

Sustainability Report 2024

# Closer To What Matters



THERAPEUTICS

Better outcomes for more patients.



## Introduction

- 3 A Message from our CEO
- 4 Our Vision and Mission
- 4 Values: What We Stand For
- 5 Priorities: Charting Our Course
- 7 Our Executive Team
- 8 Leadership Structure
- 9 Our Portfolio
- 10 In The Pipeline
- 12 Tracking Progress with Transparency
- 13 ESG Risks & Opportunities

## Strategy

- 15 Our Sustainability Strategy
- 15 Our Ambition
- 16 At a Glance:  
Our Four Focus Areas

## Care

- 19 Access to Health
- 20 Pilot Programs:  
Nigeria and Tanzania
- 21 Health Education & Patient Organizations
- 25 Commitment to Product Quality

## Planet

- 30 Sustainability Action Plan
- 31 Addressing Climate-Critical Emissions
- 38 Waste, Recycling & Packaging
- 43 Beyond Compliance:  
Life Cycle Assessment & Water Stewardship

## People

- 46 Employee Engagement & Accolades
- 49 Employee Development
- 54 together@merztx:  
Fostering a Psychologically Safe and Empowering Environment

## Leadership

- 59 Innovation and R&D
- 61 Customer Satisfaction
- 63 A Fair Business: Ethics, Compliance & Privacy
- 68 Operational Sustainability**
- 69 Smart Supply Chain
- 71 Health, Safety, Security & Environment (HSSE)
- 72 About this Report**
- 74 Facts & Figures**

# Contents

At Merz Therapeutics, we believe that transparency drives progress. This report shares our sustainability journey and performance from January 1 to December 31, 2024, unless otherwise noted. By reporting annually, we reaffirm our commitment to responsible growth, continuous improvement, and creating long-term value for patients, communities, and the planet. For more information about this report, see page 73.

## A Message from our CEO

# Dear Reader,

Since the publication of our first sustainability report, we have continued to move forward—not only as a business, but also in how we live up to our responsibilities to society and the environment. In 2024, our mission to put patients' needs first has been accompanied by substantial growth and a deepened commitment to sustainability, while navigating complex global economic and political conditions.

Across all four focus areas of our sustainability strategy—Working Together for the Good of Patients, Mindful Treatment of the Environment, Attractive & Future-Proof Employer, and Impact-Driven Responsible Business—we have achieved meaningful milestones.

I take particular pride in the launch of our together@merztx initiative, which reflects our strong commitment to cultivating a workplace culture where all employees feel respected, valued, and empowered to contribute to our shared success. Merz Therapeutics also joined forces with the World Stroke Organization to expand access to care in underserved regions through our Access to Health initiative, while launching a global patient support program and significantly expanding our clinical trials to help more patients benefit from our high standards in product quality and safety. Finally, we remain a proud participant in the United Nations Global Compact and continue to align our

business strategy with the UN Agenda 2030 and its Sustainable Development Goals.

To support our sustainability efforts and continuous growth, we've installed a new cross-functional working model centered around our Global Product Teams.

---

**“All our actions root in one shared purpose: to deliver better outcomes for more patients, today, and tomorrow.”**

---

We've also advanced our supply management to drive operational excellence, and strengthened our internal Governance Teams with enhanced compliance, ethics, sustainability, and legal expertise to safeguard our long-term success. In parallel, we've expanded our capabilities and market presence by adding more than 200 professionals to our team. These steps have laid a scalable foundation that has allowed us to acquire new medicines for Parkinson's disease and multiple sclerosis in July 2024, which doubled our U.S. revenue.

All our actions are rooted in one shared purpose: To deliver better outcomes for more patients, today, and tomorrow. As we look ahead, I am proud of how far we have come, and I am excited for the journey ahead.

Sincerely,  
**Stefan König**  
CEO Merz Therapeutics



# Introduction: Merz Therapeutics

Merz Therapeutics GmbH\* is a part of the family owned Merz Group, an international, diversified company founded in Germany in 1908. Merz Group includes the operating businesses Merz Aesthetics, Merz Therapeutics, Merz Lifecare as well as Merz Real Estate, Merz Private Markets, and Merz Financial Investments.

## Built for Impact

In 2020, Merz Therapeutics was launched to fully realize the potential of developing life-improving medicines.

Rooted in the legacy of our founder, Friedrich Merz, and his commitment to independence and patient-centered care, we focus on specialty therapeutics that address challenging conditions such as movement disorders and neurological diseases.

Our business model combines in-house innovation, strategic partnerships, and targeted acquisitions to drive sustainable growth and expand access to meaningful treatments. For all patients—today and in the future.

## Our Vision and Mission

Merz Therapeutics is a leading player in neurology-focused specialty pharma. We are driven by our commitment to innovation that benefits both patients and society.

With passion and purpose, we deliver better outcomes for more patients. With science as our foundation and the patient experience as our focus, we relentlessly pursue innovative treatments and partnerships to answer unmet needs in specialty neurology.



# THERAPEUTICS

Better outcomes for more patients.

## Values: What We Stand For

### Persist in Innovation

Innovation is the key to our success, and to our growth. We efficiently identify and relentlessly pursue the clinical and strategic developments that will define our future. Our culture of innovation empowers employees by rewarding risk-taking and encouraging accountability.

### Commit to Customers and Colleagues

We build lasting relationships, between ourselves and our partners, based on trust, respect and integrity. We live by an open, collegial company culture, and actively seek feedback from our partners to make our relationships the best they can be.

### Deliver Trusted Results

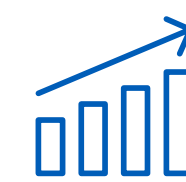
We are proud to continue Merz's long-standing legacy of high-quality, scientifically backed products built over more than 115 years. We are trusted because we treat every commitment to our partners, customers, and patients as equal—and high—priorities. Our long-term mindset commits us to delivering profitability and financial sustainability for years to come.

\* Merz Therapeutics GmbH and other entities (see page 80)



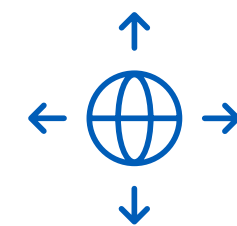
# Priorities: Charting Our Course

Our ambition is clear: To grow with purpose and deliver positive impact for patients living with neurological disorders. We're focused on:



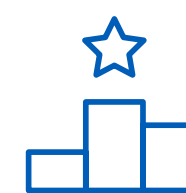
## Accelerating growth

to reach critical scale



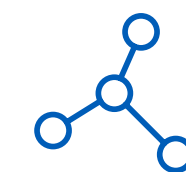
## Expanding our global operations

to serve more patients



## Strengthening product leadership

in specialty neurology



## Building an independent, high-impact organization

rooted in patient need

## Our Strategy

Our strategy is built on strong performance and a distinct international presence. Our affiliates are spread out across the globe, complemented by trusted international partners and neuroscience-driven R&D. This foundation allows us to scale our impact and advance long-term health and societal progress.

## Our Priorities

### Product Excellence

Continuously enhance and improve our core products

### Scalable Growth

Develop expertise and structures to maximize asset performance and scalable growth

### Portfolio Expansion

Expand our portfolio in the field of neurology-focused specialty pharma

### People & Culture

Empower people and foster a culture that drives long-term success

## Key Facts

# 80+

Operating through 12 affiliates and distribution partners, Merz Therapeutics is active in over 80 countries worldwide.

# 950+

Last year, our global workforce grew by 22%, now comprising more than 950 employees (HQ in Frankfurt am Main, Germany).

# 5

Our global network includes five dedicated R&D sites: two internal production facilities, two external ones, and one research center.

# 2

In 2024, we added two new medicines to our portfolio—one for Parkinson's disease and another for multiple sclerosis.

# 115+

We have been advancing therapeutic solutions for unmet medical needs for over 115 years.

# 84<sup>th</sup> percentile

With a Bronze Medal from EcoVadis, we are ranked in the 84th percentile for sustainability performance.

# 2

Joined the UN Global Compact two years ago and remain a proud participant.

# Our Executive Team

The Therapeutics Executive Team (TET) is collectively responsible for the overall success of Merz Therapeutics. It periodically reviews and approves key matters, while delegating all other decisions to the CEO, individual TET members, or designated Steering Committees overseeing specific strategic initiatives.



**Stefan König**

CEO Merz Therapeutics



**Leonard Paolillo**

President  
Region North America



**Marcus Gollub**

President  
Region Europe



**Andrea von der Lippe**

President  
Region International Markets



**Olga Stepanova**

Vice President  
Region Russia



**Karen LaRoche**

Global Head of  
Business Strategy and  
Portfolio Innovation



**Claudia Cramer**

Head of Global Asset and  
Commercial Strategy



**Dr. Stefan Albrecht**

Chief Scientific and  
Medical Officer



**Michael Pfeil**

Head of Therapeutics  
Operations



**Mark Altmeyer**

Non-Executive Director



**Cornelia Keller**

General Counsel



**Florian Marquardt**

Head of Global Human  
Resources



**Michael Schwaninger**

Chief Financial Officer

# Leadership Structure

## Integrated Leadership

In 2024, we integrated the Global Sustainability Management Team into the Therapeutics Leadership Team, establishing a direct reporting line to the Executive Team to enhance collaboration and align sustainability strategy and governance.

## Agile Structure

With a flat hierarchy and over 900 employees, we quickly align on sustainability priorities and foster cross-team collaboration, enabling agile, proactive leadership.

## Embedded Responsibility

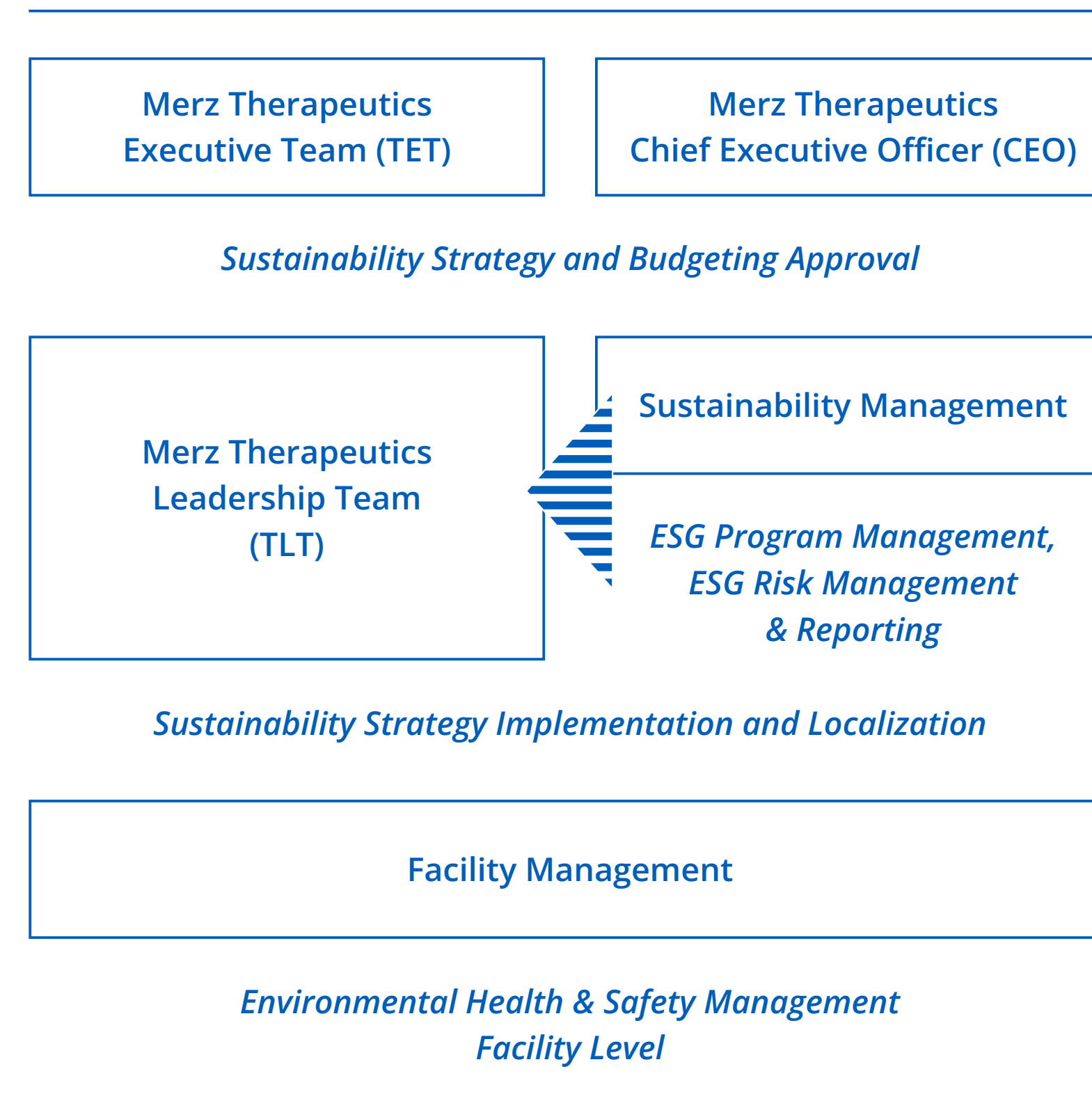
Sustainability is embedded in all core processes as a component of long-term success, with each Leadership Team member championing it within their teams and acting as a strategic ambassador.

