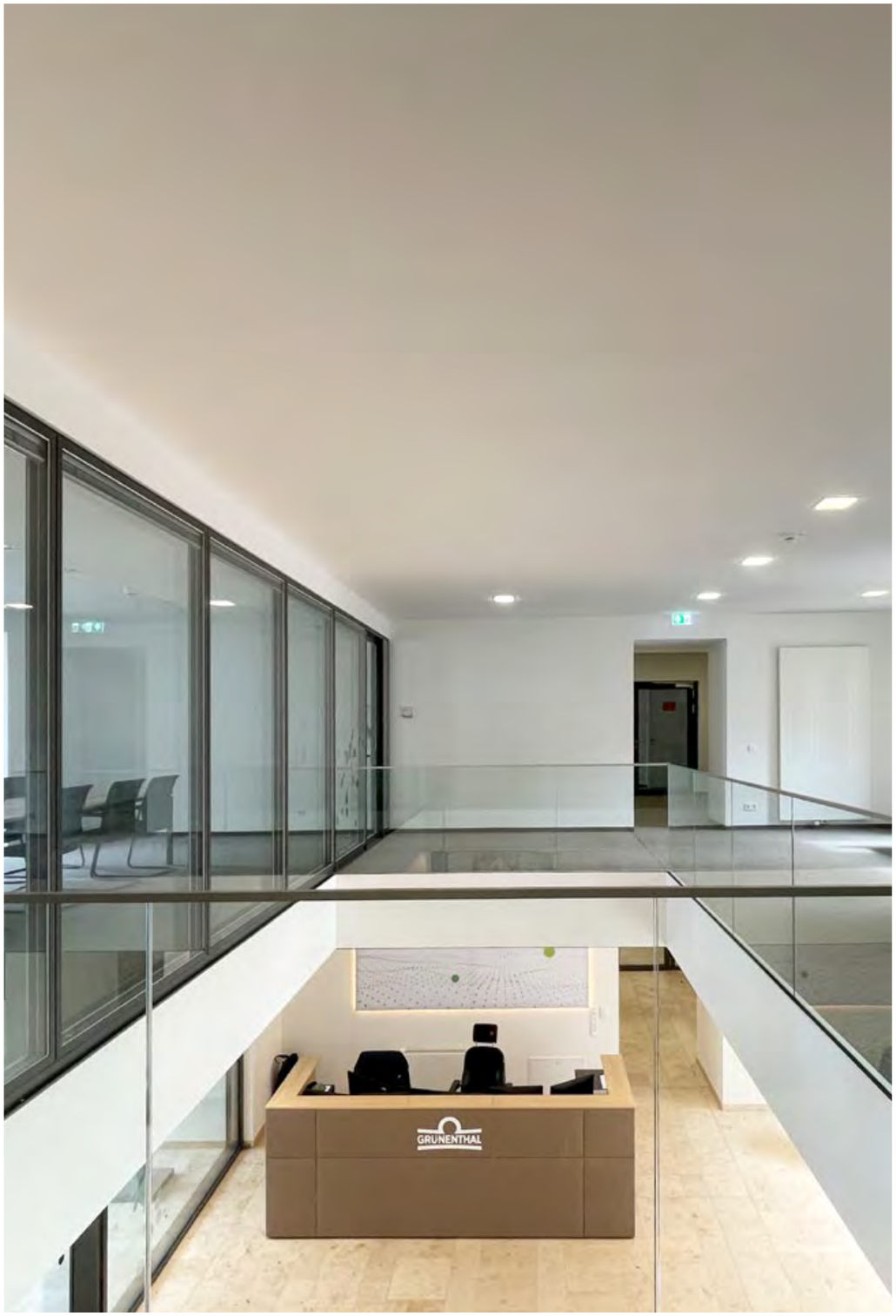
Our internal control system includes a multi-tier review process to validate the accuracy and completeness of sustainability data. Department heads and senior management actively participate in the review and approval stages prior to finalisation.

External verification with specialised consultants

To ensure alignment with applicable sustainability reporting standards and continuous improvement, we engage independent sustainability consultants. These experts conduct external checks, providing an additional layer of assurance and offering recommendations to enhance the quality and reliability of our disclosures.

Pre-audits and implementation of recommendations

As part of our commitment to transparency, pre-audit assessments are performed to identify any gaps or areas requiring improvement. Recommendations from these assessments are systematically reviewed and implemented, strengthening our data quality and reporting processes ahead of final audits.



German Sales Division

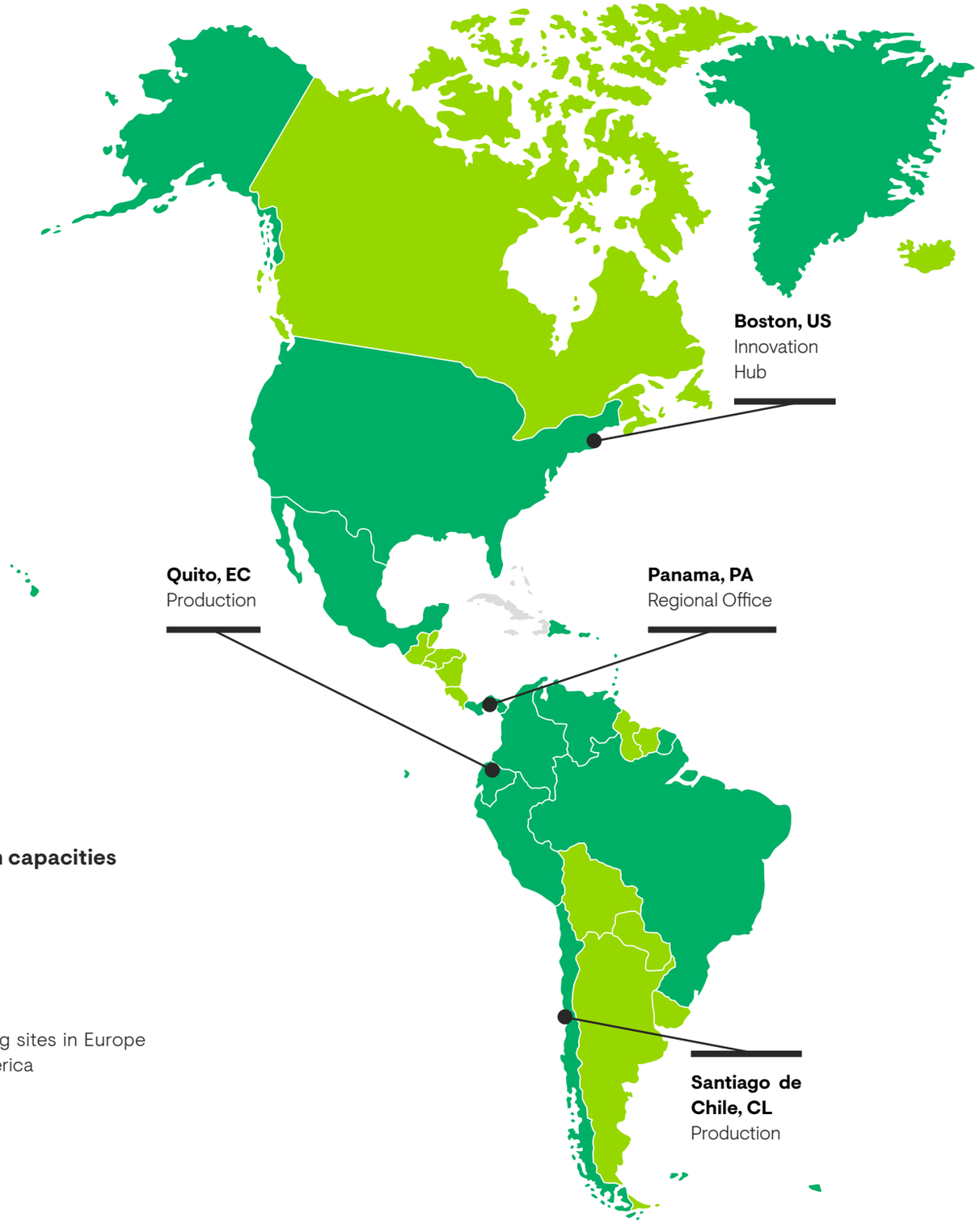
Sustainability strategy

SBM-1 Strategy, business model and value chain

Significant groups of products and services offered

Grünenthal is a leading pharmaceutical company focused on pain therapies with over 75 years of experience in developing, manufacturing and commercialising innovative treatments, over 50 of those specialised on pain. Its integrated capabilities span the entire value chain, from research and development (R&D) to its vertically integrated manufacturing, regulatory, and commercialisation expertise, generating commercial and production synergies across the company's portfolio and acquired brands.

The company's core therapeutic area, pain, represents a significant burden for people and society, which remains a major unmet medical need. Grünenthal offers patients a range of treatment options, including opioids, and is committed to transforming the future of pain management. The company acknowledges the benefits and risks associated with opioid treatment and has a track record of distributing opioids in Europe with the highest ethical standards.



Products sold in around

100

countries

Production capacities

5

manufacturing sites in Europe and Latin America


Aachen, DE
Production,
Headquarters
and R&D Unit
Origgio, IT
Production
Mitlödi, CH
Production
Grünenthal countries
Contract Manufacturing
and Partner Business

Key products
Grünenthal's product portfolio comprises a complementary mix of innovative, patent protected brands and a portfolio of mature, largely off patent established brands with continued high brand awareness. In the reporting year, Grünenthal acquired the pharmaceutical company Valinor Pharma and its product Movantik, further strengthening Grünenthal's footprint in the United States.

Our products are sold in approximately 100 countries in the world, either directly or indirectly through partners, and are promoted and/or sold to a diverse customer base, including physicians, pharmacies, hospitals, buying groups, wholesalers, and institutions.

Grünenthal's revenue from product sales is diversified by geography, product type, and therapeutic area, which helps to limit dependence on any single country or geographic region, product type or therapeutic area.

Key brands include Crestor™, Nebido™, Nexium™, Norspan™, Palexia™, Qutenza™, Tramal™, Transtec™, Vimovo™, Versatis™, Zaldiar™, Zomig™ and the Grünenthal Meds Portfolio (13 brands, including Abstral™, PecFent™, Oramorph™, Movantik™, Rectogesic™).

Key services
We aim to pursue our vision of a World Free of Pain and address critical, unmet medical needs, with a focus on developing highly innovative, non-opioid pain treatments.

Grünenthal's research and development capabilities span the entire product life cycle, from early research, including target identification and validation, to clinical and technical development, regulatory expertise and lifecycle management. This enables the company to pursue projects across all development phases.

With deep expertise in pain treatment, Grünenthal integrates R&D, manufacturing, regulatory and commercial capabilities, allowing it to compete successfully with both larger diversified and smaller specialist players. Over the years, the company has demonstrated its ability to drive the commercial success of innovative drugs, such as Tramal™, Palexia™, Versatis™ and Qutenza™, and achieved multiple successful product launches underscoring its commercial capabilities and the continued high unmet medical need in pain treatments.

Victor Barbosa, Head Global Operations, with manufacturing team members at Aachen headquarters

Headquartered in Aachen, Germany, Grünenthal operates five specialised production facilities, ensuring vertical integration from active pharmaceutical ingredient ('API') production to packaging. These facilities are located in Germany, Switzerland, Italy, Chile and Ecuador. In addition to manufacturing Grünenthal's own products, the production facilities also operate as full-service contract manufacturing organisations ('CMOs') for external customers. Grünenthal's Contract Manufacturing Business, Grünenthal PRO, offers high-quality manufacturing solutions to global customers, including:

- Biopharma assembly and packaging.
- Unit-dose nasal spray filling and packaging.
- Bulk production of solids, semi-solids, and liquids.
- Packaging of patches, blisters, wallets, sachets, or sticks.
- Hormone and controlled drug production.
- Production of selected Active Pharmaceutical Ingredients (APIs).

Significant markets and customer groups served
Grünenthal operates in the pharmaceuticals sector of the global healthcare industry and has a total of 4,358 employees (2,803 in Europe, 1,358 in Latin America, 196 in the USA and 2 in Asia). Based on the product portfolio, the company continues to be primarily active in the growing pain and analgesic market, one of the largest

therapeutic areas globally. Demand for innovative and effective therapies continues to drive growth in the global chronic pain therapy market and the broader pharmaceutical and prescription drug markets. Grünenthal has a strong presence in Europe, the United States, and Latin America.

Customers include healthcare organisations, such as hospitals, pharmacies and pharma wholesalers as well as healthcare professionals, who in turn can provide patients in need with our products.

Grünenthal has no products and services that are banned in certain markets.

Sustainability-related goals

Given the prevalence and debilitating effects of pain, Grünenthal is committed to transforming the future of pain management. We believe that the often chronic nature of pain makes patient education and adherence to the highest ethical standards imperative and that our clear commitment in this area sets us apart from other competitors. This is supported by our 'ESG rating results'.

Grünenthal integrates sustainability into its core strategy, with patient safety and product quality forming the foundation of its approach. As a global leader in pain management, Grünenthal is committed to addressing unmet medical needs by developing innovative treatments that improve patient outcomes and quality of life. Beyond patient wellbeing, Grünenthal's sustainability goals focus on workforce development, environmental responsibility, and ethical business conduct.

1. **Workforce development:** Grünenthal prioritises safety, fair working conditions, and an inclusive work environment, fostering a culture of equity, belonging, and professional growth among employees.

2. **Environmental responsibility:** Efforts are concentrated on reducing environmental impact, implementing innovative solutions for sustainability in operations, and embracing environmentally friendly practices in packaging and production.

3. **Ethical business conduct:** Acting with integrity and adhering to high ethical standards form the foundation of Grünenthal's corporate responsibility.

Grünenthal actively collaborates with stakeholders, ensuring that sustainability strategies reflect the needs and expectations of diverse groups. This engagement fosters long-term, sustainable relationships, which are further detailed in the 'SBM-2 Interests and views of stakeholders' section.

Grünenthal's strategic alignment with material sustainability matters

At Grünenthal, our vision of a World Free of Pain aligns seamlessly with our commitment to sustainability, especially the social aspect. We regularly evaluate our products, services, and markets to ensure alignment with our sustainability objectives:

- **Patient-centric approach:** Grünenthal's quality management and pharmacovigilance systems are designed to ensure the highest levels of product safety throughout manufacturing processes and improve health outcomes for patients worldwide.

- **People-focused initiatives:** Grünenthal is proactive in fostering an inclusive and supportive work environment for all employees. This entails robust governance structures including a dedicated Diversity & Engagement Council, assessing working conditions and gathering feedback through initiatives like Great Place to Work® surveys to track progress against strategic objectives. We empower passionate employees who act as ambassadors and allies, to drive diversity awareness activities which further strengthen our inclusive culture.

- **Planet-focused efforts:** Grünenthal's Planet-focused efforts encompass climate action as well as pollution prevention and control programmes within the company's own operations and its supply chain. Grünenthal's sustainable packaging strategy for example has made significant strides toward reducing environmental impact, with tangible successes like the integration of recycled materials at its Aachen site. The company continues to innovate by exploring global opportunities for scaling recyclable packaging systems. Grünenthal's supplier engagement processes prioritise collaboration with partners who share its commitment to environmental stewardship.

The wellbeing of consumers and end-users serves as the foundation for our operations and innovations. This patient-centric approach inherently intersects with key sustainability matters, as it prioritises access to effective treatments, promotes ethical practices in patient care, and underscores the importance of long-term societal health. Our strategy also embraces sustainable development. It does so by integrating environmental, social, and governance (ESG) considerations into decision-making processes which ensures that the advancement of pain management is achieved responsibly and inclusively. This alignment shows that Grünenthal's strategic priorities are also supportive of global sustainability goals – e.g., SDG 3: Good health and wellbeing, see section 'Grünenthal's contribution to the SDGs'.

Grünenthal manufactures and commercialises pharmaceuticals and is active on the global healthcare market. Based on our product portfolio, we continue to be primarily active in the pain and analgesics market, one of the largest therapeutic areas globally.

Business model, value chain and sourcing of inputs

Grünenthal's business model integrates patient-centric research, manufacturing, and distribution to deliver high-quality treatments addressing unmet medical needs. We cover increasing areas of pain research and

» Grünenthal Insight

A recognised industry leader in ESG

MSCI: Industry leader with (p) AA rating

Morgan Stanley Capital International (MSCI) recognised Grünenthal as an industry leader for managing the most significant ESG risks and opportunities by awarding a Provisional AA rating. Scores range from CCC (laggard) to AAA (leader), depending on exposure to industry-specific ESG risks and the ability to manage those risks relative to peers. Our rating puts us ahead of several high-profile competitors in the pharmaceutical industry.

Sustainalytics: Low risk and ahead of peers

Sustainalytics, another leading ESG risk rating provider, certified our company a 'low ESG risk'. This rating recognises us as one of the top performing companies in our industry, based on our ESG risk rating score. Sustainalytics rated our ESG risk management approach as 'strong', which is the highest possible assessment level.

EcoVadis: Gold medal for sustainability

EcoVadis is a provider of business sustainability ratings, with a global network of more than 150,000 rated companies. Our Gold Medal rating puts Grünenthal among the top performers assessed worldwide. EcoVadis assesses companies across various sustainability criteria including environmental impact, labour practices, ethical business conduct and sustainable procurement.

MSCI Provisional ESG RATINGS (p) AA

(p) CCC | (p) B | (p) BB | (p) BBB | (p) A | (p) AA | (p) AAA

As of Oct 2024

2025 SUSTAINALYTICS INDUSTRY ESG TOP RATED

GOLD | Top 5% ecovadis Sustainability Rating JUL 2024

> Top ratings affirm our ESG leadership position.
>
> **Sebastian Köhler**
> General Counsel

pharmaceutical products through organic growth and our own R&D as well as strategic acquisitions. Grünenthal also places particular importance on the engagement with patients, patient-representation groups and healthcare professionals.

Our value chain begins with research and development, where we collaborate with academic institutions and healthcare experts to design innovative pain therapies. Raw materials such as APIs (Active Pharmaceutical Ingredients), chemicals and finished or semi-finished goods are sourced from verified suppliers, prioritising quality and ethical practices to ensure safe, efficient and reliable product supply to patients. Manufacturing takes place in our advanced facilities, ensuring compliance with rigorous quality, safety, and environmental standards. Finished products are distributed through a global network, supported by logistics partners to ensure timely and equitable access for patients. The company has a strong focus to ensure safe, efficient and reliable product supply to patients. Grünenthal also works closely with healthcare professionals to enhance the safe and effective use of our therapies, integrating stakeholder feedback to continuously improve outcomes across the value chain.

Grünenthal's upstream value chain involves approximately 7,000 global suppliers. Grünenthal's largest categories of procurement include semi- and finished goods coming from external suppliers accountable for ca. 36% of spend in 2024. Suppliers are concentrated in Europe and North America with approximately 68% of suppliers accounting for ca. 88% of spend generated in 2024. Approximately 6% of Grünenthal suppliers are defined as ESG sensitive due to the risk attached to the supplier location and the industry type (e.g., country regulations around working conditions, pollution, etc.). For more information see section 'G1.MDR-A Ethical business culture actions'. Regular risk assessments and dialogue activities focus on upholding high standards for ethics, environmental management, and social impact. The downstream value chain encompasses distributors and customers, ensuring the uninterrupted delivery of high-quality treatments.

Outputs and outcomes for stakeholders
Grünenthal measures its impact across a spectrum of stakeholder groups, ensuring that its operations deliver tangible benefits for customers, investors, R&D and industry business partners, employees, healthcare professionals and organisations, as well as communities, which are further detailed in the 'SBM-2 Interests and views of stakeholders' section.

SBM-2 Interests and views of stakeholders

Grünenthal operates in a dynamic environment characterised by diverse stakeholder groups with varying demands and expectations. Acting as a reliable and trustworthy partner supports Grünenthal's ability to attract talented employees, fulfil the expectations of investors and shareholders, and overall maintain strong relationships with all key stakeholders.

Overview of key stakeholder groups
Grünenthal has identified the following key stakeholder groups, that either have a strong influence on the company or are significantly impacted by its operations: Patients, patient experts, caregivers, and patient organisations; employees; healthcare professionals and healthcare organisations; payers and budget holders; governments, policymakers, and regulators; investors; R&D partners; industry business partners; suppliers and communities. The stakeholder groups are annually validated and refined as necessary.

Engagement with key stakeholder groups
Grünenthal actively engages with its stakeholders through open dialogue and conducts an analysis of the information gathered from Grünenthal counterparts and main contact partners for each stakeholder group. Engagement activities include feedback platforms, regular meetings, conferences, and formal consultations to understand the specific needs and expectations of each group. Two groups of affected stakeholders are especially to be highlighted as crucial for Grünenthal and under SBM-2: The company's own workforce (S1.SBM-2) as well as Consumers and/or end-users (S4.SBM-2), which for Grünenthal are patients, patient experts, caregivers, and patient organisations:

1. **Employees (S1.SBM-2):** We want all employees to feel valued, respected, included and empowered to do their best, bring great ideas to the table and develop their full potential. Our Values & Behaviours are the foundation of our culture. They guide our decision-making and provide clarity to our teams around the world about how we want to work together to achieve successful outcomes for our company and our patients.

   Grünenthal cultivates an inclusive and performance-driven culture by actively engaging with its workforce and seeking feedback through for example employee feedback platforms, regular Town Hall meetings, biennial Great Place to Work® surveys and internal 360-degree leadership feedback. The latter provides targeted leadership feedback for line and project managers on how they drive team performance and development and bring the company's Values & Behaviours to life. Employees are encouraged to regularly discuss their development goals with their people manager to create Personal Development Plans that drive growth in current roles and future opportunities. These efforts ensure employees are informed, aligning them with the company's mission and priorities, and create a work environment where they feel valued and motivated to contribute to Grünenthal's success.

   Grünenthal has established works councils in Chile, France, Germany, Italy and Spain, complying with local legislation to ensure employee representation. The company ensures representation for employees across Europe through its European Works Council (EWC).

   For more information, see the section 'S1-2 Processes for engaging with own workforce and workers' representatives about impacts'.

2. **Patients, patient experts, caregivers, and patient organisations (S4.SBM-2):** Patients are the focus of our company's mission and vision. Grünenthal's innovative therapies deliver significant therapeutic value to patients worldwide, addressing critical needs in pain management and enhancing quality of life. We collaborate closely with patients, caregivers and patient organisations to understand their needs and expectations. By integrating their insights into our work, we ensure that our healthcare solutions have the greatest positive impact on their lives. Our patient-centric approach extends beyond product development, encompassing education programmes that promote the responsible use of medications. Grünenthal collaborates closely with patients, patient experts, caregivers, and patient organisations to ensure its healthcare solutions have the greatest positive impact. This includes co-creating solutions with patient organisations to better understand and address patients' needs. These collaborations have also supported advances in pain management and the implementation of the World Health Organisation's International Classification of Diseases (ICD)-11 codes for pain.

   For more information, see the section 👁 'S4-2 Processes for engaging with consumers and end-users about impacts'.

3. **Healthcare professionals and healthcare organisations (HCOs):** We aim to equip healthcare professionals with the latest medical knowledge related to Grünenthal's products – to enhance patient care and treatment outcomes. We focus on providing healthcare professionals with education, including Continuing Medical Education (CME), that supports their efforts to ensure the best possible care to patients. Our educational initiatives give healthcare professionals information about advances in pain management to support them in making well-informed treatment decisions. We also interact with healthcare professionals via roundtables, webinars, symposia and partnerships to gain a deep understanding of unmet medical needs, as well as to optimise disease management strategies together and contribute to scientific exchange.

4. **Payers and budget holders:** Grünenthal engages in constructive dialogue with governments and medical insurance systems to ensure sustainable access to medicines. Discussions focus on addressing unmet medical needs, ensuring fair reimbursement, and improving healthcare outcomes. In 2024, the company supported a meeting of Spanish regional budget holders to facilitate knowledge exchange and enhance holistic pain treatment across regions.

5. **Governments, policymakers, and regulators:** Grünenthal maintains regular dialogue with regulatory bodies, aligning its development programmes and compliance activities with regulatory requirements. The company also contributes to policy discussions on new regulations through national and international trade associations.

6. **Investors:** Grünenthal engages with investors through quarterly results calls, meetings, and conferences, providing transparency about its strategy, R&D efforts, and ESG activities. The company's strong financial performance, strategic execution, and low-risk ESG rating have supported access to international capital markets, reinforcing shareholder confidence in its long-term vision and strategy.

7. **R&D partners:** Grünenthal collaborates with clinics, academic institutions, Contract Research Organisations, and biotech companies to accelerate the development of life-changing medicines. By adopting green pharmaceutical development processes, Grünenthal reduces its environmental footprint while optimising outcomes for patients.

8. **Industry business partners:** Grünenthal works closely with partners to expand its product portfolio, ensure uninterrupted supply, and drive global business growth. In 2024, the company focused on strengthening its network of partners to support newly acquired products and enhance patient access worldwide.

9. **Suppliers:** Grünenthal maintains mutually beneficial relationships with its suppliers, engaging in dialogue to uphold standards for quality, ethics, and environmental management across the supply chain.

10. **Communities:** Grünenthal's commitment to social responsibility extends to local and global communities and reflects our dedication to making a positive impact beyond the pharmaceutical sector. These activities prioritise communities affected by crises and natural disasters and mainly support organisations and initiatives that promoted or restored people's physical or mental wellbeing, as well as public welfare and the protection of vulnerable groups. Initiatives such as the Grünenthal Foundation and the Dialogforum Contergan exemplify the company's commitment to responsible corporate citizenship. In 2024, the company continued its efforts to promote access to palliative care in Europe and Latin America.

Incorporating stakeholder views along our entire value chain

Grünenthal's core business activities

Input services & products	Sourcing	Research & development	Manu-facturing	Market access & product governance	Commer-cialisation	Product distribution	Patient

Hannah Engels, Global Compliance & Responsibility Officer, with Tobias Schäfers, Head of Responsibility

» Grünenthal Insight

Resources for patient engagement

We regularly share our experiences regarding patient partnerships with colleagues worldwide via the intranet platform PEER – Patient Engagement Excellence Resources. In 2024, we have further developed our PEER community.

Key metrics in 2024

Intranet page visits

21,174

Engagement rate[1]

27%

[1] Ratio of interactions with a post to users reached.

Quentin Le Masne De Chermont, Head Corporate Strategy and Portfolio Management

Selection of Grünenthal's association memberships

- International Federation of Pharmaceutical Manufacturers & Associations (IFPMA)
- International Society for Pharmaceutical Engineering, Inc. (ISPE)
- International Trademark Association (INTA)
- Interpat – The biopharmaceutical Intellectual Property think tank
- Pharmaceutical Supply Chain Initiative (PSCI)
- United Nations Global Compact
- European Federation of Pharmaceutical Industries and Associations (EFPIA)

Integration of stakeholder interests into strategy and business model

Grünenthal's ongoing stakeholder dialogue provides valuable insights that enable the company to refine strategies and deliver targeted, impactful solutions. As a result of the stakeholder dialogue, Grünenthal's strategy and business model seems well aligned with stakeholder interests and no changes were made during the reporting period. Patient needs for example shape our focus on innovative pain management solutions and patient-centric initiatives, such as education programmes and co-created therapies. Feedback from investors drives our emphasis on transparency, sustainable growth, and ESG priorities, while employee input informs workplace improvements, professional development programmes, and diversity initiatives. Structured engagement mechanisms, including feedback platforms and board meetings, ensure continuous alignment with evolving stakeholder expectations. Grünenthal's Executive Board Team stays informed about key stakeholder interests and feedback through regular updates via various channels and formats, e.g. Great Place to Work®, Global Town Halls for all employees, Investor Call updates and Compliance and Responsibility updates.

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

#	ESG category	Material topic	Type of impact	Impact	Value chain	Affected stakeholders
1	Environ-mental	Climate change	Actual negative impact	Emissions from production-related processes	● — ● — ●	Environment
2	Environ-mental	Pollution	Potentially negative impact	Environmental pollution (land, air, water) including the supply chain	● — ● — ●	Local communities
3	Social	Own workforce	Actual positive impact	Workplace safety and health protection	● — ● — ●	Employees, on-site contractors
4	Social	Own workforce	Actual positive impact	Fair working conditions and remuneration (own workforce)	● — ● — ●	Employees, potential employees, suppliers
5	Social	Own workforce	Actual positive impact	Diversity, inclusion and equal opportunities	● — ● — ●	Employees, potential employees
6	Social	Own workforce	Actual positive impact	Training and development (HR)	● — ● — ●	Employees, potential employees
7	Social	Personal safety of consumers and/or end-users	Potentially negative impact	Patient safety	● — ● — ●	Patients
8	Social	Personal safety of consumers and/or end-users	Potentially negative impact	Safe pain management through responsible use of opioids	● — ● — ●	Employees, healthcare professionals, patients. Partner companies and their employees
9	Social	Personal safety of consumers and/or end-users	Potentially negative impact	Product quality	● — ● — ●	Patients, healthcare professionals, regulators, employees, suppliers, distributors
10	Social	Access to healthcare	Actual positive impact	Access to healthcare	● — ● — ●	Patients, society
11	Social	Research and development	Actual positive impact	Improving patients' quality of life through innovative medicines	● — ● — ●	Patients
12	Governance	Business conduct	Actual positive impact	Ethical business culture	● — ● — ●	Investors, suppliers, authorities
13	Governance	Business conduct	Potentially positive impact	Responsible use of AI	● — ● — ●	Patients, society
14	Governance	Business conduct	Potentially negative impact	Corruption/bribery	● — ● — ●	Investors, employees, patients, regulatory bodies

● — ● — ● Upstream ● — ● — ● Own operations ● — ● — ● Downstream ● — ● — ● Entire value chain

Climate change
The impact of GHG emissions from production-related processes highlights the company's significant environmental footprint, due to the energy-intensive nature of pharmaceutical manufacturing, emphasising the need for effective mitigation strategies from producing companies such as Grünenthal to address climate change.

Pollution
The impact of environmental pollution of air, land and water including the supply chain arises from emissions, waste, and chemical residues across Grünenthal's operations and supply chain, emphasising the need for effective mitigation strategies to identify and address pollution.

Own workforce
The impacts related to workplace safety, fair working conditions, diversity, inclusion, and equal opportunities and training highlight critical areas of Grünenthal's social responsibility towards its own workforce, emphasising the company's role in fostering a safe, equitable, and inclusive work environment while promoting employee growth.

Personal safety of consumers and/or end-users
The impacts related to personal safety of consumers and end-users emphasise the critical importance of ensuring the safety, efficacy, availability and quality of Grünenthal's pharmaceutical products through rigorous patient safety and quality control measures and of addressing safe treatment of pain through the responsible use of opioids. This topic, applied to Grünenthal, is particular to Grünenthal's business model, which is why we have made company-specific disclosures for these topics.

Access to healthcare
The IROs related to access to healthcare emphasise the importance of facilitating access to pain treatment, including through expanded access programmes or compassionate use, providing patients with the potential benefit of treatment not yet widely available. Ensuring the availability and affordability of these treatments can have a significant positive impact on public health, especially in underserved regions.

Research and Development
The impact related to research and development emphasises the creation of innovative medicines, enhancing treatment effectiveness and patient outcomes and improving the quality of life for patients experiencing chronic or acute pain.

The two topics Access to Healthcare and Research and development are distinctive to Grünenthal's business model and not provided for in the ESRS standards, which is why we have made company-specific disclosures for these topics.

Business conduct
The IROs related to business conduct focus on ensuring ethical business culture including adherence to legal requirements and industry standards, the responsible use of AI, and addressing industry specific risks such as corruption and bribery.

These material topics are all of heightened relevance to Grünenthal. It takes Responsibility to address and manage the related IROs and Grünenthal is already integrating these into its strategy and operations. While no resilience analysis was conducted, we currently believe that our strategic approach and operating model enable us to effectively manage material risks and impacts, while also leveraging opportunities to create long-term value.

IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities

Overview of the double materiality analysis process
Grünenthal's approach to identifying and assessing material impacts, risks, and opportunities (IROs) follows a structured methodology that complies with ESRS requirements for the first time. It follows the prescribed steps of identifying and assessing relevant IROs and reviewing both a list of prescribed sustainability topics as well as company-specific topics for the materiality for Grünenthal at various levels of the organisation. The result of this process is validated by the Corporate Executive Board and also presented to the Advisory Board. Leveraging comprehensive data from multiple sources, the company ensures that all relevant ESG aspects are thoroughly evaluated in alignment with its corporate strategy, governance framework, value chain, products, workforce, and environmental considerations.

IRO assessment
First, a stakeholder and value chain analysis formed the basis for identifying relevant IROs. To this end, Grünenthal's evaluation process encompassed the entire value chain, spanning all business divisions and regions, as well as upstream activities such as input materials, sourced services and downstream activities including product distribution and customer use. The process paid specific attention to stakeholder relevance and input and involved creating a structured overview of key stakeholder groups, their relevance, and existing engagement channels. Additionally, Grünenthal consulted internal proxies responsible for engaging with the respective stakeholder groups to validate stakeholder feedback and integrate it into the IRO assessment.

Further sources of information used to identify relevant IROs in all relevant categories of ESG (environment, social and governance) include the company's internal activities such as insights from Grünenthal's due diligence procedures and risk management system, competitive benchmarking and external expertise. Moreover, the identification of IROs incorporated publicly available information, including legal and regulatory frameworks, media reports, sector benchmarks, peer analyses, and other relevant sources.

As initial assessment, topic experts at Grünenthal rated the IROs individually. During this step, the **impact assessment** considered both the severity of the impact and likelihood of occurrence for potential impacts on a five-point scale with 'one' being the lowest score and 'five' being the highest score per assessment category. This process integrated time horizons by evaluating how the scale, scope, and irremediability of impacts, as well as probability of occurrence for potential impacts, evolve over time.

While short-, medium-, and long-term horizons were all taken into account – defined in accordance with ESRS as up to one year, one to five years, and more than five years, respectively – the evaluation was conducted on a consolidated basis. This dynamic approach considered both current and potential future effects, ensuring a comprehensive evaluation. The resulting score was compared against a materiality threshold, which was set at 'three'.

During the **financial assessment**, Grünenthal's regular risk management served as foundation as topic experts first rated known sustainability-related risks and opportunities, later on also those related to identified impacts. This was done based on the risks' and opportunities' maximum expected gross magnitude based on pre-defined internal financial thresholds used in Grünenthal's risk management across short-, medium-, and long-term time horizons as well as regarding their probability of occurrence. A consistent ten-point scale guided these assessments. The scores for magnitude and probability of occurrence were multiplied and the materiality threshold set at a score of 50/100. While in Grünenthal's regular risk management sustainability risks are not prioritised over non-sustainability risks, only those related to sustainability were considered in the double materiality analysis. No sustainability-related risks or opportunities were identified as material in this process.

Grünenthal's risk management process and the IRO assessment process in the context of the double materiality analysis are not yet formally integrated, but they are aligned in content and ratings.

For the IROs initially rated as material, as well as those assessed with a medium outcome (i.e., impacts with a score of 2 – 2.99; risks and opportunities with a score between 20 and 49), the ESRS topic list was used to determine which topics and sub-topics were likely or less likely to be material. This informed the ensuing step, the workshops described in the next section.

Finalisation and validation of material topics
In the final process steps, Grünenthal conducted workshops at multiple organisational levels including the Corporate Responsibility Board level to determine the final list of material topics. These workshops were all based on the results of the IRO assessment and included reviewing the status quo of pre-defined ESRS (sub-)topics as well as company-specific topics, connected IROs and their materiality, performing case-by-case evaluations of topics assessed just below the materiality threshold, and reassessing excluded topics to verify accuracy and identify potential gaps.

This iterative multi-step approach was implemented by design to ensure consideration from all relevant perspectives and serve as an internal control system. The final validation of the results occurred through the Corporate Responsibility Board.

E1.IRO-1 Description of the processes to identify and assess material climate-related impacts, risks and opportunities

Climate-related impacts were already being tracked and reported in the form of GHG emissions in the past. The IROs' assessment by Grünenthal topic experts and discussion of IROs on management level mirrors the process described above (see section 'IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities'). As a result, emissions from production-related processes were identified as actual negative material impact.

Regarding climate-related risks and opportunities in particular, Grünenthal is preparing a comprehensive evaluation across its operations and value chain, scheduled for completion at each site during 2025. This process will address physical and transition risks over short-, medium-, and long-term horizons. It includes screening assets and activities for exposure and sensitivity to risks, applying climate scenarios, and using scenario analysis to ensure alignment with financial assumptions.