## Transparent Oversight

The Global Sustainability Management Team reports directly to a member of the Executive Team, monthly to the CEO, and annually to the entire Executive Team, with ongoing ad-hoc updates encouraged. A binding framework of policies and our Code of Conduct ensures accountability and consistent integration across operations.



## Governance System



# Our Portfolio

Our portfolio addresses the urgent needs of patients with chronic, life-impacting conditions.

## Our Aim

We aim to lead in neurology-focused specialty pharma, with innovative treatments for movement and neurological disorders. Driven by a commitment to better outcomes, we continue expanding our range—many of which offer solutions where few alternatives exist.

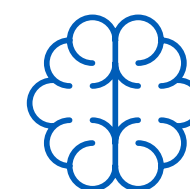
## Our Core Product

Our core product is a highly purified botulinum neurotoxin for movement disorders, and we were among the first to develop a version free of complex proteins. Our specialty products are designed to meet the unique needs of patients to improve daily lives.



### Neuromuscular disorders and conditions

such as cervical dystonia, upper limb spasticity, and blepharospasm



### Neurocognitive dysfunction

resulting from neurodegenerative processes in Alzheimer's disease



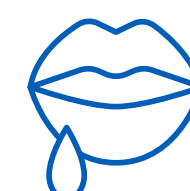
### Chronic liver diseases

including fatty liver, and severe neurological complications such as hepatic encephalopathy



### Walking disability in multiple sclerosis

caused by nerve fiber damage



### Chronic severe drooling (sialorrhea)

in children and adults with neurological conditions



### Dermatological care

for scar healing and prevention, addressing associated physical discomfort such as tension, redness, and itching of scar tissue



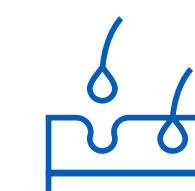
### Motor dysfunction

resulting from neurodegenerative processes in Parkinson's disease



### Vocal fold insufficiency

causing dysphonia, an impairment of the vocal component of speech articulation



### Hair loss problems

caused by various factors, addressing the full spectrum of alopecia that often result in psychological strain

# In The Pipeline

At Merz Therapeutics, we are dedicated to developing innovative medicines to improve patient outcomes. Our proud history of delivering high-quality treatments is a testament to our commitment to advancing the field of neurology through specialty medicines.

**15**

recent approvals of new marketing authorizations

**5**

projects in partnership

**18%**

of 2023/24 sales are reinvested in R&D

**>150**

professionals in R&D roles

Between July 2021 and June 2024



# Clinical Development Pipeline

## Label Modifications & Approvals

### Cervical Dystonia (Label Extension)

Neurology / Movement Disorders

 Approved in Europe

### Pediatric Upper Limb Spasticity (Excluding Cerebral Palsy)

Neurology / Movement Disorders

 Approved in US

### Spasticity (Label Extension)

Neurology / Movement Disorders

 Approved in Europe

### Pediatric Sialorrhea

Neurology

 Approved in Europe, North America

### Lower Limb Spasticity

Neurology / Movement Disorders

 Approved in UK

### Upper Limb Spasticity (Label Extension)

Neurology / Movement Disorders

 Approved in Canada

### Lower Limb Post Stroke Spasticity

Neurology / Movement Disorders

 Approved in Japan (in partnership)

### Upper Limb Post Stroke Spasticity

Neurology / Movement Disorders

 Approved in Japan (in partnership)

## Phase III

### Lower Limb Spasticity

Neurology / Movement Disorders



### Lower Limb Pediatric Spasticity

Neurology / Movement Disorders



### Migraine

Pain Management



## Phase II

### Peripheral Neuropathic Pain

Pain Management



### Essential Tremor

Neurology / Movement Disorders

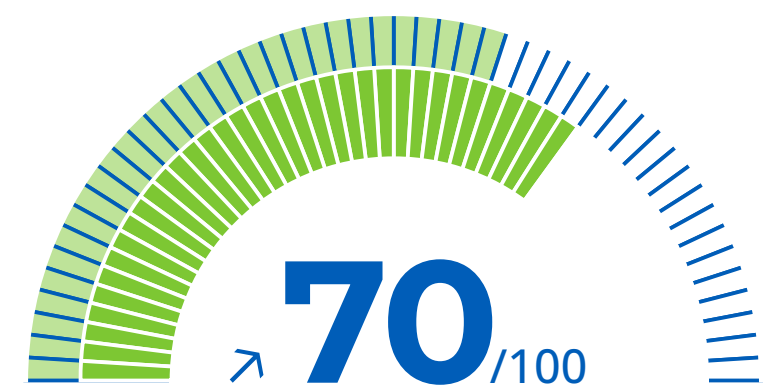


# Tracking Progress with Transparency

Based on our metrics submitted in 2024, we've earned the EcoVadis Bronze Medal, placing us in the 84th percentile—up from the 74th in 2023. This recognition affirms our progress and inspires us to keep raising the bar.

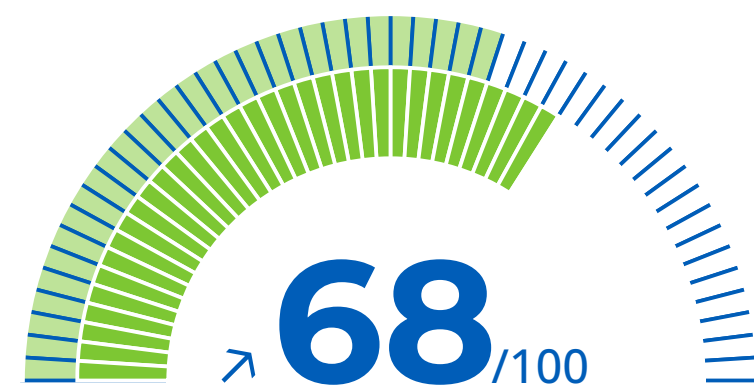
The EcoVadis Sustainability Rating acknowledges the progress we've made while providing valuable guidance as we continue to advance our sustainability agenda and increase our positive impact on the world.

Learn more about [EcoVadis Medals & Badges](#).



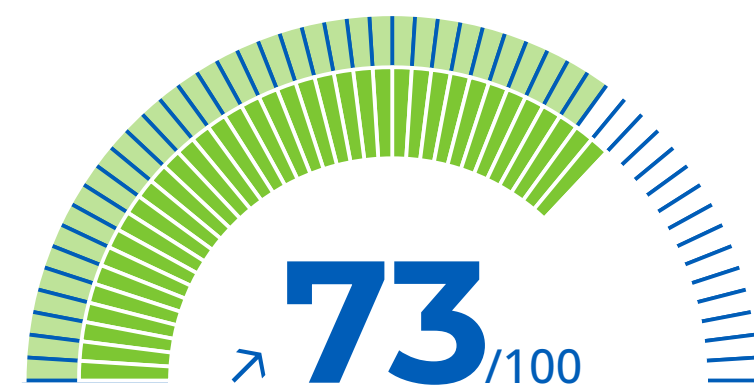
Environment

+10 ↗



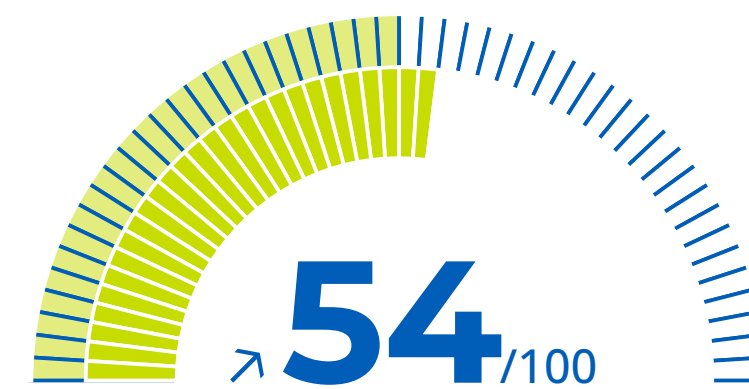
Labor & Human Rights

+8 ↗



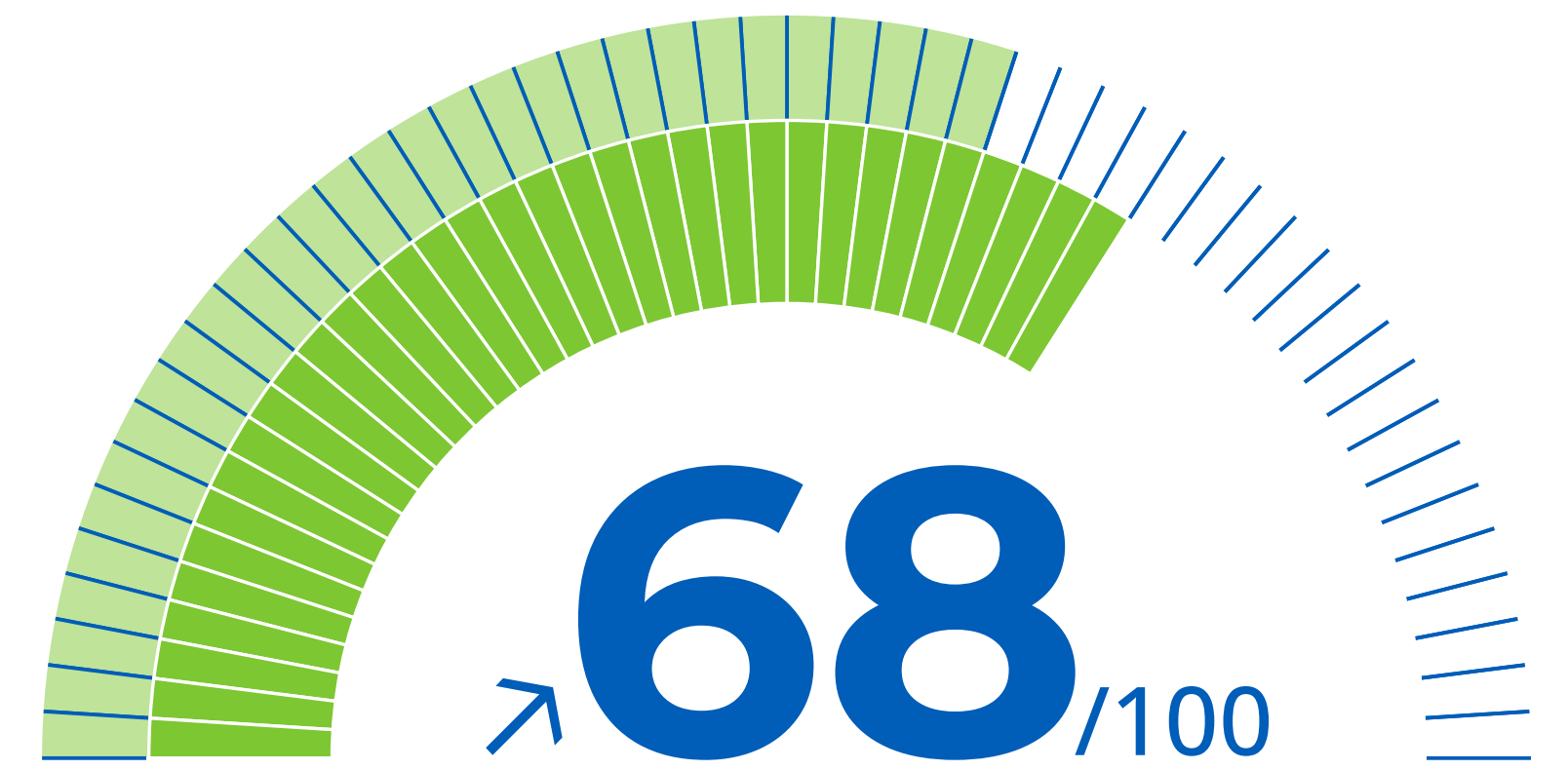
Ethics

+3 ↗



Sustainable Procurement

+4 ↗



Overall Score

+8 ↗

# ESG Risks & Opportunities

We regularly assess evolving ESG risks and opportunities to stay ahead in a fast-changing environment. Guided by internal expertise and insights from a broad range of external stakeholders, we've deepened our engagement in 2024 to evaluate material topics more closely. The results have been updated in line with the latest ESRS guidelines, ensuring our strategy remains relevant and forward-focused.

## Risks

---

### Environment: Supply Chain & Resource Vulnerability

Climate disruptions and energy market volatility are straining sourcing, logistics, and operations, increasing the risk of delays and cost fluctuations. We mitigate this through strong supplier partnerships, renewable energy sourcing, and efficiency investments—supported by our core biotech-based product offering.

### Sustainability Transition Costs

Upgrading products and systems to meet circular and low-emission standards requires significant resources and time. New workflows, technologies, and skills are needed. We address this through targeted training, innovation funding, and cross-functional collaboration.

### Limits to Circularity

Regulatory and material constraints can limit full recyclability and circular design, slowing progress toward zero-waste goals. We address this through product life cycle assessments to identify alternatives, while collaborating with industry and regulators on solutions.

## Opportunities

---

### Climate-Aligned Innovation

We're advancing resilience and impact through energy efficiency and sustainable R&D. Smarter systems cut emissions and manage costs amid rising energy volatility, while embedding sustainability in R&D boosts the relevance and long-term value of our therapies. Together, these efforts drive climate progress, improve health outcomes, and enhance our ability to serve patients in a changing world.