E2.IRO-1 Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

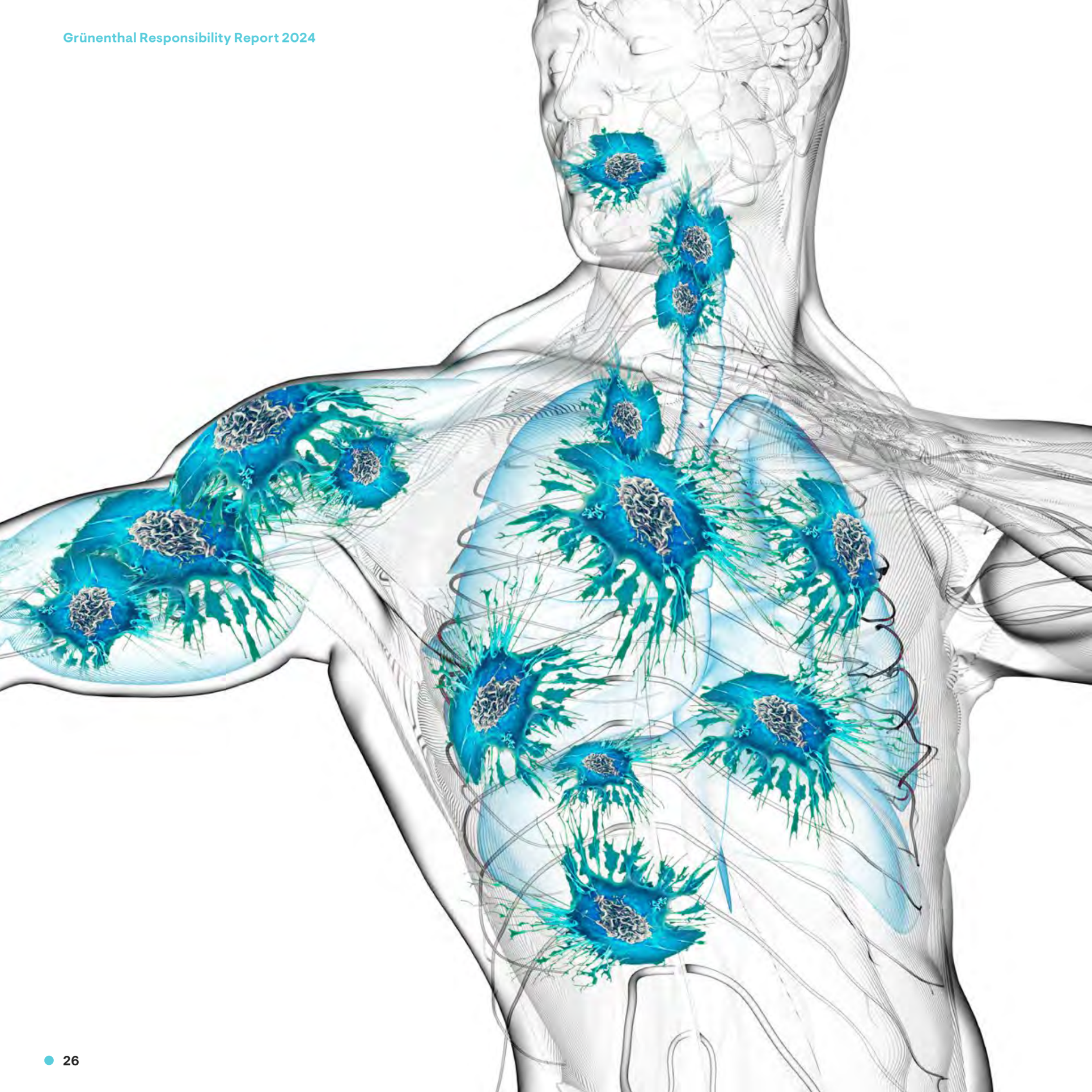
Grünenthal has not yet screened for pollution-related impacts, risks and opportunities at local site-level or consulted possibly affected communities. However, during the double materiality analysis, pollution of water, air, and land, including the supply chain was assessed as a material negative impact of Grünenthal's business activities. The assessment incorporated input from topic experts at the Group level and management-level workshops with participation from various stakeholders or their proxies.

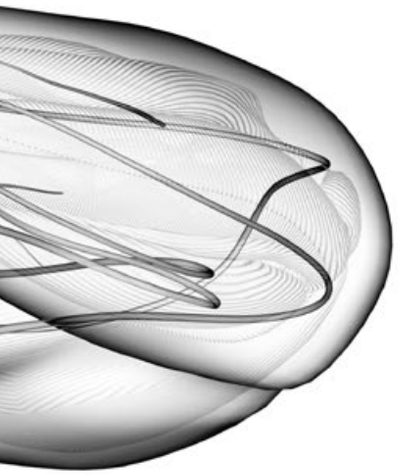
G1.IRO-1 Description of the processes to identify and assess material business-conduct-related impacts, risks and opportunities

The process for identifying and assessing material business-conduct-related impacts, risks and opportunities mirrors the description in section 'IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities'.

IRO-2 Disclosure requirements in ESRS covered by the undertaking's sustainability statement

An overview of the ESRS disclosure requirements addressed in this report is provided in the chapter titled 'ESRS Index'. Information is classified as material or non-material based on our double materiality assessment (see section 'IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities'), conducted in accordance with the criteria outlined in ESRS 1, section 3.2. Data points are deemed material if they relate to our identified material impacts and provide relevant insights to support users of this report.





ENVIRONMENT

- **Climate change (ESRS E1)**
  - Managing climate change
  - Relevant topic clusters
- **Environmental pollution (land, air, water) including the supply chain (ESRS E2)**
  - Managing pollution at Grünenthal and in the supply chain
  - Relevant topic clusters

E1 – Climate change

Managing climate change

E1.SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Type of impact	Impact
Actual negative impact	Emissions from production-related processes

At this point, only impacts on climate-related topics as opposed to related risks and opportunities for Grünenthal were identified during the double materiality analysis. Grünenthal recognises the importance of evaluating climate-related risks and is currently in the process of assessing physical and transitional risks as preparation for a climate resilience analysis. This evaluation forms a critical component of the company's approach to understanding and mitigating the potential impacts of climate change on its operations.

Grünenthal's annual greenhouse gas inventory shows what categories of emissions are most prominent and could be targets for emission reduction initiatives.

Scope and methodology
The resilience analysis will focus on Grünenthal's own operations, providing a targeted framework to identify and address vulnerabilities. Grünenthal will apply the Task Force on Climate-related Financial Disclosures (TCFD) methodology to ensure the analysis adheres to established best practices and delivers meaningful insights.

The CO_2 footprint is being calculated according to the GHG protocol, an initiative which supplies global standardised frameworks to measure and manage greenhouse gas emissions, therefore helping to track progress towards climate goals. For more details regarding scope and methodology, see chapter 'E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions'.

Time horizon and progress
Grünenthal will set the resilience analysis within a 2050-time horizon, aligning with long-term climate action goals. However, the company has not conducted any resilience analysis to date, and results are not yet available. Results are anticipated for 2026 and will be included in sustainability reporting once available.

Grünenthal's greenhouse gas inventory is being calculated annually with more information available in chapter 'E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions'.

Adaptation and strategic alignment
Grünenthal's strategy and business model have not been adapted in response to climate-related risks at this stage. The findings from the ongoing evaluations will be important when considering future strategy or operational adjustments and help to ensure that the company's operations remain resilient to the challenges posed by climate change.

E1-1 Transition plan for climate change mitigation

Grünenthal has developed a transition plan to support its climate change mitigation efforts, with the overarching goal of achieving its validated SBTi targets by 2030. The plan outlines the company's decarbonisation strategy, focusing on reducing greenhouse gas emissions across Scope 1 and Scope 2 by 50% by 2030. For Scope 1, Grünenthal is prioritising gas reduction projects, such as the installation of heat pumps at the Aachen headquarters and the Mitlödi manufacturing site to substitute gas consumption. For Scope 2, the company has already achieved a significant milestone by transitioning to 100% renewable electricity across all manufacturing sites in 2024. Regarding its Scope 3 emissions, Grünenthal has set a supplier engagement target aiming for suppliers accountable for 67% of its Scope 3 emissions to have science-based targets validated by SBTi or a similar organisation by 2028. Grünenthal plans to set a Scope 3 emissions reduction target by 2027.

While Grünenthal has largely established the mitigation aspects of the transition plan relating to emissions reductions in Scope 1 and Scope 2, the company still needs to define specific actions to meet the targets. These actions will ensure that the plan's implementation is both effective and aligned with Grünenthal's decarbonisation objectives.

Grünenthal has no economic activities covered by delegated regulations on climate adaptation or mitigation under the Taxonomy Regulation.

Grünenthal has not identified any risks related to locked-in greenhouse gas emissions[1], but is maintaining the flexibility to achieve targets by selecting projects aligned with business requirements. The company has not invested significant CapEx amounts during the reporting period regarding coal, oil and gas-related economic activities.

[1] Locked-in emissions are estimates of future GHG emissions that are likely to be caused by the undertaking's key assets or products sold within their operating lifetime.

The transition plan and related activities are integrated into Grünenthal's broader business strategy and financial planning, ensuring they support the company's ambitions and commitments. The Global Operations Board (GOB) and the CEO have approved the transition plan, underscoring its strategic importance. Progress is monitored and reviewed biannually, with updates provided to the GOB as part of the company's Planet Roadmap.

Grünenthal is not excluded from the EU Paris-aligned benchmarks aimed at limiting global warming to 1.5 degrees Celsius. Although the company's transition plan for climate change mitigation follows these benchmarks, Grünenthal intends to define further measures to ensure the specific actions are fully compatible. Grünenthal remains committed to adapt its climate change mitigation plan to the benchmarks and operationalise it to drive progress in tackling climate change. Details on already implemented actions can be found in section 'E1.MDR-A Climate change actions'.

E1.MDR-P/E1-2
Climate change policies

At Grünenthal, the **Policy on Occupational Safety, Health and Environmental Protection, and Energy**, or for short the Environment, Health and Safety (EHS) Policy, is a fundamental component of our commitment to sustainability and regulatory compliance which offers orientation for all actions with possible impacts related to the environment, health and safety. It describes Grünenthal's commitment to actively address climate change and reduce greenhouse gas emissions within its operations and value chain, treating these efforts – alongside occupational safety, environmental protection, and energy efficiency – with the same responsibility and systematic approach as applied to quality, productivity, and effectiveness.

The EHS policy further underlines the commitment to comply with all relevant laws, regulations and other requirements related to occupational safety, and health and environmental protection and report on environmental issues.

Grünenthal is committed to protecting the environment by reducing its negative impact on air, water, and soil pollution. The organisation invests in safe, energy-efficient, and sustainable technologies, minimises waste, especially hazardous waste, and prioritises sustainability in resource use and procurement.

The policy does not, however, provide concrete operational guidance. Operationalisation of the policy is handled at each location as well as at Grünenthal's headquarters for larger initiatives.

Besides the EHS policy, Grünenthal uses its leverage and relationships with suppliers to communicate expectations related to its suppliers' environmental management. The company's Responsible Sourcing Standards for Business Partners, the Procurement Policy and the related Responsible Sourcing practices, as well as the Statement on Human Rights and Environmental Standards, cover among other aspects, environmental management in the supply chain and foster a collaborative approach to addressing climate change. The policies each cover a number of aspects and are described in more detail in the respective chapters (see 'E2', 'S1' and 'G1').

Yuliia Lohvynenko, Global Sustainability Manager, Inga Kaiser, Digital Procurement Transformation Manager, Priyatham Salimadugu, Sourcing Manager

Policy scope
The EHS Policy's scope includes Grünenthal's own operations and suppliers. This inclusive scope ensures that environmental standards are upheld across our upstream value chain, without exception. Topics other than emissions and energy aspects are addressed as well, e.g., water management, waste and pollution (see chapter 'E2 – Pollution').

Accountability and local adaptation
The CEO is responsible for approving the EHS Policy, underscoring its importance at the highest levels of the organisation. Accountability for implementing the policy lies with leadership teams at each manufacturing site. Each site adopts the policy in the local language and includes site-specific commitments, roles and responsibilities to ensure effective application. Additionally, our Planet Committee, which includes project leads and EHS Managers from our global sites, meets monthly to oversee initiatives that align with the EHS Policy, including energy efficiency, water conservation and waste management.

Alignment with third-party standards
Grünenthal's EHS Policy is implemented in alignment with international environmental standards and conventions, including ISO 14001:2015, corporate environmental standards, aspects of the United Nations Sustainable Development Goals, and the Greenhouse Gas Protocol. These frameworks guide our efforts in minimising our environmental footprint and enhancing transparency and accountability.

Stakeholder consideration
The policy-setting process included input from internal stakeholders as well as proxies for external stakeholders, ensuring that diverse perspectives were considered in shaping the EHS Policy. In addition, feedback is gathered during external ISO audits to further refine and improve the policy. The finalised policy is also available on the Grünenthal corporate website, providing a direct channel for stakeholders to raise concerns and suggest improvements for the Grünenthal Policy content.

Accessibility and implementation
The EHS Policy is made publicly accessible via Grünenthal's contract manufacturing website Grünenthal PRO. This ensures that all stakeholders, including those directly involved in its implementation, can easily access the document and understand its provisions. Additionally, we continue to develop a robust environmental data management and monitoring system for water, energy, waste, and greenhouse gas emissions, further supporting the operationalisation of the EHS Policy.

Elke Geysen, Head Global Procurement and External Supply Operations, in discussion with Christoph Hausser, Site Director Germany

E1.MDR-A/E1-3 Climate change actions

Grünenthal is committed to advancing sustainability through initiatives focused on energy efficiency, GHG reduction, the adoption of environmentally friendly technologies and practices as well as employee and supplier engagement in sustainability. These actions reflect our dedication to reducing our environmental footprint while driving long-term progress.

Scope of key actions
In order to achieve its environmental targets, Grünenthal has established a comprehensive management system, aligned with its EHS Policy and rooted in internationally recognised standards, including ISO 14001:2015, corporate environmental standards, the United Nations Sustainable Development Goals, and the Greenhouse Gas Protocol. This system enables Grünenthal to systematically collect and analyse data from its manufacturing sites, helping to improve efficiency and for example reduce energy consumption.

However, reducing GHG emissions across Grünenthal's value chain requires the participation of all involved organisations. Grünenthal is currently preparing the launch of the supplier engagement programme and aims to use this as leverage to lower emissions throughout its operations.

The annual update of the GHG inventory at our sites and throughout the up- and downstream value chain ensures transparency and tracks our progress. These efforts are guided by our Planet Roadmap, which sets clear goals to reduce emissions, conserve water, and promote sustainable practices such as eco-friendly packaging and responsible sourcing.

Following the ongoing physical and transitory climate risk analysis, Grünenthal plans to identify levers and initiate actions to mitigate and prevent these risks and design actions to best adapt to the changing climate conditions – both within its own operations and along the value chain.

Time horizon for completion
The key actions are aligned with Grünenthal's 2030 strategy, which is built on SBTi principles to meet near-term climate goals.

Actions taken and progress achieved
Own operations:

Grünenthal has made substantial progress in reducing company-wide emissions by adopting the SBTi framework and introducing a Corporate Environmental Impact Assessment (EIA) standard. Investments in energy efficiency and renewable energy across Grünenthal's manufacturing sites in Mitlödi, Origgio, Quito, and Santiago, as well as the headquarters in Aachen, have notably reduced Scope 2 CO_2 emissions. For instance, the installation of a heat pump at the Aachen headquarters has led to an annual reduction of 550 tonnes of GHG emissions (17% of Scope 2 emissions). Additionally, in Ecuador, the signing of International Renewable Energy Certificates (IREC) supports net-zero goals at the Quito site.

Looking forward, Grünenthal is planning to complete a series of actions related to energy efficiency and reduction of energy consumption, such as heat recovery measures, improvement of thermal plant efficiency, and workshops on energy savings in steam production, as well as more regular actions such as room temperature reduction during weekends. Moreover, the newly installed solar plant will start to produce electricity regularly, as it up until now is running on 'test mode' after its implementation in 2024.

Supplier engagement:

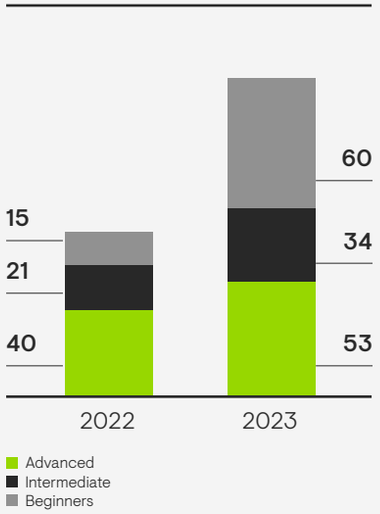
Grünenthal has been monitoring the progress of its supply chain in its commitment to set science-based targets as part of the company's supplier engagement preparation. The Responsible Sourcing Standards for Business Partners describe the expectations regarding actions to be taken on climate change mitigation. Grünenthal utilises a sustainability collaboration platform, where some strategic suppliers are requested to share their climate targets' status. As part of its monitoring, Grünenthal checks suppliers' progress through the SBTi website and analyses relevant suppliers' sustainability reports.

Grünenthal has defined three types of suppliers: Advanced, Intermediate and Beginners. Advanced suppliers have a robust GHG inventory, approved science-based targets in line with the Paris Climate Agreement, and are working on their decarbonisation plans, including switching to 100% renewable electricity (Scope 2).

The focus in 2025 will be to engage and create an action plan with suppliers at the Intermediate and Beginners levels. External collaboration is important, and as part of Grünenthal's membership in the Pharmaceutical Supply Chain Initiative, we will work on the Supplier Decarbonisation Committee to jointly develop tools and training materials to support each company's supplier engagement.

» Grünenthal Insight

Maturity of 2023 top GHG contributors in Grünenthal's supply chain
The chart below describes the progress of suppliers (in absolute numbers) accountable for 67% of Grünenthal's total Scope 3 greenhouse gas emissions having a carbon-reduction target approved by SBTi.



Significant progress has been made, with the number of suppliers having emission targets approved by SBTi increasing from 40 in 2022 to 53 in 2023. Having emission targets is an important step to build a decarbonisation plan.

Key actions taken and planned, expected outcomes, alignment with policy objectives, and time horizons

Category	Examples of key actions	Outcome	Contribution to policy objectives	Time horizon
Energy efficiency and consumption reduction	• Optimisation of central chilling system (Aachen) • Shutdown of Heating, Ventilation, and Air Conditioning (HVAC) and decommissioning of inefficient buildings (Aachen) • Digital twin implementation for cogeneration plant (CHP) control (Aachen) • Replacement of compressed air generators (Aachen, Santiago)	• Reduction in energy consumption (notably gas and electricity) • Reduction in Scope 1 and 2 emissions	Aligned with GHG reduction policy and energy intensity KPIs	• 2023 – 2026
Use of renewable energy	• Full switch to renewable electricity (Aachen, Mitlödi, Origgio, Quito, Santiago) • 100% green energy (Quito) • PPA agreements and photovoltaic installations (Aachen)	• In total 2,559 t CO_2e in 2024 • Transition to 100% renewable power	Supports decarbonisation of electricity use and longterm net zero targets	• Renewable energy contracts completed (2022 – 2024), additional enhancements in 2025 • Photovoltaic Aachen test mode in 2024, full implementation in 2025 • 100% green energy Quito in 2025
Electrification	• Replacement of heating system in corporate centre with efficient electric system (Aachen) • Heat recovery and heat pumps (Origgio)	• 309 t CO_2e reduction in 2024	Moves energy mix away from fossil fuels	• Heating system replacement in Aachen targeted for completion in 2025 • Engineering/planning phase in Origgio in 2026 – 2027
Fuel switching and process improvements	• Transition from natural gas in two buildings • Heat pump project initiated (Mitlödi)	• 1,616 t CO_2e reduction expected by 2025	Substitution of fossil fuels with renewable gas sources	• 2025
Strategic decisions/ other	• Strategic decision to stop cogenerator use or purchase biogas certificates (Aachen, Origgio)	• Elimination of legacy gas consumption • Awareness and behavioural changes	Cultural shift and efficiency optimisation across sites	• Strategic shift planned by 2030

Financial and resource allocation
Grünenthal has allocated significant financial resources towards realising its Planet strategy, especially regarding the Mitlödi heat pump project. Other relevant initiatives relate to energy efficiency and consumption reduction or the electrification of fossil-based systems. Many of these projects relate to heating and chilling processes in particular, and others, for example to the installation of renewable energy generation systems such as the photovoltaic system in Aachen. No exact CapEx/OpEx data for the (planned) actions is being reported this year due to limited data availability.

Climate change metrics and targets

E1.MDR-M
Metrics in relation to climate change

Grünenthal evaluates the performance and effectiveness of its environmental actions by using metrics that capture the cost of project implementation, energy in MWh, potential pollution levels, and GHG emissions measured in metric tons. These metrics provide insights into the material impacts, risks and opportunities associated with the company's sustainability initiatives.

The methodologies used for data collection and analysis rely on robust sources. Energy-related data are derived from meter readings, ensuring precision and consistency in measurement. Meters are calibrated and regularly maintained.

For information related to the calculation of GHG emissions, see section 'E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions'.

E1.MDR-T/E1-4
Targets related to climate change mitigation and adaptation

Grünenthal has established clear sustainability targets aligned with its Policy on Occupational Safety, Health and Environmental Protection, and Energy (EHS Policy) objectives. Monthly monitoring and robust evaluation processes ensure that the effectiveness of policies and actions is consistently tracked against material sustainability-related impacts. Each month, the site-level EHS teams convene with the Global EHS function to review performance. During these meetings, each manufacturing site presents an update on monthly performance metrics and outlines corrective actions where deviations from established targets have been identified.

The year 2020 has been selected as the baseline for Grünenthal's emissions target setting due to its status as the first year with complete and consistent emissions data coverage across Scope 1, Scope 2, and Scope 3 categories. This includes all relevant sources such as stationary and mobile combustion, and electricity consumption (both market-based and location-based). The baseline aligns with the company's internal climate strategy and its SBTi-aligned target-setting methodology. Despite the COVID-19 pandemic, operational emissions in 2020 remained representative of typical activity levels, particularly in core manufacturing and logistics, and were comparable to adjacent years. Emissions profiles from 2021 to 2023 confirm the stability and relevance of this baseline for tracking progress.

Scope 1 and 2

Grünenthal aims to reduce the sum of its Scope 1 and Scope 2 emissions by 50% (Scope 1 by 42%, Scope 2 by 77%) compared with its 2020 base year by 2030 (34,544 t CO_2). These reduction targets are in the process of being validated by the SBTi with validation expected to be completed in 2025.

Sandra Matamoros, Global Programme Lead Responsible Sourcing, with colleagues

Grünenthal is initiating projects to tackle the expected levers of its production emissions, such as green electricity and heat pumps. For estimated quantitative contributions to the achievement of GHG emission reduction targets, see section 'Key actions taken and planned, expected outcomes, and alignment with policy objectives'. Since the climate risk analysis is still underway, specific climate scenarios have not yet been considered to identify additional impact levers. This will follow once the analysis is complete.

Scope 3

» Regarding Scope 3 emissions, Grünenthal developed a comprehensive action plan to have a near-term Scope 3 carbon-reduction target in 2027. As part of Grünenthal's Science Based Targets initiative (SBTi) near-term targets, the company will launch a supplier engagement plan to ensure that suppliers, responsible for 67% of Grünenthal's Scope 3 emissions, have validated emission targets by 2028. Once a Scope 3 emission target will be set, this supplier engagement will support in reaching the Scope 3 emission target. Integrating ESG criteria into procurement and increasing awareness of ESG impacts in purchasing decisions is a main component of the current strategy. Additionally, Grünenthal will enhance the quality of its Scope 3 greenhouse gas (GHG) data collection by collaborating with internal stakeholders. This plan ensures that Grünenthal is ready to set ambitious carbon reduction targets. «

In 2027, Grünenthal plans to set a measurable, outcome-oriented target to manage its emissions particularly with regard to Scope 3.

ESRS-aligned targets and progress 2024

Target[1]	Progress 2024	Status
Reduce Scope 1 and Scope 2 greenhouse gas emissions by 50%[2] by 2030 compared with 2020 (in line with our SBTi commitment for near-term targets)[3]	42% reduction achieved for Scope 1 and Scope 2 since 2020	On track
Reduce greenhouse gas emissions by 4.2% each year until 2030 (absolute reduction, tonnes) (based on a 3% reduction in normalised energy consumption)	6.3% reduction achieved for Scope 1 and 2 in 2024 vs 2023	On track

[1] Targets maintained from previous Responsibility Report; will be reviewed in 2025.
[2] Thereof Scope 1 reduction by 42%, Scope 2 reduction by 77%
[3] Grünenthal has not yet set Scope 3 emission reduction targets, but plans to do so by 2027.

» Further targets and progress 2024

Target[1]	Progress 2024	Status
Engage our key suppliers who account for 67% of our total Scope 3 greenhouse gas emissions to have emission targets that are validated by the SBTi by 2028 (in line with our SBTi commitment for near-term targets)	Decarbonisation status of key suppliers in scope of SBTi Scope 3 target updated. 53 suppliers accountable for 33% of the Scope 3 total GHG emissions in 2023 have approved science-based targets.	On track

[1] Targets maintained from previous Responsibility Report; will be reviewed in 2025. «

Nature and scope of targets
The SBTi reduction targets for GHG emissions are relative in nature and are defined centrally at the Grünenthal headquarters and operationalised at the site level and then managed by EHS managers and leadership teams. These targets encompass greenhouse gas (GHG) emissions of Grünenthal's own operations where Grünenthal has operational control as well as those of its suppliers, and are aligned with Grünenthal's broader sustainability ambitions.

Period and milestones
Broken down to yearly targets, progress is evaluated through monthly performance reviews. These regular check-ins help Grünenthal maintain focus on incremental achievements while working towards its long-term objectives. The targets reported above are set for 2028 and 2030, respectively.

Methodologies, scientific basis, and evaluation processes
To evaluate the effectiveness of its policies and actions, Grünenthal conducts yearly Impact, Risk and Opportunity (IRO) assessments. Strengths, Weaknesses, Opportunities, Threats (SWOT) analyses, performed in accordance with ISO 45001 and ISO 14001 standards, provide additional insight into potential risks and opportunities. Internal audits, global external ISO audits, and performance data from monthly tracking further reinforce the company's ability to monitor and refine its approach.

» Regarding Scope 3, the Procurement organisation will continue to assess the ESG performance of strategic suppliers based on science-based targets using the sustainability collaboration platform or alternative documents provided by the suppliers. The Responsible Sourcing team will define an action plan and discuss it with the suppliers to promote collaboration and increase the number of suppliers achieving an 'Advanced' status. Quarterly progress reports will be shared with the leadership team in Procurement and the External Supply Organisation (ESO) to ensure that metrics remain on track. «

Stakeholder involvement
EHS managers are actively involved in the discussion and refinement of targets for the upcoming year. These targets are aligned with the manufacturing council, members of which include the Head Global EHS & Sustainability, Head Global Quality Assurance and Site Directors, to gain valuable stakeholder input ensuring feasibility and relevance.

Relevant topic clusters

E1-5 Energy consumption and mix

All business areas of our company are classified as high climate impact sectors according to the NACE definition (Delegated Regulation (EU) 2022/1288 of the Commission).

Our production of pharmaceuticals is allocated to Section C, 'Manufacture of basic pharmaceutical products and pharmaceutical preparations.'

The calculation of our energy intensity thus takes into account the total energy requirement in proportion to net revenue of the Grünenthal Group (please see 'Grünenthal Report 2024/2025, Strategy & Financials chapter' page 31.[1])

[1] The Grünenthal Financial Statement 2024 will be publicly availably in the company register (https://www.unternehmensregister.de/ from August 2025.

» Grünenthal Insight

‘Shine: Together. Powered by the Sun’ – Ceremonial inauguration of biggest solar power system in Aachen region

On 28 August, Grünenthal inaugurated Aachen’s largest solar power system at its headquarters – featuring over 21 km of cable and 116 tonnes of solar modules.

CEO Gabriel Baertschi and the Executive Board Team welcomed prominent guests, including Mona Neubaur, Deputy Prime Minister of North Rhine-Westphalia and Minister for Economic Affairs, Industry, Climate Protection and Energy, and Sibylle Keupen, Mayor of Aachen. The event included a panel discussion on climate protection and renewable energy, followed by a symbolic act: guests and company representatives assembled an oversized plug, accompanied by a brief fireworks display. The evening ended with live music and informal networking.

The system comprises nearly 4,000 solar modules across 18,000 m^2, generating 1.9 MWp. It will reduce Grünenthal’s CO_2 emissions by 366 tonnes annually – roughly 63 Airbus A380 flight hours. Most of the energy will power the Aachen site; surplus electricity will go into the public grid.

Minister Neubaur highlighted the project’s significance: ‘This shows how companies can help drive the energy transition. Every step towards renewables supports climate neutrality in North Rhine-Westphalia.’

Mayor Keupen added: ‘Grünenthal is putting its commitments into practice, helping expand green power in Aachen.’

CEO Baertschi reaffirmed: ‘As a research-driven pharmaceutical company, we aim to improve patients’ lives and protect future generations. Our goal is to halve net emissions by 2030.’

The inauguration represents a major milestone in Grünenthal’s sustainability strategy and its shift toward renewable energy.

August 2024: Inauguration ceremony (left to right): Sibylle Keupen (Mayor of Aachen), Thorsten Rasche (Project Lead Grünenthal), Gabriel Baertschi (CEO Grünenthal), Mona Neubaur (Deputy Prime Minister of North Rhine-Westphalia and Minister for Economic Affairs, Industry, Climate Protection and Energy), Christoph Hausser (Site Director Grünenthal Germany), Dave Gebauer (CEO Solarimo), Victor Barbosa (Head Global Operations Grünenthal)

Energy consumption and mix (in MWh)[1]

Metric	2024	2023
Total energy consumption	**115,381**	**106,650[2]**
Energy intensity (in MWh/million Euro)	62	55
Fuel consumption from coal and coal products	–	–
Fuel consumption from crude oil and petroleum products	1,529	522
Fuel consumption from natural gas	89,046	80,450
Consumption of purchased or acquired electricity, heat, steam, and cooling from non-renewable sources	–	10,089
Total non-renewable energy consumption	**90,575**	**91,061**
Share of non-renewable sources in total energy consumption	78.5%	85.4%
Fuel consumption for renewable sources (including biomass, biogas, non-fossil fuel waste, renewable hydrogen)	663	–
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	24,144	15,589
The consumption of self-generated non-fuel renewable energy	–	–
Total renewable energy consumption	**24,807**	**15,589[2]**
Share of renewable sources in total energy consumption	21.5%	14.6%

[1] There was no fuel consumption from other fossil sources, nuclear sources, non-renewable energy production and renewable energy production.
[2] Reported last year for 2023: renewable energy consumption 22,448 MWh; total energy consumption: 106,650 MWh. The change is due to a switch in calculation methodology in 2024, in which only 100% renewable energy contracts are counted towards renewable energy consumption rather than, as in the past, consumption under contracts with only partial renewable energy share.

E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions

Changes in reporting scope and boundaries
In 2023, Grünenthal established a joint venture with Kyowa Kirin International, forming Grünenthal Meds, of which Grünenthal holds a 51% stake. This influenced the definition of the scope of the reporting and the entities included in Grünenthal's value chain. According to the GHG Protocol, emissions from equity-shared ventures must be included. However, due to data unavailability, emissions from Grünenthal Meds were excluded from the 2023 reporting cycle, potentially affecting year-on-year comparability. For the reporting year, Scope 1 and 2 emissions of Grünenthal Meds are included in the report, while Scope 3 emissions are not. Grünenthal applies an 'operational control' boundary for GHG reporting, covering 100% of emissions from facilities it fully controls and manages. Certain exclusions, however, were necessary due to data gaps or irrelevance. These include around 1.1% of purchased goods and services spending, and 25% of downstream transportation spending, due to being out of scope (e.g., payment of financial fees, taxes, etc.). Emissions from sold products were deemed irrelevant, as Grünenthal does not produce goods emitting GHG during use. Additionally, processing emissions from sold products were not calculated due to the diversity of intermediate products and their varied applications. Franchises and investments, not being part of Grünenthal's operational model, were also excluded from the reporting scope.

» Grünenthal Insight

Fully charged: All Grünenthal manufacturing sites powered by 100% green electricity

All five global manufacturing sites are now powered by 100% renewable electricity – a major step toward a greener future and a clear sign of our commitment to reducing environmental impact.

Our 100% renewable journey: With support from our Environment, Health & Safety and Engineering teams, we have successfully transitioned all sites to fully renewable electricity. Sourced from wind, solar, and other green energy, our facilities now run entirely on clean electricity – lowering our carbon footprint and supporting climate goals.

Our green sources: The Origgio and Aachen sites use green Power Purchasing Agreements (PPAs) to access solar and wind energy. Solar panels have also been installed at Origgio, Aachen, and the Swiss API site, generating clean energy on-site. The Swiss site further sources power from a local hydropower system.

Quito leads the way: Our Quito facility was the first to achieve 100% green energy – not just electricity – as it operates entirely without gas.

All manufacturing sites use

100%

renewable electricity

Solar park at Origgio site

Grünenthal GHG emissions [1]

	Retrospective					Milestones and target years			
	Base year 2020	2022	2023	2024	% 2024/ 2023	2025	2030	(2050)	Annual % target/ Base year
Scope 1 GHG emissions									
Gross Scope 1 GHG emissions (t CO_2e)	22,102	20,928	18,137	19,512	+7.6%				
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	–	–	–	–					
Scope 2 GHG emissions									
Gross location-based Scope 2 GHG emissions (t CO_2e) [2]	12,442	8,513	7,927	6,265	–21%				
Gross market-based Scope 2 GHG emissions (t CO_2e) [3]	10,122	3,481	3,248	540 [4]	–83.4%				
Significant [5] Scope 3 GHG emissions									
Total gross indirect (Scope 3) GHG emissions (t CO_2e)	N/A [6]	456,936 [7]	367,840	350,501 [8]					
1 Purchased goods and services		290,537	308,085	292,859 [9]					
2 Capital goods		4,256	4,900						
3 Fuel- and energy-related activities (not included in Scope 1 or Scope 2)		3,660	5,055						
4 Upstream transportation and distribution		8,393	28,729	27,961 [10]					
5 Waste generated in operations		2,028	2,515						
6 Business travel		7,549	9,646	9,632 [11]					
7 Employee commuting		4,676	4,952						
12 End-of-life treatment of sold products		98	3,957						
Total GHG emissions [11]									
Total GHG emissions (location-based) (t CO_2e)			393,904	376,278 [13]					
Total GHG emissions (market-based) (t CO_2e)			389,193	370,553 [13]					
Market-based emissions intensity (t/million Euro)			214	206.09 [14]		N/A	N/A	N/A	N/A
Location-based emissions intensity (t/million Euro)		291	216.5	209.28 [14]		N/A	N/A	N/A	N/A

1 Grünenthal does not produce biogenic emissions. Scope 1 and 2 emissions of Grünenthal Meds are included, while Scope 3 emissions are not yet included in the report.
2 Electricity consumption figures were multiplied by country-specific grid emission factors.
3 Adjustments were made for renewable electricity purchases and local grid improvements.
4 Achieved through signing green Power Purchase Agreements (PPA) for the manufacturing sites in Aachen, Mitlödi, Origgio, and Santiago and International Renewable Energy Certificates (IREC) for the site in Quito.
5 For 2024, we only display estimates of the total Scope 3 GHG emissions and its significant contributors. In next year's report, we will display actual data for these figures and the insignificant categories listed.
6 No target for Scope 3 set yet – base year will be defined at a later point in time.
7 Including 135.740 t CO_2e for downstream transportation. Downstream transportation is not reported for following years.
8 No Scope 3 data available at reporting date. Total scope 3 GHG emissions for 2024 have been estimated using a spend-based scaling method. This is based on the assumption that categories 3.1, 3.4, and 3.6 - responsible for over 94% of Scope 3 emissions in 2023 - remain the main contributors, allowing total emissions to be approximated from changes in related spend. The scaling factor is calculated as the ratio of total spend in these categories in 2024 compared to 2023. This ratio is then applied to the total Scope 3 emissions reported in 2023 to derive a high-level estimate for 2024. The total Scope 3 emissions were estimated based on the scaling factor of 0.953. Estimated values will be replaced by actual values in the next Responsibility Report for 2025.
9 Estimated using a spend-based scaling method based on a spend-based scaling factor of 0.951. Estimated values will be replaced by actual values in the next Responsibility Report for 2025.
10 Estimated using a spend-based scaling method based on a spend-based scaling factor of 0.973. Estimated values will be replaced by actual values in the next Responsibility Report for 2025.
11 Estimated using a spend-based scaling method based on a spend-based scaling factor of 0.999. Estimated values will be replaced by actual values in the next Responsibility Report for 2025.
12 Revenue for 2024 is 1,798.2 million Euro (in comparison: 2023 was 1,819.4 million Euro).
13 Calculation based on estimated emissions.
14 Calculation based on estimated emissions and actual revenue (please see 'Grünenthal Report 2024/2025, Strategy & Financials chapter' page 31; Grünenthal Financial Statement 2024 will be publicly availably in the company register (https://www.unternehmensregister.de/) from August 2025.).