### Governance as a Growth Enabler

Our long-term governance approach promotes ethical decisions, consistent business practices, and stakeholder trust—fostering a purpose-driven culture for employees and reinforcing reliability and accountability for partners and patients.

### Future-Resilient Workforce

We view demographic shifts as an opportunity to grow through experience and inclusion. Through mentoring, knowledge-sharing, and inclusive leadership, we ensure continuity while supporting engagement and development across all career stages.

### Strategic Partnerships

Collaborations with patient groups, industry alliances, and sustainability networks enhance our impact—enabling us to tackle complex challenges like access and innovation with greater effectiveness and reach.



A pair of glasses with light-colored frames and clear lenses is resting on a dark surface, possibly a desk. To the left, a clear glass is partially filled with water. The background is a blurred office setting with a laptop. A large, semi-transparent, multi-sided geometric shape is overlaid on the scene, framing the glasses and the text.

# Strategy

**Focused on What Matters**

# Our Sustainability Strategy

At Merz Therapeutics, we turn commitment into action. Our sustainability strategy, based on a 2022 double materiality analysis, was updated in 2024 to align with the European Sustainability Reporting Standards (ESRS). We are pleased to report that our core sustainability topics remain consistent.

In 2024, we reaffirmed our support for the UN Global Compact. CEO Stefan König signed a renewed letter of commitment, and we submitted our first Communication on Progress report, reinforcing the integration of its Ten Principles into our growth strategy, company culture, and daily operations.

## Our Ambition

---

**“We accelerate sustainable impact by expanding our global reach and operations to drive long-term, responsible growth—delivering better outcomes for patients, while reducing our environmental footprint and creating lasting social value.”**



# At a Glance: Our Four Focus Areas

## Double Materiality

We remain focused on 11 key material topics, prioritized by both internal and external stakeholders for their relevance and potential impact.

## Our Focus Areas: What Matters Most

To drive meaningful outcomes for people and the planet, these topics are organized into four strategic focus areas. This framework helps us direct resources where they create the greatest value, while supporting agile, sustainable growth. The foundation of our strategy: “Working together for the good of patients.” Shaped by ongoing stakeholder dialogue, this focus reflects our mission—Better Outcomes for More Patients—and anchors our broader business goals.



### Care

#### Working Together for the Good of Patients

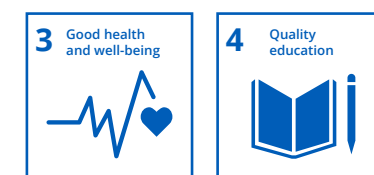
##### Material Topics

- Access to health for patients
- Patient organizations & health education
- Product quality

##### Ambition

We use our skills to address patients’ unmet needs and improve access to healthcare professionals and other key stakeholders to promote health equity and deliver meaningful value.

#### Sustainable Development Goals



### Planet

#### Mindful Treatment of our Environment

##### Material Topics

- Climate-relevant emissions
- Waste generation, recycling, and packaging

##### Ambition

We always consider positive and negative ecological impacts of our actions and conduct our business in a resource- and climate-friendly manner.

#### Sustainable Development Goals



### People

#### Attractive and Future-Proof Employer

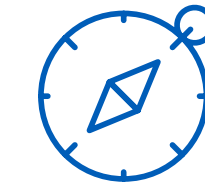
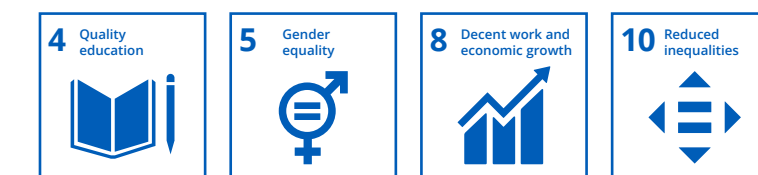
##### Material Topics

- Employee development
- Employee engagement
- Anti-discrimination and equal treatment

##### Ambition

We promote a sustainable work-life balance and create an engaging place of work that encourages employees to be who they are so that they can perform at their best.

#### Sustainable Development Goals



### Leadership

#### Impact-Driven Responsible Business

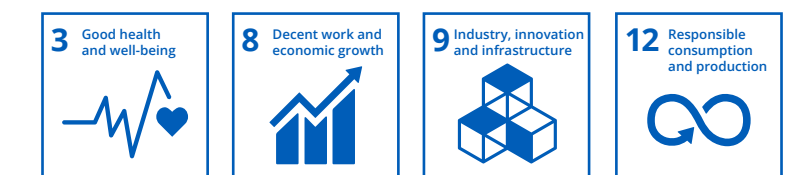
##### Material Topics

- Innovation and R&D
- Customer satisfaction
- Fair business

##### Ambition

Innovation is the lifeblood of our company. We strive to be genuinely customer-centric and are fully committed to the highest business ethics toward all our stakeholders.

#### Sustainable Development Goals



# Care

**Working Together for  
the Good of Patients**



# Care: Working Together for the Good of Patients

Working together for the good of patients is the heart of our strategy. It reflects our purpose and drives everything we do—from innovation and sustainability to people development and ethical leadership. Every step we take is aimed at improving lives and delivering better health outcomes.

This year, we've expanded through new products, market entries, and global access initiatives. Growth isn't just a goal, it's how we reach more patients and deliver better care, every step of the way.

8

We supported 8 patient organizations through dedicated initiatives.

2

We launched 2 pilot projects to improve access to healthcare in Nigeria and Tanzania.

64,769

A total of 64,769 healthcare professionals were trained globally to enhance patient care.

2024

In 2024, we officially launched the "Access to Health Initiative" with the World Stroke Organization.



# Access to Health

We believe equitable healthcare access goes beyond pricing. As a neurology-focused specialty pharma company, our positive impact relies on strong healthcare infrastructure, which remain out of reach in many regions. That's why reducing access gaps is core to our mission.

Together, we're working to build scalable, replicable healthcare models, ensuring access to quality care, regardless of geography or income.

Launched in 2023, our Access to Health initiative advances access to post-stroke health in Low & Middle Income Countries (LMICs) through:

- Healthcare professional training
- Patient education
- Strategic partnerships
- Employee volunteering

In October 2024, we strengthened this mission by announcing an institutional partnership with the World Stroke Organization at the annual Abu Dhabi World Stroke Congress.

*“Our long-term goal is to create sustainable, scalable healthcare improvements that can transform stroke care in these regions and beyond. This initiative embodies our commitment to making healthcare more equitable and accessible for all.”*

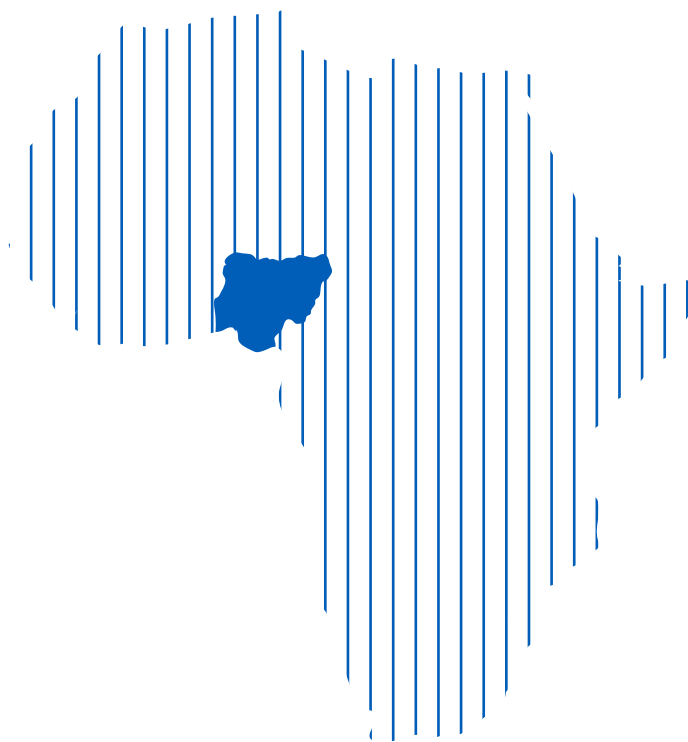
Stefan Albrecht  
Chief Scientific and Medical Officer of Merz Therapeutics



# Pilot Programs

## Nigeria

Our pilot program is transforming stroke care by equipping neurologists and healthcare professionals with cutting-edge training. Through tailored educational modules, the initiative boosts post-stroke rehabilitation and builds a stronger, more capable workforce ready to deliver advanced, life-saving care.

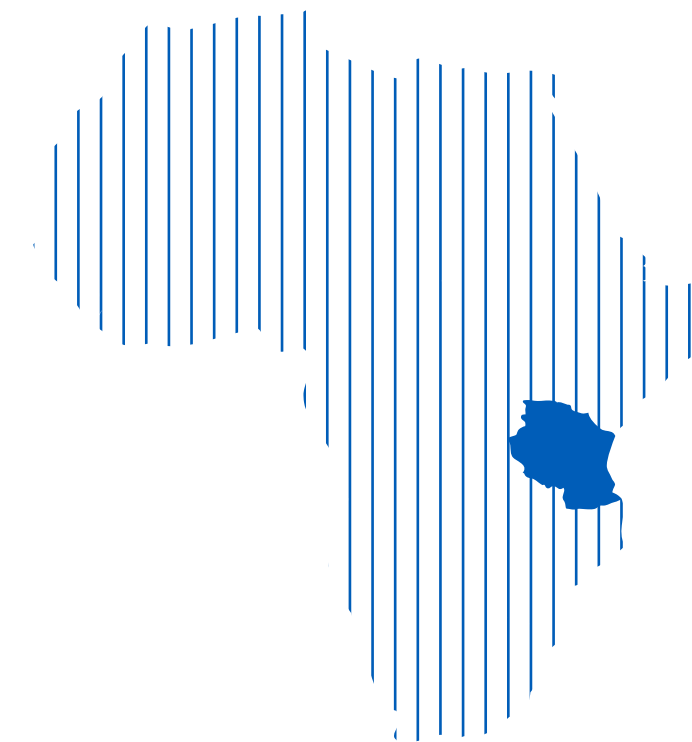


### Program Highlights

- A Stroke Knowledge Assessment Tool (SKAT), including questions on spasticity, was developed and validated to measure participants' knowledge before and after training.
- 203 healthcare professionals across three sites completed the pre-training SKAT; notably, 67.5% reported no prior stroke training—highlighting a significant need for structured education.
- A self-paced Post-Stroke Spasticity (PSS) learning module, authored by a leading expert, was published on the World Stroke Academy's E-learning platform.
- A four-day hybrid training event (Feb 24–27, 2025) engaged 168 in-person and 77 online participants from various disciplines and advocacy groups.

## Tanzania

The initiative aimed to expand access to stroke care in low-resource settings. Building on efforts led by the World Stroke Organization, Merz Therapeutics offered strategic support to strengthen stroke care infrastructure, with a particular focus on hospital-based stroke units. By partnering with local providers, the program sought to improve outcomes and deliver integrated, multidisciplinary care to underserved communities.



### Program Highlights

- Stroke registries were launched at three referral hospitals, capturing data from 500 patients.
- Four public awareness events were held during Stroke Awareness and NCD Months (October–November 2024).
- The Swahili FAST acronym “UPESI” was rolled out nationwide through media and healthcare forums.
- 66 multidisciplinary stroke care providers received training on World Stroke Day.
- A nationwide media campaign featured 17 stroke experts across television and radio platforms.

# Health Education & Patient Organizations

At Merz Therapeutics, we believe in working hand-in-hand with patient organizations across our core therapeutic areas. Together, we create platforms for tailor-made education and drive initiatives that empower individuals through better health literacy.



# Health Education

At Merz Therapeutics, we see health education as essential to advancing patient care. Our Medical Affairs team acts as a strategic partner, empowering healthcare professionals worldwide through expert-led training and knowledge exchange. Our EXPERT Training program offers a comprehensive learning journey—from foundational virtual modules to advanced, hands-on courses in anatomy and ultrasound—designed to meet the needs of all clinical experience levels.

## Empowered Expertise in 2024

---

### Congress Participation

- Contributed to major international congresses, including MDS (2024).
- Sponsored the ISPRM conference in Sydney, Australia.
- Participated in CONy.

### Scientific Symposia

- Conducted three educational symposia at global congresses.
- Published a bedside-use educational booklet for practical guidance.

### Toxnet Initiative; Movement Disorder Specialist Network

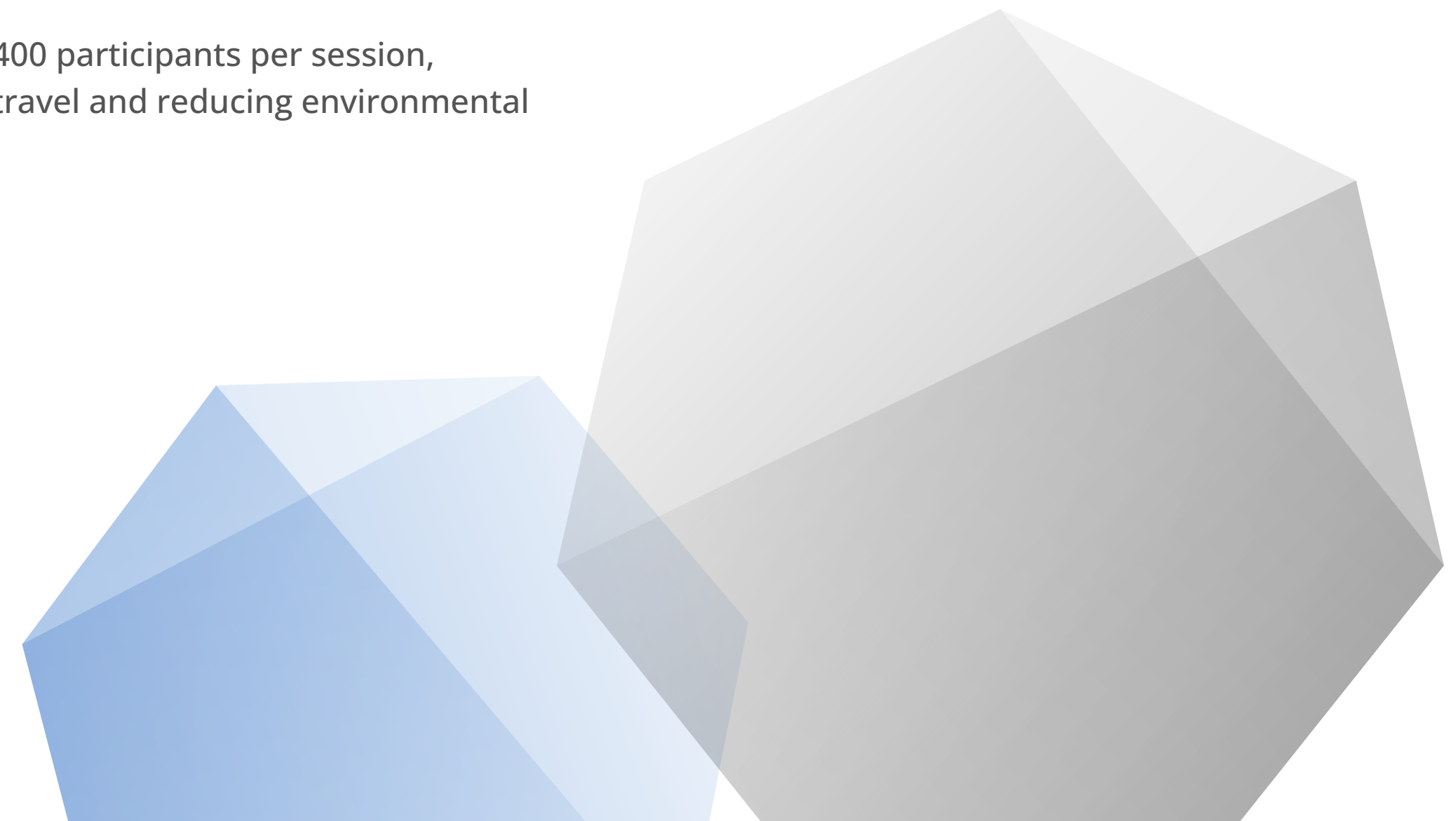
- Facilitates collaboration among movement disorder specialists to advance shared expertise and best practices.

### EXPERT Virtual Program

- Offers sustainable, wide-reaching training for healthcare professionals.
- Draws 150–400 participants per session, minimizing travel and reducing environmental impact.

### Focus Area: Educational Content Development

- Creates scientific publications and materials based on internal data and advisory board input.
- Delivers content through webinars, symposia, and scientific events.



# Health Education

## Global Reach in 2024

8

live trainings across Valencia, Barcelona, Lisbon, Vancouver, Madrid, Oxford, Lübeck, and Munich with 180 healthcare professionals engaged

1

Expert Exchange Advisory Board convened with 10 leading specialists

2

virtual trainings with a wide audience of 345 participants reached

## Trainings and Number of Healthcare Professionals Trained in 2024 (by Training Type)

Training Type	Total Trainings	Healthcare Professionals Trained*
Face-to-Face Courses (≥12 participants)	224	6,865
Virtual Trainings (Webinars, Platforms)	173	51,716
Trainings Within Long-Term Educational Programs (≥1 yr)	35	735
Small-Scale Trainings (Hospitals etc.)	691	5,453
<b>Total</b>	<b>1,123</b>	<b>64,769</b>

\* Please note: The number of healthcare professionals trained is only reported for countries that submitted the data. Actual number may be slightly higher.



# Patient Organizations

## Europe



### SAFE (Stroke Alliance for Europe)

Co-created Life with Spasticity, an educational platform for stroke survivors.



### Dystonia Europe

Platinum sponsor supporting awareness and tools for patient self-management.



### EPDA (Parkinson's Europe)

Partnered on campaigns to raise awareness of sialorrhea, an often-overlooked Parkinson's symptom.



## North America



### Parkinson's Foundation

Focused on improving care and advancing research for people with Parkinson's.



### Dystonia Medical Research Foundation (DMRF)

Supporting research and community since 1976 to help find a cure for dystonia.



### The Michael J. Fox Foundation

Driving research to cure Parkinson's and develop better therapies.



### CPARF (Cerebral Palsy Alliance Research Foundation)

Leading global nonprofit for cerebral palsy research and innovation.



### PMD Alliance

Offers essential resources and community support for those with Parkinson's and movement disorders.

# Commitment to Product Quality

We're dedicated to ensuring the safety, quality, and accessibility of our products at every stage of their journey. For the patients and communities who rely on us, we uphold the highest technical and process standards, continually striving to deliver trusted, consistent care they can count on.

## Quality that Earns Trust

For us, quality is how we build trust—by delivering reliably, acting with transparency, and putting patient wellbeing at the heart of every decision.

Our holistic approach to product quality to ensure safety, consistency, and ease of use is built into every step—from development to delivery. We uphold rigorous standards, including Good Manufacturing Practice, pharmacovigilance regulations, and our own internal benchmarks.

With a long-term view of responsibility, we're committed not just to preventing harm, but to continuously improving outcomes for the people who count on us.

## Listening, Learning, Improving

We believe that the people who use our products—patients and healthcare professionals—are our most valuable guides. That's why we actively engage with patient organizations and medical experts to better understand real-world product experiences.

Through post-market surveillance, usability studies, and ongoing Medical Affairs dialogue, we gather insights that drive meaningful improvements. These voices help shape how we define quality—ensuring it reflects not just technical standards, but the lived experiences of those we serve.



# Quality Through Vigilance

We offer a transparent, accessible grievance system for patients and caregivers to report concerns or side effects. Each report supports pharmacovigilance, enables early safety signal detection, and feeds into our product improvement cycles, fully aligned with regulatory and internal standards.



## Pharmacovigilance Trainings

9

standard operating procedures (SOPs) with 14 attachments rolled out in Learning Management System

52

face-to-face or video conference trainings for defined risk group

51

trainings for distribution partners

17

quarterly refresher and onboarding trainings for affiliate pharmacovigilance teams and ad-hoc training

# Actionable Insights

Our quality management system is designed to proactively safeguard patient safety and ensure product reliability at every stage. We combine data, discipline, and digital tools to maintain and elevate our standards.

To ensure continuous internal oversight, we use:

---

**Defined KPIs to monitor:**

- Product safety
- Complaint response times
- Batch consistency

**Continuous improvement tools such as:**

- Root cause analysis
- Corrective and Preventive Actions (CAPA)
- Trend evaluations to identify and mitigate risks

**Ongoing quality refinement through:**

- Internal audits
- Change control data
- Post-market surveillance

**Digital integration via:**

- Electronic Quality Management System (eQMS) to enhance transparency and oversight

**Operational consistency driven by:**

- Robust supplier oversight
- Comprehensive staff training

**Insight-led planning, using system data to shape:**

- Quality objectives
- Long-term strategies
- A sustained focus on patient safety and product availability

## From Feedback to Action

We act on patient feedback and incident trends with targeted interventions ranging from label updates and HCP training to packaging redesigns. Effectiveness is measured through follow-up monitoring, satisfaction tracking, and continuous engagement with healthcare providers and patient groups.

To manage quality-related risks, we rely on strong governance, cross-functional coordination, and digital quality systems. Simultaneously, we seize opportunities to enhance patient experience by simplifying administration or expanding geographic access, ensuring quality is not just maintained, but continuously elevated.

# Planet

Mindful Treatment  
of our Environment



# Planet: Mindful Treatment of our Environment

We continuously evaluate and raise employee awareness of our environmental footprint, recognizing that patient wellbeing is closely tied to a healthy planet. That's why we're committed to minimizing our environmental impact, focusing on what matters most: reducing climate-relevant emissions, cutting waste, and improving recycling and packaging practices.

**390**

The Scope 2 emissions amounted to 390 metric tons.

**96** %

Office waste audits were conducted at 96 % of sites.\*



**1,358**

The Scope 1 emissions amounted to 1,358 metric tons.

**-39** %

Scopes 1 and 2 emissions were reduced by 39 % compared to 2023.

**82** %

Renewable electricity was used at 82 % of office sites.\*

**31,870**

The Scope 3 emissions amounted to 31,870 metric tons.

\*Percentage calculated based on headcount

# Sustainability Action Plan

We apply a focused environmental stewardship approach to maximize the impact of our sustainability efforts. While material topics guide our strategy, we actively monitor and respond to all emerging environmental issues.

## Conservation

We prioritize responsible resource use in product development and sourcing. By leveraging biotechnological processes, we significantly reduce raw material consumption compared to conventional chemical manufacturing methods.

## Materiality

Our sustainability investments target key material topics such as carbon emissions reduction, waste minimization, and improved recyclability—all aligned with the double materiality principle. We also actively monitor non-material topics to prevent potential negative impacts.

## Biodiversity and Responsible Land Use

Our manufacturing takes place exclusively in established industrial and commercial zones, avoiding biodiversity-sensitive areas. All major suppliers are certified under Good Manufacturing Practice (GMP), ensuring best practices in facility design and layout to prevent contamination risks.

## Pollution Prevention

We maintain all facilities to strict regulatory standards, carefully select waste management partners, and conduct audits to monitor and reduce emissions. Our R&D teams are continually working to minimize product waste.

## Education and Outreach

We equip all employees with sustainability training to foster environmental awareness and promote global best practices in stewardship.

## Continuous Assessment

We embed environmental impact assessments into project planning and development, conducting thorough due diligence before and after any new acquisition.

## Advocacy and Policy

As a member of the UN Global Compact, we align our operations with its environmental principles, which emphasizes precaution, education, and the adoption of environmentally friendly technologies.



# Addressing Climate-Critical Emissions

Energy use and greenhouse gas (GHG) emissions represent Merz Therapeutics' most significant environmental impacts. That's why our greatest opportunity lies in cutting emissions across Scopes 1, 2, and 3, while transitioning to renewable energy sources throughout our operations.

## Key Priorities

Strengthening our climate impact in 2024 through:

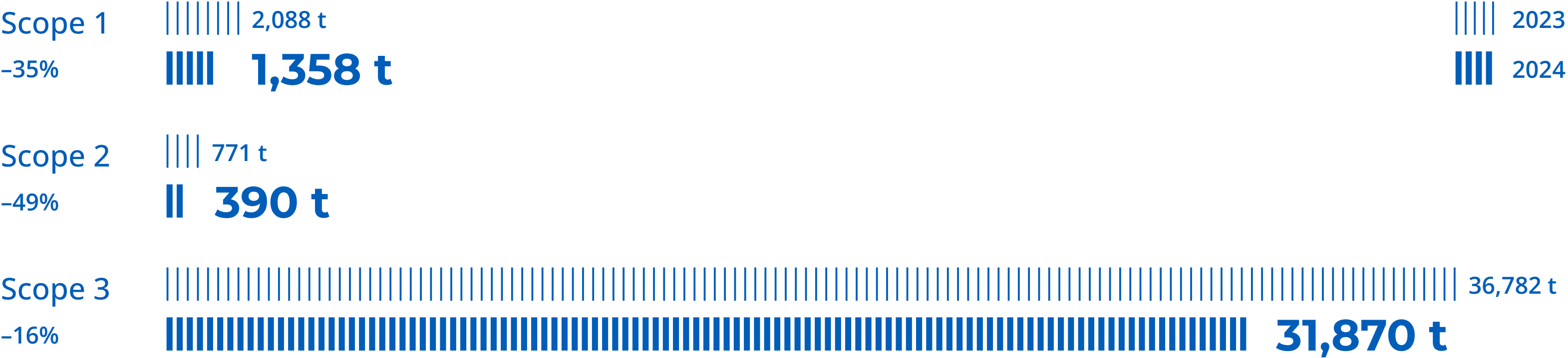
- Carbon footprint data analytics and quality improvement
- Alignment of our carbon footprint reduction target with Science-Based Targets methodology
- Transition to renewable energy at our offices, warehouses and partnering manufacturing sites
- Implementation of carbon footprint reduction measures across Scopes 1, 2, and 3, and beyond the renewable energy transition
- Investigation of the carbon footprint of our products



# Carbon Footprint

In 2024, we advanced emissions transparency by upgrading our carbon accounting software and conducting a thorough review of raw emissions data across all scopes. Special focus was placed on key Scope 3 categories—Purchased Goods and Services, Transportation (upstream and downstream), and Business Travel—to improve data quality, apply more accurate emission factors, and enable precise, targeted reduction strategies.

## Carbon Footprint Comparison 2023 vs. 2024



Market-based emissions.  
Location-based emissions are 640.14 t CO<sub>2</sub>e in 2023 and 1,203.25 t CO<sub>2</sub>e in 2024 respectively.