Reduction of emissions resulting from purchased energy:

–83%

Methodologies and assumptions for GHG calculations

All greenhouse gas emissions have been calculated in accordance with the GHG Protocol methodology, which ensures alignment with best practices in emissions reporting and supports transparency and accuracy.

Direct emissions under Grünenthal's control, such as those from mobile and stationary combustion and fugitive emissions, are captured within Scope 1. This includes refrigerant leaks, which were calculated using factors provided by the UK government's GHG Reporting Guidelines.

Indirect emissions associated with electricity consumption are included in Scope 2. These were calculated using both location-based[1] and market-based[2] approaches. Past reductions, such as 2024 compared with 2023 (–83%), were achieved through signing green Power Purchase Agreements (PPA) for the manufacturing sites in Aachen, Mitlödi, Origgio and Santiago, and International Renewable Energy Certificates (IREC) for the site in Quito.

Scope 3 emissions encompass indirect emissions from upstream and downstream activities. Due to challenges in timely data availability in Grünenthal's supply chain, Scope 3 emissions are being reported a year later than Scope 1 and Scope 2 emissions for the respective year. The most recently available Scope 3 data refers to 2023, when Grünenthal enhanced its data collection processes to include additional categories such as employee commuting, the end-of-life treatment of sold products, and upstream transportation. These emissions were quantified using data from the ecoinvent database, which converts spending and weight information into emissions figures. This expanded granularity underscores the company's commitment to refining its emissions reporting and addressing the broader environmental impacts of its operations.

Scope 3 emissions data for Categories 3.1 (Purchased Goods and Services), 3.4 (Upstream Transportation and Distribution), and 3.6 (Business Travel) have been estimated using a spend-based scaling method. In addition to estimating emissions for each category individually, total Scope 3 emissions for 2024 have been estimated by applying a combined scaling factor based on aggregated spend across these three most material Scope 3 categories. This approach is subject to the following assumptions and limitations:

- The estimation assumes a linear relationship between spend and emissions, which may not fully reflect real changes in supplier practices, emissions intensity, or category-specific emissions factors.
- No adjustments have been made for potential structural or behavioural changes between 2023 and 2024 (e.g., changes in procurement strategy, travel policies, or business travel composition).
- All required spend data for 2023 and 2024 was available and has been used for the estimation.
- For Category 3.4, the methodology applied in 2024 is expected to change compared to 2023, including a partial reallocation of emissions between Categories 3.1 and 3.4. However, this estimate applies the 2023 methodology to 2024 spend to enable a like-for-like comparison and should be interpreted accordingly.
- This estimate is not intended for use in tracking progress against emissions reduction targets but is provided to fulfil near-term reporting obligations.
- Significant estimation uncertainty remains, particularly for categories where emissions are not directly proportional to spend or where methodological changes are anticipated.
- The spend data is assumed to be consistently categorised across years. Any changes in how spend was reported or attributed to Scope 3 categories between 2023 and 2024 may affect the accuracy of the scaling.

[1] **Location-based:** Electricity consumption figures were multiplied by country-specific grid emission factors.
[2] **Market-based:** Adjustments were made for renewable electricity purchases and local grid improvements.

» Grünenthal Insight

Sustainability at Research labs

Throughout 2024, Grünenthal's Research labs at the Aachen headquarters maintained their My Green Lab® certification, following a 2022 assessment of key sustainability practices, including cold storage, lab infrastructure, employee awareness, and the implementation of recycling programmes. At the end of 2024, we achieved re-certification for 2025 and 2026. Re-certification takes place every two years.

My Green Lab® is a non-profit organisation whose programme is recognised by the UN's Race to Zero campaign as a key benchmark for zero-carbon progress. It is widely regarded as the gold standard for lab sustainability worldwide.

Achieving certification from My Green Lab®

Metric	In % 2024
Percentage of research laboratories that are certified by My Green Lab®	100

my green lab certification.

Innovation Chemistry laboratory, Aachen headquarters

Reconciliation to financial statements
GHG emissions intensity is calculated as total emissions (tonnes of CO_2e) divided by net revenue. This approach ensures alignment with financial reporting, facilitating transparent and standardised emissions disclosures.

Continuous improvement
Grünenthal remains committed to enhancing the accuracy and scope of its emissions reporting. The company works on improving its data availability and to include previously excluded data sources, particularly from joint ventures and downstream transportation. In parallel, Grünenthal aims to further decarbonise its operations by transitioning to renewable energy and reducing gas consumption across its global facilities.

» Grünenthal Insight

Reforestation campaign: #TreesForOurPlanet

Metric	2024	2023
Number of trees planted as part of Grünenthal's #TreesForOurPlanet campaign	9,823	8,147

Grünenthal launched the **#TreesForOurPlanet** reforestation campaign to commemorate the company's 75th anniversary in 2021. The initial target was to plant 7,500 trees within that year. This target was quickly surpassed thanks to the collective efforts of our teams across all regions. The initiative has continued annually, with targets consistently exceeded. By the end of 2024, nearly **40,000 trees** have been planted – an incredible milestone that reflects the commitment of our global workforce. Tree species are selected in consultation with environmental experts to support and enhance **local biodiversity**. While this campaign is not part of a formal carbon offsetting scheme, it reflects our ongoing effort to contributing to broader environmental goals.

Surpassing expectations with nearly

10,000

trees planted in 2024

Employees and families in Mexico at #TreesForOurPlanet activity

E2 – Environmental pollution (land, air, water) including the supply chain

Managing pollution at Grünenthal and in the supply chain

E2.SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Type of impact	Impact
Potentially negative impact	Environmental pollution (land, air, water) including the supply chain

Environmental pollution of land, air and water including the supply chain has been identified as a material, potentially negative impact for Grünenthal. No risks or opportunities for Grünenthal related to pollution were identified during the double materiality analysis.

Grünenthal has implemented robust pollution prevention and management practices within its own operations, and these efforts are now extending to the supply chain. To manage this material issue effectively, Grünenthal has started checking the environmental management systems of its suppliers as part of the ESG risk management system for the supply chain (see Processes in section 'G1.MDR-A' in the Governance chapter). By collaborating with supply chain partners, Grünenthal intends to initiate meaningful actions that align with our environmental goals and strengthen sustainable practices. Grünenthal is for example defining action plans to develop our suppliers to have EHS standards fulfilling the framework of an ISO certification. Ongoing progress will be tracked and reported transparently, ensuring accountability and continuous improvement in managing this significant impact.

E2.MDR-P/E2-1 Pollution policies

Pollution policies in own operations:
For its own operations, Grünenthal's Policy on Occupational Safety, Health and Environmental Protection, and Energy (EHS Policy), is key to its efforts in addressing climate change (see chapter 'E1 Climate change'), as well as air, land, and soil pollution. The policy comprehensively applies to Grünenthal's operations and suppliers, ensuring alignment with regulatory compliance and international standards. The policy is implemented by the local EHS teams with the support of local leadership teams. EHS performance is regularly reviewed by the site directors and once a year presented to the CEO.

Grünenthal aims for early identification and mitigation of potential impacts. The policy and procedures serve as guidance for robust operational controls and site-specific risk assessments.

Wastewater and waste management
All wastewater sources are systematically identified and documented via detailed drainage plans, including discharge points and receptors. Wastewater undergoes treatment in line with national and international standards, with parameters such as pH, chemical oxygen demand (COD), and total suspended solids (TSS) monitored continuously. Monitoring results are retained for six years to ensure traceability. Waste management policies mandate source segregation, proper labelling, and secure storage, reducing the risk of cross-contamination and facilitating appropriate handling of hazardous waste streams.

Pollution risk reduction measures
Risk assessments are conducted for all high-risk operations, particularly those involving hazardous substances or wastewater discharge. Sites are required to develop and maintain Waste and Wastewater Management Plans as well as Spill Management Plans, which include both mitigation and contingency measures. Preventive maintenance and regular inspections of critical infrastructure – such as tanks, drains, and storage facilities – are integral to pollution control. All new construction projects undergo Environmental Impact Assessments (EIAs), covering the full lifecycle of the project and considering cumulative and transboundary environmental effects.

Incident response and emergency preparedness
To minimise environmental harm in the event of an incident, Grünenthal enforces a standardised spill response protocol that includes immediate containment, root cause investigation, and corrective actions. Emergency contact procedures with relevant authorities are built into site plans. Additionally, the company's Wastewater Standard addresses unplanned discharge scenarios, including those resulting from extreme weather events. Regular training and emergency drills ensure staff preparedness and reinforce a culture of environmental responsibility.

Pollution policies in the supply chain:
For managing pollution in its supply chain, Grünenthal refers to its Responsible Sourcing Standards for Business Partners. They reflect Grünenthal's expectations of its suppliers in terms of environmental management to address air, land and soil pollution in its supply chain, which was identified as material impact by Grünenthal. In order to supervise supplier compliance with our standard, we aim to implement environmental impact assessments across our procurement processes and sourcing strategy, particularly regarding pollution of water, soil, and air and waste management.

The described policies, along with Grünenthal's Statement of Compliance with Human Rights and Environmental Standards, underline our commitment to complying with international standards such as the Minamata Convention on Mercury (2013), the Stockholm Convention on Persistent Organic Pollutants (2001, 2005), and the Basel Convention on the Control of Transboundary Movements of Hazardous Waste and their Disposal (1989). The responsible use of resources remains a key focus of Grünenthal's environmental stewardship and is crucial to minimising pollution and fostering sustainability. We endeavour to work with suppliers with the same focus.

E2.MDR-A/E2-2 Pollution actions

Grünenthal recognises the detrimental impact of pollution across its value chain, and, in line with its EHS policy, is committed to a holistic approach to minimise it in both its own operations and the supply chain.

Aachen headquarters Campus

Pollution actions in own operations:
At its own sites, Grünenthal realises projects and action plans addressing waste and water pollution. The company's global wastewater standard provides guidance on managing, sampling and reporting wastewater quality in compliance with local regulations. Manufacturing sites adopt individual approaches for wastewater treatment based on local discharge requirements, with all practices documented and accessible globally. This has proved valuable, as Grünenthal responded effectively to a minor leakage incident at its Mitlödi site in Switzerland in 2023. Grünenthal worked closely with government authorities to mitigate risks and successfully remediate the affected area. As a consequence, a bulk storage and spill response standard was developed. In 2024, there were no leakages at Grünenthal locations.

Pollution actions in the supply chain:
Grünenthal's Third-Party Due Diligence process includes an ESG risk management system to ensure that risks in the supply chain, including those related to human rights and the environment, are mitigated. Grünenthal follows a two-step risk assessment process. Based on industry type and country of location, suppliers with a higher social and environmental risk are deemed ESG sensitive suppliers. These suppliers undergo an ESG in-depth assessment, involving self-assessment questionnaires as well as validation of their certifications such as ISO 14001 and EMAS, and supported by an external service provider.

Additionally, the company has undertaken a solvent recovery project in Santiago in 2024 to reduce emissions from volatile organic compounds (VOC) in hazardous waste contributing to air pollution. It minimises hazardous waste by collecting and segregating organic solvents, which are then transformed into alternative fuel, leading to the recycling of 12,000 litres per year, a 3% increase in recyclable waste, and a significant reduction in VOC emissions.

No exact CapEx/OpEx data for the (planned) actions is being reported this year due to limited data availability.

Pollution metrics and targets

E2.MDR-M
Metrics in relation to pollution

Pollution metrics in own operations:
Grünenthal monitors relevant pollutants of its own business activities (see section 'E2-4 Pollution of air, water and soil' for details).

Pollution metrics in the supply chain:
Grünenthal collects the regulatory required data for pollution of land, water and air in the supply chain.

E2.MDR-T/E2-3
Targets related to pollution

Grünenthal is committed to minimising and controlling pollution across its operations and supply chain. Emissions to water are a key focus area, particularly given the challenges of managing wastewater in pharmaceutical production. Special standards apply to sites producing Active Pharmaceutical Ingredients, ensuring stringent measurement and reporting of active ingredient volumes and effluent disposal.

Grünenthal has defined expectations for its suppliers to minimise negative environmental impacts in the Responsible Sourcing Standards for Business Partners, such as engaging on a journey towards zero waste to landfill and zero discharge of harmful substances to water. To date, Grünenthal has not formalised specific targets for pollution prevention relating to air, water or soil in the supply chain as of ESRS E2-3 §20. These forthcoming targets will be measurable and outcome-oriented. They will complement the company's existing efforts and strengthen its ability to mitigate pollution impacts throughout its value chain.

In 2025, Grünenthal plans to set a measurable, outcome-oriented target to manage pollution of its operations as well as in the supply chain.

Relevant topic clusters

E2-4 Pollution of air, water and soil

Pollution from own operations:
Grünenthal measures pollution to air, water and soil from its own operations. In the reporting year, pollution to air and soil did not surpass the threshold for releases according to Annex II of Regulation (EC) No. 166/2006 (E-PRTR).

Pollution to water

Pollutant	Value in mg/l	Value in kg/m³	Value in kg	Threshold for releases according to Annex II of Regulation (EC) No. 166/2006 (E-PRTR) in kg	Site	Calculation methodology
Chloroform (Trichloromethane)	<0.24	<0.00024	<13.17312	10	Quito	US EPA 8260 C/MM-S-65
Carbon Tetrachloride	<0.24	<0.00024	<13.17312	1	Quito	US EPA 8260 C/MM-S-65

Packaging at Aachen site

Pollution from the supply chain:
In the supply chain, no quantitative information on pollutants is yet available. Through Grünenthal's ESG risk management, suppliers lacking international certification have been identified. In 2025, Grünenthal will engage more closely with these suppliers to assess their maturity level in environmental management, including pollution control. As part of this enhanced collaboration, Grünenthal will conduct ESG audits targeting suppliers identified as higher risk.

Pollution-related performance and compliance at Grünenthal operations
Grünenthal uses external measurement laboratories to analyse air emissions and wastewater samples, ensuring that methodologies comply with regulatory requirements and accord with the monitoring frequency stated in the respective permits. The data collected for pollution-related accounting and reporting is derived from external measurement reports, and in some cases estimated.

While direct measurements are prioritised wherever technically feasible and legally required, calculated or estimated values are also used in specific cases where:

- Continuous or spot emission monitoring is not installed,
- The emission source is small or standardised, or
- Reliable activity data and regulatory emission factors are available.

The use of estimation methods is compliant with national and international guidelines (e.g., IPCC, EEA, national environment or health ministries).

Air emissions such as NOx, CO, and VOCs from various combustion sources (steam generators, gas boilers and cogeneration units) were calculated using volume flow, operational hours, and known concentration values or emission factors, especially where stack measurements are not performed.

Each Grünenthal site complies with local environmental regulations, which may result in differing pollutant measurement methods and scopes. In 2025, as part of the ESRS implementation roadmap, a gap analysis will be conducted to compare pollutants measured at non-European sites with those listed in Annex II of the E-PRTR. The outcome will inform an action plan to ensure that all listed substances are either monitored and reported across all sites or assessed for materiality in accordance with ESRS requirements. Where relevant substances are not currently monitored at non-EU sites, feasibility of consistent measurement protocols will be evaluated for 2025.

The company does not operate installations under the scope of the Industrial Emissions Directive (IED) or EU Best Available Techniques (BAT) Conclusions, and no compliance schedules, derogations or enforcement actions are applicable. Additionally, Grünenthal has not adopted the EU BAT standards for evaluating its environmental performance against BAT-AEL (Best Available Techniques – Associated Emission Levels) or BAT-AEPL (Best Available Techniques – Associated Energy Performance Levels). No instances of non-compliance have been identified to date.

Waste water treatment Origgio site

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Waste management

Grünenthal has undertaken several waste management initiatives in 2024 to enhance sustainability and resource efficiency.

Through waste coprocessing at the Quito site, it harnesses the caloric value of waste during incineration to reduce fossil fuel consumption, repurposing the generated energy for hazardous waste decontamination and material cleaning, resulting in an annual reduction of 158.68 tonnes of CO_2 emissions and saving 40,584.33 kWh of energy.

Additionally, the solvent recovery project in Santiago minimises hazardous waste by collecting and segregating organic solvents, which are then transformed into alternative fuel, leading to the recycling of 12,000 litres per year, a 3% increase in recyclable waste, and a significant reduction in volatile organic compound (VOC) emissions.

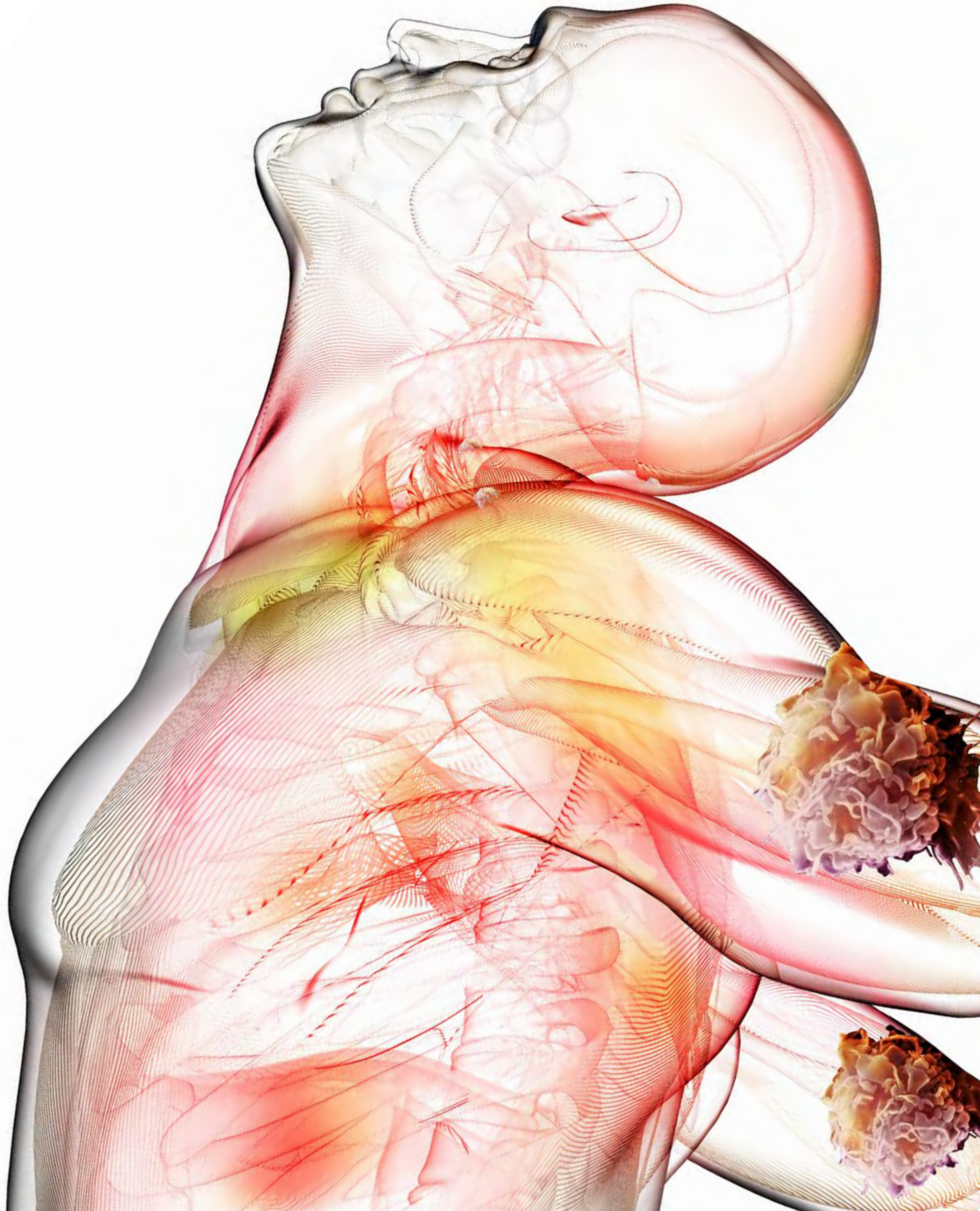
Furthermore, at the Origgio site, the introduction of a dedicated waste stream for segregating plastic materials has improved recyclability, contributing to a 5% increase in recyclable waste through enhanced waste management practices and partnerships with new contractors.

In 2024, we have achieved our goal of zero waste to landfill status from manufacturing activities at all manufacturing sites.

Further targets and progress 2024[1]

	Progress 2024		
Target	**Site**	**Change**	**Status**
Reduce normalised hazardous non-recyclable waste from manufacturing activities (tonnes/produced units or volume) by 2% per manufacturing site each year until 2040.	Aachen Packaging Centre	–41%	On track for 4 sites
	Aachen API	–15%	
	Mitlödi	–25%	
	Origgio	+37%[2]	
	Quito	–25%	
	Santiago	–17%	
Increase recyclable waste from manufacturing activities (tonnes/produced units or volume) by 2% per manufacturing site each year until 2040.	Aachen Packaging Centre	+0%	On track for 4 sites
	Aachen API	+20%	
	Mitlödi	+3%	
	Origgio	+9%	
	Quito	+3%	
	Santiago	+2%	
Achieve zero waste to landfill status from manufacturing activities at all manufacturing sites by 2024.	Sent zero waste to landfill from manufacturing activities at all manufacturing sites		Completed

[1] Targets maintained from previous Responsibility Report; will be reviewed in 2025.
[2] Production-related factors led to a short-term increase in hazardous non-recyclable waste.



SOCIAL

- **Own workforce (ESRS S1)**
  - Managing Grünenthal's own workforce
  - Fair working conditions and remuneration
  - Workplace safety and health protection
  - Training and development
  - Diversity, inclusion, and equal opportunities
- **Patient (ESRS S4)**
  - Managing consumers and end-users
  - Personal safety of consumers and/or end-users
    - > Patient safety
    - > Product quality
    - > Safe pain management through responsible use of opioids
  - Access to healthcare
  - Research and development

S1 – Own workforce

Managing Grünenthal's own workforce

S1.SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Type of impact	Impact
Actual positive impact	Fair working conditions and remuneration (own workforce)
Actual positive impact	Workplace safety and health protection
Actual positive impact	Training and development (HR)
Actual positive impact	Diversity, inclusion and equal opportunities

Grünenthal has identified fair working conditions and remuneration, workplace safety and health protection, training and development, as well as the promotion of diversity, inclusion and equal opportunities to be material positive impacts for its own workforce. There were no material risks or opportunities for Grünenthal related to its own workforce identified during the double materiality analysis.

Types of employees and non-employees subject to material impacts
The company's workforce primarily comprises individuals with fixed-term or permanent contracts, including regular employees, those in training roles such as interns and apprentices, and inactive employees such as those on parental leave or long-term sick leave. Agency staff and consultants, while essential to some operations, are generally not included in the category of 'own workforce'. HR data for Grünenthal Meds and Valinor employees is included in this chapter.

Regarding workplace safety and health, the reporting scope extends to include contractors working on Grünenthal premises for accident numbers. While safety data is tracked across the organisation, the primary focus is on manufacturing sites, where risks are most prevalent.

Ensuring fair working conditions and remuneration
Grünenthal strives to create a positive working environment that motivates and engages its workforce. The company is committed to ensuring fair working conditions and remuneration as well as a safe and eco-friendly workplace.

Managing workplace safety and health
Grünenthal takes safety management seriously, with robust processes, systems, and rules in place to ensure a safe workplace for all employees. While no material negative impacts for Grünenthal's own workforce were identified during the double materiality analysis, there are risks related to the nature of operations at Grünenthal. These include the handling of hazardous materials and execution of high-risk tasks, such as working at heights, hot work (e.g., welding), and confined space entry. Specific high-risk activities are identified through workforce engagement and site-specific risk assessments.

Grünenthal has established a proactive approach to managing risks and establishing a safety-first culture, contributing to workplace safety and health. The company's Vision Zero initiative reflects its ambition of achieving zero workplace accidents and eliminating lost working days due to incidents. This ambitious vision is supported by mandatory Health & Safety standards such as the standards on Hot Work, Work at Height and Confined Space Entry, as well as preventive measures across all sites. For example, at manufacturing locations, employees actively observe colleagues' safety behaviour, report not only accidents but also near misses, and provide constructive feedback to correct potential issues before accidents occur.

Safety topics are regularly shared and discussed in forums such as MDL (Manufacturing Daily Line-up meetings) and safety committees at each site, fostering an inclusive approach to risk awareness. Additionally, training and awareness programmes contribute to employee engagement on these topics such as the Global EHS Day celebration and the Family Day at site to involve children and family with safety awareness.

Fostering training and development
Every employee at Grünenthal is considered a talent, and the company actively promotes growth and development for all team members. Leaders work closely with their teams to create tailored Personal Development Plans (PDPs) and regularly review performance and career progression, covering 100% of Grünenthal employees. The company invests in its people by providing learning opportunities, such as additional responsibilities, training, and mentoring programmes. Employees are encouraged to take ownership of their development, discuss aspirations and identify areas for improvement with their managers.

Promoting diversity, inclusion and equal opportunities
Grünenthal's comprehensive Diversity & Engagement Strategy unites and expands existing local and global events and initiatives. Its vision is for all employees to feel valued, respected, included and empowered to do their best, bring great ideas to the table and develop their full potential as contributors to the success of Grünenthal and the communities the company serves. It generates a significant positive impact for the company's workforce by creating an environment where diverse perspectives and experiences are actively celebrated. Employees benefit from

Leen Hofkens, Head Global Human Resources

a culture of inclusion supported by programmes such as leadership workshops, mentoring schemes, and partnerships with external initiatives like 'Mujeres en Farma' in Spain, to promote female leadership in the pharmaceutical industry. These efforts have been recognised with awards for diversity and inclusion, further strengthening Grünenthal's position as an attractive and equitable employer.

To promote diversity and inclusion in recruitment while maintaining merit-based decision-making, structured training on unconscious bias and inclusive leadership has been implemented, reinforcing equitable practices across all functions. The company fosters innovation and engagement by enhancing employee satisfaction and performance through efforts to provide learning opportunities, encourage community involvement, and create a workplace that mirrors the diversity of society.

Understanding of vulnerable groups within its own workforce

Regarding workplace safety and health, Grünenthal recognises that certain groups of employees, such as junior or inexperienced workers, night shift staff, or those exposed to hazardous tasks, may face heightened risks. To address this, the company has implemented tailored training and assessment protocols, including:

- Training plans for employees in specialised areas, such as maintenance and production.
- Strict adherence to minimum age requirements and competency assessments for specific roles.

Grünenthal has developed targeted initiatives to support employees who are more vulnerable to discrimination and inequality such as underrepresented groups or individuals with disabilities.

The Diversity & Engagement Strategy explicitly addresses individual differences, ensuring that all employees have access to equal opportunities and a safe, supportive environment.

Human rights safeguards for Grünenthal's workforce

Grünenthal's commitment to upholding human rights (for details see section 'S1.MDR-P/S1-1') aims to safeguard fair working conditions and eliminate risks of forced labour, compulsory labour and child labour within its workforce. The company has not identified any of its operations as being at significant risk of incidents of exploitative labour practices.

As part of our Global People Policy, Grünenthal fully supports and adheres to meeting local and international regulations prohibiting child labour. Business partners are similarly required to align with Grünenthal's ethical commitments, which include respecting fundamental rights and refraining from employing underage workers. The company shares its Code of Conduct for Business Partners with suppliers at the beginning of the supplier life cycle management. Additionally, an in-depth ESG assessment asks suppliers defined as ESG sensitive for further information on human rights and environmental standards, ensuring compliance with the German Supply Chain Act.

Geographic considerations

Grünenthal's manufacturing sites are located in Chile, Ecuador, Germany, Italy, and Switzerland. The company's proactive adherence to international ethical guidelines such as the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, combined with continuous monitoring and risk assessment processes such as the GSCA evaluation, provides assurance that risks of forced or child labour are effectively minimised. The risk monitoring system in compliance with the GSCA framework for the supply chain includes the in-depth ESG assessment, adverse media monitoring and our Ethics Helpline.

S1-2 Processes for engaging with own workforce and workers' representatives about impacts

Employee perspectives in decision-making
Grünenthal integrates workforce insights into its decision-making processes. In Chile, France, Germany, Italy and Spain – where required by local legislation – works councils play a significant role in shaping workforce-related company agreements and policies. For example, in Germany, the works council advocates for employee interests in areas such as compensation, social and personnel issues, occupational health and safety, environmental protection and workplace organisation.

Grünenthal actively considers the perspective of its workforce in shaping and refining its corporate initiatives linked to our corporate strategy as reflected in the Group Scorecard, which summarises the key priorities in the areas 'Transform', 'Innovate', 'Grow' and 'Culture'. Functional leads support the Corporate Executive Board in deciding on the Group Scorecard priorities as needed. The priorities are reviewed and refined each year to reflect focus areas and initiatives for the coming year (which may change for example if they are based on local and global developments and market trends). Facilitated by our Corporate Strategy Team, the Scorecard KPIs are tracked on a quarterly basis to measure performance related to the Scorecard priorities and are shared and discussed with the employees via different communication channels (e.g., global Intranet, global and local Townhalls).

For all responsibility-related initiatives, our company actively involves employees through a range of engagement formats – such as focus groups, surveys, and interviews – tailored to the depth and scope of each initiative.

Mechanisms for employee engagement
Regular communication, such as global and local town halls and intranet articles, informs employees about corporate priorities and performance. Feedback mechanisms, including performance evaluations and satisfaction surveys, provide opportunities for employees to share their views. For example, the Great Place to Work® (GPtW) survey allows employees to anonymously evaluate the company's leadership and culture.

Grünenthal also celebrates and recognises employee contributions through various awards and community-building events. The most prestigious awards, our Global Excellence Awards, are selected by our Corporate Executive Board annually and recognise exceptional contribution to Grünenthal's Group Scorecard. Additional recognition programmes such as the GO Superheroes and HR Excellence Awards celebrate achievements within functional areas.

Social events, such as regional gatherings and team-building activities, further enhance engagement. These include regular seasonal campus events at Grünenthal's headquarters and the GOlympics event in 2024 within the Global Operations business unit, encouraging collaboration across sites while contributing to charitable causes.

Inclusion of marginalised and vulnerable employees
Grünenthal welcomes and includes employees who may be vulnerable or marginalised. Specific measures, such as the representation of youth and apprentices (Youth Committee) as well as disabled employees through their own elected representatives, ensure their voices are heard and their needs addressed. The Diversity and Engagement Council, comprising leaders across business units, plays a key role in driving inclusion initiatives. The Council advises on Grünenthal's diversity strategy and aims to enhance representation of potentially vulnerable or marginalised groups.

The company also addresses language and accessibility barriers. Communication materials are simplified and translated to ensure they are comprehensible to all employees and the intranet content can be translated to a chosen language.

Removing barriers to engagement
Grünenthal recognises that engagement is most effective when barriers to participation are minimised. For example, in Italy, event planning explicitly considers the needs of employees with disabilities to ensure they can participate fully. Employees on parental or long-term leave are kept informed through accessible updates on the intranet and other communication channels. Flexible working models enable global collaboration and career growth, regardless of location, fostering a sense of inclusion and accessibility.

S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns

Immediate action and prevention of recurrence
Grünenthal is deeply committed to ensuring effective processes for addressing grievances and remedying negative impacts. If violations of human rights or environmental obligations are identified within Grünenthal's operations, measures are taken to stop the violation and avoid future occurrences. If such violations occur in the supply chain, Grünenthal conducts diligent investigations and works closely with suppliers to resolve the issues. Suppliers are required to allow audits and contractual obligations are designed to enhance compliance (see section 'G1-1'). Depending on the severity of a violation, Grünenthal may take actions ranging from requests for remediation up to the termination of the business relationship.

Mechanisms for raising concerns
Grünenthal encourages employees to speak up. To facilitate open communication, Grünenthal provides several mechanisms for raising concerns, including the Ethics Helpline (see 'Governance section' below). Employees are also encouraged to share feedback directly with their line managers, Human Resources representatives, local compliance officers, or – where applicable – works councils and union representatives. The effectiveness of grievance mechanisms is continuously monitored as described in section 'G1-1'.

Protecting employees who raise concerns is a key priority for Grünenthal. The company's Code of Conduct explicitly prohibits retaliation against whistleblowers and mechanisms are in place to protect their identity and rights.

Promoting awareness and trust

Grünenthal fosters employee awareness of grievance channels through regular training sessions, workshops, and clear communication across multiple platforms, including the intranet and notice boards. The 2024 GPtW Trust Index recorded a score of 78%, reflecting a strong level of confidence among employees in the company's culture of transparency.

S1-6 Characteristics of Grünenthal's workforce

Number of employees by gender (in headcount)[1]

Gender	Number of employees
Male	2,148
Female	2,203
Other	1
Not reported	0
Total employees	4,352[2]

[1] Table includes personnel numbers from the acquired Valinor and Grünenthal Meds.
[2] Equivalent to 4,196.42 FTE

Number of employees in countries with significant employment (in headcount)[1]

2024	
Country	**Number of employees**
Germany	1,221
Italy	617
Chile	541

[1] Countries where the undertaking has at least 50 employees representing at least 10% of its total number of employees. Table includes personnel numbers from the acquired Valinor and Grünenthal Meds.

Number of employees by contract type, broken down by gender (in headcount)[1]

2024				
Female	**Male**	**Other**	**Not disclosed**	**Total**
Number of employees				
2,203	2,148	1	0	**4,352**
Number of permanent employees				
2,091	2,049	1	0	**4,141**
Number of temporary employees				
112	99	0	0	**211**
Number of non-guaranteed hours employees				
0	0	0	0	**0**

[1] Table includes personnel numbers from the acquired Valinor and Grünenthal Meds.

R&D colleagues at Aachen headquarters

Number of employees by contract type, broken down by region (in headcount)[1]

2024					
Germany	**Rest of Europe**	**Latin America**	**USA**	**Asia**	**Total**
Number of employees					
1,221	1,575	1,358	196	2	**4,352**
Number of permanent employees					
1,097	1,495	1,351	196	2	**4,141**
Number of temporary employees					
124	80	7	0	0	**211**
Number of non-guaranteed hours employees					
0	0	0	0	0	**0**

[1] Table includes personnel numbers from the acquired Valinor and Grünenthal Meds.

Turnover (in headcount)[1]

2024		
Total	**733**	**16.6%[2]**

[1] Table includes personnel numbers from the acquired Valinor and Grünenthal Meds.
[2] The average number of employees was used as the basis for calculation.

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Voluntary Turnover (in headcount)[1]

2024		
Total	**222**	**5.1%**

[1] Table includes personnel numbers from the acquired Valinor and Grünenthal Meds.

Standardised reporting methodologies
Grünenthal uses a standardised method to report employee data, primarily using full-time equivalent (FTE) calculations for financial reporting and headcount for sustainability reporting. These figures are derived from employee data recorded on the company's Human Capital Management (HCM) system. A monthly and annual reporting process ensures consistency and accuracy in data collection and analysis.

Reporting period and frequency
Employee data is reported monthly as well as at the end of the financial year, specifically on 31 December. This methodology provides a consistent point of reference for annual evaluations and comparisons.

Contextual information and data limitations
While FTE and headcount figures form the foundation of employee reporting, certain categories, such as interns and inactive employees (e.g., those on long-term sick leave or parental leave), are not included in monthly or annual HR reporting.