# Carbon Footprint

The notable decrease in our carbon footprint across Scopes 1, 2, and 3 is primarily driven by a revised accounting methodology, improved transparency in emission factors, the correction of previous reporting inaccuracies, and the implementation of impactful reduction measures. Further details on the methodology can be found in Appendix 1.

Emission Sources		2024, t CO <sub>2</sub> e	2023, t CO <sub>2</sub> e	Change, %
<b>1.</b>	<b>Scope 1</b>	<b>1,358</b>	<b>2,088</b>	<b>-35%</b>
1.1	Direct emissions from company vehicles	1,068	1,861	-43%
1.2	Direct emissions from company facilities	290	227	28%
<b>2.</b>	<b>Scope 2</b>	<b>390</b>	<b>771</b>	<b>-49%</b>
2.1	Purchased electricity for own use	61	469	-87%
2.2	Purchased heating, steam, and cooling for own use	329	302	9%
<b>3.</b>	<b>Scope 3</b>	<b>30,870</b>	<b>36,782</b>	<b>-16%</b>
3.1	Purchased goods and services	24,544	27,348	-10%
3.3	Fuel- and energy-related activities	596	880	-32%
3.4	Upstream transportation and distribution	3,487	5,130	-32%
3.5	Waste generated in operations	1	20	-94%
3.6	Business travel	1,533	2,254	-32%
3.7	Employee commuting	633	1,040	-39%
3.12	End-of-life treatment of sold products	76	110	-31%
<b>Total</b>		<b>32,618</b>	<b>39,641</b>	<b>-18%</b>

Market-based emissions.

Location-based emissions are 640.14 t CO<sub>2</sub>e in 2023 and 1,203.25 t CO<sub>2</sub>e in 2024 respectively.

## Data Analytics and Transparency

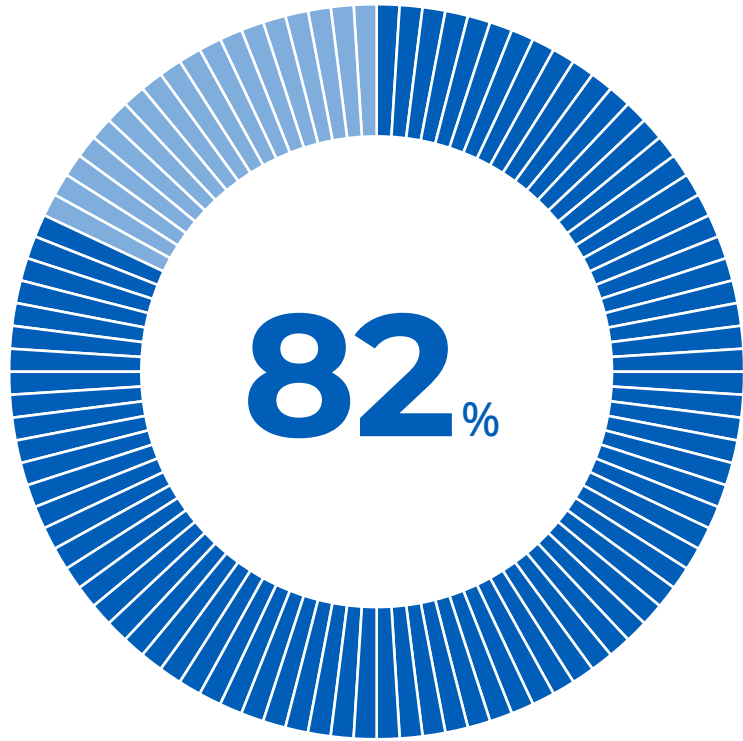
In 2024, we upgraded our carbon footprint calculation tool, enabling greater transparency in the emission factors used. While some data gaps were identified during the calculation process throughout the year, the overall result was an improved level of transparency. Going forward, we will continue refining our accounting methodology to provide even greater clarity for our stakeholders.



# Powering Progress with Renewables

In 2024, we made major strides in transitioning to renewable energy.

## Our Energy Mix in 2024\*



■ 82% Renewable  
■ 18% Other

## Achievements

- Sourced 100% renewable electricity for key sites, including:
  - Global headquarters
  - Frankfurt labs
  - two own production facilities
  - Darmstadt logistics hub
- Maintained long-standing green electricity use in offices across Paris, Madrid, and Vienna.
- Closed remaining gaps by procuring Energy Attribute Certificates (EACs) for 5 more locations.
- As a result, 82% of our total electricity in 2024 came from renewable sources.\*
- We remain committed to achieving 100% renewable energy company-wide by 2030.

\*Percentage calculated based on headcount

# Scopes 1 and 2: Emissions Targets and Progress

## Emissions Reduction Target

- In 2023, we set an ambition to reduce Scope 1 and 2 GHG emissions by 90% by 2035, exceeding standard reduction pathways, even before alignment with science-based criteria.
- In 2024, we aligned our reduction targets with the Science Based Targets initiative (SBTi), as announced in our previous report.\*
- Our target aligned with SBTi methodology: 63% reduction by 2035, using 2022 as the baseline.
- Our original long-term reduction ambition—90% by 2035—remains unchanged.

## Business Growth and Emissions Management

- Continued growth through product acquisitions expanded both our operations and global workforce.
- As we scale, we remain committed to responsible emissions management and measurable climate progress.

## Operational Initiatives

- Continued transition to renewable electricity across key sites.
- Updated corporate travel policy to encourage electric vehicle leasing at headquarters.
- Several affiliates began shifting vehicle fleets to electric or hybrid models.

## 2024 Highlights

- Achieved a 39% reduction in Scope 1 and 2 emissions, driven by:
- Increased use of green electricity.
  - Accelerating electrification of company vehicles.

\* We plan to align Scope 3 reduction target with Science-Based Target methodology in the next reporting cycle, and submit our targets for validation in the year after.



# Scope 3: Data Quality and Reduction Focus

## Data Quality and Coverage

- In 2024, we improved Scope 3 emissions data quality and expanded coverage, resulting in a significant reduction in reported emissions.
- Reduction reflects data refinement (not operational change).
- Provides a stronger foundation for targeted emission reduction going forward.

## Purchased Goods and Services (PG&S)

- Largest Scope 3 emissions source (>74% of total emissions).
- Emissions primarily linked to indirect goods and services.
- In 2024, we refined the emission factors applied to various types of indirect purchased goods and services.
- This methodological change was the key driver of the drop in emissions.

### Services

- Currently measured using spend-based estimates due to limited data.
- Significant portion linked to clinical trial operations.
- In 2025, we will pilot a clinical trial carbon footprinting approach to pinpoint emission hotspots.

### Packaging

- In 2024, we completed a packaging reduction project for our botulinum neurotoxin product.
  - Removed plastic tray
  - Reduced box size by 34% (US) and 19.6% (Europe)
- Rollout planned for 2026.
- Ongoing efforts to improve sustainability in secondary and tertiary packaging.

### Other Product-Related Emissions

- Launched an initiative with contract manufacturers to collect environmental data.
- Collaborating with Merz Group partners to identify and implement reduction measures across the value chain.



# Scope 3: Data Quality and Reduction Focus

## Upstream Transportation and Distribution

---

- 2024: Logistics hub switched to renewable electricity, lowering storage-related emissions.
- Next steps:
  - Introduce minimum order thresholds
  - Further optimize transport routes
  - Align distribution with operational and customer locations

## Business Travel

---

- In 2024, we introduced new travel guidelines to cut emissions while maintaining efficiency.
- Key elements:
  - Prioritize virtual meetings
  - Choose trains over planes for short trips
  - Select sustainability-certified hotels
- Developed an internal CO<sub>2</sub>e emissions comparison tool for travel planning.
- We anticipate that the impact of these measures will be reflected in the next report.



# Waste, Recycling & Packaging

In 2024, we enhanced our understanding of waste across countries and business units by harmonizing data and auditing practices. We introduced a gamified waste audit and clear office guidelines to boost engagement, while applying traditional audit frameworks in manufacturing, labs, and warehouses, focusing on end-of-life outcomes and detailed waste stream classification.

**408.7**

Our total waste footprint in 2024 amounted to 408.7 tons.

**43%**

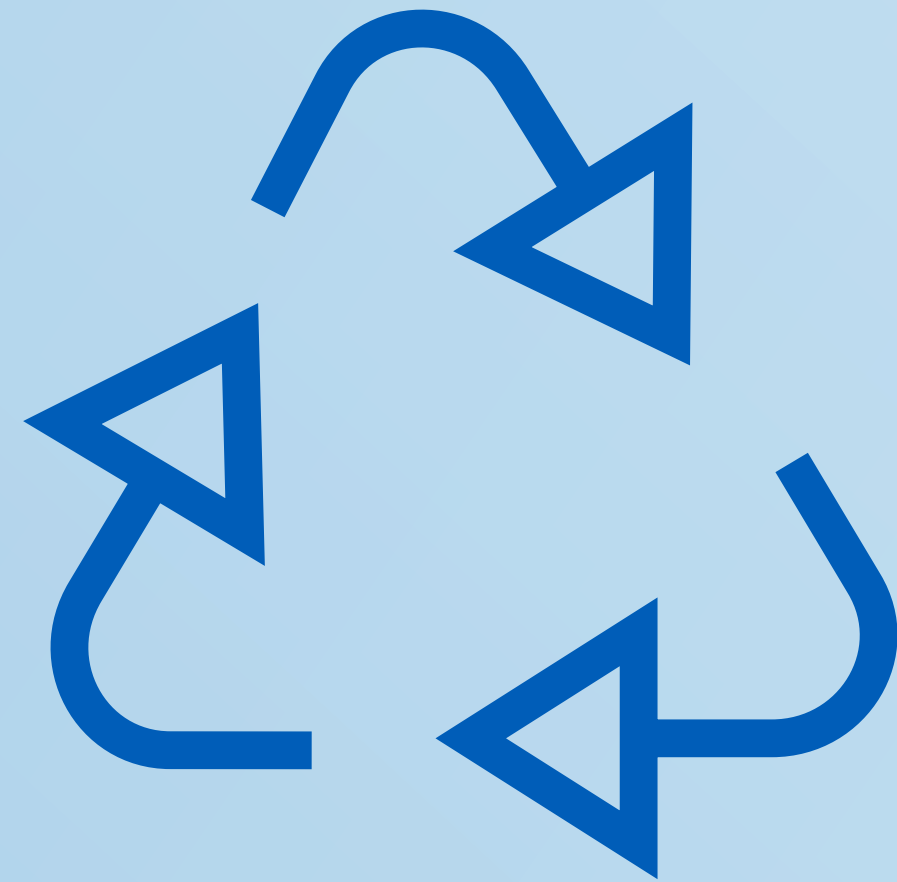
The average recycling rate across sites was 43%.

**>98%**

More than 98% of all waste was recovered – reflecting a strong waste recovery ratio.

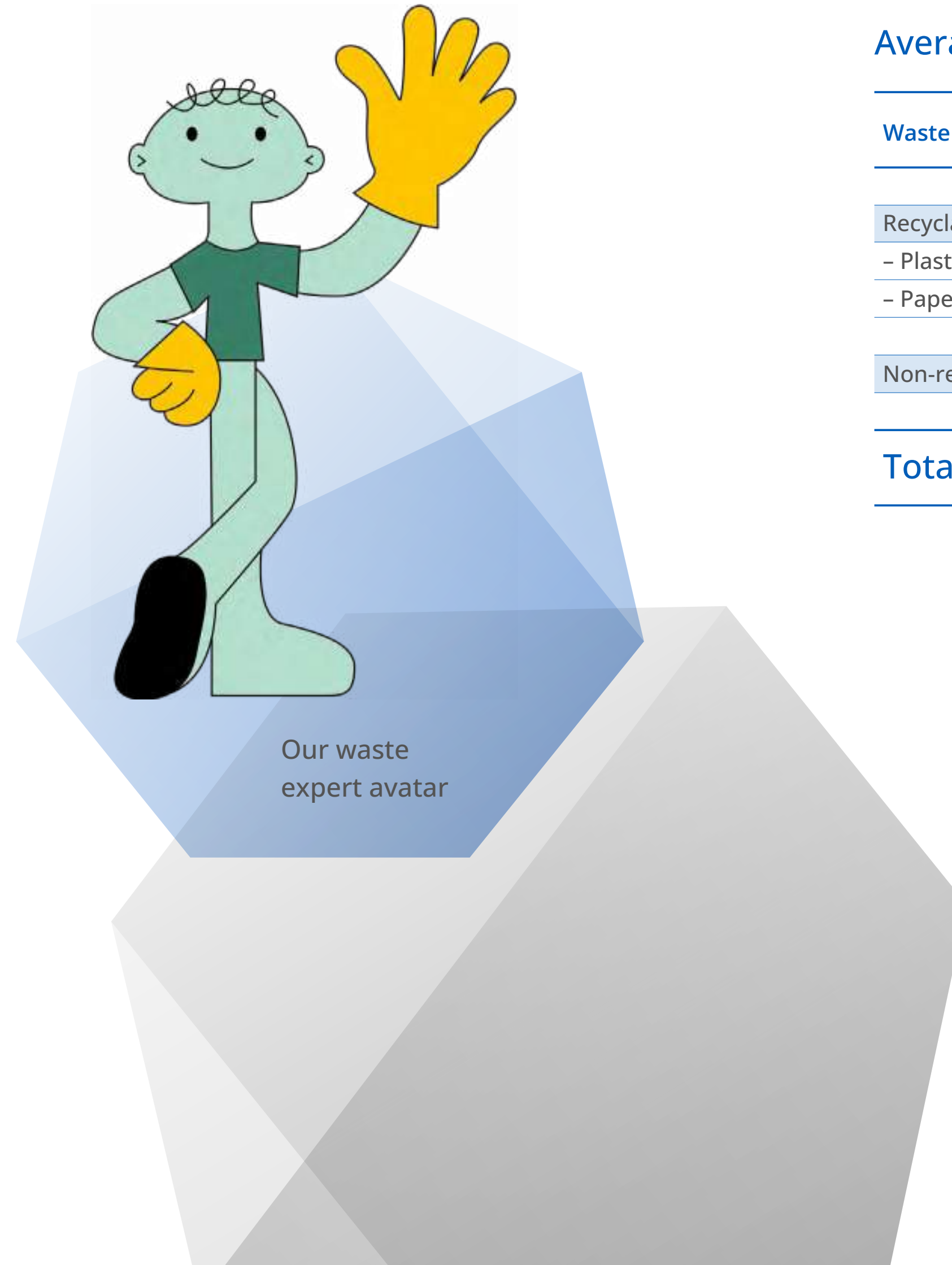
**55.2**

Each employee generated an average annual waste footprint of 55.2 kg.



# Gamified for Good

To boost engagement and accuracy, we teamed up with behavioral economists to replace spreadsheets with a fun, interactive audit. A waste expert avatar guided employees through a global waste journey, making data collection easier, more accessible, and standardized across all locations. Participation jumped, and we gained clearer insights into per-employee waste worldwide.



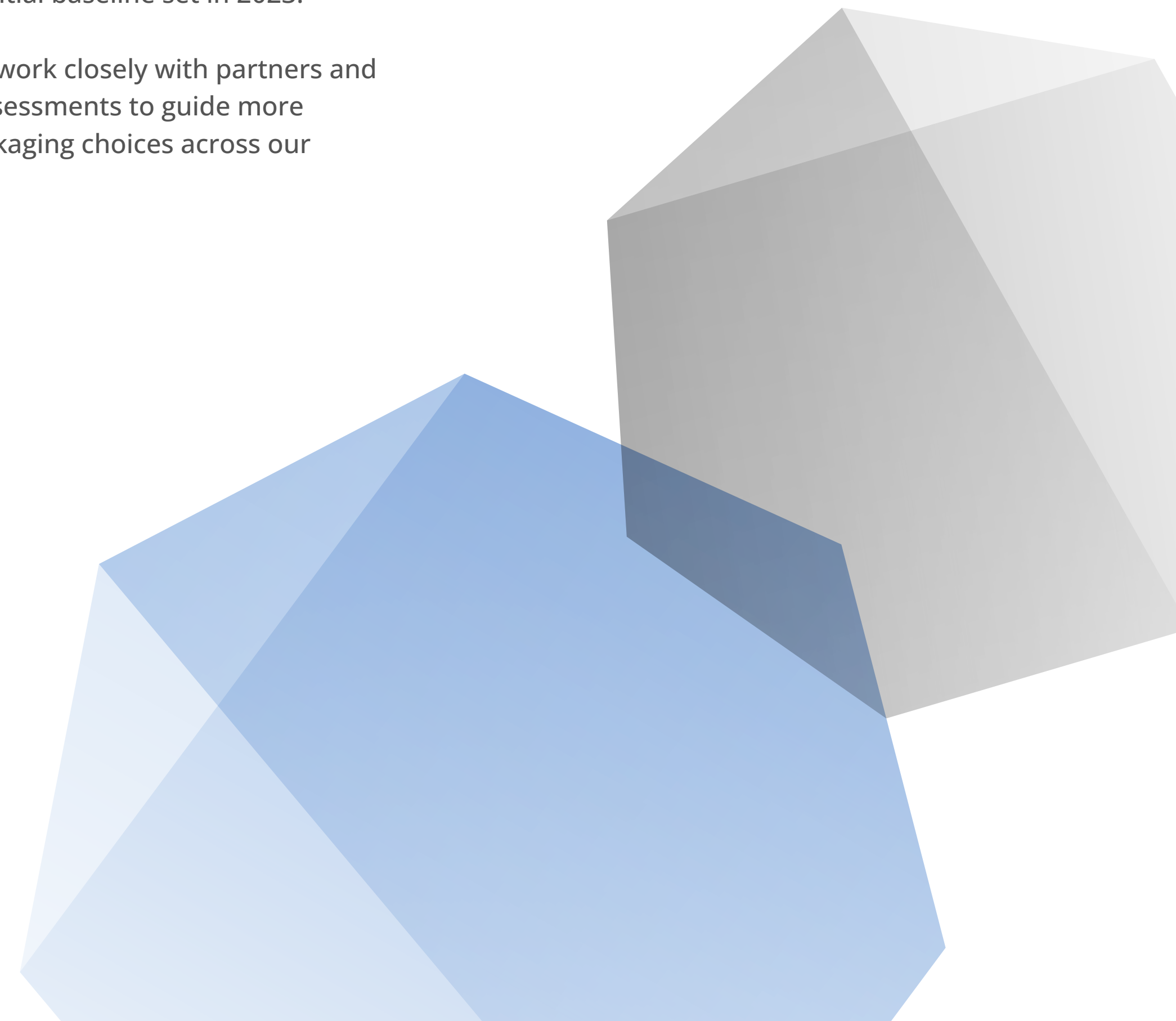
## Average Annual Waste Footprint per Employee (Global)

Waste category	Waste footprint
Recyclable waste	34.2 kg
- Plastic, metal, glass, and other recyclable waste	10.5 kg
- Paper waste (non-printing)	23.7 kg
Non-recyclable waste	21.0 kg
<b>Total</b>	<b>55.2 kg</b>

# Waste Management and Recycling Progress in 2024

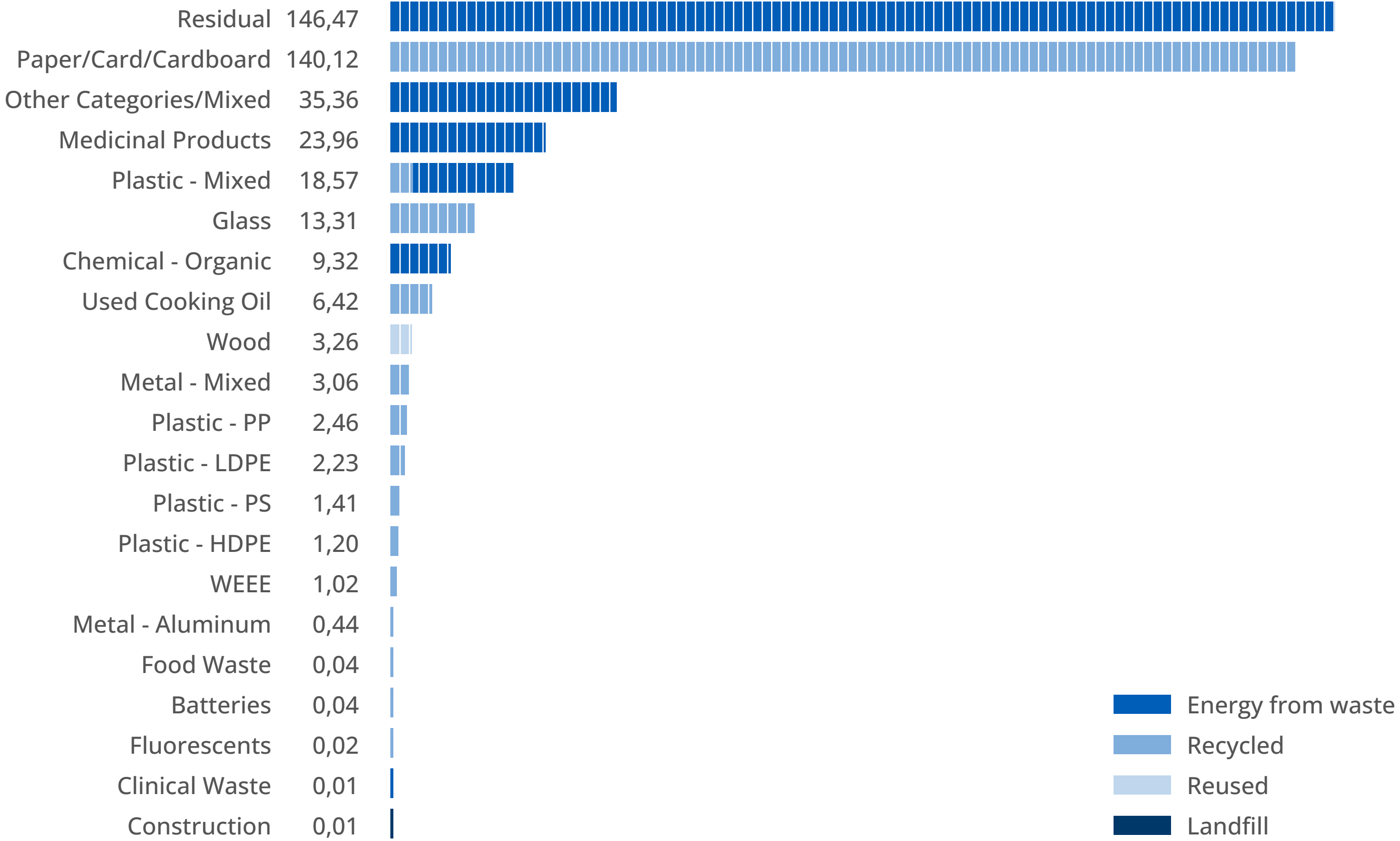
In 2024, we continued to advance our waste reduction efforts across key sites and partnerships. The following summary outlines the developments:

- At our packaging partner site, plastic recycling increased from 43% to 50.3% thanks to improved separation, employee training, and upgraded infrastructure. New equipment also helped cut mixed waste, leading to a 15.8% overall reduction of waste associated with Merz Therapeutics business operations in comparison to 2023.
- Our warehouse has shown a significant improvement in recyclability ratio from 31% to 52.9%.
- Our manufacturing partner as well as the warehouse have reported a significant increase in total waste, due to higher business growth and expansion. We have also noticed a drop in waste data segregation at our manufacturing partner's site. To address this, we are going to develop a tailored waste reduction program for the manufacturing site coupled with a waste audit, as well as working with the warehouse to reduce total waste.
- Despite a 33% increase in our total waste footprint—driven by operational expansion, increased warehouse activity, and improved data coverage—we remain committed to achieving our 24% waste reduction target by 2035 with the initial baseline set in 2023.
- We continue to work closely with partners and use life cycle assessments to guide more sustainable packaging choices across our portfolio.

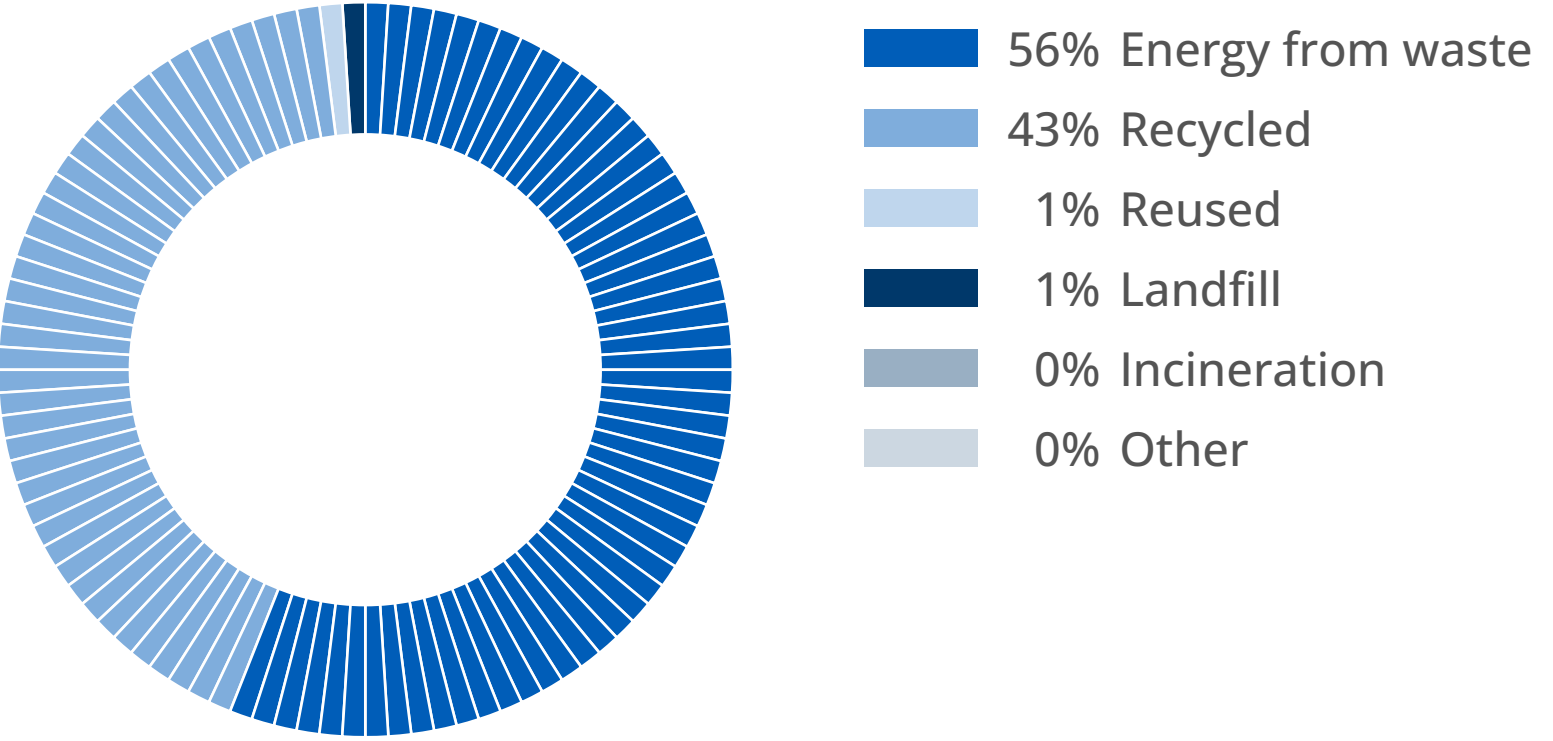


# Waste Generation Analysis

Waste Generated per Category (t)



End Fates by Weight (%)





### A Look Ahead

Our reported waste footprint increased by more than 30% this year, reflecting both operational growth and improved data quality. With stronger measurement systems now in place, we are better positioned to meet our 24% waste reduction target and 76% recycling rate by 2035 through focused action across our sites and partnerships. As part of this effort, we will conduct on-site waste audits at the sites demonstrating a significant increase in waste footprint.