Cross-referencing with financial statements
Employee numbers and related breakdowns are disclosed in Grünenthal's Responsibility Report and referenced in its financial statements. The latest financial statements are available via the company register, where the last uploaded reports are from 2023 (published in 2024).[1] These cross-references ensure that reported employee data aligns with the most representative figures in financial statements, enhancing transparency and accountability.

S1-17 Incidents, complaints and severe human rights impacts

Reconciliation of fines, penalties, and compensation for discrimination or harassment
Grünenthal had two confirmed cases of work-related discrimination or harassment, both resulting in disciplinary measures and two additional complaints in the reporting year.

Grünenthal operates a robust compliance framework aligned with the GSCA, which focuses on suppliers.

Addressing human rights violations
Grünenthal has established robust mechanisms to address alleged violations of human rights in its own business operations and its supply chain. All reported incidents are investigated by a team led by the responsible Compliance Officer. If a human rights violation is confirmed within Grünenthal's own business operations, the responsible Local, Regional or Global Ethics Committee acts and takes immediate steps to resolve the issue and prevent recurrence, which may include revising internal procedures or introducing additional controls. If a human rights violation is identified in the supply chain, the Global Ethics Committee will decide on measures ranging from remedial action plans to the termination of the business relationship.

The company's Statement of Compliance with Human Rights and Environmental Standards explicitly requires suppliers to meet human rights and environmental standards. Grünenthal actively collaborates with suppliers to address any identified risks, ensuring transparency and accountability throughout the supply chain.

[1] The Grünenthal Financial Statement 2024 will be publicly availably in the company register (https://www.unternehmensregister.de) from August 2025.

Severe human rights issues and incidents
No severe human rights violations or incidents connected to Grünenthal's own workforce have occurred. The company's internal governance and monitoring processes aim to prevent such issues, and Grünenthal's German Supply Chain Act working group ensures a proactive stance on potential risks along the supply chain. For more information on the GSCA working group, see section 'G1.MDR-A'.

Colleagues in Portugal during their Grünenthal Gives Day

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Employee engagement

Further targets and progress 2024

Target	Progress 2024	Status
Increase the participation in local community events, measured through number of hours volunteered (e.g., 'Grünenthal Gives')	Employees dedicated more than 4,000 hours to support their local communities and give back to society.	On track
Improve our working environment, to make sure all employees feel valued, respected, included and empowered to do their best, bring great ideas to the table and develop to their full potential		On track

Grünenthal Gives: Great days for good causes!

The Grünenthal Gives Programme, launched in 2023, allows employees to dedicate a day per year to support their local community, selecting a social area of their preference to contribute based on their interests and expertise.

In 2024, colleagues worldwide engaged in diverse activities including tree planting, food distribution, community cleanups, and volunteering with social institutions.

Highlights included preparing an outdoor area of a hospice, supporting a Ronald McDonald house in Germany and delivering food to over 500 organisations in Spain and Portugal. Teams removed waste and invasive plants, supported playground renovations, and visited dementia patients. Colleagues in Portugal supported the 'Just a Change' association in the renovation of one of the Maria Droste Foundation's foster homes in Lisbon, a home for young girls living in precarious conditions. Colleagues in Latin America organised events for homeless and elderly people, while others assembled hygiene kits or built prosthetic hands for underserved populations.

Across all regions, participation was overwhelming, reflecting our shared commitment to social responsibility. These efforts exemplify our Corporate Responsibility approach and reinforce our positive impact on people, communities, and the environment.

Fair working conditions and remuneration

For dedicated information on workplace health and safety, please see the separate section later in this chapter.

S1.MDR-P/S1-1 Fair working conditions and remuneration policies and company agreements

Policies to manage material impacts, risks, and opportunities related to fair working conditions and remuneration

Grünenthal is dedicated to fostering a workplace that empowers employees to thrive both professionally and personally. The company is committed to addressing any current or future material impacts, risks and opportunities related to its workforce to create a positive and inclusive work environment, ensuring compliance with local laws and exceeding legal requirements through a comprehensive policy framework[1] which includes company agreements. This way, Grünenthal strives to establish itself as an employer of choice while prioritising fairness, transparency and employee wellbeing. Grünenthal is firmly committed to upholding human rights and ensuring fair treatment for all employees, applicants and business partners.

Comprehensive policy framework

At the core of Grünenthal's approach is the **Global People Policy**, which outlines commitments to fair working conditions, equitable remuneration, and a culture that promotes inclusivity and innovation. This policy applies to all Grünenthal employees, managers and contingent workers worldwide performing work for any legal entity of the Grünenthal Group, including contractors and personnel from outsourced service providers. The policy is fully aligned with international standards, including the International Labour Organisation (ILO) Conventions and the United Nations Universal Declaration of Human Rights. Grünenthal does not have a tracking mechanism in place yet. In addition to the Global People Policy, Grünenthal adheres to other key frameworks and standards, including:

Colleagues at employee event at Aachen headquarters

- **Code of Conduct:** Guiding ethical behaviour and decision-making of all employees across the organisation. Additionally outlines the company's expectations regarding human rights compliance.
- **Policy on Occupational Safety, Health and Environmental Protection, and Energy (EHS Policy):** Ensuring safe and healthy working conditions in Grünenthal's own operations and among its suppliers (see chapter on 'Workplace health and safety' for details).
- **Ethics Helpline Policy:** Providing employees and external stakeholders with a confidential platform for reporting concerns.
- **Statement of Compliance with Human Rights and Environmental Standards:** Reinforcing Grünenthal's dedication to internationally recognised guidelines such as the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and International Labour Organisation (ILO) Conventions on Discrimination (Employment and Occupation) (Convention C111, 1958 (No. 111)), Freedom of Association and Protection of the Right to Organise (Convention C087, 1948 (No. 87)) and Equal Remuneration (Convention C100, 1951 (No. 100)). By

[1] The term 'policies', in the context of working conditions, explicitly includes the contents of company agreements.

integrating these standards into its operations, Grünenthal ensures respect for human rights across its global supply chains and within its own business units. Grünenthal's broader human rights approach extends beyond its own operations: see chapter 'G1 – Business conduct' regarding human rights in the supply chain.

Implementation of these policies is overseen by the respective functional leads, such as the Global Head of HR for the Global People Policy. To ensure consistent standards while accommodating regional and country legislation, local policies are developed, maintained and accountable to the Head of HR for the territory. For Germany, the Head of HR Germany is responsible for all company and works council agreements for Germany.

Key contents of working conditions policies and agreements
Grünenthal's policies are designed to provide attractive working conditions by offering diverse roles, growth opportunities and an extensive range of benefits including healthcare and pension, in the context of the local market. Benefits may include medical insurance, company car, fitness allowance as well as membership and service fees, training or education, additional holidays, special discounts and other support. These policies fully comply with local laws and regulations while incorporating collective bargaining agreements and company-wide standards that go beyond statutory requirements. Other key areas covered include:

- **Working time regulations based on local legislation:** General schedules, daily working hours, special leave policies, and bridging days (Germany).
- **Compensation structures:** Transparent frameworks for base salaries, variable pay, allowances, and rules for work on Sundays or public holidays.
- **Employee development:** Personal development plans, training opportunities, and tailored local social services.
- **Workplace safety:** see dedicated section below.

Communication and accessibility of policies
Grünenthal prioritises transparency and accessibility in communicating its policies. The company employs multi-channel strategies to ensure employees understand their rights, responsibilities and the resources available to them. Key measures include:

- **Training campaigns:** Comprehensive programmes in local languages to educate employees about policy updates and their implications.
- **Support platforms:** Dedicated channels for employees to seek clarification and raise concerns, supported by managers, HR representatives, and works councils.
- **Policy accessibility:** Policies are made available on the company's intranet or local workspaces, ensuring ongoing access for all stakeholders.

S1.MDR-A/S1-4 Fair working conditions and remuneration actions

Grünenthal demonstrates a strong commitment to fostering a supportive and inclusive work environment by implementing flexible policies, innovative initiatives, and robust measures that address material impacts, mitigate risks, and deliver positive outcomes for its employees. These efforts are closely aligned with the company's broader sustainability and business goals, creating a workplace where employees can thrive both professionally and personally. In geographies with active works councils (Chile, France, Germany, Italy and Spain), the local works councils are involved in discussions regarding new agreements.

For health measures, exchange with employees takes place. Following our Great Place to Work® surveys, we conduct workshops, focus group discussions, and interviews – where needed – to gain deeper insights from employees on how Grünenthal can further enhance its health measures. The outcomes of these follow-up activities are then integrated into local HR plans and initiatives. In Germany for example we include specific questions in the Great Place to Work® survey on health measures also following a legal frame (Psychologische Gefährdungsbeurteilung).

Grünenthal's **SmartWork Hybrid Model** enables eligible employees, i.e., all employees whose activities permit participation and if they are personally suitable, to manage their flexible working arrangements. This approach allows for a combination of remote and on-site work, tailored to individual roles and responsibilities. The policy emphasises trust and focuses on results rather than strict working hours or locations.

Employees are supported with the necessary infrastructure to ensure productivity from any location, and family-friendly measures, such as an on-site childcare centre at the Aachen headquarters, enhance work-life balance. This policy has been progressively implemented since 2021.

In addition to the SmartWork approach, Grünenthal has implemented trust-based working hours for exempt employees.

To track and ensure effectiveness of actions, Grünenthal uses the exchange with local works councils and the Great Place to Work® survey, which takes place every other year. Additionally, there are other non-standardised surveys run by local HR teams, tailored to specific needs, such as occasional mood check polls.

No exact CapEx/OpEx data for the (planned) actions is being reported this year due to limited data availability.

Fair working conditions and remuneration metrics and targets

S1.MDR-T/S1-5 Fair working conditions targets

In 2025, Grünenthal plans to set measurable, outcome-oriented targets to ensure fair working conditions for the company's workforce. » Nonetheless, progress in the topic is managed with the non-ESRS-aligned target below.

Grünenthal's overarching goal is to positively impact the lives of its employees while enabling their best performance.

For the purpose of achieving this overarching goal and managing the identified material impact of 'Fair working conditions and remuneration', Grünenthal continues to pursue the following non-ESRS-aligned target: «

» Further target and progress 2024

Target[1]	Progress 2024	Status
Ensure full alignment with relevant Human Resources (HR) regulations, health and safety standards, and legislation related to freedom of association	Audited by Authorities for Social Security and Tax (Germany). All our countries operate to the minimum standards of the local labour law and its regular updates, and industry and company collective bargaining agreements. Countries are audited by authorities on a regular basis.	On track

[1] Target maintained from previous Responsibility Report; will be reviewed in 2025. «

Inclusive target setting and strategy development

Grünenthal actively involves its workforce in shaping and refining its strategies (see 'S1-2 Workforce engagement' above). Priorities are reviewed and refined each year to reflect focus areas and initiatives for the following year (which may change for example based on local and global developments and market trends). The metrics to measure the success of the key initiatives are defined and reported by employees in the different business areas in close collaboration with the management board members. During this process, they are supported by the Corporate Strategy team. This not only allows for incorporation of employee input and feedback but also ensures shared ownership.

Tracking progress and learning from feedback

Grünenthal employs robust mechanisms to monitor performance of its positive impacts. These include:

- Annual reviews of strategic initiatives, including through the annual Grünenthal Responsibility Scorecard, integrating feedback from employees, market trends, and global developments.
- Surveys such as the Great Place to Work® (GPtW) and 360-degree Leadership feedback to assess employee engagement and satisfaction.

S1-8 Collective bargaining coverage and social dialogue

In Germany, 96% of Grünenthal employees are covered by collective agreements such as collective bargaining agreements or company agreements which meet at least the standards set in the collective bargaining agreements but go beyond them in scope and content. These agreements establish comprehensive working conditions and terms of employment for most of Grünenthal's workforce in Germany. The remaining 4% of employees not covered by these agreements include those at the equivalent Global Grade 16 job level (Vice President) or higher. In Italy, employees have the option to be represented by a works council and currently 22% of employees have chosen this option. However, the outcomes of collective agreements negotiated between Grünenthal and the works council apply to all employees, irrespective of their individual representation status. For employees outside Germany and Italy, relevant data on collective bargaining agreement and works council coverage is not currently consolidated.

Non-employees within Grünenthal's workforce, such as contractors or agency workers, are not subject to the company's collective bargaining agreements.

Collective bargaining coverage and social dialogue

	Collective bargaining coverage	Social dialogue
Coverage Rate	Employees – EEA (for countries with >50 employees representing >10% of total employees)	Workplace representation (EEA only) (for countries with >50 employees representing >10% of total employees)
0 – 19%	–	–
20 – 39%	–	Italy
40 – 59%	–	–
60 – 79%	–	–
80 – 100%	Germany[1], Italy	Germany

[1] This figure includes employees covered directly through collective bargaining agreements or works agreements, which meet at least the standards set in the collective bargaining agreements but go beyond them in scope and content.

» Grünenthal Insight

Social protection

At Grünenthal, all employees in our own workforce are covered by social protection through public programmes or company benefits, ensuring income security in cases of sickness, unemployment, employment injury, parental leave, and retirement. Social security frameworks vary across countries in which we operate, and Grünenthal provides additional benefits where applicable to complement national systems.

At present, Grünenthal has not identified employee groups excluded from social protection schemes across its operational countries. Ongoing assessments ensure all employees have adequate income security through public or employer-sponsored measures. Further evaluations may be conducted to confirm full compliance with social protection requirements.

Income protection in case of sickness, unemployment coverage, employment injury and disability protection, parental leave benefits as well as retirement security is granted according to local labour and social laws.

Work-life balance

Grünenthal is committed to supporting employees in balancing their professional and personal responsibilities by providing access to family-related leave in accordance with national social policies and through collective bargaining agreements. All employees are entitled to relevant leave provisions, with additional benefits provided in certain countries. In Germany[1], 58[2] employees took family-related leave. Additionally, in the majority (all) of our countries we offer an Employee Assistance programme (EAP) allowing them to access mental health and psychological support services for professional or private matters. In January 2025, Grünenthal introduced family starting time, a voluntary additional leave for spouses or partners. So far, six family starting time requests have been received.

To remain competitive and attractive to potential employees, we offer enhanced benefits. Germany provides extensive family-related leave entitlements. Employees receive additional paid holidays for marriage, birth of a child (for fathers), and bereavement. Additional paid leave is also granted for family caregiving responsibilities. Currently, four employees make use of such part-time work arrangements to accommodate ongoing caregiving duties.

[1] Global data is not yet available.
[2] Part-time: 26 employees, full-time: 43 employees; the total is higher than 58 because of employees who did both in 2024.

Employee event at Aachen headquarters

Grünenthal ensures representation for employees across Europe through its European Works Council (EWC). National organisations with at least 150 employees, currently including Germany, Italy and Spain, are entitled to appoint members to the EWC. This council facilitates dialogue between employer and employee representatives at a European level, enabling the sharing of perspectives to support the growth, competitiveness and employment of Grünenthal across Europe.

S1-10 Adequate wages

The company's Compensation Philosophy provides a comprehensive framework for designing and managing compensation programmes, ensuring adequate wages for all employees in line with industry benchmarks. It aims to provide a common basis for all remuneration and benefits programmes in our organisation. It recognises the importance of balanced but differentiated remuneration structures based on local market and business needs.

Job scope, market competitiveness and performance are the key elements of our remuneration framework. The following principles are embedded into its global strategy to ensure equity, market alignment, and recognition of individual contributions:

1. **Fair Remuneration:** Using the Willis Towers Watson job evaluation system, Grünenthal ensures that employees in comparable roles are compensated equitably, and salaries are based on objective, gender-neutral criteria, reflecting role complexity, responsibilities, and organisational impact. Positions are matched against a job listing in either industry or pharmaceutical benchmark. The matched job drives the compensation to include salary and target bonus based on the role's scope and impact. Employees in comparable roles are compensated equitably, supporting internal consistency. Salary audits identify pay gaps, and corrective measures are implemented where needed to maintain equity.
2. **Market-Competitive Remuneration:** Salaries are benchmarked against the relevant external market at a job-specific level, with regular reviews and adjustments ensuring alignment with market standards. This approach helps Grünenthal remain competitive in attracting and retaining talents.
3. **Performance-Based Remuneration:** Grünenthal's Pay for Performance programme rewards individual and team achievements, linking them to broader organisational objectives. This offers clear incentives for excellence and provides financial rewards for high performance. Employees benefit from salary increases and performance-related bonuses, reinforcing a culture of excellence and accountability.

Compensation framework

Grünenthal's compensation structure revolves around a globally clear framework for defining salary bands and salary progression. Base salaries reflect the responsibilities and impact of each role, with adjustments guided by local market trends, individual performance, and placement within the salary band. This value is either categorised by local collective bargaining agreements or assessed on the basis of the job evaluation system. There are different kinds of variable remuneration. Type and amount of variable pay depend on the job. Bonuses are governed by a short-term incentive programme, reflecting both personal and organisational success. Additional benefits tailored to local markets, including fringe benefits, further enhance employee retention and satisfaction.

To ensure transparency, Grünenthal provides employees with detailed information about their job level, the criteria for salary progression, and how their pay compares to market benchmarks. The framework supports consistency by calibrating performance ratings and applying clear salary bands that align with the company's broader business strategy.

Workplace safety and health protection

S1.MDR-P/S1-1 Workplace health and safety policy

For managing the safety and health related material impact, Grünenthal has two main policies in place, covering 100% of Grünenthal employees. The **EHS Policy** is the overarching commitment that operational activities must be aligned with. Operationally, the **Health and Safety (H&S) Critical Standards** and **Health and Safety Excellence Standards** guide solid behaviour and processes, as detailed in the next section.

H&S Critical Standards and H&S Excellence Standards

These documents are based on best practices and learning from the past and define specifications, procedures and guidelines to ensure people, products, services and systems are safe, consistent and reliable.

The H&S Critical Standards cover the topics of site governance and assurance, contractor management, work at height, lock out tag out, hot work, electrical safety, emergency preparedness, confined space entry, hazardous materials handling, safety behaviour, safe operations of fork lift trucks, and machine guarding.

The H&S Excellence Standards guide employees in excavation, occupational health & safety, construction, equipment and project commissioning, lifting operation and lifting equipment, warehouse operation and racking, compressed gas cylinders and pressurised systems, scaffolds and mobile elevated working platforms, as well as cutting tools and hand safety.

These standards are available and applied to all manufacturing sites and assessed regularly, where each location is assessed on relevant aspects of each category.

Scope of the policies
The EHS Policy applies to all Grünenthal employees, contractors and suppliers. It encompasses all activities and operations within our organisational remit, ensuring alignment with our overarching sustainability objectives. We are ensuring that health and safety are taken into account regarding the procurement of goods and services and at the start of new projects. We also expect our suppliers to actively promote occupational safety and health protection. Additionally, we have a Contractor Safety Standard in place, aiming to ensure the safety of contractors working at Grünenthal sites. The Standard covers the management of contractors from the contractor approval process, the controlled site access, the permit to work, and up to the controlled site exit. The local H&S site team and job supervisor conduct periodic random inspections of approved contractors on site to ensure good contractor management practice.

Accountability and governance
The EHS Policy is signed off by members of the Corporate Executive Board, reflecting its strategic importance and the commitment of Grünenthal's highest leadership.

Grünenthal's EHS departments, supported by site directors and safety committees, play a central role in managing health and safety impacts. These internal functions implement targeted actions to address negative impacts and drive positive outcomes, ensuring alignment with the company's zero-accident vision.

Alignment with third-party standards
The development and implementation of the policies are informed by internationally recognised standards, including ISO 45001. This benchmark guides our approach to occupational safety, and health protection, reinforcing Grünenthal's dedication to global best practices. Manufacturing sites are certified according to ISO 45001.

Stakeholder engagement and accessibility
We actively promote awareness of occupational safety, health protection, environmental stewardship, energy efficiency, and sustainability among our employees and relevant stakeholders. See section 'S1-2 Workforce engagement' for more information.

The policies are made accessible to all potentially affected stakeholders and those responsible for its implementation via Grünenthal's internal intranet platform. This ensures transparency and enables easy access for consultation, fostering alignment and accountability across the organisation.

S1.MDR-A/S1-4 Workplace health and safety actions

Grünenthal's health and safety strategy is driven by a zero-accident vision, underpinned by the use of leading indicator KPIs such as near-miss reporting and behavioural safety observations.

Seven-step strategy
In 2020, we implemented a seven-step strategy to enhance health and safety. The action plan is made up of six operational steps or achievements, with the aimed for result being step 7 – 'Vision zero' (zero accidents at Grünenthal).

1. A behavioural observation programme was implemented for accident investigation. The programme helped identifying potential hazards and implementing corrective measures. In high-risk areas such as production, inexperienced workers receive specialised training to ensure their safety.

2. Next, the H&S Critical Standards (see 'S1.MDR-P') were developed, and a gap analysis and maturity assessment conducted in relation to the standards for each site.

3. Step three is the achievement of 100% scores regarding H&S Critical Standards along with the development of comprehensive risk assessment and action plans for each manufacturing site.

4. Step four refers to the definition of countermeasures of risk assessment and a programme for safety culture through engagement.

5. Step five entails implementation and gap analysis for the H&S Excellence Standards (see 'S1.MDR-P').

6. Step six describes the achievement of 100% scores for all H&S Standards (Critical and Excellence), with active participation of employees in H&S improvement for their work areas.

7. The final milestone, step seven, is the achievement of zero accidents at the workplace.

Risk assessment and inclusion of vulnerable workforce perspectives
Grünenthal conducts comprehensive risk assessments for activities at each site, actively involving machine operators. These assessments cover for example machine operation, exposure risks during processes, and high-risk tasks. This inclusive approach ensures that potential barriers to engagement are identified and addressed, enabling all employees, including those in vulnerable situations, to contribute to safety discussions.

Workforce engagement in identifying operational improvements
In cases of incidents or accidents, Grünenthal employs a participatory approach to investigation and improvement. This includes affected individuals and witnesses directly, as well as department heads to identify root causes and implement corrective actions.

Scope of key actions
Our safety initiatives are focused primarily on manufacturing sites, where operational complexities require stringent risk management. Additionally, our suppliers are required to self-disclose safety performance, extending our safety framework across the value chain.

Time horizon for implementation
Actions at manufacturing sites are defined based on individual risk assessments and priorities. This ensures that resources and efforts are allocated effectively to mitigate risks and enhance safety standards within a structured timeframe. The seven-step strategy started in 2020 and does

not have a fixed end-date. As the journey is ongoing, relevant assessments are conducted and appropriate measures implemented each year to move closer to reaching zero accidents at the workplace.

Resources allocated
Each Grünenthal site has a dedicated Environment, Health and Safety (EHS) team to oversee the implementation of health and safety measures. We conduct external risk assessments at API sites and ensure all locations maintain ISO certifications. While exact financial figures are not disclosed in this year's report due to limited data availability, health and safety expenditures form an integral part of the annual budget, covering both capital expenditure (CapEx) and operational expenditure (OpEx).

The financial resources allocated to health and safety initiatives, including EHS team operations, external risk assessments and certification costs, are embedded within the company's annual budget. These expenditures are aligned with Grünenthal's overall commitment to operational excellence and sustainability.

Workforce involvement in decision-making
Grünenthal ensures that workers and their representatives play an integral role in shaping health and safety programmes. For specific information on their involvement in the design and implementation of safety measures, see section 'S1-2 Workforce engagement'.

Workplace health and safety metrics and targets

S1.MDR-M/S1-14
Workplace health and safety metrics [1]

Metrics used to evaluate performance
Grünenthal employs a comprehensive set of metrics to evaluate health and safety performance, with a key focus on achieving its zero-accident vision. Leading indicators are especially for the manufacturing sites, where safety and health risks are highest:

- Work-related injuries
- Work-related ill health
- Rate [2] of work-related (recordable) accidents
- Days lost [3] to work-related (recordable) injuries and ill health
- Fatalities (accidents resulting in casualties)

Safety and health related data covers both employees and non-employees working on Grünenthal premises, such as contractors or agency staff.

Health and safety metrics

	2024 [1]	2023
Work-related injuries	22	29
Work-related ill health	0	2
Rate of work-related (recordable) accidents	2.78	3.62 [2]
Days lost to work-related (recordable) injuries and ill health	788.2	382 [2]
Fatalities	0	0
% of employees covered by ISO-certified H&S management system	100% at manufacturing sites 37% of total workforce	100% at manufacturing sites 37% of total workforce [2]

[1] In 2024, no non-employees were affected by work-related accidents.
[2] Not part of the auditing scope for the Grünenthal Responsibility Report 2023.

[1] Health & Safety data related to Grünenthal Meds and Valinor are not included in this report.
[2] Calculated by dividing the number of accidents by the total number of hours worked by all employees and multiplied by one million.
[3] Generally, 'days lost' refers to calendar days. However, in the reporting period, some business areas have reported work days instead.

Methodologies and assumptions behind metrics
Metrics are presented and discussed at the monthly EHS review meetings between global EHS and site EHS representatives. All accident and near-miss data is reported using the Quentic system, which is also used to automatically compile the numbers from all Grünenthal manufacturing sites.

Accidents from non-manufacturing sites (affiliates) are compiled manually by global EHS through meetings with the site representatives.

Workforce engagement in tracking performance
Performance against these targets is tracked regularly, with EHS Managers providing monthly updates to the Senior Leadership Team (SLT). Additionally, safety meetings at both site and global levels ensure ongoing engagement and accountability.

External validation
All Grünenthal manufacturing sites are certified under ISO 45001, an internationally recognised standard for occupational health and safety management systems. Additionally, external assessments are conducted at API sites to verify compliance of EHS processes with safety protocols. Periodic reviews by insurance companies further validate the robustness of our health and safety measures.

S1.MDR-T/S1-5
Workplace health and safety target

Grünenthal has implemented the zero-accident vision and is currently defining a measurable, outcome-orieted target for workplace safety and health protection by the end of 2025.

The target-setting process for internal objectives such as ‘Vision Zero’ involves EHS Managers and Site Directors from each site, who collaborate to develop and refine goals. These are subsequently

Apprentice at Aachen headquarters

aligned with the Global Operations Board to ensure strategic oversight and accountability. The involvement of these key stakeholders ensures that targets are practical, relevant, and site-specific.

S1-2 Workforce engagement in managing health and safety impacts

Engagement to inform decisions and activities
In addition to general engagement channels (see section 'Managing Grünenthal's own workforce' above), Grünenthal actively engages its workforce to manage actual and potential health and safety impacts. Safety committees are established at each site, providing a formal platform for employees to share their perspectives and contribute to decision-making. Additionally, regular Manufacturing Daily Line-up (MDL) meetings are held, ensuring continuous dialogue and feedback from the workforce.

Stages, types, and frequency of engagement
Engagement occurs at multiple stages and through various channels:

- **Safety committees:** These committees (in manufacturing sites) meet monthly or quarterly, depending on site-specific needs, to discuss and address safety-related concerns and initiatives.
- **Manufacturing Daily Line-up (MDL) meetings:** These meetings are conducted daily or weekly, serving as an ongoing platform for workforce engagement and communication of key safety updates and actions. Participants include:
  - **Site MDL:** Site Director and site leadership team
  - **Function MDL:** Head of Department and reporting functions
  - **Area MDL:** Managers and team leaders/coordinators/laboratory heads
  - **Shopfloor MDL:** Team leaders/coordinators and operators
  - **Shift handover:** Coordinators

Operational responsibility for engagement
The Site Director holds operational responsibility for ensuring workforce engagement. This role oversees the effective implementation of engagement activities, ensuring that input from the workforce informs the organisation's approach to managing health and safety impacts.

S1-3 Channels for raising health and safety concerns

Specific channels for raising concerns
In addition to general channels for raising concerns (see section 'Managing Grünenthal's own workforce' above), Grünenthal provides its workforce with accessible and reliable channels to raise health and safety concerns. At each manufacturing site, a fully staffed **Environment, Health and Safety (EHS) Department** is available to address H&S matters directly. Moreover, employees at the manufacturing sites can use the Quentic and MS Forms systems to raise EHS-related concerns or report accidents, incidents, near misses, or make behavioural safety observations (BSO). The raised and addressed issues are being reviewed, tracked and reported in the monthly EHS review meetings between global EHS and site EHS representatives. Actions are raised and monitored against the reported issues. This procedure ensures the effectiveness of the channels for raising concerns.

Additionally, during the Shopfloor MDL meetings, operators can report to their supervisors, who can in turn inform EHS Managers of any EHS-related issues.

Accessibility of channels for the workforce
All members of Grünenthal's workforce, including employees and contractors, have access to EHS Managers at their respective sites. These managers act as primary points of contact, offering direct access to address safety-related concerns or needs.

Training and development

S1.MDR-P/S1-1 Training and development policies

The **Global Management of Training and Qualification Policy** defines the framework for adequate training and qualification of all Grünenthal employees. This ensures that they can fulfil their duties and responsibilities and that all legal requirements are met, including documentation. The policy applies to all employees globally and provides clear processes to document and align training with quality standards. Employees are encouraged to seek additional training or coaching if they feel underqualified for specific tasks, fostering a culture of continuous learning and accountability.

The **Global People Policy** sets out principles for talent development and inclusion, promoting a workplace where employees can thrive and grow. Grünenthal adopts the 70/20/10 learning strategy, which emphasises practical experiences, collaborative learning, and formal training:

- **70% on-the-job learning,** enabling development through real-world experiences.
- **20% learning from interactions,** such as mentoring and collaboration.
- **10% formal training,** including courses and seminars.

Employees are encouraged to take ownership of their personal development through regular conversations with their managers, while leaders play a key role in supporting individual growth by identifying strengths and areas for improvement.

Both policies reflect Grünenthal's commitment to fostering a productive, inclusive and supportive work environment.

Policy implementation and communication
Responsibility for implementing the training and qualification policy 'Global Management of Training and Qualifications' lies with Global Quality Assurance, while the Global People Policy is overseen by the Head Global HR and is ultimately accountable to the Corporate Executive Board. The Global People Policy aligns with international standards, including the United Nations Universal Declaration of Human Rights and key international labour conventions, ensuring Grünenthal meets global benchmarks for non-discrimination, freedom of association and equal remuneration.

Communication and transparency are central to ensuring policy effectiveness. Policies are made accessible through Grünenthal's global MasterControl platform, where employees are trained on new policies and tested on their understanding.

S1.MDR-A/S1-4 Training and development actions

Grünenthal recognises that adaptability and continuous growth are essential in a fast-evolving business environment. To this end, the company's Performance & Development Management approach serves as a cornerstone for employee growth. This framework promotes regular dialogue between employees and their line managers, enabling them to align on development goals and actions that culminate in a robust Personal Development Plan. These plans are tailored to help employees grow professionally and personally, either in their current roles or in preparation for future opportunities.

The Global HR Development team supports equity of access to development resources by providing structured frameworks, tailored training opportunities, and access to diverse learning platforms. These are supplemented by functional training that include mandatory industry and role specific training.

Employees at Aachen headquarters

Grünenthal supports employee capability-building with comprehensive training and development frameworks, particularly at manufacturing sites. Programmes include:

- Buddy systems and mentoring for junior and inexperienced workers.
- Specialised training for high-risk roles, ensuring compliance with safety protocols and minimum age requirements.
- Development initiatives linked to the Succession and Development Management Process, which identifies and nurtures high-potential employees for business-critical roles.

Delivering positive workforce impacts
Grünenthal fosters leadership excellence and personal growth through the Essential Leadership Skills and Personal Attributes (ELSPAs) framework. This ensures that leadership development, hiring and feedback processes are aligned with the company's values. ELSPAs are embedded into the organisation through interactive e-learning modules, workshops and tailored guidelines, equipping leaders with practical tools to support team growth.

Key programmes that deliver positive workforce impacts include:

- **Global Operations (GO) Leadership Academy:** Training nearly 300 managers globally to enhance leadership, accountability and team engagement.
- **Chief Commercial Organisation (CCO) Academy:** Providing tailored training plans for customer-facing employees, resulting in improved engagement and high participation rates.

- **Recognition awards:** Celebrating employee contributions to reinforce a culture of appreciation.

- **Revised employee onboarding programme:** Set to launch in 2025, this initiative aims to provide new employees with a strong start in global roles.

Workforce training and development and resource allocation
Employee engagement is central to Grünenthal's strategy (see section 'S1-2 Workforce engagement').

Grünenthal allocates significant resources to its workforce initiatives. The Global HR Development team partners closely with business areas to prioritise and allocate resources for training and development. Programmes such as the GO Leadership Academy and CCO Academy reflect the company's investment in creating a high-performing and inclusive workplace.

Due to limited data availability, no concrete CapEx and OpEx for action plans are being reported this year.

S1.MDR-M/S1.MDR-T/S1-5 Metrics and targets used to evaluate performance

While Grünenthal does not yet track training and skills development metrics in accordance with ESRS S1-13, the company uses its own metrics to closely monitor employee development and continually improve the effectiveness of its training efforts.

- Personal Development Plans (PDPs): Grünenthal monitors the percentage of employees covered by tailored PDPs, which are established collaboratively with line managers and tracked via our myView reporting. We create regular summary reports per function and geography on the PDPs and share and discuss these insights with HR Business Partners (no individual level). The percentage of PDPs is also a Group Scorecard target.

- LinkedIn Learning Usage: Grünenthal tracks the number of active licenses and hours of training on the online learning platform via the dashboard function of LinkedIn Learning. We look at the high level data for function and geography and we share and discuss it with the HR Business Partners.

In 2025, Grünenthal aims to set a measurable, outcome-oriented target to effectively and systematically manage the topic of training and development of its workforce. » Nonetheless, progress in the topic is managed with the non-ESRS-aligned targets below. «

» Grünenthal Insight

Training hours

Grünenthal tracks its training efforts to monitor employee development and continually improve the effectiveness of its training.

In total, Grünenthal employees accumulated 10,426 hours of training through LinkedIn Learning & Courses in 2024, which translates to about 2.4 hours per employee.

» Further target and progress 2024

Target	Progress 2024	Status
Offer a wide range of learning and development opportunities, supported by learning platforms that can respond to individual needs and learning styles[1]	• 84% of employees had active Personal Development Plans (PDPs), with 78% updated during the year, surpassing our 75% target. • Employees accessed over 2,500 LinkedIn Learning licenses, viewing 83,000 videos and completing 17,000 courses • 80% of leaders overseeing teams with more than three direct reports completed a 360-degree leadership feedback survey, supplemented by coaching to enhance self-awareness and leadership skills • Web-based training included 30 live sessions covering critical skills like Inclusive Leadership, Coaching for Development & Growth, Communicating with Impact, and Business Finance	On track

[1] Target maintained from previous Responsibility Report; will be reviewed in 2025. «

Intended outcomes for the workforce
Grünenthal's intended outcomes aim to positively impact the lives of its employees while enabling their best performance. These outcomes include:

- Maintaining a highly engaged, involved and satisfied workforce as a foundation for organisational success.

- Strengthening capabilities at all levels, with a particular focus on leadership development.

- Supporting personal development to ensure both individual performance improvement and effective succession planning.

- Recognising and rewarding performance through structured programmes.
- Supporting employees during organisational change processes.
- Offering continued support for health, well-being, work-life balance and family-friendly programmes.

Diversity, inclusion, and equal opportunities

S1.MDR-P/S1-1 Diversity, inclusion, and equal opportunities policy: Managing workforce impacts

Key contents of the policy
Grünenthal's **Global People Policy** forms the cornerstone of its approach to managing workforce-related impacts. The policy focuses on fostering a work environment that supports professional and personal growth, underpinned by equity, diversity, inclusion and employee engagement. The policy addresses four main topics:

1. **Human capital fairness:** Promoting fair employment practices and ensuring all employees are treated equitably.
2. **Equality, diversity and inclusion:** Fostering an inclusive environment where diversity is viewed as a driver of innovation, enabling teams to collaborate effectively.
3. **Attractive employer:** Creating the best possible conditions for Grünenthal's employees in their professional and private lives by providing an environment where people can thrive in rich and varied roles, offering growth opportunities and an extensive range of benefits.
4. **Employee engagement:** Encouraging active participation and fostering a culture of mutual respect and psychological safety.

The policy explicitly commits to eliminating any form of discrimination or harassment, and to promoting inclusion by addressing issues related to race, gender, age, religion, sexual orientation, social origin, disability and other protected characteristics. Employees are expected to adhere to these principles and relevant anti-discrimination laws. Through its Diversity & Engagement Strategy, Grünenthal seeks to achieve psychological safety and belonging for all employees, with specific measures to eliminate bias in hiring, compensation and career progression.