# Beyond Compliance: Life Cycle Assessment & Water Stewardship

## Life Cycle Assessment

In 2024, we reached a major milestone in our sustainability journey by completing a full life cycle assessment (LCA) of our core product, botulinum neurotoxin. This deep dive—from raw materials to end-of-use—uncovered key environmental hotspots and now fuels a focused roadmap to reduce the product's footprint through smarter design, sourcing, production, and packaging.

**That's just the beginning. We're now expanding LCAs across our entire product portfolio to ensure environmental considerations shape every stage of development and decision-making.**

## Water Stewardship

Although water wasn't flagged as a material topic in our double materiality assessment, we took a proactive step in 2024 by launching a global water stewardship study to identify and manage potential risks. We screened all internal and external manufacturing sites for exposure to stress, flooding, and drought, finding no sites at very high immediate risk. High-production sites were prioritized for deeper review.

Catchment-level analysis showed one internal site operating within sustainable withdrawal limits, and one packaging partner currently performing 29% below target. In response, we hosted a sustainable water management workshop.

**A key takeaway: Future expansion plans must integrate water reuse and avoidance of unnecessary clean water use from the start.**

## A Word of Thank You

We would like to extend our sincere appreciation to the facility management team, whose dedication over the past years has quietly powered some of our most impactful transitions—from advancing renewable energy use and modernizing infrastructure to driving the electrification of our vehicle fleet. Their behind-the-scenes work continues to move us forward in meaningful, lasting ways.



# People

Attractive &  
Future-Proof Employer

# People: Attractive & Future-Proof Employer

Our goal is to build a sustainable work-life balance and a vibrant, inclusive workplace where people feel free to be themselves so they can thrive and do their best work.

**2**

We launched 2 new employee collaboration platforms.



**11**

The leadership program welcomed 11 participants from 5 countries.

**87%**

A strong 87% of employees say they take pride in the work they do at Merz Therapeutics.

**AI**

In 2024, we developed the AI Learning Path to help employees build responsible digital skills.

**4**

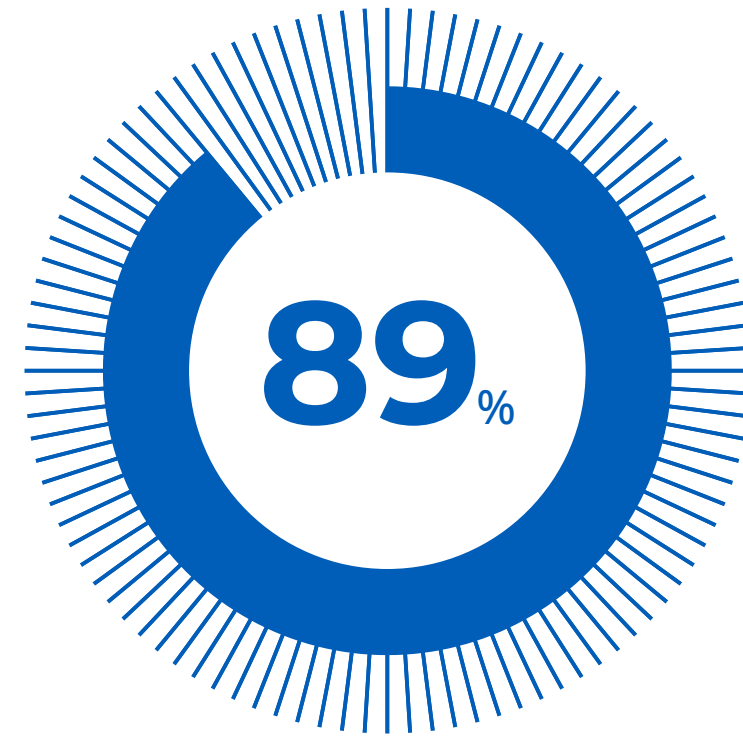
We obtained 4 new worldwide certifications.

**22%**

The overall headcount increased by 22 % compared to last year.

# Employee Engagement & Accolades

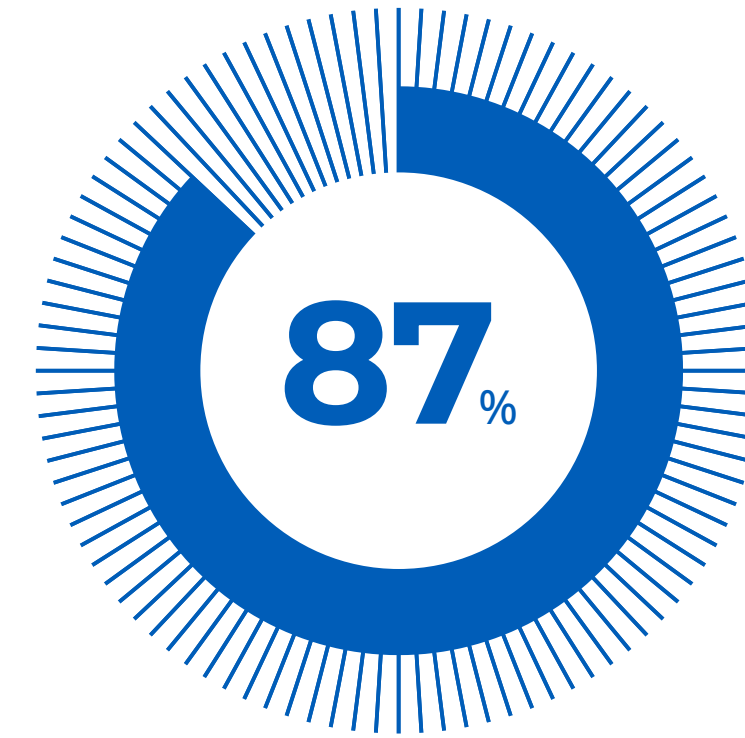
At Merz Therapeutics, employee engagement is the engine behind our success. We believe that when people feel proud, connected, and heard, they do their best work. That's why we actively invest in a culture where every voice matters and camaraderie thrives.



## High Participation

---

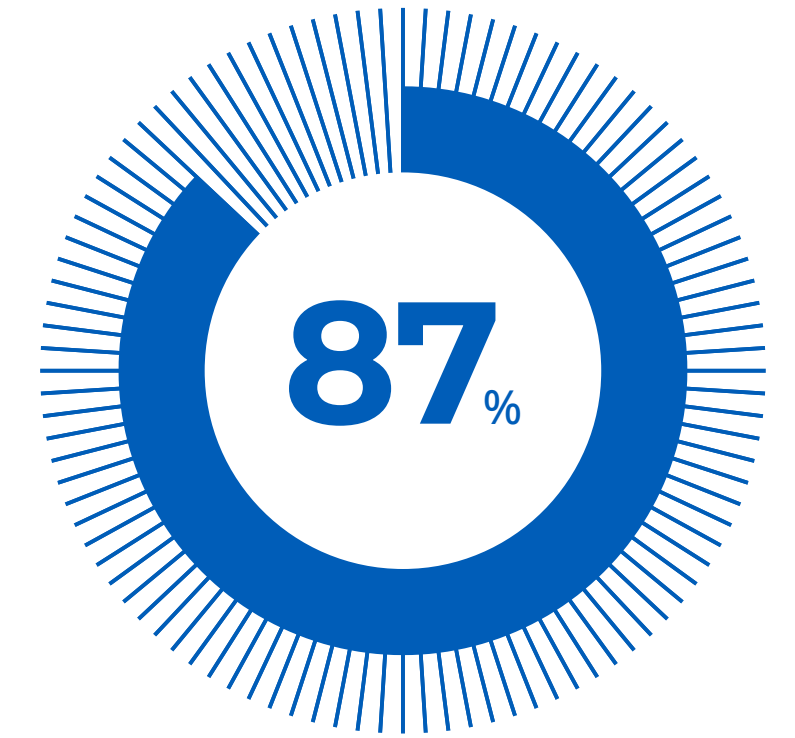
In October 2023, 89% of our employees took part in the global employee survey, demonstrating strong engagement with our cultural initiatives.



## Driven by Purpose

---

87% of respondents expressed pride in what we do at Merz Therapeutics.



## Strong Camaraderie

---

Another 87% highlighted camaraderie as a key aspect of their work experience.



# Employee Engagement

**Turning Feedback Into Action:**  
In 2024, we transformed employee feedback into meaningful change, boosting communication, recognition, and a culture of open dialogue.

## Stronger Communication

We launched new platforms like the enterprise collaboration platform *Viva Engage* and the *Global One Intranet* to streamline global collaboration and keep employees informed in real time.

## Culture of Compassionate Candor

We foster a feedback-driven culture through *Compassionate Candor* and *360-degree reviews*, encouraging honest, respectful dialogue at all levels.

## Recognition That Matters

We enhanced milestone celebrations and upgraded our benefits to show appreciation and build morale across the organization.

## Real-Time Feedback & Insight

Pulse surveys and open comment sections help us capture employee sentiment, assess satisfaction, and adapt as we grow.



# Accolades

## Certified Excellence

In November 2023, our commitment to employee satisfaction earned us the prestigious *Great Place to Work*® certification across all ten participating affiliates. From Germany to the USA, Switzerland to France, every team was recognized for fostering an exceptional workplace culture. This global achievement reflects our shared dedication to making Merz Therapeutics a truly great place to work.

## The List Goes On

In 2024, we earned additional certifications and awards across multiple countries—reinforcing our ongoing commitment to nurturing an outstanding corporate culture worldwide.



# Employee Development

At Merz Therapeutics, we believe that investing in our employees is investing in our future. Employee development is a promise and a cornerstone of our sustainability strategy. We're committed to creating a culture where individuals are empowered to grow, lead, and thrive—professionally and personally. Through continuous learning, leadership programs, and a culture of open feedback, we help ensure long-term employability, personal fulfillment, and a resilient organization ready for tomorrow.



## Guided by Growth

In 2024, we introduced our *Competency Model* designed to define the key behaviors and skills that lead to success at Merz Therapeutics.

More than a framework, it's a shared language that fosters clarity, collaboration, and cultural alignment across teams.

It empowers every employee to take charge of their personal and professional journey, serving as a roadmap for growth, purpose, and lifelong learning.

# Accelerating Talent

Our *Skyline Leadership Development Program* is a cornerstone of our commitment to growing future leaders. Held every two years, it brings together high-potential talent from across functions and borders for a deep dive into leadership, culture, and collaboration. In 2024, 11 participants from 11 departments and 5 countries joined the program, strengthening a diverse pipeline of leaders ready to drive innovation and purpose.



*“Skyline participants benefit from a truly intense learning journey. For me, the greatest value of the Skyline program is the international and cross-functional relationships that participants build: a group of diverse individuals has evolved into a cohesive team. This change is not only important for the participants themselves, but also highly beneficial for Merz Therapeutics.”*

Florian Marquardt  
Head of Global Human Resources

*“The Skyline program has been a transformative experience. It not only deepened my understanding of my own leadership style, but also equipped me with new tools and perspectives that will have a lasting impact on my career. The connections I’ve made with these talented individuals have been invaluable!”*

Marie-Eve Gendron  
Med. Affairs Director, Canada



# Leadership at Every Level

We offer a holistic suite of programs that support leadership development across all stages of experience, empowering individuals to lead with confidence, clarity, and impact:



## Activate Leadership

---

Builds strong foundations for aspiring leaders, focusing on essential leadership skills and mindset.

---



## Accelerate Leadership

---

Expands the capabilities of experienced leaders, helping them grow their impact and navigate complexity.

---



## Lateral Leadership

---

Equips employees to lead through influence rather than authority, emphasizing empathy, collaboration, and cross-functional teamwork.

---



# Digital Learning for All

We're committed to equipping our people with the skills they need to grow, adapt, and lead in a fast-changing world. That's why we continue to expand our specialized and digital learning opportunities, designed to support every stage of the employee journey.

## AI Learning Path

---

Developed in 2024, this tailored program empowers employees to build relevant, responsible digital skills, preparing them for the future of work.