Policy scope and accountability
The Global People Policy applies to all Grünenthal employees, managers and contingent workers worldwide performing work for any legal entity of the Grünenthal Group, including contractors and personnel from outsourced service providers.

The Head of Global Human Resources, supported by the Corporate Executive Board, is responsible for overseeing the policy's implementation. The Diversity & Engagement Council, composed of senior leaders across business areas, plays a key role in setting strategic goals, monitoring progress and advising on diversity and inclusion matters.

Alignment with international standards
Grünenthal's Global People Policy aligns with globally recognised frameworks, including the United Nations Universal Declaration of Human Rights (1948) and International Labour Organisation (ILO) Conventions, such as the Discrimination (Employment and Occupation) Convention, 1958 (No. 111), Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87) and the Equal Remuneration Convention, 1951 (No. 100).

Colleagues at Aachen headquarters celebrating Pride Month

» Grünenthal Insight

Celebrating our continued success in creating a Great Place to Work

The results of Grünenthal's biennial Great Place to Work® survey (GPtW) in 2024 reflect continued progress in strengthening our organisational culture and employee engagement across regions.

Key highlights include:

- 88% participation rate, marking our highest response rate to date and significantly exceeding the GPtW global benchmark of 76%.
- A Trust Index score of 78%, representing a two-percentage-point improvement compared to the 2022 survey.
- 83% of employees affirmed that Grünenthal is a great place to work, also reflecting a two-point increase from the previous reporting period.

These results underscore the impact of ongoing efforts to foster an inclusive and supportive workplace environment. They also indicate both consistency in engagement across most countries and meaningful improvements in several key areas.

As a result of the high participation and positive feedback, Grünenthal has received GPtW certification in 20 countries.

Countries certified by Great Place to Work®

20

Great Place to Work®, Chile

Stakeholder consideration and accessibility
Grünenthal promotes awareness of diversity, equality and inclusion matters among our employees and relevant stakeholders. See section 'S1-2 Workforce engagement' for more information.

To ensure transparency, all policies are available through platforms such as MasterControl, where employees are trained to ensure understanding at all levels. Platforms for raising questions or concerns are available, and employees can consult managers, HR, or works council representatives for clarification.

Grievance mechanisms and continuous improvement
Grünenthal has established robust grievance mechanisms, including the Ethics Helpline, which allows employees and external stakeholders to report any concerns, including potential incidents of discrimination, confidentially and anonymously in their preferred language. The Ethics Helpline is a confidential internet-based platform managed by Grünenthal's Global Compliance Team and provided and maintained by a third-party vendor. It can be used 24/7 by employees including those of our business partners or any other individual. Every complaint or concern is investigated by our Compliance organisation, and if the allegation refers to a potential substantial violation of human rights and/or environmental protection obligation, the Human Rights Officer shall directly undertake the investigation. Grievances are thoroughly investigated, with findings used to improve internal processes and training.

To mitigate risks such as biased job requirements, Grünenthal retrospectively monitors diversity of the new hires. Training for creating inclusive job descriptions, standardised interview processes, and bias-reduction are in place for hiring managers to ensure merit-based decisions. Discrimination or bias, if identified, is promptly addressed through remedial actions, including process changes and enhanced monitoring.

Accessibility to individuals with disabilities
The company is also committed to ensuring that its facilities are accessible to individuals with disabilities.

S1.MDR-A/S1-4 Diversity, inclusion and equal opportunities actions

Advancing diversity and inclusion
Grünenthal is committed to fostering a culture of inclusion and achieving gender parity in leadership roles. The Leadership Learning Labs are a cornerstone of Grünenthal's efforts, a programme designed to develop inclusive leadership skills. This initiative equips leaders with tools to recognise and address biases, foster diversity, and build inclusive teams. Additionally, Grünenthal organises cultural celebrations, such as International Women's Day and the World Day for Cultural Diversity and Girls in Science to enhance understanding and strengthen team cohesion. Multilingual communication efforts and English language classes further support inclusion by ensuring accessibility for all employees.

To further strengthen its inclusive culture, Grünenthal integrates feedback mechanisms such as its biennial Great Place to Work® survey. In 2024, the survey included additional statements focused on key aspects of inclusion, such as diversity as a strength, respect for individual identity, openness to differing opinions, and managerial support for diverse perspectives. The survey results, presented during the Global Townhall and shared with the Diversity & Engagement Council, indicated positive trends. For instance, 86% of employees viewed diversity as a strength, while 81% felt encouraged by their managers to share differing opinions. These results provide actionable insights that guide Grünenthal's continuous improvement efforts in building an inclusive workplace.

Grünenthal has implemented comprehensive measures to promote equal pay and pay equity. These include a transparent job family and levelling framework, which ensures that salaries are based on objective, gender-neutral criteria. Regular salary reviews, transparent progression structures, and equitable pay for employees returning from leave further reinforce this commitment. The company is also taking steps to enhance transparency in recruitment. For instance, Grünenthal is excluding prior salaries from recruitment decisions and plans to have the pay range or rate posted in job advert and/or to have it available on request to all candidates before any interview. Future plans also include disclosing potential pay gap data in accordance with the EU pay transparency directive.

Governance and strategic oversight for diversity & engagement
The Global HR Development Team is responsible for implementing training and initiatives, while the Diversity & Engagement Council provides oversight and ensures alignment with corporate objectives. Composed of senior executives from various business areas, the Council meets quarterly to review progress and advise on strategic goals. Additional governance is provided by the Corporate Responsibility Board, which oversees diversity-related targets and activities.

Resource allocation
No exact CapEx/OpEx data for the (planned) actions is being reported this year due to limited data availability.

Diversity, inclusion and equal opportunities metrics and targets

S1.MDR-M/S1-9
Diversity, inclusion and equal opportunities metrics

We have decided to measure the gender share in our executive leadership positions, defined as global grade 16 or higher. We extracted data from our human capital management system as of 31 December 2024, to calculate the relative share of female and male employees within this leadership tier.

In terms of age diversity, Grünenthal established standardised age brackets to ensure consistency in reporting over time. Corresponding data was also extracted from the MyView (SAP) system as of 31 December 2024 to determine representation across defined age groups.

Currently, diversity metrics for Grünenthal Meds and Valinor are limited to gender distribution across the overall workforce. The reported figures on gender representation within top management, as well as employee age distribution, do not include Grünenthal Meds and Valinor as no detailed data is available. The scope of the employees of the two companies is less than 5%.

Top management level diversity [1]

	Female		Male		Total
	Headcount	**Share**	**Headcount**	**Share**	**Headcount**
Total	36	35%	66	65%	**102**

[1] Top management refers to all employees assigned a grade 16 or higher (Vice President Level) within Grünenthal's role-based classification system.

Employee age distribution

	Total (headcount)	**Share**
under 30	**463**	11%
30 – 50	**2,413**	56%
over 50	**1,406**	33%

S1.MDR-T/S1-5
Diversity, inclusion and equal opportunities targets

The company actively involves stakeholders, including executive leadership, cross-functional teams, employees and the Diversity & Engagement Council, in shaping its targets. Insights are gathered through interviews, surveys and workshops, enabling strategies that reflect both global objectives and local needs.

Grünenthal evaluates the effectiveness of its policies and actions through internal monitoring, external ESG ratings and annual reviews. Tools such as the Great Place to Work® (GPtW) survey and 360-degree leadership feedback survey provide actionable insights into areas for improvement. Findings are analysed by working groups, which propose actions that are reviewed by leadership and integrated into organisational strategies.

» Grünenthal's current targets align with international commitments, including equity, diversity, and inclusion principles outlined in the Responsibility Report. Looking ahead to 2025, the company aims to further advance gender parity in leadership roles and expand diversity awareness initiatives. These objectives will be finalised in 2025. «

To ensure the effectiveness of its diversity-related actions, Grünenthal incorporates defined metrics into its Global Scorecard and Corporate Responsibility Scorecard. These metrics track progress on cultural and diversity-related targets and provide a foundation for continuous improvement. To support transparency and engagement, these metrics are shared and discussed with relevant workforce representative bodies and communicated to the wider workforce through channels such as Townhalls. Feedback from employee surveys and training sessions is regularly reviewed to refine and adapt initiatives.

In 2025, Grünenthal aims to set a measurable, outcome-oriented target to effectively and systematically manage the topic of diversity, inclusion and equal opportunities of its workforce. » Nonetheless, progress in the topic is managed with the non-ESRS-aligned targets below. These targets are tracked regularly to ensure consistent progress and alignment with the company's broader strategic priorities. «

» Further targets and progress 2024

Target [1]	Progress 2024	Status
Move closer each year towards achieving gender parity [2] in leadership [3] and executive [4] roles. The following, previous targets were consolidated into the above target since they all contribute to the same overall objective: • Offer a workplace that mirrors the diversity of society and takes a leading role for equity, diversity and inclusion • Increase the diversity of our workforce	As of December 2024, 42% of leadership positions and 36% of executive leadership positions are held by women.	On track
Ensure all policies and practices will be inclusive and encourage diversity and equity by the end of 2025	Completed Gender Pay Gap pilot analysis [5]	On track

1 Targets maintained from previous Responsibility Report; will be reviewed in 2025.
2 All employment decisions at Grünenthal are based solely on job-related factors, including the skills, qualifications, and experience of the individual, without regard to gender, race, ethnicity, or any other personal attributes which are unrelated to the job.
3 Employee with 1 or more direct reports
4 Leader at grade GG16+
5 As we prepare for compliance with the EU Equal Pay Directive (2026), we are not reporting the unadjusted gender pay gap this year. This underlines our commitment to pay transparency and equal pay for work of equal value and ensures that we are prepared for a company-wide understanding of the data and potential gaps and actions. «

» Leadership positions held by women:

42 % «

Ana Inacio, Global Head Established Medicines, with colleagues

» Grünenthal Insight

Celebrating cultural diversity

Operating in 27 countries with colleagues from over 60 nationalities, cultural diversity is integral to Grünenthal's identity and a driver of innovation and collaboration. The Corporate Hub in Lisbon celebrates cultural diversity through various activities during the year. In 2024, the Hub hosted for example its first 'Latin Day', celebrating the cultures of Brazil, Colombia and Panama. Employees from these countries contributed to the event by sharing aspects of their cultural heritage, including traditional food, music and personal insights.

Our commitment to inclusion is embedded in our daily work through the Global Diversity and Engagement Council, local champions, and feedback from the biennial Great Place to Work® survey. Activities included internal and LinkedIn Learning courses on intercultural communication, sharing personal traditions, and supporting initiatives that promote dialogue. These efforts foster a workplace culture grounded in mutual respect and global collaboration.

Colleagues at Corporate Hub in Lisbon celebrating Latin Day

Corporate Citizenship

As a global company, Grünenthal takes its social responsibility very seriously. It is important for us to make a meaningful contribution to broader society. For this reason, we send donations to support measures, initiatives and institutions that align with our donation criteria. We have defined four strategic categories:

Strategic categories for Corporate Citizenship

Social responsibility activities

Environmental protection activities

Activities that promote health and wellbeing

Ad-hoc disaster relief

Number of Corporate Citizenship projects and initiatives

Strategic category	Number of projects 2024	Number of initiatives 2023
Ad-hoc disaster relief	3 projects: Financial donation to the Red Cross in favour of the people affected by the flood disaster in Spain; Disaster relief to help those affected by the severe storms in Brazil and the wildfires in Chile	3 initiatives: Financial donation to the Red Cross for emergency aid after the severe earthquakes in Turkey and Syria; Disaster relief for Brazil after the landslides in São Paulo and for Chile after the wildfires in the south of the country
Social responsibility activities (before: philanthropic activities)	20 projects: To support initiatives that work for the wellbeing of society and the protection of vulnerable groups, e.g. people with disabilities, children from socially disadvantaged families	6 initiatives: To promote regional projects to improve hospice and palliative care and the mobility of people with disabilities
Activities that promote health and wellbeing (before: healthcare support activities)	11 projects: Focus on supporting palliative care, e.g. by funding the work of national or regional hospice foundations or NGOs in the field of medical care	8 initiatives: Focus on supporting pain and palliative care, e.g. by funding riding holidays for children with cancer or the work of regional hospice foundations
Environmental protection activities	2 projects: To support activities that promote the responsible use of natural resources, e.g. the expansion of renewable energies by local associations	N/A

» Grünenthal Insight

Enabling life-changing surgeries through Interplast

In 2024, Grünenthal contributed to Interplast, an organisation enabling volunteer medical missions in developing regions. Our donation supported a surgical team's mission to Bo, Sierra Leone, where 67 life-changing plastic surgeries were performed, primarily for children with burn contractures. The collaboration with local healthcare professionals exemplifies the impact of shared commitment to global health equity and meaningful, on-the-ground engagement.

Donating 110,000 Euro to help victims of natural disasters

In response to a series of devastating natural disasters, Grünenthal has donated a total of 110,000 Euro to support affected communities across Latin America and Europe.

Following the worst flooding in Rio Grande do Sul's history, which impacted over two million people, Grünenthal's Brazilian affiliate quickly mobilised to provide temporary housing, essential supplies, and transportation for affected employees. A local crisis committee was formed to coordinate longer-term needs and Grünenthal donated 30,000 Euro to Ação da Cidadania to support broader relief efforts.

In Spain, catastrophic floods resulted in over 200 fatalities and extensive infrastructure damage. Grünenthal's Iberian and Corporate Executive Boards offered direct assistance, and the company donated 30,000 Euro to the Red Cross. Local teams also helped distribute critical supplies and several colleagues traveled to the hardest-hit areas to support the recovery efforts as volunteers.

After wildfires swept through Chile's Valparaíso region, Grünenthal contributed 50,000 Euro and supported union-led supply drives for affected communities. Reflecting on the scale of the disaster, the company reaffirmed its commitment to aiding long-term recovery efforts.

Grünenthal has donated more than

1 million

euros for disaster relief since 2021.

Interplast Germany e.V.

Promoting community support and raising awareness through corporate running events and marches

In 2024, over 100 Grünenthal employees participated in the Aachen corporate run, supporting local social causes through a donation-based initiative. Each participant generated a 100 Euro donation, totalling 12,800 Euro across three organisations: Breakfast4kids, Bürgerstiftung Lebensraum Aachen, and Ukrainer in Aachen e.V. Employees voted on fund allocation, actively shaping the impact. The initiative combined health promotion with civic engagement, reinforcing our commitment to local communities and employee-driven social responsibility.

In October 2024, Grünenthal Spain organised the first Solidarity March Against Pain in Madrid to highlight the burden of chronic pain, which affects over a quarter of the Spanish population. More than 150 participants – including patients, healthcare professionals, and Grünenthal colleagues – joined the initiative, supported by 37 organisations. Each kilometre walked contributed to the Theodora Foundation, aligning awareness-raising with tangible support for hospitalised children through creative emotional care. In total, 3,500 Euro was collected and donated to this organisation.

Grünenthal employees at Solidary March Against Pain in Madrid

S4 – Patient

Managing consumers and end-users

S4.SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

While there were no material risks or opportunities identified for Grünenthal during the double materiality analysis, the following impacts originating from Grünenthal's activities as a manufacturer of medicine for consumers and end-users – in Grünenthal's case, patients – were identified:

Type of impact	Impact
Personal safety of consumers and/or end-users	
Potential negative impact	Patient safety
Potential negative impact	Product quality
Potential negative impact	Safe pain management through responsible use of opioids
Access to healthcare	
Actual positive impact	Access to healthcare
Research and development	
Actual positive impact	Improving patients' quality of life through innovative medicines

Personal safety of consumers and/or end-users
Grünenthal's products are primarily aimed at the treatment of patients in pain, complemented by a range of products which address numerous indications across multiple therapeutic areas. If used as intended, the products are not inherently harmful but have a positive impact on patients. Thus, potential negative impacts are related to individual incidents rather than systemic in nature. Grünenthal includes all consumers and end-users who could be materially impacted by the company's operations in the scope of this disclosure. This encompasses patients who use Grünenthal products, patient experts, caregivers and patient organisations, and also intermediaries such as healthcare organisations and healthcare professionals, who play an important role in educating about our products and prescribing them responsibly. Patients in particular rely on accurate and accessible information, and education by their healthcare professionals to avoid negative impacts of Grünenthal products through misuse.

Rigorous testing quality control, and regulatory compliance ensure the safety, reliable availability, efficacy and quality of pharmaceutical products. This protects patients, helps improve their health and fosters trust. While any medicine may cause side effects, Grünenthal's priority is to ensure that the therapeutic benefits of the medicine outweigh the risks.

Our comprehensive Pharmacovigilance system ensures effective and timely risk identification and mitigation throughout the entire lifecycle of Grünenthal's medicinal products (see 'S4.MDR-T' for an in-depth description). This enables healthcare professionals to be fully informed and prevent or mitigate potential risks. Additionally, it enhances patient awareness of product-associated risks, making it easier for them to relate any adverse events to the product. The Pharmacovigilance Department's key actions (see 'S4.MDR-A' for an in-depth description) improve product safety and risk awareness, benefiting patients, patient experts, caregivers, patient and healthcare organisations as well as healthcare professionals, ultimately contributing to safer healthcare outcomes.

Certain patient groups may face specific risks depending on the nature of the product and the disease being treated. Special risk groups include:

- Paediatric patients.
- Elderly patients.
- Pregnant patients.

It is critical for Grünenthal to maintain a reliable supply of its products to ensure that patients, especially those at greater risk and who rely on pain medication, receive their treatments and can successfully manage their pain.

No material risks or opportunities for Grünenthal have been identified at this time.

Access to healthcare
Manufacturing essential pharmaceutical active ingredients is critical to global healthcare. Grünenthal is committed to balancing profitability with social responsibility, ensuring the availability and affordability of essential medicines for patients in underserved regions. Given the widespread unmet need for acute, chronic, and palliative pain management, Grünenthal prioritises these regions and therefore contributes to improved public health.

Research and development
There is a substantial unmet need in chronic pain management, as current treatments do not fully address patient needs, and some can pose safety, tolerability or addiction concerns. Grünenthal seeks to develop innovative pain management medicines that offer improved efficacy with fewer tolerability and safety risks. To enhance decision-making in clinical development, Grünenthal integrates human data-driven insights and novel algorithms to optimise the design of clinical

trials. The use of digital biomarkers, such as smart watches and telemetry devices to monitor patients' mobility, heart rates and sleep patterns, may provide deeper insights into potential new therapies and reduces the burden on patients of recording this data.

Innovative medicines may present unforeseen safety risks during clinical trials. As all new drug candidates may show a safety signal in development, Grünenthal adheres to strict regulatory requirements to ensure patient safety. Rigorous preclinical testing and risk identification measures are implemented early in the development process to minimise potential safety concerns. By applying these safeguards, Grünenthal upholds the highest patient protection standards throughout drug development while advancing pain management solutions.

S4-2 Processes for engaging with consumers and end-users about impacts

Grünenthal's engagement with consumers and end-users is structured within the framework of regulatory compliance and product safety requirements. Regarding patient safety, the company does not engage directly with patients or healthcare professionals beyond the established interactions with competent regulatory authorities. These interactions ensure that all safety measures, including risk assessments and product safety updates, align with global, national, and regional requirements.

Beyond regulatory engagement, Grünenthal provides mechanisms for patients and healthcare professionals to access information regarding its products. The company maintains a Medical Information Service to respond to safety-related inquiries and ensures that product information, including patient leaflets and prescribing guidelines, is available through official channels. While these engagements remain indirect, they ensure that all patients, including particularly vulnerable patients, and healthcare professionals have access to accurate and up-to-date information.

Grünenthal engages reactively through its product quality complaints mechanism, which allows healthcare professionals and patients to report concerns related to drug safety, quality and efficacy. These interactions are essential for ensuring that any reported concerns are reviewed and addressed systematically.

S4-3 Processes to remediate negative impacts and channels to raise concerns

Grünenthal maintains formal channels for consumers and end-users to raise concerns about patient safety, product quality and access to healthcare. These channels are designed to ensure that safety-related issues, adverse events and product quality complaints are systematically recorded, assessed and addressed in compliance with regulatory obligations. While our Ethics helpline policy specifies that individuals are protected from retaliation when using the helpline, Grünenthal has no dedicated policy for the reporting channel regarding possible negative impacts of Grünenthal products. This process is heavily regulated, protecting individuals from retaliation. Moreover, they can also make their reports under the protection of confidentiality.

Patients and healthcare professionals can report suspected adverse drug reactions or safety concerns through Grünenthal's corporate website, under the protection of confidentiality and against any reprisals. The company's pharmacovigilance system ensures that all reported cases are entered into a safety database for evaluation, with necessary updates to product information implemented following approval by national authorities. Grünenthal also provides a Medical Information Service, allowing healthcare professionals – as one of Grünenthal's key stakeholder groups to seek guidance on safety-related enquiries. This service as well as the sales force offer them additional support, helping to clarify questions and build trust in the system. Product quality complaints can be submitted through the designated reporting channels provided on Grünenthal's local websites and product leaflets. Reports are systematically tracked and investigated, ensuring that identified

Patient in consultation with doctor

concerns are resolved in a timely manner. The effectiveness of this system is assessed through ongoing monitoring and trend analysis, allowing Grünenthal to proactively address emerging safety or quality issues.

The operational responsibility lies with the Head of Global Quality Assurance, supported by Quality Assurance management and Qualified Persons, who ensure timely and effective responses. Feedback is provided to the reporting party, and actions are taken to address the concerns raised.

For more information, see chapter 'G1 Business conduct'.

Personal safety of consumers and/or end-users

Patient safety

S4.MDR-P/S4-1
Patient Safety Policy

Key contents of the policy
Grünenthal's Drug Safety Policy provides a comprehensive framework for a global, quality-assured pharmacovigilance system. Its key objective is to effectively identify and mitigate safety concerns across the entire lifecycle of all its medicinal products and therefore for all potential patients. This applies to human-use products for which Grünenthal holds legal responsibilities, such as marketing authorisations, or acts as a sponsor of clinical trials. The policy also applies to delegated responsibilities managed through licence partners. We are committed to adhering to global, national, and regional legal or regulatory requirements while ensuring the performance of our pharmacovigilance system is consistently overseen by the Qualified Person for pharmacovigilance and monitored by all relevant corporate entities. In the reporting year, no significant changes were made to the Drug Safety Policy.

Policy scope and accountability
The Drug Safety Policy applies to all Grünenthal employees across its legal entities with marketing authorisations or sponsorship roles in clinical trials. The Corporate Executive Board is ultimately accountable for the implementation of this policy.

Alignment with international standards
Grünenthal's pharmacovigilance system aligns with internationally harmonised guidelines such as the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH), topic E2E Pharmacovigilance Planning and E2D Post-approval Safety Data Management.

The system is also fully compliant with key legal and regulatory frameworks, including EU Directive 2001/83/EC and the Federal Food, Drug, and Cosmetic Act (Chapter 21) of the US Food & Drug Administration FDA.

By aligning with the individual international guidelines named in the sections describing policies used to manage impacts on consumers and end-users in this section and the ones following, Grünenthal naturally respects patients' human rights and OECD Guidelines for Multinational Enterprises. For more details on Grünenthal's general approach to human rights, see 'S1-1 Fair working conditions and remuneration policies and company agreements'.

Stakeholder consideration and accessibility
By complying with these international and regional regulations and guidelines, the Drug Safety Policy reflects the interests of key external stakeholders – such as health authorities, healthcare professionals, and patients – while prioritising transparency and safety. When implementing these guidelines, Grünenthal incorporates input from internal stakeholders involved in regulatory compliance, including the Regulatory Affairs, Medical Affairs, and Quality Assurance teams. These internal stakeholders can access the Drug Safety Policy through the Grünenthal Training Management System, which provides targeted training to ensure a comprehensive understanding and proper implementation.

S4.MDR-A/S4-4
Patient safety actions

Key actions undertaken by the pharmacovigilance department
Consumers and end-users play a vital role in supporting positive patient outcomes, as pharmacovigilance relies on spontaneous reports of safety information related to Grünenthal's products. The pool of spontaneous reports is the foundation for all key actions undertaken by the Pharmacovigilance Department, ultimately ensuring that new and important information regarding the benefit-risk profile of our products is available to patients and healthcare professionals. The key actions upholding patient safety and ensuring regulatory compliance, which extend from Grünenthal's business activities to the downstream value chain to consider potentially all affected patients, comprise:

1. Ensuring the collection of safety information from all available sources, such as literature, spontaneous reporting systems, and solicited data collection systems. This data is stored on a central database, assessed and reported to competent authorities and partner companies per legal and contractual obligations.

2. Reviewing available data to identify new safety signals and assess and validate new safety signals when applicable. This process enables the identification of new risks or new aspects of known risks associated with the use of Grünenthal products.

3. Implementing appropriate risk minimisation measures on identifying new or evolving risks. This includes updating Summaries of Product Characteristics and Patient Information Leaflets as part of routine risk minimisation, or introducing additional measures where necessary.

4. Preparing periodic reports that summarise safety information, new signals, and risks, subsequently submitted to competent authorities.

5. Overseeing all processes to ensure compliance with national laws and the effective operation of safety systems, thereby delivering expected results. This includes tracking of metrics and dissemination of training.

6. Creating and managing a comprehensive pharmacovigilance system master file, which includes detailed documentation of the pharmacovigilance system, including annexes that outline Marketing Authorisation Holder status and ongoing activities.

All actions apply in all countries where Grünenthal's products are authorised. As part of Grünenthal's compliance with applicable EU regulations, the company regularly prepares Risk Management Plans (RMPs) to document the safety profile of its medicinal products, including important risks and required pharmacovigilance activities to mitigate or remediate material negative impacts on patients. Where necessary, Grünenthal implements additional risk minimisation measures, such as educational materials developed in close alignment with Competent Authorities and targeted at healthcare professionals or patients.

Proposed measures, including packaging or formulation adaptations, are reviewed and approved by Competent Authorities. Coordination with other marketing authorisation holders may be required for aligned implementation. Grünenthal's pharmacovigilance system is regularly inspected by Competent Authorities worldwide. Observations are addressed through corrective and preventive action (CAPA) plans, whose implementation is subject to authority verification.

Leveraging business relationships
The Grünenthal Group has dedicated pharmacovigilance agreements with partner companies to effectively manage material impacts on consumers and end-users. These agreements clearly define the respective responsibilities, tasks, and decision-making rights of all parties involved. They also establish frameworks for the seamless exchange of safety-related information, supporting timely and coordinated responses to emerging safety concerns.

Timeline and financial resources
The Pharmacovigilance Department's key actions are ongoing and will continue as long as Grünenthal holds its Marketing Authorisation. Grünenthal tracks the progress of key actions disclosed in previous years through metrics (see 'S4.MDR-M'). Financial resources for these activities were allocated in the 2024 Pharmacovigilance Budget, ensuring that the necessary capabilities and infrastructure were in place to effectively safeguard patient safety. Exact CapEx and OpEx figures are not part of this year's report due to limited data availability. To maintain a high standard of regulatory compliance and operational efficiency, Grünenthal invests in regular external training. This ensures that Grünenthal Drug Safety personnel remain up-to-date with their qualifications. Additionally, Grünenthal upgrades software and tools and develops proprietary IT innovations to perform key actions more efficiently.

S4.MDR-M/S4.MDR-T/S4-5
Patient safety metrics and targets

Metrics for patient safety
The Grünenthal Group uses multiple metrics to monitor and evaluate the performance and effectiveness of its pharmacovigilance system to best manage patient safety. These are 1) compliance with individual case safety reports submitted to health authorities within due time and 2) the number of general pharmacovigilance training assignments for all Grünenthal employees.

Percentage of individual case safety reports performed for health authorities within due time

- Timely and accurate reporting of individual case safety reports (ICSRs) to health authorities is a critical element of our approach to manage patient safety and regulatory compliance. The percentage of ICSRs submitted within the required timeframes serves as a key indicator of the effectiveness of our pharmacovigilance system. This metric enables us to proactively mitigate potential adverse impacts on patient wellbeing, product safety, and business continuity. Grünenthal receives safety information through multiple channels, including online forms and a widely publicised email address, both accessible to external stakeholders, including healthcare professionals and patients. All reports are reviewed by the Case Processing team and processed in the Argus database, which is configured to meet country-specific regulatory timelines and automatically generates reports for health authorities. The Apex tool then evaluates timeliness and compliance, enabling the Pharmacovigilance team to monitor performance via the defined metric.

Number of pharmacovigilance training assignments

- Ensuring that employees are adequately trained in pharmacovigilance requirements is essential for managing potential risks related to patient safety, regulatory compliance, and product stewardship. The number of pharmacovigilance training assignments completed represents a key indicator of our efforts to embed safety awareness and operational responsibility across our workforce. This metric supports the effective management of potential adverse impacts, enhances risk mitigation capabilities, and reinforces our commitment to responsible business practices. All new colleagues are automatically assigned the relevant training based on their internal job codes within the digital MasterControl training platform. Completion of each training module must be confirmed through a formal sign-off by the employee. The system automatically tracks the assignment status and monitors completion rates.

All metrics are designed in alignment with national and regional regulations.[1] These metrics aim for 100% compliance, recognising that operational constraints may occasionally prevent achieving this ideal. To address performance gaps, predefined thresholds are in place, initiating Corrective and Preventive Action Plans whenever a metric falls below the established standard.

» Grünenthal Insight

External validation and assurance
Grünenthal's **pharmacovigilance system** undergoes regular external validation to ensure adherence to applicable laws, guidelines and patient safety standards. These evaluations are conducted by globally recognised regulatory bodies, including the Federal Institute for Drugs and Medical Devices (Bundesinstitut für Arzneimittel und Medizinprodukte, BfArM) in Germany, the US Food and Drug Administration (FDA), the Medicines & Healthcare Products Regulatory Agency (MHRA) in the UK, the Saudi Food and Drug Authority (SFDA) in Saudi Arabia, Swissmedic in Switzerland, and the drug regulator in France, L'Agence nationale de sécurité du médicament et des produits de santé (ANSM). Furthermore, each Marketing Authorisation Holder is legally required to maintain a dedicated annual audit plan, which is reviewed and aligned with the Qualified Person for Pharmacovigilance. This audit plan is based on a risk-based approach, with periodic reviews of all processes and outcomes within the Drug Safety framework.

Pharmacovigilance metrics

	Scope	Count in 2024	Score	Target
Number of pharmacovigilance training assignments (Module 1)[1] completed via e-learning in the last 12-month cycle.	Global level	4,502 of 4,541	99.10%	93%
	Headquarters level	1,582 of 1,599	98.90%	93%
Percentage of individual case safety reports performed for health authorities within due time.	To all health authorities (global level)	8,970 of 9,303	96.40%	97%
	To EMA (Europe)	3,782 of 3,998	94.60%	97%
	To health authorities (Latin America)	213 of 228	93.40%	97%
	To FDA (USA)	256 of 262	97.70%	97%

[1] General pharmacovigilance training relevant to all employees. An additional module of pharmacovigilance training is offered to departments responsible for activities affected by pharmacovigilance regulations (e.g., commercial areas setting up market research activities).

Patient safety targets
In 2025, Grünenthal aims to set a measurable, outcome-oriented target to effectively and systematically manage the topic of patient safety. In the reporting year, Grünenthal had no active ESRS-aligned targets for patient safety.

The primary objective of Grünenthal's Drug Safety Policy is to maintain a positive benefit-risk balance for its products. This includes informing patients and healthcare professionals about potential risks associated with product use and implementing appropriate risk mitigation strategies, such as providing educational materials when necessary. In line with this objective, Grünenthal's overarching pharmacovigilance ambitions are to:

1. Ensure the adequate and effective identification and mitigation of safety concerns throughout the lifecycle of medicinal products.
2. Maintain compliance with global, national and regional legal and regulatory requirements.
3. Provide oversight by the Qualified Person for Pharmacovigilance and corporate governance regarding pharmacovigilance system performance and safety risks.

[1] Including EU Directive 2001/83/EC, EU Directive 2001/20/EC, EU Regulation (EC) No. 726/2004, EU Regulation (EC) 1901/2006, EU Implementing Regulation (EU) No. 520/2012, the Human Medicines Regulations 2012 (UK), 21CFR314.80 (USA) and pharmacovigilance regulations from all countries where Grünenthal holds a Marketing Authorisation.

» Grünenthal Insight

Putting information in the palm of every patient's hand

To improve patient safety and information access, Grünenthal Chile introduced QR codes on contraceptive pill blister packs. This innovation allows users to instantly retrieve up-to-date instructions and supplementary information digitally, reducing the risk of misuse. Implemented in collaboration with the Institute of Public Health, this first-of-its-kind initiative required regulatory updates. By eliminating the need for extra packaging, it also supports more sustainable practices. The success builds on earlier experience in the public system and led to Grünenthal Chile being shortlisted for the 2025 Pharmapack Awards in the 'Patient-Centred Design' category.

Manufacturing site Chile

» The overarching ambitions are currently operationalised with the following targets: «

» Further targets and progress 2024

Target[1]	Progress 2024	Status
Achieve 97% 'on-time' submissions to authorities worldwide for Individual Case Safety Reports (ICSR)	See table above. Safety reports received after the due date from some licence partners to Grünenthal, causing late reporting to the authorities.	Behind plan
Maintain or exceed the current level of recognised compliance with global pharmacovigilance standards	Maintained current level of recognised compliance with global pharmacovigilance standards (positive outcome of inspections, such as in UK, Peru and Saudi Arabia)	On track
Maintain or exceed the current level of recognised compliance with the guidelines for Good Clinical Practice of the International Council for Harmonisation of Technical Requirements for Registration of Pharmaceuticals for Human Use (ICH-GCP) standards and other applicable guidelines[2]	Maintained compliance with the ICH-GCP standards and other applicable guidelines	On track

[1] Targets maintained from previous Responsibility Report; will be reviewed in 2025.
[2] Rephrased from 2024 to be more accurate. Previously: 100% compliance with the ICH-GCP standards and other applicable ethical standards. «

» The scope of these targets extends to all Grünenthal products, and they apply continuously as long as Grünenthal remains the Marketing Authorisation Holder for its products. They are further detailed in key pharmacovigilance processes and metrics related to material sustainability matters.

The targets are based on national and regional regulatory frameworks, such as Directive 2001/83/EC, the Federal Food, Drug, and Cosmetic Act (Chapter 21) of the US Food & Drug

Administration FDA, and international harmonised guidelines, including the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH) topics E2E Pharmacovigilance Planning and E2D Post-approval Safety Data Management. «

Relevant proxies at Grünenthal are included in the target setting process, performance tracking and considering further actions based on performance.

Product quality

S4.MDR-P/S4-1
Product Quality Policy

Key contents of the policy
Grünenthal's Good Practice (GxP) Quality Policy establishes the framework under which our Global Quality Assurance Department designs, implements and maintains an effective Pharmaceutical Quality Management System. This system ensures that all products provided by Grünenthal, for any patients, are safe, reliable and comply with regulatory requirements. To uphold this commitment, Grünenthal's Global Quality Assurance ensures compliance with internal codes, international guidelines and national regulations, focusing on:

- Quality Management System – Ensures all products, processes, documentation, and product dossiers meet their intended use requirements.
- Quality risk management – Implements measures to prevent, minimise or eliminate risks affecting product safety, efficacy or quality.
- Event management, recalls and product quality complaints – Provides processes to assess and address adverse events, recalls or complaints, ensuring timely investigation and resolution.
- Organisation and personnel – Establishes training programmes to ensure personnel understand the Quality Management System, industry codes of practice, and company Standard Procedural Documents.
- Facilities, utilities, equipment and computerised systems – Ensures that these components are properly designed, maintained and decommissioned as needed.
- GxP processes and controls – Develops and validates robust processes and systems in accordance with applicable regulatory requirements.

In the reporting year, no significant changes to the GxP Quality Policy were made.

Policy scope and accountability
The Grünenthal GxP Quality Policy applies to all employees within the Grünenthal Group who are involved in GxP-related activities. Leadership is responsible for ensuring compliance with quality assurance policies and procedures. Ultimate accountability for implementing and overseeing the GxP Quality Policy lies with the Grünenthal Corporate Executive Board.

Alignment with international standards
Grünenthal's GxP Quality Policy ensures full compliance with international and national regulations in all territories where the company's products are distributed. This includes EU Directive 2001/83/EC, EU Regulation (EC) No. 726/2004, EU Good Manufacturing Practice Guidelines (EudraLex Volume 4), ICH Guidelines Q8 to Q12 and USA CFR Chapter 21 Parts 210 – 211.

Stakeholder consideration and accessibility
Global Quality Assurance integrates key stakeholder interests, including those of patients, healthcare professionals, and regulatory authorities, by ensuring compliance with internal codes of practice and relevant international and national regulations.

Signals or complaints from end-users in the market are systematically processed through a Complaints Investigation Process. This mechanism ensures that any reported concerns are thoroughly examined, and, when necessary, trigger additional measures. Where relevant, patients and healthcare professionals are informed about the affected product. If patient safety or product quality is at risk, our Recall Process is initiated to promptly remove the product from the market, minimising any potential harm.

Moreover, regulatory authorities conduct regular inspections. Each one is managed through a structured Inspection Management Process, which allows for the rapid assessment of any observed non-conformities. Impact analyses determine the root causes and necessary corrective and preventive actions (CAPA). Should an assessment indicate a potential risk to product efficacy or patient safety, immediate steps are taken to communicate with healthcare professionals and patients or to withdraw the affected product from the market.

Grünenthal uses its training management system to ensure that the GxP Quality Policy is effectively distributed and communicated to relevant stakeholders – the Global Quality Assurance team and leadership roles responsible for or influencing compliance with GxP good quality practices. Additionally, all Grünenthal employees involved in GxP tasks follow a role-specific Training Curriculum, ensuring on-the-job learning. External individuals on Grünenthal campuses are either supervised by Grünenthal personnel or receive equivalent training to maintain compliance. Before collaborating, external partners undergo screening and Quality Auditing to verify that their policies align with Grünenthal's standards.

S4.MDR-A/S4-4
Product quality actions

Key actions under the Quality Management System

The law requires corrective and/or preventive action to address actual or potential negative impacts on consumers and end-users due to product quality. Grünenthal uses quality risk management and root cause analyses to determine the appropriate actions to minimise any negative impact of its products, and ensure that products have the intended effect on patients in a risk-based approach on a case-by-case basis. The company has implemented the following key actions under its Quality Management System to prevent negative patient outcomes:

- Alignment of all GxP processes and systems with all applicable legal and regulatory frameworks.
- Consistent application of a structured quality risk management approach to address potential quality concerns effectively.
- Review, investigation and follow up with feedback on 100% of Quality Events, Deviations, and Product Quality Complaints (including those received from patients and healthcare professionals).
- Assurance that highly qualified Quality Staff operate within a robust Quality Management framework, assuring Right First-Time operations, continuous improvement of product efficacy and patient safety, and continuous improvement of internal processes and systems.
- Maintenance of a Regulatory Intelligence Process to proactively adapt to worldwide pharmaceutical regulations.
- Implementation and continuous monitoring of Product Quality metrics and targets.

» Grünenthal Insight

Advancements in capsule manufacturing

Grünenthal's recent investment in its Chilean plant enhances patient safety and treatment reliability through 100% weight-controlled capsule filling and individual capsule identification. This ensures precise dosing and consistent quality. Advanced technology allows for the combination of up to three substances in a single capsule, supporting complex therapies. By accommodating a wide range of capsule formats, the facility ensures high flexibility in production – ultimately delivering safer, more effective treatments to patients worldwide.

> We all together continue demonstrating that everything we do, every day, is about delivering our very best for our patients.

Joachim Bauer
Head Global Quality Assurance during Grünenthal's fourth Global Quality Day

Any observed negative trends or missed targets are investigated as deviations in line with our internal procedures. Root causes are systematically identified and addressed through a Corrective and Preventive Action (CAPA) plan to mitigate or remediate potential adverse impacts.

Scope of key actions
The key actions apply to all GxP-related processes, operations, and systems within Grünenthal. The GxP framework encompasses Good Manufacturing Practice, Good Distribution Practice, Good Clinical Practices and Good Laboratory Practices (see 'S4-1 Research and development policy').

Leveraging business relationships and engagement in industry initiatives
Grünenthal has implemented Technical Quality Agreements with partner companies that define responsibilities, tasks, information sharing and decision rights in order to best manage negative impacts that could affect patients. Moreover, Grünenthal engages with other pharmaceutical companies on issues concerning patient health and safety as an active member of the European Federation for Pharmaceutical Industries and Associations.

Timeline and financial resources
Maintaining an active and effective Quality Management System is an ongoing, permanent regulatory requirement mandated by all global health authorities. As such, Grünenthal's Quality Management System remains continuously operational to meet evolving compliance standards. All activities of the Global Quality Assurance department (GQA) relate to the material sustainability issue of product quality. The annual Global Quality Assurance Budget provides the necessary financial resources to support the implementation and sustainability of the quality management initiatives. Specific CapEx/OpEx information is excluded from this year's report due to limited data availability.

S4.MDR-M/S4.MDR-T/S4-5
Product quality metrics and targets

Metrics for product quality
Grünenthal's Quality Management System performance is assessed through a set of metrics. These metrics are analysed to facilitate continuous improvement, ensuring compliance with ICH Q9 (Quality Risk Management). Performance outcomes are reported to relevant management and executive personnel.

The core metric used for monitoring Product Quality is:

Number of external quality certifications held by Grünenthal's manufacturing sites
Grünenthal has a comprehensive quality management system across its manufacturing sites in place to ensure the consistent delivery of safe, high-quality and reliable products. A key metric within this system is the number of external quality certifications held by our manufacturing sites. These certifications, issued by accredited third-party bodies, validate that our manufacturing processes meet internationally recognised safety and quality standards. The original quality certifications are retained locally at each site, while copies are centrally archived. These certifications are renewed at least every three years in accordance with applicable legal requirements. At the global level, a quarterly review process is in place to verify the continued validity of each certification. If a renewal is due, the process for recertification is promptly initiated.

Product quality metrics

		2024	2023
Number of external quality certifications held by Grünenthal's manufacturing plants	**Total**	**16**	**17**
	Chile	3[1]	4
	Ecuador	3	3
	Germany	3	3
	Italy	5	5
	Switzerland	2	2

[1] The reported numbers are cumulative. The change from 2023 to 2024 in Chile is due to the decision not to renew distribution to the Colombian market.

» Grünenthal Insight

Further internal metrics for measuring product quality

Grünenthal's Quality Management System metrics are designed to monitor and assess key quality processes that ensure consistent quality risk management. Depending on the metric, these are gathered automatically by the management systems or manually. In any case, metrics are regularly reviewed during GQA department meetings.

The **Product quality complaints rate** (in parts per million) represents the number of marketing units involved in justified product quality complaints, relative to the total number of units distributed (as 12 months rolling average). The calculation is based on the assumption that all complaints are accurately reported, categorised and represent genuine product quality issues. This allows the metric to serve as an indicator of manufacturing consistency, product reliability and customer experience. The metric may be affected by underreporting of incidents, regional discrepancies in reporting behaviour, and instances where complaints may relate to external causes rather than intrinsic product defects.

The **Deviation investigation on-time** metric tracks the timeliness of quality deviation investigations. It calculates the percentage of deviation investigations closed within the organisation's defined timeframe of 20 working days. The metric assumes that timely closure of investigations correlates with effective deviation management. It is intended to provide insight into the operational efficiency of quality assurance processes and their role in safeguarding product quality, regulatory compliance and continuous improvement. Factors limiting this metric include delays in reporting or documentation, variations in the complexity of individual investigations, and the potential risk of prioritising speed over the thoroughness of root cause analysis and corrective actions.

Product quality complaint investigation on-time monitors the percentage of product-related complaint investigations concluded within the organisation's established timeframe of 20 working days, in line with internal quality system standards.

The underlying assumption is that timely resolution of complaints indicates effective complaints management, which is critical for maintaining compliance, ensuring product quality and preventing recurrence of quality issues. Performance against this metric may be impacted by delayed reporting, incomplete documentation, variation in the complexity of complaints or prioritisation of timeliness over effectiveness.

The **CAPA closure on-time** metric reflects the percentage of Corrective and Preventive Actions (CAPA) closed by their predefined due dates. It is calculated as the percentage of CAPAs closed on time divided by the total due within the reporting period. This metric is based on the assumption that deadlines are appropriately set based on risks and closure criteria are consistently applied. All CAPAs undergo effectiveness verification as part of the CAPA Closure process. Limitations include variations in CAPA complexity and potential prioritisation of timeliness over the depth of issue resolution.

	2024	2023
Product quality complaints rate	5 ppm[1]	3 ppm
Deviation investigation on-time	90%	80%
Product quality complaint investigation on-time	95%	85%
CAPA closure on-time	95%	87%

[1] The increase in complaints from 3 parts per million (ppm) remains well below Grünenthal's internal target of 10 ppm, which reflects a conservative benchmark.

Product quality targets
Currently, Grünenthal does not have a reportable measurable, outcome-oriented target set for its product quality. In 2025, Grünenthal aims to set a measurable, outcome-oriented target for product quality that aligns with the objectives of the GxP Quality Policy. For information related to tracking the effectiveness of policies and actions, see information on metrics.

Safe pain management through responsible use of opioids

Grünenthal is committed to ensuring the safe and appropriate use of its medicines, particularly opioid-based treatments for pain management. Recognising both the essential role of opioids in addressing severe pain and the risks associated with their misuse, the company has implemented the **Opioid Responsibility Framework**. This framework ensures a shared understanding within Grünenthal and provides clear guidance to external stakeholders on the ethical and scientific principles underpinning opioid use.

S4.MDR-P/S4-1
Responsible use of opioids policies

Key contents of the framework
Grünenthal's **Opioid Responsibility Framework** regulates our internal processes while also involving our business partners effectively.

At the core of this framework is the **Opioid Charter** (The Grünenthal Charter on the Responsible Medical Use of Opioid Analgesics in Pain Patients), which defines Grünenthal's commitment to developing, commercialising and distributing opioid analgesics in line with the highest ethical and industry standards. The company actively works to minimise the risks of non-medical use while maintaining patient access to effective pain management.

Els Hollanders, Global Lead Medical Governance & Operational Excellence, with colleagues at Medical Affairs Workshop 2024

Additionally, the **Opioid Communication Guidance** sets out principles for responsible promotional content. It ensures that all language and imagery used in presentations, publications and marketing materials provide a factual and balanced representation of opioid-based treatments.

The **Opioid Statement** (Statement regarding the responsible use of opioid-based medicines) serves as a concise reference outlining key considerations for opioid-based pain management. It addresses the risk-benefit profile of these medicines and is integrated into all opioid-related promotional materials, ensuring clarity and transparency across communications. In the reporting year, we updated the Opioid Statement by strengthening and clarifying the language, drawing on guidance from the U.S. Centers for Disease Control and Prevention (CDC). The revised version sharpens the emphasis that opioid medications are not authorised for all types of pain.

In addition, Grünenthal has implemented **Compliance and Responsible Opioid Usage Guidelines for Commercial Partners**, which aim to improve Grünenthal's management of opioid-related risks associated with its Commercial Partners – contractual partners who commercialise Grünenthal's products.

Scope and accountability
The Opioid Responsibility Framework is applicable to all opioid analgesics that are part of Grünenthal's product portfolio and all employees with duties directly or indirectly associated. Moreover, healthcare professionals are included in the scope where relevant, as patient contact occurs through them. The regional Responsible Opioid Usage Boards (ROUB) implement the framework, while the global ROUB will supervise and ensure adequate implementation.

Alignment with international standards
Grünenthal has implemented its Opioid Responsibility Framework beyond regulatory requirements. Our Opioid Statement as one central document of our Opioid Responsibility Framework refers to the Centers for Disease Control and Prevention (CDC) Clinical Practice Guideline for Prescribing Opioids for Pain – United States 2022, the OECD Health Policy Addressing Problematic Opioid Use in OECD Countries, as well as other key relevant publications on the responsible use of opioids. For further information, see Grünenthal's Opioid Statement on its corporate website.

Stakeholder considerations and accessibility
The Opioid Responsibility Framework has patients' health, safety and wellbeing at its core – their needs are the ones most relevant in this regard. The framework and associated policies are available in their respective version (for external or internal use) on the internet and intranet, respectively. Moreover, the Opioid Statement for example, is included in all opioid-related communication materials.

S4.MDR-A/S4-4
Responsible use of opioids actions

Key actions under the Opioid Responsibility Framework
The main ongoing action under the Opioid Responsibility Framework in the reporting year was two-fold: First, the training of employees in the Opioid Responsibility Framework and second, fostering commitment to responsible use among Commercial Partners through risk-based classification into different tiers of partners (see section 'G1 Business Conduct') and respective risk-based mitigation measures, such as document reviews and training for partners.

Grünenthal has established a global Responsible Opioid Usage Board (ROUB) at headquarters level, which supports the Corporate Executive Board in overseeing the governance of the

responsible use of opioids. The ROUB comprises relevant functions such as the General Counsel, the Chief Medical Officer, the Global Compliance & Responsibility Officer and a Senior Legal Counsel. The global ROUB is an escalation and challenging body for fundamental decision-making on all topics regarding the commercialisation of opioids. At the same time, it monitors and controls adherence to the Opioid Responsibility Framework via the local opioid boards.

All regions, in which Grünenthal commercialises opioids, have local Grünenthal Responsible Opioid Usage Boards. These boards produce biannual reports detailing adherence to training requirements and conversion rates for the mandatory use of the Opioid Statement in all interactions of sales teams and other Grünenthal employees with healthcare professionals.

The regions are also required to conduct spot-checks on opioid-related materials and provide feedback on their findings. Furthermore, they share minutes from their opioid board meetings, which occur at least twice a year. Each region operates under its own Standard Operating Procedure for opioid board governance.

If any Grünenthal entity identifies insufficiently trained healthcare professionals on the responsible use of opioids or other findings regarding key actions on the responsible use of opioids, an action plan is required to address the gap and mitigate potential negative impacts.

Grünenthal established a dedicated governance framework for the responsible use of opioids in 2020. This framework is continuously reviewed and refined by local and global Responsible Opioid Usage Boards (ROUB) to ensure it remains effective and responsive to emerging risks.

Any potential or actual negative impact identified through routine monitoring or spot-checks triggers a defined response. Local ROUBs implement immediate action plans for less severe findings, such as rescheduling missed training. More serious cases are escalated through the Ethics Helpline process, as outlined in Chapter ‘G1’, ensuring thorough investigation and remediation.

Where material patient impacts are reported, Grünenthal’s drug safety department leads the response. If root cause analysis identifies issues related to commercial practices, the global ROUB assesses and recommends necessary changes. This may include adjustments to product design, marketing or sales processes.

The company ensures that remedy processes are accessible and effective through a structured governance system, supported by clear escalation routes and continuous oversight. Where appropriate, Grünenthal also engages in cross-industry collaboration to support responsible opioid use more broadly.

Scope of key actions
The scope of actions includes Grünenthal’s own operations related to opioids and its partners downstream.

Employees in sales within the commercial organisation undergo annual training on the Opioid Statement and medical training on the responsible use of opioids. These personnel are required to inform all relevant (healthcare professionals with whom we communicate about our opioids) healthcare professionals about the Opioid Statement on a regular basis, at least annually, with their activities recorded in the Customer Relationship Management (CRM) system. The Opioid Communication Guidance specifies when and how the Opioid Statement is to be integrated into internal and external materials.

Depending on risk-based tiering criteria, promotional opioid-related content from Commercial Partners is subject to governance-led medical reviews before review and dissemination.

Framework for business partners commercialising opioids
We have designed a dedicated framework for our business partners that commercialise opioids on our behalf. Depending on the level of risk exposure (the business partner’s scope of activities such as healthcare interactions and use of promotional materials), a set of compliance clauses has been drafted ensuring a tailored risk mitigation strategy.

Leveraging business relationships and engagement in industry initiatives
Grünenthal leverages its relationships with business partners to foster advocacy for safe pain management through the responsible use of opioids. To this end, the Opioid Responsibility Framework promotes responsible communication and marketing practices throughout the value chain.

Grünenthal actively participates in external activities, such as field visits and conferences related to pain management, for example the International Association for the Study of Pain (IASP) World Congress on Pain, the European Pain Federation (EFIC) Congress and PAINWeek. The Opioid Statement is consistently communicated in all our interactions at such conferences and in field visits to raise awareness and address the safe treatment of pain through the responsible use of opioids.

Timeline and financial resources
These actions are carried out without interruption to maintain compliance and safeguard patient safety. Through these structured and continuous efforts, Grünenthal ensures the effectiveness of its Opioid Responsibility Framework in promoting patient safety and mitigating risks associated with opioid products.

Due to limited data availability, no concrete CapEx and OpEx for action plans are being reported this year.

Effectiveness tracking and assessment
Grünenthal evaluates its actions using context-specific standards and metrics. Grünenthal regularly conducts reviews of literature and guidance on opioid use and pain management to ensure the relevance and accuracy of the Opioid Statement. For instance, in March 2024, it was determined that the Opioid Statement required an update based on the latest available literature and guidance, and the respective changes were made.

S4.MDR-M/S4.MDR-T/S4-5
Responsible use of opioids metrics and targets

Metrics for the responsible use of opioids
Grünenthal evaluates the performance and effectiveness of its Opioid Responsibility Framework through the following metrics:

- Number of employees who received (refresher) training on Grünenthal's responsible use of opioid-based medicines in the reporting year

  Awareness of the risks associated with opioids, and the handling of such risks in a responsible manner, must be reinforced through continuous training. This ensures that all employees involved in the commercialisation of these medications understand how to act responsibly, including what actions to take and which to avoid. Such training represents a key pillar of Grünenthal's governance framework and rules concerning the responsible use of opioids. This further ensures that all information provided to healthcare professionals – as the central authorities responsible for assessing and weighing the risks and benefits of opioid medication – is balanced and up to date. This approach helps to maintain access to opioid treatments for patients where the benefits of treatment outweigh the risks, while helping to prevent harm in cases where the benefit-risk assessment concludes that opioid treatment cannot be clinically justified.

- Number of healthcare professionals who received in-person communication about Grünenthal's responsible use of opioid-based medicines

  As opioids are prescribed by healthcare professionals, and healthcare professionals serve as the central authorities responsible for evaluating the benefits and risks of opioid medications, it is they – rather than the patients – who Grünenthal addresses through the additional warnings outlined in our Opioid Statement. The metric on healthcare professionals Opioid Statement communication reflects the effectiveness of these warnings and therefore contributes to ensuring that all relevant aspects of opioid usage are appropriately considered. In doing so, we help to ensure that patients for whom the benefit-risk assessment is favourable retain access to opioid treatments, while potential harm is avoided where the risks outweigh the benefits.

- Number of commercial partners trained on Grünenthal's Opioid Communication Guidance

  By providing partner training on the Opioid Communication, we aim to expand our governance and safeguarding measures to our partners. This is necessary as the primary responsibility for commercialising our products may lay with these partners. Through the targeted training, we ensure that our high standards are adhered to and that the information they provide to healthcare professionals remains balanced and appropriate. This enables healthcare professionals addressed by our partners to assess the risks and benefits for patients in an informed manner. The metric reflects the effectiveness of these efforts in relation to our partners.

The metrics are tracked through records of training sessions in the digital MasterControl platform or local tracking systems in the regions, attendance data from face-to-face training sessions on the Opioid Responsibility Framework, and calendar invitations, attendee lists and review logs for materials. The Global Medical Affairs team compiles the metrics data and submits the results for inclusion in Grünenthal's Responsibility Report in alignment with global compliance requirements. The metrics are evaluated at the global level by the ROUB annually, with regional and partner-specific assessments conducted twice a year.

Responsible use of opioids metrics

	2024	2023
Number of employees who received (refresher) training on Grünenthal's responsible use of opioid-based medicines in the reporting year.[1]	1,718	1,632
Number of healthcare professionals who received in-person communication about Grünenthal's responsible use of opioid-based medicines.	115,788[3]	170,046
Percentage of commercial partners[2] trained on Grünenthal's Opioid Communication Guidance	83%	79%

[1] Previously: Number of employees that received face-to-face (this includes virtual face-to-face training) (refresher) training on Grünenthal's responsible use of opioid-based medicines in the reporting year.
[2] Business partners active in the reporting year that promoted and resold Grünenthal's products including opioid containing products and/or non-opioid containing products for which Grünenthal is the Market Authorisation Holder.
[3] Grünenthal stopped promoting Tapentadol in most countries in 2024 and we expect that the number will go down significantly in the future.

» Grünenthal Insight

Patient sharing his experiences during Global Quality Day in affiliate in Santiago, Chile

Patient sessions at Grünenthal's Global Quality Day

In 2024, Grünenthal's fourth Global Quality Day engaged approximately 1,500 colleagues worldwide in raising awareness of how their work impacts patients' lives. Interactive events at all five manufacturing sites featured chronic pain patients and representatives from patient organisations, who shared personal experiences with conditions such as diabetic nerve pain, osteoarthritis, and complex regional pain syndrome. A global online session connected employees across regions, with active participation from the Corporate Executive Board. CEO Gabriel Baertschi reaffirmed Grünenthal's patient-centric approach, highlighting the role of quality in improving patient outcomes.

Gudula Petersen, Global Patient Engagement Lead, with a patient representative from a regional diabetes patient organisation during Grünenthal's fourth Global Quality Day

Responsible use of opioids target
In 2025, Grünenthal aims to set a measurable, outcome-oriented target for safe pain management through the responsible use of opioids. Currently, Grünenthal does not follow such an ESRS-aligned target.

» In alignment with the overarching objective of the Opioid Responsibility Framework, Grünenthal has set the below target which aims to address safe pain management through the responsible use of opioids, namely, to expand the network of business partners committed to the Compliance and Responsible Opioid Usage Guidelines for Commercial Partners. «

» Grünenthal Insight

Further responsible use of opioids metrics

In addition to the ESRS-aligned metrics, Grünenthal evaluates the performance and effectiveness of its Opioid Responsibility Framework the following company-specific metrics:

	2024	2023
Commercial business partners active in the reporting year that promoted and resold Grünenthal's opioid containing products to which Grünenthal's Opioid Responsibility Framework for Business Partners was communicated.	100%	100%
Commercial business partners active in the reporting year that promoted and resold Grünenthal's opioid containing products who formally committed to Grünenthal's Opioid Responsibility Framework for Business Partners.	100%	94%

» Further targets and progress 2024

Target	Progress 2024	Status
Continuously develop and improve Grünenthal's leading Opioid Responsibility Framework	We have updated the Responsible Use of Opioids Statement by strengthening and clarifying the language based on the U.S. Centers for Disease Control and Prevention (CDC) guidance to emphasise that all opioid medications are not authorised for all types of pain. This target will not be continued for 2025 because no material changes are expected going forward. We will however continue to optimise related processes.	Completed
Expand the network of business partners that have committed to our Opioid Responsibility Framework for Business Partners[1]	Achieved for 2024. 100% of commercial business partners active in the reporting year that promoted and resold Grünenthal's opioid containing products formally committed to Grünenthal's Opioid Responsibility Framework for Business Partners. All new partners signed in 2024 do not commercialise opioids.	On track

[1] Target maintained from previous Responsibility Report; will be reviewed in 2025. «

The Global Corporate Responsibility Board has established and set the relevant metrics in internal discussions in alignment with medical and drug safety functions. These have then been rolled out at regional level.

Performance data is included in Grünenthal's Responsibility Report and monitored via a data control matrix.

- Target setting: There is no direct involvement of consumers or end-users in target setting.
- Tracking performance: There is no direct consumer or end-user engagement in the decision on how to track performance.

We are applying the Grünenthal Opioid Responsibility Framework as a standard.

» Grünenthal Insight

Improve the accessibility and user experience of medical educational materials relating to the responsible use of pain medication

Grünenthal promotes the responsible use of pain medication to improve patient outcomes and reduce risks of misuse. Through the CHANGE PAIN initiative, active since 2009 and endorsed by the European Pain Federation (EFIC) and Pain Alliance Europe (PAE), the company delivers tailored education to healthcare professionals and patients across Europe. In 2024, over 32,000 professionals participated in training events, while more than one million users accessed digital resources. By providing accessible, locally adapted tools and platforms, Grünenthal supports informed treatment decisions, builds trust, and empowers patients to manage pain safely and effectively.

CHANGE PAIN
Taking care of pain

Increase awareness of responsible pain medication use, supported by Continuing Medical Education initiatives with external partners

To contribute to our ambition of increasing awareness of the responsible use of pain medicines and offering Continuing Medical Education (CME) in collaboration with external partners, we have provided an educational grant to Medscape. This grant was for the independent development and delivery of a CME-accredited educational programme related to the responsible use of pain medicines. This was launched in 2024 with the title Primary Care Best Practices in Managing Neuropathic Pain and more than 12,000 physicians engaged with the programme since its launch in February 2024. Notably, 85% of participants indicated they intend to modify treatment plans or change screening/prevention practices based on the training.

Further targets and progress 2024

Target	Progress 2024	Status
Continuously improve the accessibility and user experience of medical educational materials about the responsible use of pain medication	People impacted by our non-branded educational activities in pain management, including the number of: • Educational (virtual and face-to-face) events: 32,531 • Website visitors in the year: 1,013,086	Completed
Increase awareness of responsible pain medication use, supported by Continuing Medical Education initiatives with external partners	Provided an educational grant to Medscape for the independent development and delivery of a CME-accredited programme on Primary Care Best Practices in Managing Neuropathic Pain.	Completed

Nuclear Magnetic Resonance spectroscopy at Grünenthal

Access to healthcare

S4.MDR-P/S4-1
Access to healthcare policy

Access to healthcare has been newly identified as a material topic for Grünenthal, highlighting its importance in reducing healthcare disparities and improving patients' quality of life specifically in low- and middle-income countries. To address this, we are developing a new Access to Healthcare strategy including a global policy, scheduled for formal launch by the end of 2025. The policy's implementation will be overseen by our Responsibility Team, which ensures the integration of ethical, regulatory and social standards across Grünenthal's operations, driving meaningful and sustainable outcomes. Grünenthal had no dedicated access to healthcare policy during the reporting period.

S4.MDR-A/S4-4
Access to healthcare actions

As part of our operational targets for access to healthcare in 2025, the key actions in this field are currently under development as there are no active ESRS-aligned actions for this topic yet. While Grünenthal has a track record of providing drug donations to patients in need, for example in Venezuela and Ukraine, we are committed to adopting a new strategy and strong governance to maximise the impact in this field. Due to limited data availability, no concrete CapEx and OpEx for action plans are being reported this year.

S4.MDR-M/S4.MDR-T/S4-5
Access to healthcare metrics and targets

In 2025, Grünenthal aims to set a measurable, outcome-oriented target for facilitating access to healthcare. As part of our operational targets for access to healthcare in 2025, we are focused on developing metrics, interim targets and objectives as well as a robust governance.

» Grünenthal Insight

Awareness & accessibility (A&A)

Further targets and progress 2024

Target	Progress 2024	Status
Increase the focus, reach and impact of our global and local activities for awareness and accessibility via external communication	We executed a communications plan to raise awareness and improve accessibility, providing status updates to key internal stakeholders, including the Commercial Leadership Team.	Completed
By having a clear strategy for governance, transparency and accountability, we ensure that our awareness and accessibility initiatives have a lasting impact on patients' lives	We re-evaluated our A&A governance with approval from the Corporate Responsibility Board and updated our A&A strategy to focus on access to healthcare as a key material topic. A new Access to Healthcare strategy, including a global policy, is set for formal launch by the end of 2025.	Completed
Use our global network to collaborate with external partners to identify best leverage opportunities for our unique expertise to have a lasting impact on improving pain management	In 2024, we successfully completed our drug donation programme in Venezuela, providing medications to medical centres supporting pain treatments for palliative care and cancer patients.	Completed

Patient engagement metrics

	Absolute number 2024	Absolute number 2023
Patient programmes [1]	19	13
Collaborations with patient organisations [2]	58 [3]	72

[1] Our patient programmes help patients either directly or via healthcare professionals by increasing disease awareness and enable them to access the most appropriate treatment possible and attain optimal treatment outcomes.
[2] The collaborations can be either led by patient organisations and sponsored by Grünenthal or co-created with them with the goal to raise disease awareness or to provide education and support to patients to better manage their condition (for example patient surveys, disease awareness campaigns, tools and materials for patients).
[3] Since we scaled back activities for one of our development assets in the second half of the year, the number of collaborations with patient organisations is slightly lower than in 2023.

» Grünenthal Insight

Grünenthal's patient engagement model

Grünenthal's patient engagement model fosters collaboration with patients across the product lifecycle. In 2024, a global network of patient engagement champions held regular sessions and workshops, exploring topics such as using AI technology to improve patient information and education. Patient voices were integrated through participation in meetings and events, including Global Quality Day, where 1,500 employees heard firsthand experiences. The PEER intranet platform shared 39 initiatives and led to over 20,000 visits, supporting exchange of good practices. A framework to measure engagement impact was developed with the University of Maastricht, enabling data-driven evaluation via a new dashboard from 2025. This sustained effort underscores our commitment to making patient engagement more visible and actionable across our organisation.

Patient living with diabetic nerve pain describing the relevance of pain for people living with diabetes during Grünenthal's annual DACH Tagung

Grünenthal's patient engagement model

Italian team using AI to visualise pain relief

During Pain Awareness Month in September 2024, Grünenthal Italia launched an AI-driven initiative through the Dimensione Sollievo community to visualise patient perspectives on pain relief. Patients were asked to describe what relief looks like and how life might change in a world free of chronic pain. Their responses were transformed into ten AI-generated images using DALL·E 3, blending dreamlike and everyday scenes. The project reached over 24,000 social media followers, fostering dialogue and raising awareness about chronic pain. It highlighted the evolving role of AI in healthcare storytelling and promoted a positive outlook on pain management.

The #KNOWvember campaign in the US raises awareness about diabetic nerve pain

In November 2024, Grünenthal's US subsidiary, Averitas, supported the US Pain Foundation's KNOWvember campaign to raise awareness of Diabetic Peripheral Neuropathy (DPN). The initiative used social media, videos, webinars, and live events to educate patients and healthcare professionals on prevention, detection, and management. Campaign emails were opened 55,300 times, and the webinar Navigating the Diagnosis and Management of Diabetic Nerve Pain was viewed over 11,000 times. By promoting open dialogue and sharing practical tools, the campaign enhanced public understanding and supported improved care for those living with diabetic nerve pain.

Our Grünenthal Foundations

Grünenthal supports several foundations that share a common mission: to improve access to healthcare and enhance people's quality of life through medical, social, and scientific initiatives.

The Grünenthal Foundation for the support of Thalidomide-affected people enables fast and practical support for individuals affected by Thalidomide. It funds projects that help tangibly improve people's daily lives – for example, by financing the customised adaptation of cars, kitchens, or bathrooms to promote greater independence. In doing so, the Foundation helps close the gap between public pensions and the practical needs of those affected.

The Grünenthal Foundation for Palliative Care, established in 1998, promotes research and care for people living with severe or terminal illnesses, especially in Europe and Latin America. In 2003, it enabled the creation of Germany's first Chair of Palliative Medicine at the University Hospital Aachen, which continues to receive annual funding.

The Fundación Grünenthal in Ecuador aims to improve the quality of life for children, older adults, and low-income communities in the outskirts of Quito and rural regions by supporting medical and social projects.

The Grünenthal Foundation Spain, founded in 2000, promotes societal knowledge, patient training, and public health strategies. In 2024, it released reports on migraine and lower back pain and co-published a patient guide with the Josep Carreras Foundation.

The Grünenthal Foundation Portugal, founded in 2001, supports scientific research in pain management.

Research and development

S4.MDR-P/S4-1
Research and development policy

Key contents of the policy
Our research and development (R&D) framework encompasses three key regulatory pillars:

- Good Clinical Practice (GCP): Ensures ethical conduct during clinical trials and safeguards the welfare of human participants.
- Good Laboratory Practice (GLP): Focuses on rigorous preclinical research, governing non-clinical laboratory testing.
- Good Manufacturing Practice (GMP): Oversees the production processes to maintain the quality and safety of pharmaceutical products.

Grünenthal-specific Standard Operating Procedures (SOP) and project-related Clinical Development Plans further support our commitment to develop innovative medicines. Together, these guidelines ensure that all parties involved in the clinical development process adhere to strict standards, minimising risks and safety issues for patients. They provide the framework that guides our R&D efforts to enhance the development of new medicines using cutting-edge methods, tools and data evaluation. The insights and advancements gained from these efforts help shape the criteria for clinical candidates during research and are subsequently integrated into clinical development plans for relevant programmes. In the reporting year, no significant changes to the R&D framework occurred.

Policy scope and accountability
The key regulatory pillars of our R&D framework, which equally applies to all patients, are international quality standards established by regulatory authorities such as the U.S. Food and Drug Administration (FDA), the European Medicines Agency (EMA) and other international regulatory bodies. The practices they outline are designed to ensure that pharmaceutical products are consistently produced and controlled according to quality standards. Accordingly, there are no exclusions or limitations within the regulatory pillars.

Our Clinical Development Plans outline the transition from exploratory to confirmatory research, detailing objectives, success criteria, studies and milestones across all development stages.

The responsibility for implementing the R&D framework lies with the employees of the organisation, including Project Leads and project teams. The accountability lies with the Head of Research, the Head of Development and the Chief Scientific Officer (CSO) who is a member of Grünenthal's executive committee.

Gillian Burgess, Head of Research, with her team (left to right) Marcel Froehlich, External Innovation Manager and project lead for Digital Biomarkers, Lars von Wedel, Head Advanced Analytics and project lead for Deep Phenotyping, Florian Jakob, Head Drug Discovery Engine and project lead for De Novo Molecule Generation

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Clinical trials transparency

Grünenthal is committed to responsible clinical trial data sharing to support patient safety, public health, and legitimate scientific research. In line with this, we endorse the transparency principles set out in 2014 by the European Federation of Pharmaceutical Industries and Associations (EFPIA) and the Pharmaceutical Research and Manufacturers of America (PhRMA). Relevant clinical trial information is made publicly available on our corporate website to ensure accessibility and accountability.

Stakeholder considerations and accessibility
Patients remain the primary stakeholders under our R&D framework. To assess efficacy and safety of new drugs, patients are actively recruited into trials throughout the entire clinical development process. Continuous training and education of personnel involved in the performance of clinical studies are essential for maintaining compliance with GMP, GLP and GCP. Patients participating in trials are informed about the nature of the regulations and standards and provide informed consent before enrolment.

S4.MDR-A/S4-4 Research and development actions

Key actions in the field of research and development
The key actions in the field of research and development are part of three subprojects:

1. **The De Novo Molecule Generation sub-project** focuses on the research and development of Machine Learning tools to design new molecules with the potential to relieve pain. Key actions include:
   - Integration of targeted in-house artificial intelligence (AI) methods to design potent and novel molecules, for example to prevent the opening of ion channels that produce a pain signal in pain neurones (ion channel inhibitors).
   - Development of Machine Learning models predicting unwanted activity of ion channels contributing to the electrical activity of the heart (hERG activity), to support all research programmes in selecting safer molecules for synthesis with lower cardiovascular risks.
2. **The Deep Pain Patients Phenotyping sub-project** is dedicated to advancing Machine Learning tools to evaluate big volumes of data in novel ways to identify outcomes for pain patients (deep phenotyping). Key actions include:
   - Implement deep learning AI model using neural networks to predict data evolution over time (neural ordinary differential equations (ODE)), enhancing accuracy in complex predictions and confirmation of reproducibility of published results from clinical studies in pain patients.
   - Evaluate and optimise the above neural ODE methodology using data from a completed phase I study.
   - Apply neural ODEs to gain additional insights into safety and scientific aspects in a phase I study.
   - Use neural ODEs to support study design and dose assessment for a phase II study in a rare indication.
3. **The Digital Biomarker sub-project** explores the potential of measurable characteristics, such as sleep patterns, that indicate biological processes, disease progression, or treatment response, collected via digital devices (digital biomarkers), to supplement patient-reported outcomes. Key actions include:
   - Assess whether algorithms from an external project on digital mobility outcomes monitoring the daily gait of people with mobility problems require adaptation for application in pain studies conducted by Grünenthal.
   - Analyse mobility and sleep data collected via medical grade wearable devices in an internal clinical study, for example the use of a topical patch for the treatment of neuropathic pain.
   - Assess mobility and patients' compliance data from an external project using biometric and biological data for the diagnosis and treatment of pain patients.

Once proposed improvements derived from these sub-projects receive endorsement, we integrate them into the strategy for future programmes by updating Clinical Development Plans and study protocols.

The key actions undertaken by the R&D organisation focus on developing innovative methods, generating data-driven outcomes and implementing advanced tools.

The main scope of developing innovative methods is to accelerate and improve ongoing research projects focusing on several targets involved in pain pathways. The research projects

team can benefit from Machine Learning models to design potent and novel molecules, and predicting unwanted activity to better develop promising new assets in pain.

The main scope of generating data-driven outcomes and implementing advanced tools is to support the clinical development of internal pain assets. The project teams are supposed to benefit from new predictive scientific data and insights into safety to better design the upcoming clinical studies. In addition, they may benefit from the recommendation and implementation of new digital endpoints into clinical studies aiming to assess patients' activity, mobility and sleep. These new digital endpoints will provide additional and more objective data on the treatment effect of new pain drugs.

Key limitations within these actions can be unexpected outcomes coming with new data, limited budget to perform additional studies, or limited internal capacities.

Timeline and financial resources
The targeted time frame for the completion of these key actions extends until the fourth quarter of 2025.

Budget allocation is guided by an internal prioritisation of projects, ensuring that resources are directed towards initiatives with the highest strategic importance. Due to limited data availability, no concrete CapEx and OpEx for action plans are being reported this year.

Effectiveness tracking and assessment
Project teams, research teams, and the research and development board systematically review and discuss findings and outcomes derived from R&D activities and decide on action points. These discussions, action points and quantitative and qualitative progress are captured in meeting minutes.

S4.MDR-T/S4-5
Research and development targets

In 2025, Grünenthal aims to set a measurable, outcome-oriented target for material impacts related to the topic of Research and development. » Nonetheless, progress in the topic is managed with the following non-ESRS-aligned targets. «

» Further targets and progress 2024

Target	Progress 2024	Status
Reduce cycle time and thus resources required[1] for new candidate discovery through ML (baseline 2021, 18 months; goal in 2025, 14 months)	Delivered a follow-on candidate molecule for a research target, with Machine-Learning-supported design	On track
Improve[2] clinical trial design through ML-based patient phenotyping (baseline 2021, 0 trials; goal in 2025, 2 trials)	Supported trial design for the nociception (NOP) receptor agonist project using Machine Learning. Developed neural ordinary differential equations (ODEs) to support pharmacokinetic/pharmacodynamic (PK/PD) modelling for internal programmes such as our nociception (NOP) receptor agonist	On track
Improve[3] understanding of treatment effects in clinical studies and post-approval through objective measurement of mobility and sleep (baseline 2021, 1 study; goal in 2025, 2 studies)	Developed strategies for the use of digital biomarkers and ensured their implementation in upcoming clinical studies at Grünenthal	On track

[1] Resource requirements include budget and time.
[2] Improvements include more objective decisions being made on the basis of outcomes derived from ML-based patient phenotyping.
[3] The improvement of patients' sleep and mobility will be directly measured by the digital wearable and analysed by the clinical team. The aim is to show that new drugs not only improve pain but also quality of life, sleep and mobility. «

The overarching objective of all three subprojects is to enhance Grünenthal's ability to create innovative medicines for patients in need via data analytics and machine learning. The objective for the first sub-project is to develop better molecules and to more efficiently use Machine Learning approaches. The objective for the second sub-project is to improve disease understanding and clinical trial designs by evaluating data from internal and external databases. The objective for the third sub-project is to improve the understanding of treatment effects of new drugs in Grünenthal's pipeline by accessing patients' mobility, activity and sleep data via digital sensors or wearables. » The Head of Research and the ESG core team members established annual targets and milestone for all three metrics in the field of R&D in 2020, and perform annual reviews and updates. The annual scorecard defines the specific deliverables or milestones to systematically track progress, with all targets set to be achieved by the end of 2025.

For the first target 'Reduce cycle time and resources required for new candidate discovery through Machine Learning', we apply various Machine Learning approaches to predict specific properties of molecules, enabling the identification of the most promising molecules for synthesis and further experimental profiling.

For the second target 'Improve clinical trial design through Machine-Learning-based patient phenotyping', we leverage different approaches in Machine Learning and analytics to evaluate completed study data to derive novel insights such as patient phenotypes or previously unrecognised disease progression patterns. We expect that such additional insight can enhance the design of future clinical trials, making them more targeted and ultimately benefiting patients in need.

For the third target 'Improve understanding of treatment effects in clinical studies and post-approval through objective measurement of mobility and sleep', the team aims to assess patients' mobility and sleep data collected by digital devices or wearables during clinical studies. Currently, drug efficacy in pain-related clinical trials is primarily assessed by using patient reported outcomes, which are subjective and supervised parameters. In contrast, patients' data collected via digital wearables such as mobility, activity and sleep provide objective, unsupervised and real-time parameters. The overarching objective of this target is to assess whether the data measured by digital wearables will provide additional evidence of drug effectiveness in patients in future pain clinical studies at Grünenthal.

Although patients were not directly involved in the target setting process, relevant insights into their perspectives and needs were integrated through alternative methods. This included findings from stakeholder dialogues, exchanges with healthcare professionals, and analyses of existing data sources. Among these were interviews with pain specialists and key opinion leaders, analysis of internal and external patient databases, results from previous clinical studies and recommendations from the literature. «

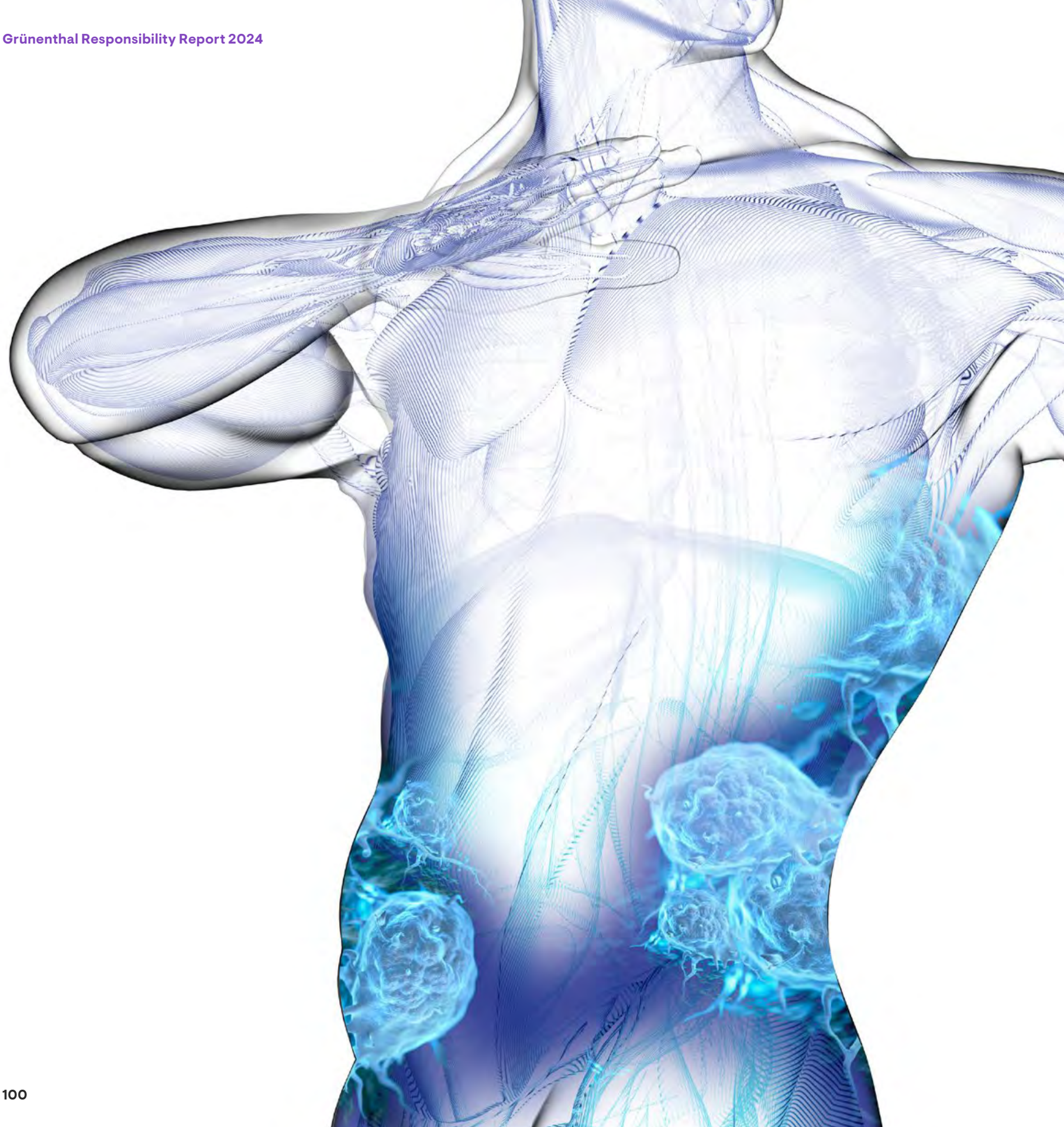
» Grünenthal Insight

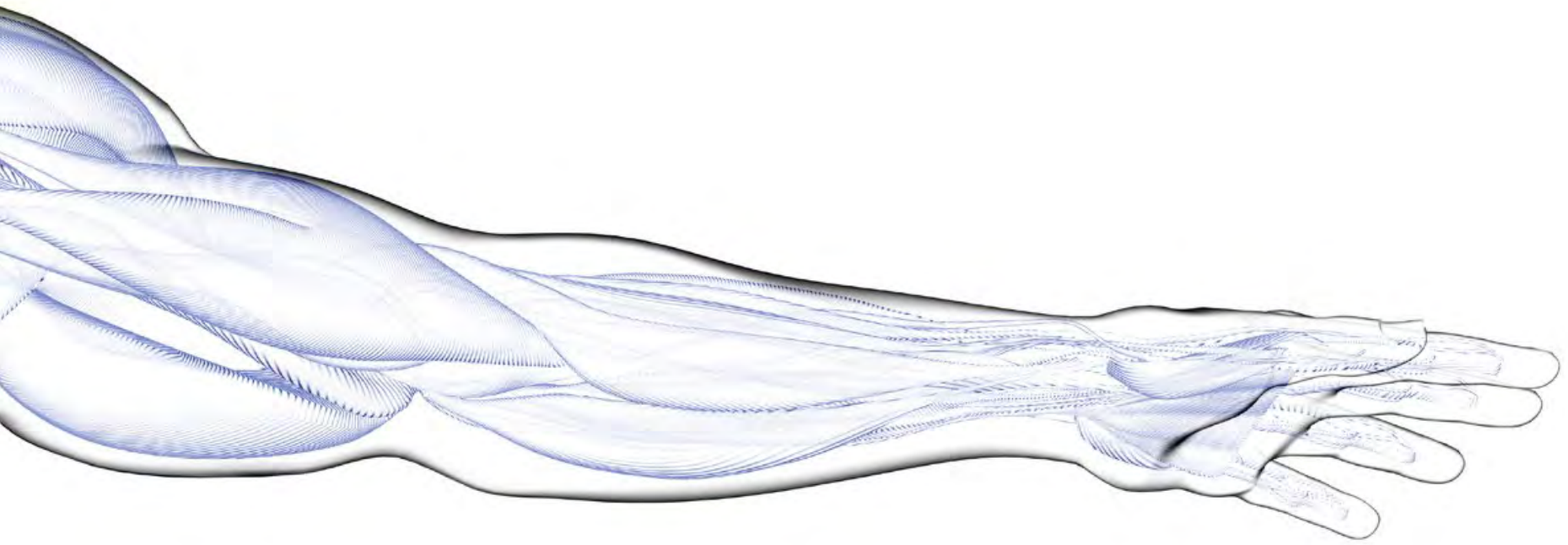
Metrics for research and development
Progress on the key actions is tracked using one Grünenthal-specific metric per sub-project:

- **De Novo Molecule Generation sub-project:** Cycle time for new candidate discovery through Machine Learning (ML).
- **Deep Pain Patients Phenotyping sub-project:** Clinical trials using ML-based patient phenotyping.
- **Digital Biomarker sub-project:** Studies using objective measurement of mobility and sleep, directly measuring improvements of patients' sleep and mobility through a digital wearable.

For the three metrics, the project teams defined metrics and outcomes during the preparation phase, establishing a baseline. In cases where further validation or strategic alignment is necessary, decisions regarding metrics are escalated to the relevant senior manager or board for approval. This escalation is required in cases where the preplanned metrics and goals set up during the preparation phase did not materialise or lead to a different outcome than anticipated.

R&D colleagues at Aachen headquarters





GOVERNANCE

- **Business conduct (ESRS G1)**
  - Managing business conduct
  - Ethical business culture, corruption and bribery
  - Responsible use of AI

G1 – Business conduct

Managing business conduct

Grünenthal has not identified material risks or opportunities related to business conduct for the organisation, however it has identified the following material impacts on governance-related topics:

Type of impact	Impact
Actual positive impact	Ethical business culture
Potentially negative impact	Corruption and bribery
Potentially positive impact	Responsible use of AI

Ethical business culture, corruption and bribery

G1.MDR-P/G1-1/G1-3 Ethical business culture, corruption and bribery policies

Integrity is one of the five core values that define Grünenthal's culture and shape the behaviour of its employees. We believe in fostering a speak-up culture, where employees feel empowered to identify and report questions, concerns or doubts. Grünenthal also insists that all business partners act lawfully and with integrity. We promote our culture through dedicated people initiatives and by applying our Code of Ethics. To evaluate the effectiveness of our cultural efforts, we rely on insights from the Great Place to Work® (GPTW) survey and review trends and cases reported through our ethics hotline. Grünenthal follows a strong set of policies, targets and measures to manage its material impacts related to ethical business culture, compliance and the prevention of corruption and bribery in particular, and managing relationships with partners. The following sections provide details on these matters and of further relevant processes.

Grünenthal regards legal compliance and ethical business practices as fundamental and self-evident responsibilities. The company therefore implements its comprehensive global and local policies and procedures to ensure compliance and prevent corruption and bribery. These policies align with regulatory requirements, international standards and Grünenthal's organisational values, ensuring consistent governance across Grünenthal's own global operations.

Code of Conduct
Our mature compliance management system is accompanied by a clear framework, which is based on a global Code of Conduct that brings together specific policies that outline our high standards for legal, ethical and responsible business conduct. These policies cover topics including anti-corruption, anti-money laundering, data privacy and digital ethics. In addition, our policies provide guidance to facilitate safe pain management through the responsible use of opioids.

The Code of Conduct applies to all employees and all business operations ensuring consistent global adherence to ethical, legal and responsible standards in daily operations.

Global Procurement Policy
Grünenthal's Global Procurement Policy establishes comprehensive guidelines for the procurement of goods and services. The policy integrates principles of fairness, competition, and confidentiality while ensuring that procurement practices align with the company's Code of Conduct for Business Partners and Grünenthal's Statement of Compliance with Human Rights and Environmental Standards. The policy's framework encompasses three aspects. Firstly, the standard procurement processes cover demand-to-contract, supplier relationship management, and purchase-to-pay procedures. Secondly, they encourage the procurement of goods and services in a manner that upholds ESG principles. And thirdly, special provisions address unique or non-standard procurement scenarios.

The policy was recently updated to incorporate the Responsible Sourcing Programme, further strengthening Grünenthal's commitment to ethical supply chain practices.

Responsible Sourcing Standards for Business Partners
In 2024, Grünenthal established the Responsible Sourcing Standards for Business Partners to communicate the company's ESG expectations (requirements and ambition) for their suppliers. These standards outline efforts to increase the company's supply chain ESG maturity and data transparency. They also support efforts to contribute to the 1.5° C goal of the Paris Climate Agreement, and to meet increasing regulatory requirements (for example the German Supply Chain Act) through close collaboration.

Code of Conduct for Business Partners
The Code of Conduct for Business Partners reflects Grünenthal's responsibility to operate in full compliance with applicable laws and regulations and with the highest ethical standards beyond its own operations. This responsibility explicitly incorporates international human rights standards and covers forced labour. The document mandates legal compliance, integrity and respect in all business partner interactions, highlights health and safety as a priority, and it provides mechanisms for employees of business partners to report concerns without fear of reprisal. Its application scope extends compliance obligations to the supply chain, requiring sub-suppliers to uphold equivalent standards.

Policies on the prevention of corruption
Grünenthal's Anti-Corruption Policy serves as a cornerstone for its preventive efforts, providing clear guidance on avoiding corruption in any business interactions. It clarifies acceptable practices for avoiding conflicts of interest. Employees are instructed to avoid granting or receiving any advantage that could improperly influence

business decisions, ensuring all actions are based on legitimate business interests, fair market value and proper documentation. Approval flows and value thresholds are locally defined in collaboration with compliance teams, to safeguard against improperly influencing the business decision of a third party.

The Grünenthal Healthcare Interactions Policy and the Patient Interactions Policy provide guidance for compliant interaction with patients and healthcare professionals. With the Anti-Corruption Policy, the Healthcare Interactions Policy and the Patient Interactions Policy, Grünenthal therefore provides clear guidance, including practical examples, to ensure compliance and prevent improper influence, especially in interactions with healthcare organisations and healthcare professionals.

Key safeguards include rules on gifts, hospitality, sponsorships and donations, complemented by local implementation measures, standard contract templates and a fair market value tool to prevent overcompensation. Comprehensive training, such as Healthcare Interactions Training (HCI Training), along with third-party due diligence, ensure consistent application across all activities.

Ethics Helpline Policy
In accordance with EU and national legislation, Grünenthal provides a confidential platform available for anyone within or outside of Grünenthal to report concerns or breaches of compliance and related topics such as human rights violations or working conditions in the supply chain. The policy protects good-faith reporters and ensures that concerns are addressed promptly and thoroughly by our compliance organisation, or even the Supervisory Board.

Policy implementation and stakeholder engagement
Key policy documents, including the Responsible Sourcing Standards for Business Partners, are publicly available on Grünenthal's corporate website, while others are made available to the relevant stakeholders only, such as the Global Procurement Policy or the Code of Conduct for Business Partners. The latter for example is disseminated to suppliers during the onboarding process before a business relationship is entered into and periodically thereafter ensuring clarity on expectations and responsibilities from the outset of the business relationship. Depending on the associated risk, suppliers are required to sign the document.

Hannah Engels, Head Global Compliance & Responsibility (middle), with Tobias Schäfers, Head of Responsibility and Pia Weckendorf, Head Internal Audit

Relevant proxies for affected stakeholders were included in the policy process to consider their interests, however no direct involvement of stakeholders took place.

Accountability
The Corporate Executive Board is the most senior level responsible for policy implementation. Leadership teams approve training matrices to ensure employees receive targeted training on relevant policies.

The governance and responsibilities for partner- and procurement-related policies are as follows:

- **Global Procurement Policy:** Head of Global Operations and Head of Global Procurement and External Supply Organisation.
- **Responsible Sourcing Standards for Business Partners:** Head of Global Operations and Head of Global Procurement and External Supply Organisation.
- **Code of Conduct for Business Partners:** Global Compliance & Responsibility Officer.

Alignment with third-party standard
Grünenthal is committed to respecting human rights and complying with environmental standards, in accordance with our corporate values and national law, and international guidelines, conventions and principles. To maintain industry-leading compliance practices, Grünenthal respects and aligns with industry standards (e.g., the European Federation of Pharmaceutical Industries and Associations (EFPIA), the International Federation of Pharmaceutical Manufacturers & Associations (IFPMA), the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) regulation and the Principles for Responsible Supply Chain Management from the Pharmaceutical Supply Chain Initiative), but also the Universal Declaration of Human Rights (UDHR) from the United Nations, the Paris Agreement on climate change adopted on 12 December 2015, and the Labour Standards of the International Labour Organisation (ILO) to cover topics related to cooperation with business partners and ensuring human rights along the value chain.

Our commitments are also reflected in our company guidelines, such as our Code of Conduct, Code of Conduct for Business Partners, Global People Policy, Environmental, Health & Safety Policy, Responsible Sourcing Standards for Business Partners, and Enterprise Risk Management Policy.

Sebastian Köhler, General Counsel

Policy accessibility
Grünenthal ensures policies are accessible and understood across the organisation. They are distributed through a read-and-sign system on Grünenthal's policy management platform, MasterControl. All employees are also required to participate in mandatory compliance training courses (for details see sections 'G1-1 continued' and 'G1-3 Prevention and detection of corruption and bribery actions'). In addition, key policies, including the Code of Conduct, Code of Conduct for Business Partners, Anti-Corruption Policy, are available on Grünenthal's corporate website to promote transparency with external stakeholders. Regular communication of our Anti-Corruption Framework to employees and leadership reinforces a culture of integrity, ensuring all interactions are ethical, transparent, and compliant with regulatory standards.

All compliance policies and relevant training materials are available in several languages, including English, French, German, Italian, Portuguese and Spanish.

Ethical business culture, corruption and bribery

G1.MDR-A
Ethical business culture actions

To uphold its ethical business culture, Grünenthal maintains adherence to applicable compliance standards and aims to continuously strengthen its governance framework. In 2024, we finalised the implementation and embedding of the German Supply Chain Act (GSCA) requirements into our processes. The GSCA imposes significant due diligence obligations on companies in Germany. The Act aims to ensure compliance with human rights and environmental standards related to topics such as child labour, occupational health and emissions of hazardous substances, throughout the supply chain. Grünenthal appointed a Human Rights and Environmental Officer on 1 January 2024, responsible for monitoring the effective implementation of the German Supply Chain Act into the various areas of responsibility within the company.

To comply with the legal requirements as described above (e.g., GSCA) and industry standards, Grünenthal has implemented a **Third-Party Due Diligence (TPDD)** process and **ESG Risk Assessment and Monitoring**.

Third-party due diligence process
This risk-based TPDD system is tailored to address the varying levels of supplier risks depending on the type of product or service, geographical location, and spend. The TPDD framework includes:

- **Due diligence questionnaire:** Potential business partners that meet certain requirements, e.g. turnover thresholds, complete a detailed questionnaire during onboarding, collecting governance, contact, and operational data for risk evaluation. This data is enriched with automated findings from independent sources, e.g. sanction lists, subject to human review.
- **Risk categorisation:** Suppliers are categorised as high, medium, or low risk. High-risk suppliers undergo more stringent due diligence measures, including higher levels of internal approval.
- **Compliance training:** Training sessions and presentations ensure that employees and stakeholders are well-versed in the TPDD process and its compliance requirements.
- **Continuous monitoring and updates:** Grünenthal reviews and updates the TPDD process regularly to ensure alignment with evolving regulatory requirements and emerging risks.

This structured approach enables Grünenthal to maintain robust compliance with standards such as the German Supply Chain Act (GSCA) while addressing ethical and reputational risks proactively.

ESG risk assessment and monitoring
As part of Grünenthal's comprehensive Third-Party Due Diligence process, an ESG risk management system was implemented at the end of 2023 to ensure that relevant risks, including those related to human rights and the environment, can be mitigated. Grünenthal follows a two-step risk assessment process. In the first step, suppliers are assessed based on abstract risks such as the type of business activity and country of location. Based on this assessment, a risk profile is created, and prioritisation is carried out, identifying higher-risk suppliers, known as ESG-sensitive suppliers. In the second step, specific human rights and environmental risks related to these ESG-sensitive suppliers are assessed through an in-depth ESG assessment. This process gathers additional information through questionnaires and requests for certificates to ensure further transparency in the supply chain. Here, medium- and high-risk suppliers are subject to closer oversight. Following the defined governance, an internal review process to define the action plan ensures transparency and accountability. The procurement organisation is responsible for starting the supplier dialogue for the implementation of the preventive/remedial actions and close monitoring is part of Procurement's internal metrics.

Training and capacity building
The ESG risk management system has been rolled out to the Procurement and External Supply Organisation (ESO), with corresponding training material and communication templates provided to ensure effective implementation. The programme includes training on the ESG risk assessment process, roles and responsibilities, and reporting. Awareness sessions on Grünenthal's risk prioritisation and internal exchanges with relevant stakeholders, as well as regular updates on metric performance and progress, have been key for fully understanding the ESG risk management.

Industry collaboration
Grünenthal actively collaborates with other companies through the Pharmaceutical Supply Chain Initiative (PSCI). This partnership promotes shared standards and practices for responsible supply chain management, leveraging collective expertise to address complex ESG challenges, such as initiatives for decarbonisation in the supply chain or API wastewater testing capabilities.

Governance and reporting
Grünenthal has a robust governance structure in place to oversee ESG risk management and promote ESG practices in the supply chain and compliance with the German Supply Chain Act. The German Supply Chain Act Working Group includes a representative each of Human Resources, Environment, Health and Safety, Compliance, Procurement and Responsible Sourcing, and is responsible to approve the risk prioritisation, suppliers' ESG risk status and related measures.

A supply chain sustainability management and collaboration platform supports the in-depth ESG assessment, adverse media monitoring, and progress on preventive and remedial measures communicated to the suppliers identified with higher risk.

As an integral part of the ESG Risk Assessment and Monitoring, the ESG risk management in the supply chain is monitored through regular reporting and defined metrics:

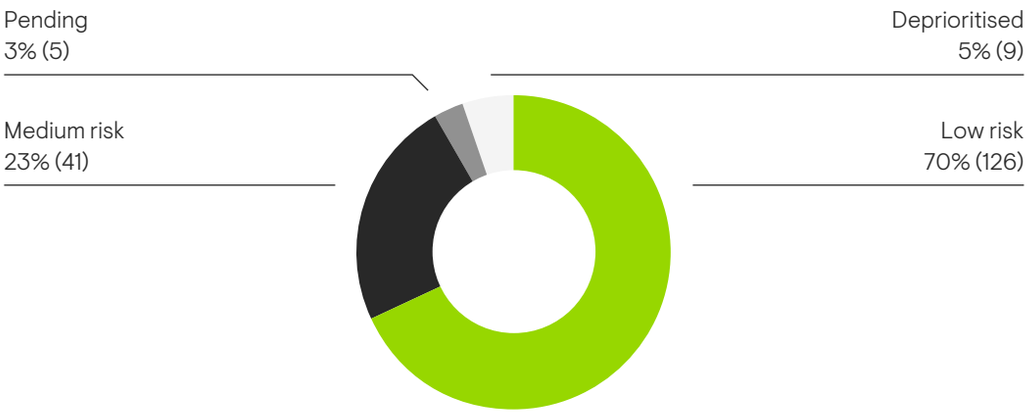
- Percentage of suppliers assessed for ESG risks.
- Response rate: Percentage of suppliers answering the ESG in-depth assessment.
- Number of medium- and high-risk suppliers under close monitoring.

Regular reporting on these metrics ensures ongoing evaluation and shows the progress as well as points for improvement, and therefore improves Grünenthal's practices regarding ESG risk monitoring.

In 2024, Grünenthal conducted its supplier risk assessment on around 50% of the ESG sensitive suppliers, and the remaining 50% is to be assessed in 2025. The company identified about 23% of those suppliers assessed with a medium risk. For these suppliers, Grünenthal has started a supplier dialogue to identify the potential gaps

and eventually create an action plan to achieve Grünenthal ESG standards. All other assessed suppliers were identified with a low ESG risk.

Supplier risk assessment 2024



Other actions in 2024 included an update of the Healthcare Interactions training and a review of contract templates. We are continually developing new training courses for our employees and updating existing ones to meet changing legal requirements.

Due to limited data availability, no concrete CapEx and OpEx for action plans are being reported this year.

G1.MDR-A/G1-3
Prevention and detection of corruption and bribery actions

Grünenthal's anti-corruption and anti-bribery measures are continually refined to adapt to regulatory changes and emerging risks. The organisation's Global Compliance Management System (CMS) integrates compliance, business ethics and risk management into a cohesive framework. Regular updates are made to policies, training materials and operational tools, ensuring Grünenthal remains at the forefront of compliance best practices.

The Global Compliance & Responsibility Officer and the compliance team actively monitor these initiatives, providing regular updates to the Corporate Executive Board, Supervisory Board and Advisory Board. This dynamic approach allows Grünenthal to identify areas for improvement and implement changes that strengthen its commitment to ethical conduct.

Detection and reporting mechanisms
In order to identify and report potential incidents of corruption, Grünenthal employs a range of mechanisms that ensure accessibility and confidentiality. Employees are encouraged to report any concerns through several channels as outlined in section 'G1-1 continued' below. This system guarantees confidentiality and reinforces trust among employees and stakeholders.

Compliance audits, led by Internal Audit, form an essential part of Grünenthal's detection strategy. These audits, conducted on a rotational schedule, assess corruption risks and include site assessments. In 2024, Grünenthal reported that all planned site assessments were completed, with no significant corruption risks identified.

Procedures for addressing incidents
Grünenthal has established comprehensive procedures for investigating and addressing corruption and bribery allegations.

The Compliance Organisation is responsible for conducting investigations into alleged compliance violations. Investigations are conducted neutrally, discreetly, and in strict compliance with labour and data protection laws. Grünenthal's Compliance Officers play a pivotal role in advising the business on compliance matters and in case of incidents, lead investigations. They are separate from the chain of management involved in the matter by having a solid reporting line to the Global Compliance & Responsibility Officer, therefore ensuring independence. They regularly provide updates to the Local Leadership Teams ensuring transparency and accountability.

Ethics committees meet as needed to decide on appropriate measures to be taken in cases where reported compliance incidents have been investigated, and a violation has been identified. They ensure that decisions are guided by a standardised charter.

Training and awareness
Our comprehensive anti-corruption framework is communicated to all employees and to the Executive and Advisory Board members. Training is an integral component of Grünenthal's anti-corruption strategy. All employees and the Executive Board Team receive mandatory compliance training tailored to their roles (see section 'G1-1 continued'). Specific target groups, such as employees interacting with healthcare professionals, participate in annual Healthcare Interactions Training (HCI), which covers the implementation of legal and other obligations into Grünenthal's processes. Topics such as appropriate interactions with healthcare professionals and healthcare organisations, ethical handling of gifts and fair market value compensation of third-party services are addressed in detail. Practical examples and Grünenthal-specific case studies are incorporated into these training sessions to enhance understanding and applicability.

G1.MDR-M/G1.MDR-T/G1-4 Ethical business culture, corruption and bribery, metrics and targets

Ethical business culture, corruption and bribery metrics

To track the effectiveness of its governance measures, Grünenthal tracks and reports the number of confirmed cases of corruption within the organisation during the reporting period as a key indicator of policy effectiveness and adherence to legal, ethical and responsible standards. Corruption cases are captured in the Ethics Helpline tool. Three site assessments were conducted regarding corruption under the annual internal audit plan, identifying no significant corruption risks. Grünenthal found no confirmed cases of corruption in 2024, including among actors across its (local) value chains.

With regard to anti-corruption training, the following metrics are being tracked through the training tool MasterControl:

Anti-corruption training metrics

	2024	2023
Number of employees in the relevant target group[1] that received anti-corruption training via our comprehensive Code of Conduct, Conflict of Interest and Corporate Responsibility ('CCC') e-learning in the year.[2]		
Corporate Responsibility	520	655
Conflict of Interest	524	657
Code of Conduct	519	672
Number and percentage of employees in the relevant target group[3] that received anti-corruption training via our tailored face-to-face (including virtual) training on Healthcare Interactions (HCI) in the year[2]		
	96% (1,339 of 1,392)	97% (1,249 of 1,294)

1 All new non-production employees and new members of the Corporate Executive Board
2 Includes numbers for Grünenthal Meds, excluding Valinor
3 All employees who interact with healthcare professionals, healthcare organisations and/or patients

With regard to TPDD, the following metrics are being tracked through SAP, CRM and ORO:

Third Party Due Diligence metrics

	2024	2023
Number of active business partners in the reporting year which have undergone a third-party due diligence assessment and breakdown by risk level[1]	**Total assessments: 3,941** With the following breakdown: Low risk: 3,249 (82.4%) Medium risk: 675 (17.1%) High risk: 17 (0.4%)	**Total assessments: 5,405** With the following breakdown: Low risk: 4,207 (78.8%) Medium risk: 1,165 (21.6%) High risk: 33 (0.6%)
Number of business partners considered a 'no-go'[2] in the reporting year as a result of a third-party due diligence process	1	2

1 Referring not to the suppliers' ESG risk sensitivity as mentioned above but instead to their overall business risk.
2 Business partners with whom Grünenthal decides not to start a business relationship or stop an existing one due to compliance, ethical or reputational concerns.

The number of active business partners refers to business partners with whom there were financial transactions (payments) in 2024 and 2023 and which underwent a TPDD assessment. The corresponding metric helps to understand if the risk criteria and process is well calibrated.

The second metric on 'no-gos' helps to understand if the process works effectively and prevents Grünenthal from starting business relationships that can negatively impact our reputation.

The TPDD metrics are assessing compliance, ethical and reputational risks arising from business relationships across our organisation. The ESG risk assessment and monitoring assesses risks specifically related to human rights and the environment in our supplier relationships.

Ethical business culture, corruption and bribery targets

In 2025, Grünenthal aims to set a measurable, outcome-oriented target for the two material impacts of ethical business culture and corruption and bribery. » Nonetheless, progress in the topic is managed with the non-ESRS-aligned targets below.

The existing target focuses on qualitative improvements to the Compliance & Ethics Framework, rather than quantitative measures. It applies to Grünenthal's own activities, as well as its upstream (supply chain) and downstream (distribution and sales) value chain. It is directly linked to Grünenthal's policies, which operationalise the organisation's strategy and management decisions related to business conduct. Each policy aims to reinforce and evolve the framework over time. «

Supplier-related targets concern climate aspects in particular and are described in more detail in chapter 'E1 Climate change'.

» Grünenthal Insight

Introducing our Human Rights Officer

The enforcement of the Supply Chain Act in Germany marks a significant milestone in upholding human rights and environmental protection standards within global supply chains. Under the act, Grünenthal is required to identify, prevent, and mitigate human rights and environmental risks throughout its global operations.

Hannah Engels, Global Compliance & Responsibility Officer at Grünenthal since the beginning of 2024, also serves as the company's Human Rights Officer – a role mandated by the German Supply Chain Act. In this capacity, she monitors compliance with the Act across the organisation. However, ensuring compliance is a shared responsibility that requires collaboration across all Grünenthal sites, and functions in Germany and worldwide. Our collective efforts in this regard are outlined in our Responsibility Framework, which reflects Grünenthal's ongoing commitment to the highest ethical standards, human rights, and environmental protection – in pursuit of our vision for a World Free of Pain.

» Further target and progress 2024

Target[1]	Progress 2024	Status
Continuous development of its state-of-the-art Compliance & Ethics Framework to ensure alignment with business conduct policies, regulatory requirements and stakeholder expectations	Expansion of the training portfolio to address emerging topics, including digital ethics and ESG-related issues	On track

[1] Target maintained from previous Responsibility Report; will be reviewed in 2025. «

G1-1 – continued

Mechanisms for reporting and investigating concerns

Grünenthal provides several accessible channels for employees and external stakeholders, such as business partners and local communities, to report concerns and unethical behaviour, including any behaviour inconsistent with the Code of Conduct, compliance policies or local laws. Reports can be made directly to managers, HR, the Legal department, the works council or the Compliance Organisation. Additionally, and in conformity with the requirements for anonymous reporting outlined in the EU Whistleblowing Directive and in the German Whistleblowing Protection Act (Hinweisgeberschutzgesetz), Grünenthal offers the Ethics Helpline, a web-based whistleblowing platform complemented by a telephone hotline. Employees can find information about the Ethics Helpline in its Ethics Helpline Policy, on Grünenthal's intranet or on physical notice boards and posters at its offices. Training on how to report concerns is being provided in the mandatory CCC e-learning. All Compliance Officers receive training on how to handle reports received via the Ethics Helpline. External parties can find details on how to report concerns on Grünenthal's corporate website, in contracts and in Grünenthal´s Code of Conduct for Business Partners. This system operates 24/7 in seven languages, ensuring accessibility and confidentiality. Importantly, IP addresses are not traced, and reports can be submitted in the reporter's native language. Grünenthal's Code of Conduct underscores the importance of open and transparent reporting while guaranteeing full confidentiality for those who choose to raise concerns.

The effectiveness of grievance mechanisms is continuously monitored. Reports submitted via the Ethics Helpline are reviewed by the Compliance Team or the Chairman of the Supervisory Board in case a member of the Compliance & Responsibility organisation is accused, with remedial actions initiated as necessary. Grünenthal's Human Rights Officer oversees the assessment of processes where human rights or environmental issues are affected. Grünenthal is conducting risk-based reviews and audits to

ensure alignment with best practices. Outcomes and trends are then reported to the Corporate Executive Board and Supervisory Board.

Reported incidents will be investigated discreetly and neutrally by the Compliance Organisation following a plausibility check and in accordance with applicable data protection laws. The organisation employs a tiered decision-making structure to ensure appropriate oversight. Local and Regional Ethics Committees handle compliance incidents within their jurisdiction, while the Global Ethics Committee addresses cases with significant implications, such as systemic violations or incidents involving senior management.

Investigative processes follow a standardised charter to maintain consistency. Depending on the nature of the reported allegation, departments such as HR or Internal Audit may be involved. If the allegation refers to a potential substantial violation of human rights and/or environmental protection obligations, the Human Rights Officer will directly undertake the investigation. All investigations adhere to the principles of fairness, transparency and the presumption of innocence, allowing individuals involved to present their perspectives.

Safeguards for reporting irregularities and prevention of misconduct
Grünenthal ensures a safe environment for employees and stakeholders to report irregularities. Retaliation against those who report concerns in good faith is strictly prohibited and treated as a compliance violation. The organisation has committed to protecting whistleblowers' confidentiality, and individuals making malicious or false reports are held accountable.

Grünenthal employs a range of preventive efforts to mitigate risks and promote ethical practices. Key policies include the Anti-Corruption Policy, which provides detailed guidance on interactions with public officials, gifts, and the Healthcare Interactions Policy, which governs engagements with healthcare professionals. Where applicable, our policies are supported by tools such as fair market value calculators, system-based approval workflows, and global/local contract templates to prevent misconduct and ensure consistency. To make sure these measures are effective, Grünenthal conducts regular anti-corruption site assessments as part of its annual audit plan, typically carrying out two local Compliance Audits and two local Business Activities Audits each year, with audit locations selected based on a risk-based assessment of local entities. These assessments are complemented by audits that evaluate adherence to policies and identify potential risks.

Training and awareness initiatives
Training is central to Grünenthal's Compliance Management System. All new employees are automatically enrolled in e-learning called 'CCC Training', with dedicated modules on 'Corporate Responsibility', 'Conflict of Interest', and 'Code of Conduct', and received via our training system MasterControl, and our Compliance Framework (Code of Conduct including main Compliance Policies). Additionally, each year the Corporate Executive Board as well as regional/local Leadership Teams approve a training matrix that includes target-group-specific and locally relevant courses on topics such as data privacy, healthcare interactions and business partner compliance. Employees in roles with high risk of corruption and bribery, such as sales functions, receive multiple tailored face-to-face training courses annually, while all staff participate in e-learning modules on key compliance areas. To ensure adequate accessibility for all, compliance policies and relevant training materials are available in seven different languages.

Continuous improvement and monitoring
Grünenthal actively monitors its compliance systems to ensure their effectiveness. Internal Audit conducts regular compliance audits, and findings are reported to the Corporate Executive Board and Advisory Board. This reporting structure ensures that leadership remains informed and can get actively involved in strategic compliance decisions. Additionally, GPTW survey results and external ESG ratings provide valuable insights to refine Grünenthal's compliance framework further.

Responsible use of AI

G1.MDR-P Responsible use of AI policies

As part of its digitalisation journey, Grünenthal is dedicated to responsibly developing and deploying digital technologies, including artificial intelligence (AI) systems, in compliance with all applicable laws and its digital ethics framework. The responsible use of AI fosters our company culture by enhancing productivity, promoting innovation and supporting employee wellbeing in a transparent and ethical manner. In light of the EU AI Act, which came into effect in mid-2024, Grünenthal is implementing a comprehensive AI Governance Framework which includes a dedicated policy to govern the responsible use of AI systems by its employees and third parties acting on its behalf.

Scope and approval of the AI Policy
The EU AI Act provides companies with a two-year adaptation period, during which Grünenthal is assessing its AI use-cases and is developing a framework for compliance. As such, a formal Policy on the Use of AI Systems will be finalised and rolled out in 2025.

The forthcoming AI Policy will regulate the responsible use of AI systems as defined by the EU AI Act, including those developed or deployed by Grünenthal and by third parties acting on its behalf.

Collaborative policy development process
Grünenthal has established a network of AI Ambassadors, each representing a functional area, to support the policy development process. These ambassadors, will provide input based on their respective domains to ensure the policy's relevance and comprehensiveness. This collaborative approach fosters internal alignment and ensures that the policy reflects Grünenthal's operational and ethical priorities.

Susanne Bransgrove, Responsibility Manager, with Pablo Sastre Puche, Head of Data Privacy & AI Governance

Implementation and communication
Once finalised, the AI Policy will be published on Grünenthal's intranet and distributed to all employees through the company's policy management platform, MasterControl. Specially tailored AI literacy training will be provided for specific target audiences, such as those more likely to encounter high-risk use-cases, including Human Resources related use-cases, to facilitate understanding and compliance.

G1.MDR-A Responsible use of AI actions

Grünenthal is committed to ensuring the responsible and ethical use of AI systems through the implementation of a robust AI Governance Framework. This framework will align with regulatory requirements, including the EU AI Act and Grünenthal's Digital Ethics Charter, to ensure that every AI use-case delivers a net positive impact. It also facilitates the transparent and sustainable use of AI technologies. This framework aims to use the benefits of AI systems, including improved decision-making, enhanced healthcare, scientific discovery, and increased efficiency and productivity, while implementing safeguards against potential costs to human rights, such as the right to health, privacy, employment and information security. To further strengthen AI governance, Grünenthal has established a community of AI ambassadors representing functional areas to drive AI literacy and governance across the organisation, and promotes AI literacy among employees through guidance and training materials. Additionally, the company conducts evaluations of high-risk AI use-cases and integrates contract clauses to ensure ethical AI use by third parties.

Development of the AI Governance Framework
Grünenthal's AI Governance Framework, which is set to be fully operational by the end of 2025, is designed to manage the ethical, regulatory and operational risks associated with AI systems. The framework includes the following components:

- **AI Policy:** Establishing principles and guidelines for the use of AI systems.
- **AI ambassadors:** A network of designated ambassadors representing functional areas to drive AI literacy and governance across the organisation.
- **AI contract clauses:** Specific contractual obligations for third parties to ensure compliance with AI governance standards.
- **Risk assessments:** Evaluation and management of AI-related risks for human rights.
- **AI literacy:** Guidance and training materials to enhance employees' understanding and responsible use of AI systems.

The foundational elements of the framework were established in 2024, including the designation of AI ambassadors, drafting of contract clauses and development of the impact assessment methodology. Additionally, the framework's fundamentals were shared with Grünenthal's leadership teams, ensuring organisational alignment.

Progress and actions to be completed
By the end of 2025, Grünenthal plans to complete key actions as part of the AI Governance Framework, including conducting a legal assessment on the applicability of the EU AI Act to Grünenthal activities, identifying and evaluating any high-risk AI use-cases, developing AI literacy and further integrating the framework into the company's operational processes.

These measures aim to align Grünenthal's AI practices with global regulations and ethical principles, promoting accountability and transparency in all AI-related activities.

Collaboration with external experts
Grünenthal has engaged external expertise for strategic and operational support as well as legal consultation to support the development and implementation of the AI Governance Framework. All other activities have been carried out with internal resources, which will be strengthened further, reflecting Grünenthal's commitment to efficient and sustainable governance practices.

Scope and applicability
The AI Governance Framework applies to all AI systems and use-cases within Grünenthal's operations, third-party AI use-cases undertaken on Grünenthal's behalf, as well as all activities to ensure compliance with regulatory frameworks such as the EU AI Act and Grünenthal's internal Digital Ethics Charter.

Financial resources
Due to limited data availability, no concrete CapEx and OpEx for action plans are being reported this year.

G1.MDR-T/G1.MDR-M Responsible use of AI targets and metrics

A measurable target and supporting metrics will be developed to ensure ongoing monitoring, evaluation and management of Grünenthal's responsible AI practices. Grünenthal will follow the criteria and risk categorisation system of the EU AI Act. The EU AI Act classifies AI systems into four risk categories: unacceptable risk (prohibited), high risk (strictly regulated), limited risk (subject to transparency obligations), and minimal risk (unregulated). This system will ensure that regulations are proportionate to the potential harm posed by different AI applications. In addition, it has designed its own methodology to perform Fundamental Rights Impact Assessments, which will be used to report on risk levels and mitigating actions. It shall focus on AI use-cases with the risk of significant impact on certain human rights, such as the right to health, the right to privacy and the right to employment and fair treatment. » Currently, progress in the topic is managed with the non-ESRS-aligned targets below. «

» Further targets and progress 2024

Target	Progress 2024	Status
Establish an AI Governance Frameworks to ensure ethical and responsible use of artificial intelligence, by providing guidelines for managing risks and addressing impact, fostering trust in AI systems	Defined the core principles of Grünenthal's AI Governance Framework in 2024: • Published global guidance on the responsible and ethical application of Generative and General-Purpose AI systems. • Formulated Impact Assessment Methodology. • Created a network of AI ambassadors. • Drafted and rolled-out AI contract-clauses with vendors.	On track
Further enhance the measurability of digital ethics initiatives	We further enhanced the measurability and will integrate respective metrics in our AI governance framework in 2025.	On track
Collaborate with external researchers to create additional digital ethics guidance	Grünenthal has engaged external expertise for strategic and operational support as well as legal consultation to support the development and implementation of the AI Governance Framework. In 2025, further digital ethics guidance will be produced in the context of the AI Governance Framework.	On track «

» Grünenthal Insight

Grünenthal's political influence and lobbying activities

Grünenthal demonstrates transparency and accountability in its approach to political influence and lobbying. These activities are governed by clear oversight to ensure ethical conduct and regulatory compliance. Responsibility for Corporate Public Affairs lies with the Head of Global Corporate Affairs and Communication, who reports directly to the CEO and ensures alignment with the company's strategic and ethical standards.

The company focuses on general representation and engages in limited lobbying on specific legislative topics. This ensures that political and public affairs activities remain broad in scope. Grünenthal is registered in the German Lobbyregister, providing public transparency on its lobbying activities and reinforcing its commitment to compliance and stakeholder trust.

No members of Grünenthal's administrative, management, or supervisory bodies have held equivalent public administration roles within two years of their appointment, safeguarding independence and avoiding potential conflicts of interest. In line with legal requirements, Grünenthal is a member of the Chamber of Commerce (IHK) in Germany and participates in pharmaceutical industry associations in several countries, supporting constructive industry dialogue.

» Grünenthal Insight

United Nations Global Compact

As a United Nations Global Compact (UNGC) participant, we formally commit to the values of the world's largest initiative for responsible corporate governance. We are committed to the ten universal UNGC principles on human rights, labour standards, environment and climate, and corruption prevention. To firmly embed these principles into our global operations, we have established binding frameworks and policies that apply to all employees worldwide.

Grünenthal submits an annual progress report outlining the steps taken to uphold and advance the principles of the UNGC. This Responsibility Report serves as the progress report of how the ten principles are integrated into our business strategies and operational practices.

UN Global Compact Principle	Section
Human Rights	
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and	S1.SBM-3, S1-17, G1-1
Principle 2: make sure that they are not complicit in human rights abuses.	S1.SBM-3, S1-17, G1-1
Labour	
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	S1-8
Principle 4: the elimination of all forms of forced and compulsory labour;	S1.SBM-3, G1-1
Principle 5: the effective abolition of child labour; and	S1.SBM-3, G1-1
Principle 6: the elimination of discrimination in respect of employment and occupation.	S1-1, S1.SBM-3, S1-17
Environment	
Principle 7: Businesses should support a precautionary approach to environmental challenges;	E1.SBM-3
Principle 8: undertake initiatives to promote greater environmental responsibility; and	E1-3, E2-2
Anti-Corruption	
Principle 9: encourage the development and diffusion of environmentally friendly technologies.	G1-1
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	G1-3

Grünenthal's contribution to the United Nations SDGs

In 2015, the United Nations adopted Sustainable Development Goals (SDGs) as a blueprint to achieve a better and more sustainable future for all. The SDGs are a call to action to end poverty and inequality, protect the planet, and ensure that all people enjoy health, justice and prosperity. As a leading pharmaceutical company, we are committed to supporting the SDGs in line with our business strategy. We particularly contribute to SDG 3, which aims at ensuring healthy lives and promoting wellbeing for all.

SDG 3: Good Health and Wellbeing

Pain is a huge burden for patients, their families and society as a whole. As a leader in pain management, we focus our activities on topics such as patient safety, product quality, improving patients' quality of life through innovative medicines, promoting the responsible use of opioids, and improving access to healthcare.

Through our business operations and ongoing activities, we also make essential contributions to the following SDGs:

SDG 8: Decent Work and Economic Growth

People thrive in a healthy environment. For this reason, we take action to care for the wellbeing of everyone who works at Grünenthal. We aim to generate sustainable value in crucial areas such as workplace safety and health protection, fair working conditions, training and development and the merit-based promotion of diversity, inclusion and equal opportunities. We are certified as a Great Place to Work® in 20 countries.

SDG 9: Industry, Innovation and Infrastructure

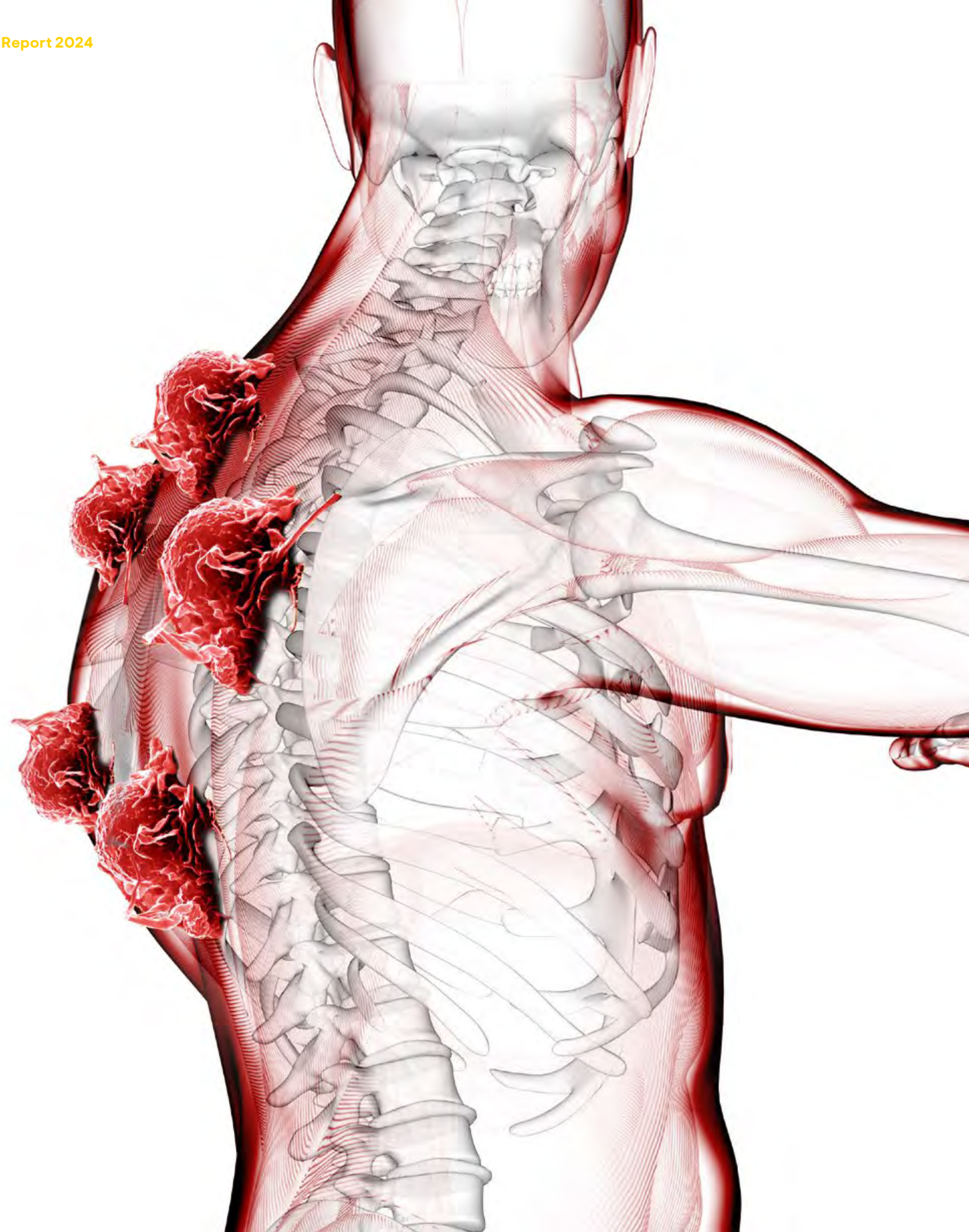
We need solutions that address huge unmet needs in pain management. This is why a large part of our revenue is reinvested into R&D each year. Our portfolio encompasses more than 1,000 granted patents. We leverage modern technologies to improve outcomes for patients. For example, we are using Machine Learning based on anonymised human data to increase understanding of disease and improve the design of clinical trials. Through our funding programmes such as the EFIC-Grünenthal-Grant and the Brain, Mind and Pain Patient-Centred Innovation Grant, we support scientists in carrying out innovative clinical pain research.

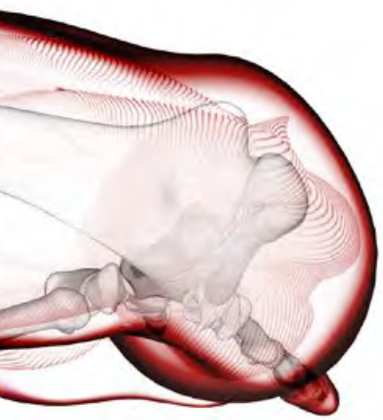
SDG 12: Responsible Consumption and Production

We optimise resource use, minimise waste and integrate sustainability into procurement and operations. We invest in safe, energy-efficient technologies and engage suppliers who uphold high environmental and ethical standards. Responsible resource use is central to Grünenthal's environmental strategy and essential to reducing pollution and promoting sustainability across our value chain.

SDG 13: Climate Action

We focus on reducing emissions from production-related processes and minimising pollution across our operations and the supply chain. In line with the Science Based Targets initiative, we are setting near-term targets to cut Scope 1 and 2 emissions, while deepening collaboration with suppliers to improve sustainability throughout our Scope 3 footprint.





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- **Disclosure Requirements in ESRS covered by the undertaking's sustainability statement (IRO-2)**

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Governance

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List of datapoints in cross-cutting and topical standards that derive from other EU legislation

The table below illustrates the datapoints in ESRS 2 and topical ESRS that derive from other EU legislation as listed in ESRS 2 Annex B and indicates where the data points can be found in this sustainability statement and which data points are categorised as 'not material'.

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page in the report
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	x		x		8
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			x		8
ESRS 2 GOV-4 Statement on due diligence paragraph 30	x				12
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	x	x	x		Not relevant
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	x		x		14 ff.
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	x		x		Not relevant
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			x		Not relevant
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				x	28
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		x	x		29
ESRS E1-4 GHG emission reduction targets paragraph 34	x	x	x		33 f.
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	x				36

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page in the report
ESRS E1-5 Energy consumption and mix paragraph 37	x				36
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	x				36
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	x	x	x		38
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	x	x	x		38
ESRS E1-7 GHG removals and carbon credits paragraph 56				x	Not relevant
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			x		Not relevant
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).		x			Phase-in
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		x			Phase-in
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			x		Phase-in
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	x				45
ESRS E3-1 Water and marine resources paragraph 9	x				Not material
ESRS E3-1 Dedicated policy paragraph 13	x				Not material
ESRS E3-1 Sustainable oceans and seas paragraph 14	x				Not material

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page in the report
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	x				Not material
ESRS E3-4 Total water consumption in m^3 per net revenue on own operations paragraph 29	x				Not material
ESRS 2- IRO 1 - E4 paragraph 16 (a) i	x				Not material
ESRS 2- IRO 1 - E4 paragraph 16 (b)	x				Not material
ESRS 2- IRO 1 - E4 paragraph 16 (c)	x				Not material
ESRS E4-2 Sustainable land/agriculture practices or policies paragraph 24 (b)	x				Not material
ESRS E4-2 Sustainable oceans/seas practices or policies paragraph 24 (c)	x				Not material
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	x				Not material
ESRS E5-5 Non-recycled waste paragraph 37 (d)	x				Not material
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	x				Not material
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	x				51
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	x				51
ESRS S1-1 Human rights policy commitments paragraph 20	x				51, 54
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			x		56
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	x				56
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	x				56, 60

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page in the report
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	x				64
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	x		x		62
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	x				62
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	x		x		Only pilot findings on the gender pay gap are available, with no consolidated Group-level data yet in place.
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	x				No consolidated Group-level data yet in place.
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	x				54
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	x		x		55
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	x				Not material
ESRS S2-1 Human rights policy commitments paragraph 17	x				Not material
ESRS S2-1 Policies related to value chain workers paragraph 18	x				Not material
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	x		x		Not material
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8 paragraph 19			x		Not material

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page in the report
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	x				Not material
ESRS S3-1 Human rights policy commitments paragraph 16	x				Not material
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	x		x		Not material
ESRS S3-4 Human rights issues and incidents paragraph 36	x				Not material
ESRS S4-1 Policies related to consumers and end-users paragraph 16	x				78, 82, 85, 93, 96
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	x		x		78
ESRS S4-4 Human rights issues and incidents paragraph 35	x				Not relevant
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	x				102
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	x				109
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	x		x		107
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	x				102, 107


we are patient-centric
we live entrepreneurship
we join forces
we act with integrity
we drive performance
We are
Grünenthal
Values & Behaviours

Assurance Report

of the independent Practitioner on a Limited Assurance Engagement in Relation to the Consolidated Responsibility Report

To Grünenthal Pharma GmbH & Co. Kommanditgesellschaft, Aachen/Germany

Assurance Conclusion

We have conducted a limited assurance engagement on the Consolidated Responsibility Report of Grünenthal Pharma GmbH & Co. Kommanditgesellschaft, Aachen/Germany, for the financial year from 1 January to 31 December 2024 (hereafter referred to as 'the Responsibility Report'). The Responsibility Report was prepared to fulfil the requirements described in section 'BP-1 General basis for preparation of sustainability statements in Chapter 'ESRS 2 – General Disclosures' as basis for preparation of the Responsibility Report (hereafter referred to as 'specifying criteria').

The parts of the Responsibility Report marked either by a grey background or by French quotation marks (»...«) are not subject to our assurance engagement.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Responsibility Report is not prepared, in all material respects, in accordance with the requirements of the specifying criteria presented by the executive directors of the Company.

We do not express an assurance conclusion on the parts of the Responsibility Report marked as unassured.

Basis for the Assurance Conclusion

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in section 'Independent Practitioner's Responsibilities for the Assurance Engagement on the Responsibility Report'.

We are independent of the entity in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements of the IDW Quality Management Standards. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Emphasis of Matter – Basis for Preparation of the Responsibility Report

Without modifying our conclusion, we draw attention to the details provided in the Responsibility Report, which describe the basis for preparation of the Responsibility Report. According to these principles, the Company has applied the European Sustainability Reporting Standards (ESRS) to the extent described in section 'BP-1 General basis for preparation of sustainability statements' in chapter 'ESRS 2 – General Disclosures' of the Responsibility Report.

Responsibilities of the Executive Directors for the Responsibility Report

The executive directors are responsible for the preparation of the Responsibility Report in accordance with the specifying criteria presented by the executive directors of the Company and for designing, implementing and maintaining such internal control as they have considered necessary to enable the preparation of a Responsibility Report in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e. fraudulent reporting in the Responsibility Report) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the Responsibility Report as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The Executive Directors are responsible for overseeing the process for the preparation of the Responsibility Report.

Inherent Limitations in Preparing the Responsibility Report

The specifying criteria contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative comprehensive interpretations have yet been published. The executive directors have disclosed interpretations of such wording and terms in the Responsibility Report. The executive directors are responsible for the reasonableness of these interpretations. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of the sustainability matters based on these interpretations is uncertain. The quantification of non-financial performance indicators disclosed in the Responsibility Report is also subject to inherent uncertainties.

These inherent limitations also affect the assurance engagement on the Responsibility Report.

Independent Practitioner's Responsibilities for the Assurance Engagement on the Responsibility Report

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the Responsibility Report has not been prepared, in all material respects, in accordance with the specifying criteria presented by the executive directors of the Company and to issue an assurance report that includes our assurance conclusion on the Responsibility Report.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgement and maintain professional scepticism. We also

- obtain an understanding of the process used to prepare the Responsibility Report, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Responsibility Report.

- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. In addition, the risk of not detecting a material misstatement in information obtained from sources not within the entity's control (value chain information) is ordinarily higher than the risk of not detecting a material misstatement in information obtained from sources within the entity's control, as both the entity's executive directors and we as practitioners are ordinarily subject to restrictions on direct access to the sources of the value chain information.

- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the Procedures Performed by the independent Practitioner

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgement.

In performing our limited assurance engagement, we

- evaluated the suitability of the criteria as a whole presented by the executive directors in the independent Practitioner.

- inquired of the executive directors and relevant employees involved in the preparation of the Responsibility Report about the preparation process, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Responsibility Report, and about the internal controls related to this process.

- evaluated the reporting policies used by the executive directors to prepare the Responsibility Report.
- evaluated the reasonableness of the estimates and related information provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors were unable to obtain.
- performed analytical procedures or tests of details and made inquiries in relation to selected information in the Responsibility Report.
- considered the presentation of the information in the Responsibility Report.

Restriction of Use

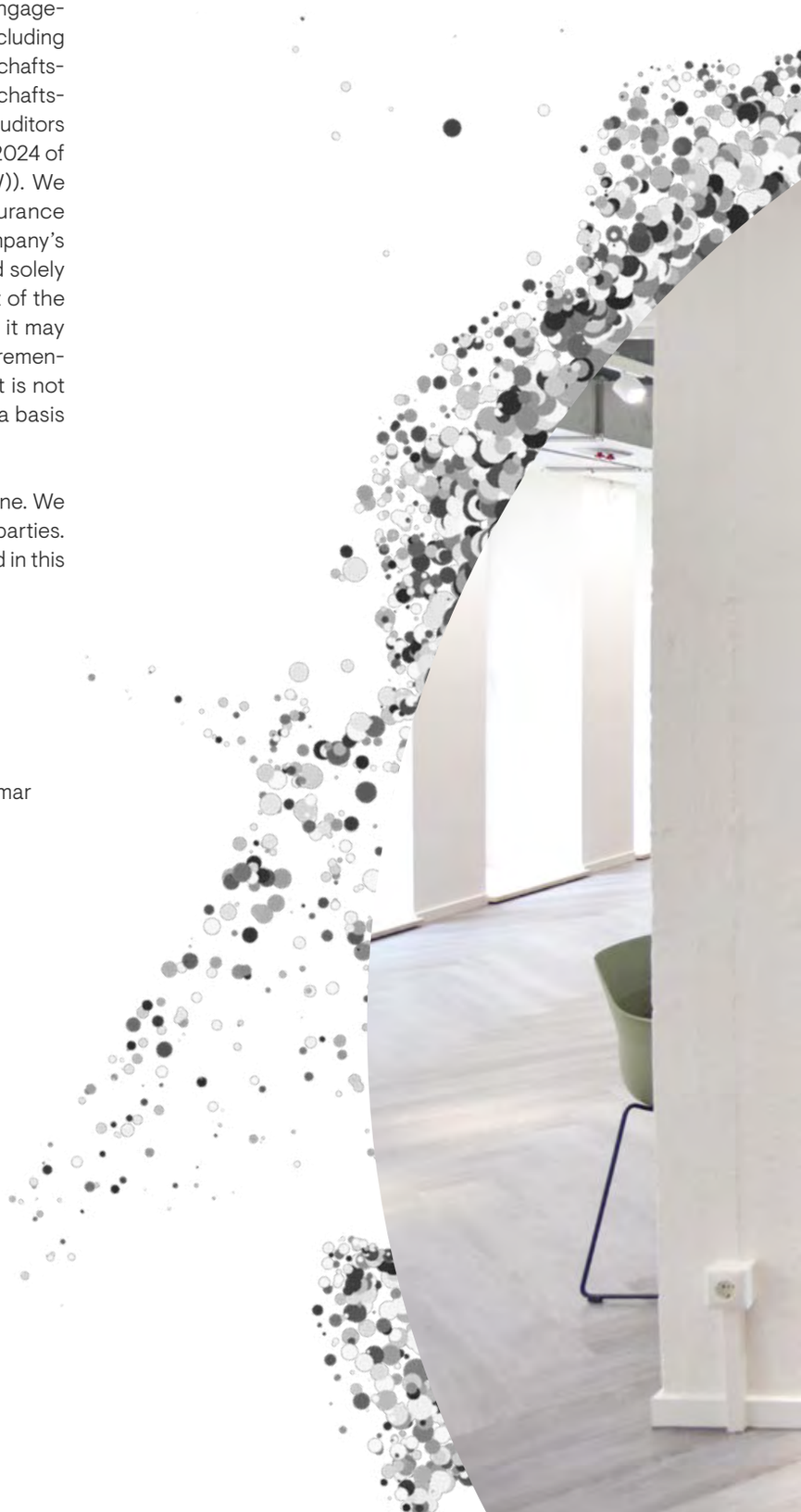
We issue this report as stipulated in the engagement letter agreed with the Company (including the 'General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (German Public Auditors and Public Audit Firms)' dated 1 January 2024 of the Institut der Wirtschaftsprüfer (IDW)). We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Consequently, it may not be suitable for any other than the aforementioned purpose. Accordingly, the report is not intended to be used by third parties as a basis for making (financial) decisions.

Our responsibility is to the Company alone. We do not accept any responsibility to third parties. Our assurance conclusion is not modified in this respect.

Köln/Germany, 7 Mai 2025

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Sebastian Dingel ppa. Arne Vilmar



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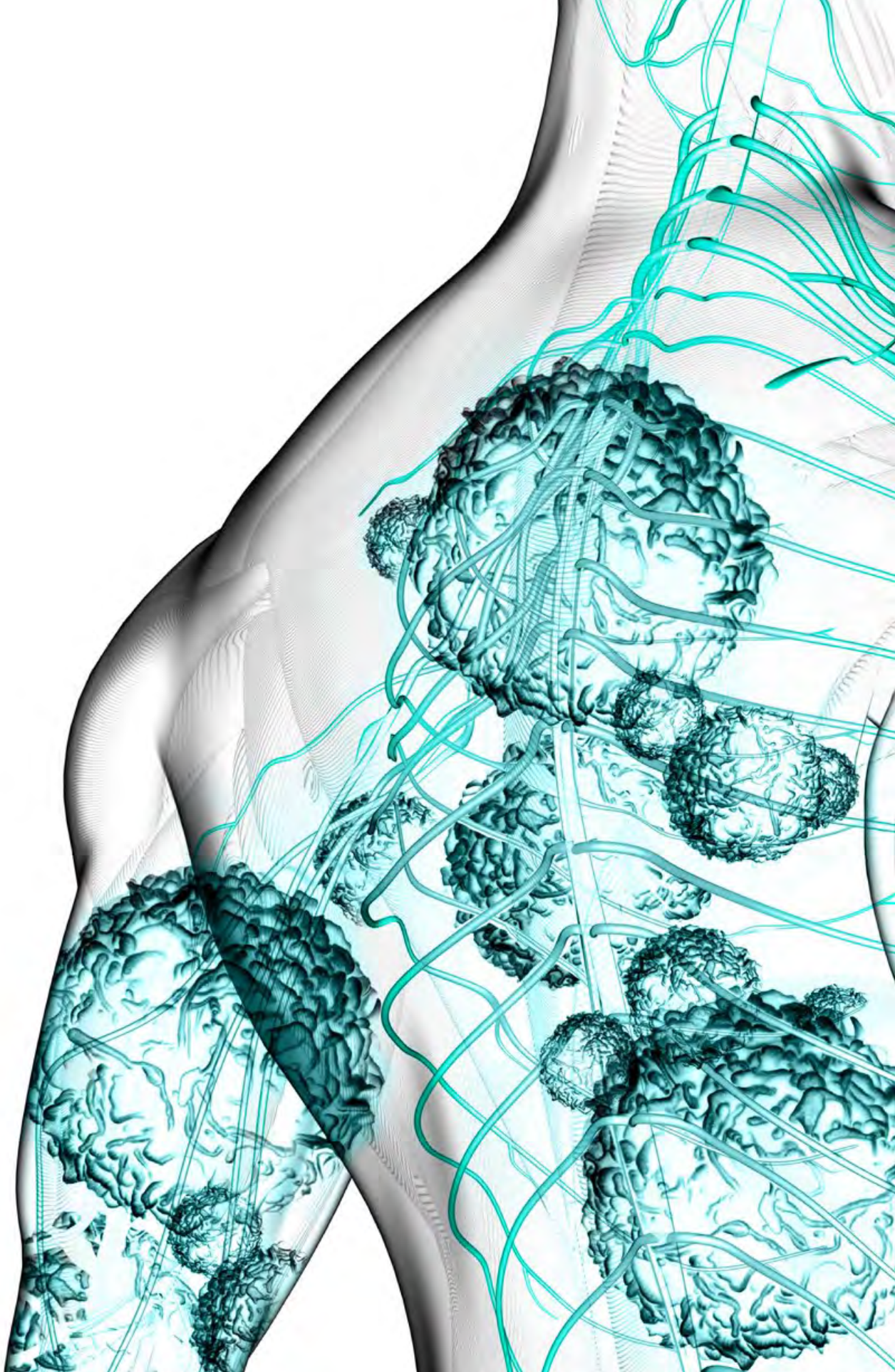

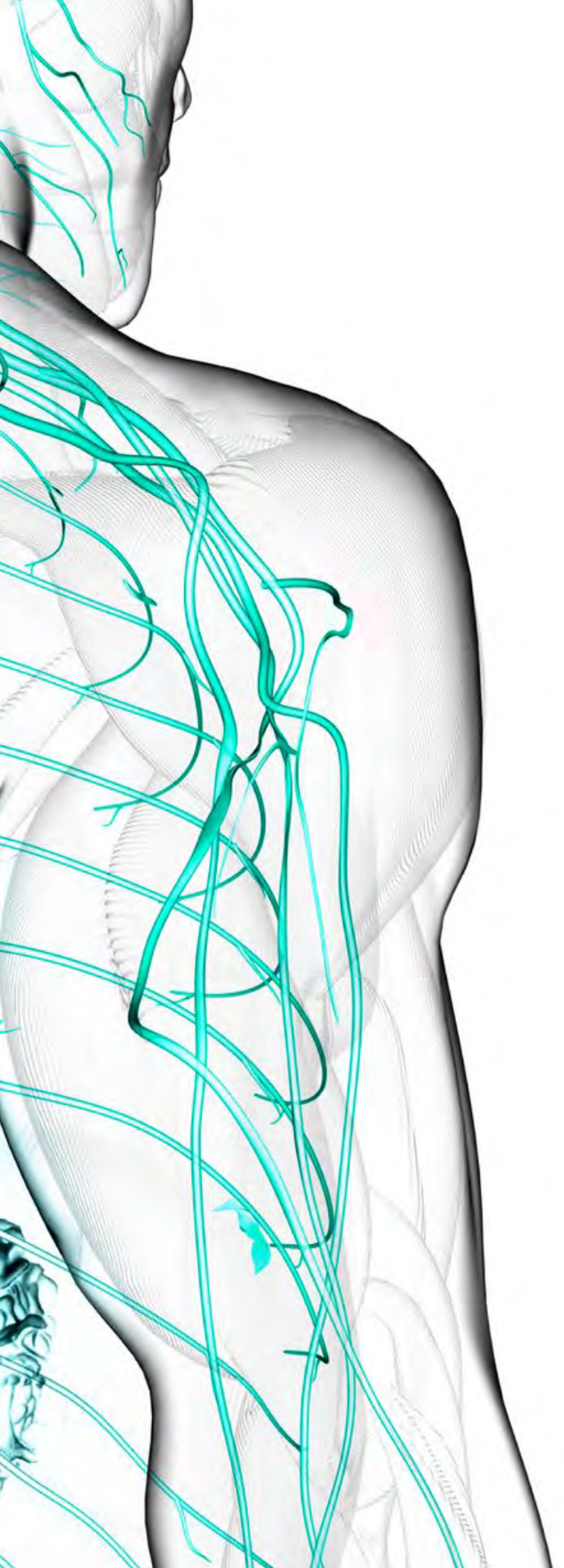

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