## Sustainability Learning Path

---

Integrated into our onboarding process, this path fosters awareness of our sustainability goals and strengthens our culture of responsibility from day one.

## LinkedIn Learning Access

---

Wherever LinkedIn is accessible, employees benefit from unlimited access to LinkedIn Learning, offering thousands of courses to support professional development, role transitions, and long-term employability.

## Support Through Career Transitions

---

Our strategy includes programs that help employees navigate career changes like managing role shifts and career endings with dignity, clarity, and confidence.



# Feedback Culture

## Fueling Growth Through Feedback

We believe development starts with honest reflection. That's why we introduced a 360° feedback process for our leaders, offering rich, well-rounded insights into strengths and growth areas. Coaching sessions help translate feedback into meaningful action.

## Introducing Compassionate Candor

From February to May 2024, we rolled out our Compassionate Candor initiative, inspired by Kim Scott's Radical Candor framework. It promotes honest, empathetic feedback, and open dialogue, laying the foundation for psychological safety and inclusion.

This culture shift is supported by:

- Live workshops and team trainings
- Refresher and onboarding sessions
- A gamified feedback-token system
- Our onboarding app and intranet hub

By leading with care and speaking with courage, we're shaping a feedback culture where everyone can grow.



## together@merztx

In 2024, Merz Therapeutics launched together@merztx: A long-term strategy, anchored in our company's values, to cultivate a culture where every voice matters, every person feels they belong, and everyone is empowered to succeed and thrive.

Rooted in our mission to help each patient live life to the fullest, this initiative goes beyond the workplace, breaking down barriers to care and addressing individual health needs with compassion and purpose.

At the heart of together@merztx are three powerful pillars: Our People, Our Culture, and In Society. These pillars anchor our commitment to building a psychologically safe, inclusive, and empowering environment—one that fuels personal growth, drives organizational progress, and makes a lasting impact in the communities we serve.

### Governance and Leadership

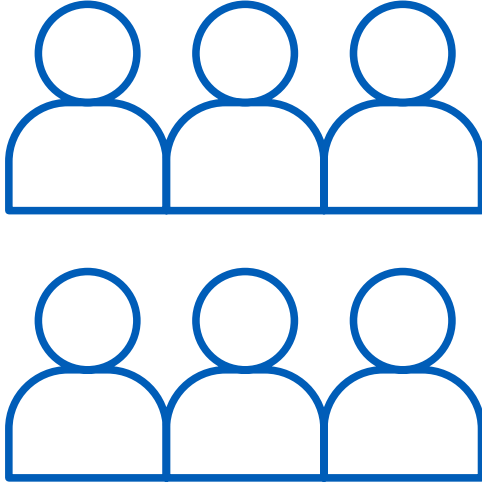
The together@merztx Board—chaired by CEO Stefan König and made up of executive leaders and passionate employee representatives—provides clear direction and accountability for the initiative. Informed by employee feedback, the Board ensures strong, ongoing commitment to our three pillars.



# together@merztx

## Fostering a Psychologically Safe and Empowering Environment

Global workforce:



**960+**

Average Merz Therapeutics employee age:

**44.1 years**


**45% female**

Management Team:

**55% male**

Nationalities at Merz Therapeutics:

**34**

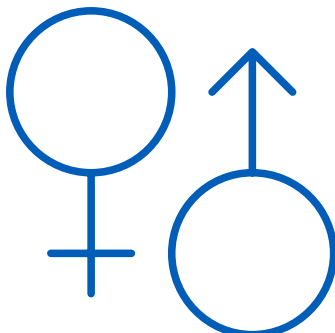


Global seniority:

**~ 7 years**

**42% female**

Executive Team:



**58% male**



# The Pillars that Guide Us



## Our People

---

Our people are the heart of everything we do—spanning generations, cultures, and experiences. We strive to build a diverse workforce by embedding fair and equitable recruitment, development, and retention practices. By offering inclusive processes, tailored training, and meaningful development opportunities, we create an environment where every employee\* can grow, feel valued, and contribute fully to our shared success.

---

\* Independent of their gender, race, ethnicity, sexual orientation, disability, socio-economic status, veteran status, or any other dimension.



## Our Culture

---

We're proud to foster a culture where everyone feels seen, heard, and respected. Through continuous learning, strong leadership, and open engagement, we empower our people to help shape a workplace where mutual respect and empathy are the norm, and eye-level communication and trust are built through everyday interactions.

---

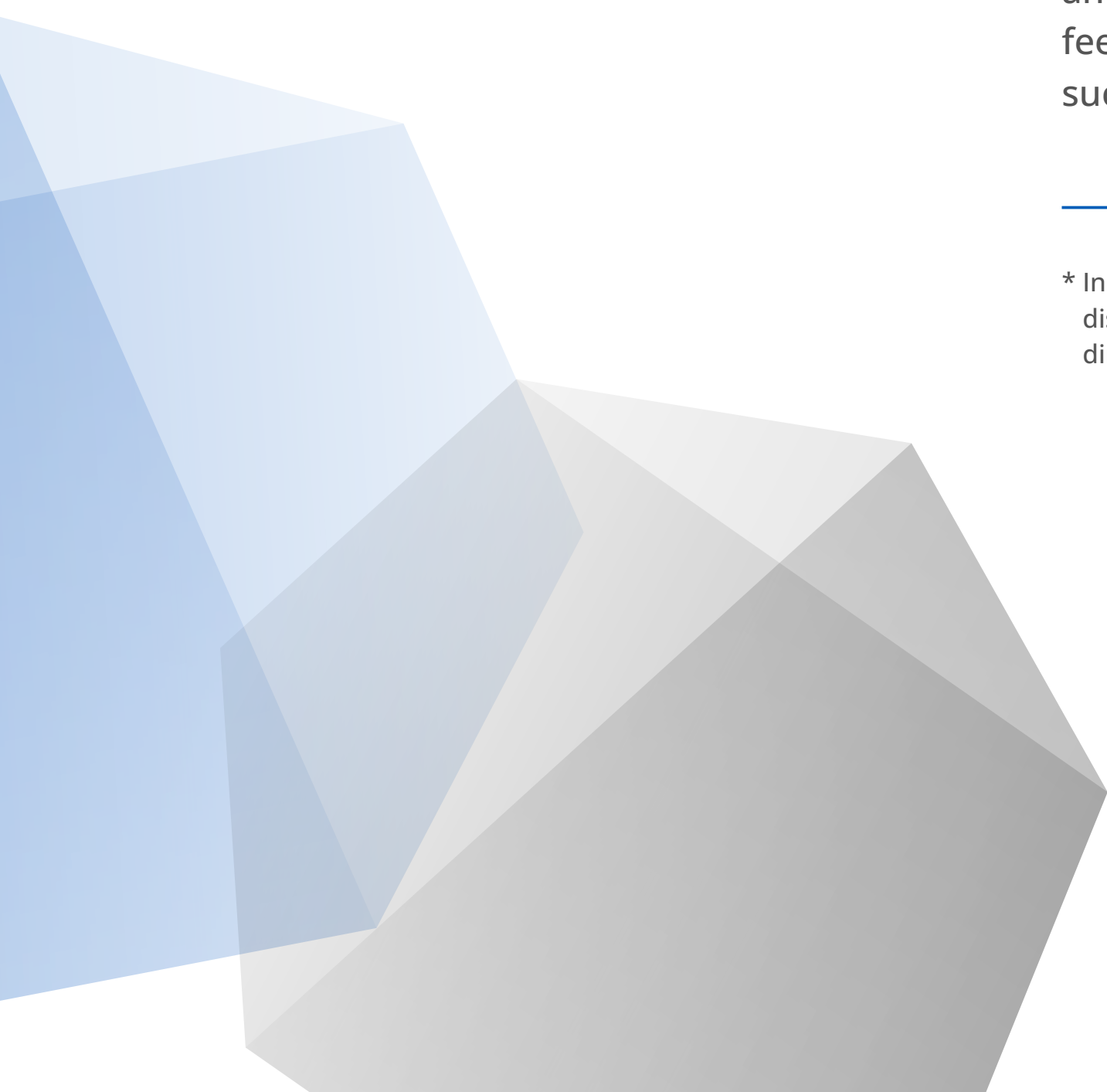


## In Society

---

Our commitment to society centers on advancing health equity and expanding access for all patients. We take deliberate steps to reach underserved populations through inclusive clinical trial design, equitable access programs, and healthcare professional initiatives that reflect the diverse realities of those we aim to serve. By doing so, we help ensure that no one is left behind on their health journey.

---



# Leadership

**Impact-Driven  
Responsible Business**



# Leadership: Impact-Driven Responsible Business

**2024 42 %**

We launched a new Patient Support Program in 2024.

Our GMP Pilot Plant is designed to reduce energy consumption by 42 % through optimized technology and operations.



**PnP**

Clinical development programs are ongoing in Pain & Peripheral Neurology (PnP) and Migraine.

**10–20k**

By using electronic signatures, each clinical trial achieved a reduction of 10,000–20,000 paper-based documents.

**99 %**

The 2024 Annual Code of Conduct training reached a completion rate of over 99 % across 10 countries.

# Innovation and R&D

## Clinical Development

At Merz Therapeutics, we design clinical trials with a dual focus: patient well-being and sustainability. By prioritizing feasibility for both patients and study sites, we make studies more accessible and resource-efficient, leveraging decentralized models and digital tools to reduce the need for on-site visits. Early patient engagement is central to our approach, helping us understand real needs, limitations, and meaningful outcomes. Together, these elements shape a more patient-centered, sustainable future for clinical research.

### Addressing Unmet Patient Needs

- In 2024, we strengthened our commitment to underserved conditions with continued progress in the Phase II PaiNT study for Peripheral Neuropathic Pain, enrolling patients with postsurgical/post-traumatic PNP and postherpetic neuralgia.
- Digital tools—including eCOA, smartphone apps, and video consultations—reduced site visits and made trial participation easier and more accessible.
- We also advanced the development of incobotulinumtoxinA for migraine prevention—free of complexing proteins and requiring fewer injections.
- The same digital infrastructure was used to enhance patient comfort and engagement from the start.

### Advancing Sustainable Clinical Development

- In 2024, we further integrated sustainability into clinical development by expanding virtual patient visits, reducing travel-related emissions and logistical demands.
- Remote monitor access, digital documentation, and virtual investigator meetings helped cut transatlantic flights and on-site visits.
- Our trials remained nearly fully paperless, with an approximate reduction of 10,000 to 20,000 paper documents per trial through electronic signatures and e-systems.
- These measures reduced the need for international couriers, supporting a more efficient and environmentally responsible process.

### Inclusive Clinical Trial Design

- We're committed to making our clinical trials more inclusive, improving outcomes for a broader, more representative range of patients.
- Our protocols are designed with gender-neutral eligibility criteria to remove unnecessary barriers to participation.
- We actively select trial sites that serve diverse populations to ensure accessibility across communities.
- Every participant who meets medical criteria is welcome – regardless of age, gender, ethnicity, or geographic background.
- This inclusive approach strengthens the scientific validity of our trials and ensures our research reflects real-world communities.



# Innovation and R&D

## Non-Clinical Development

### R&D Commitment to Sustainability

- Sustainability in R&D means driving long-term value through responsible innovation.
- This includes developing new products, technologies, and indications guided by sustainable principles, such as responsible raw material sourcing.

### Reducing Energy Use and Emissions in Non-Clinical Development

- We continue to lower our non-clinical environmental footprint by targeting energy use, emissions, and waste.
- A key initiative is our GMP Pilot Plant, built with sustainability in mind to produce clinical trial material for our botulinum neurotoxin product.
- The plant is designed to cut energy consumption by 42% through optimized technology and operations.
- In 2024, we began electrifying the steam generation system, replacing oil-based equipment.
- Once fully implemented in 2025, this upgrade is expected to reduce CO<sub>2</sub> emissions by more than 100 tons per year.

### Sustainable and Ethical Testing Methods

- To meet regulatory requirements, we conduct product testing using animal models through specialized external providers.
- Providers are carefully selected based on strict ethical and scientific standards and must share our commitment to minimizing animal use wherever possible.
- To reduce reliance on animal-based LD50 assays, we implemented a cell-based potency assay for our botulinum neurotoxin product and drug substance—reducing animal use and laboratory waste.
- An automated version of this assay was introduced in our R&D lab to improve reproducibility and reduce test volume.
- Rollout to the Quality Control (QC) lab for product release testing is planned—reinforcing our long-term commitment to ethical, sustainable non-clinical development.

# Customer Satisfaction

At Merz Therapeutics, we collaborate with healthcare professionals (HCPs) and patients through structured, ethical engagement to improve outcomes and strengthen healthcare systems. Ongoing dialogue helps us understand real-world challenges and co-create meaningful solutions. A robust, compliance-driven framework ensures integrity and transparency in every interaction, aligning our decisions with patient needs and societal expectations.

## Involving the Patient Voice in Clinical Trial Design

To ensure our clinical trials reflect the needs and preferences of patients, we've implemented a structured, three-phase approach:

- **Online Survey**  
A 20-minute survey in the local language to understand disease burden and general perceptions of clinical trials.
- **Qualitative Interviews**  
In-depth interviews mapping the patient journey from pre-diagnosis to ongoing management.
- **Clinical Trial Design Focus Group**  
Advisory boards that provide targeted feedback on planned trial designs.

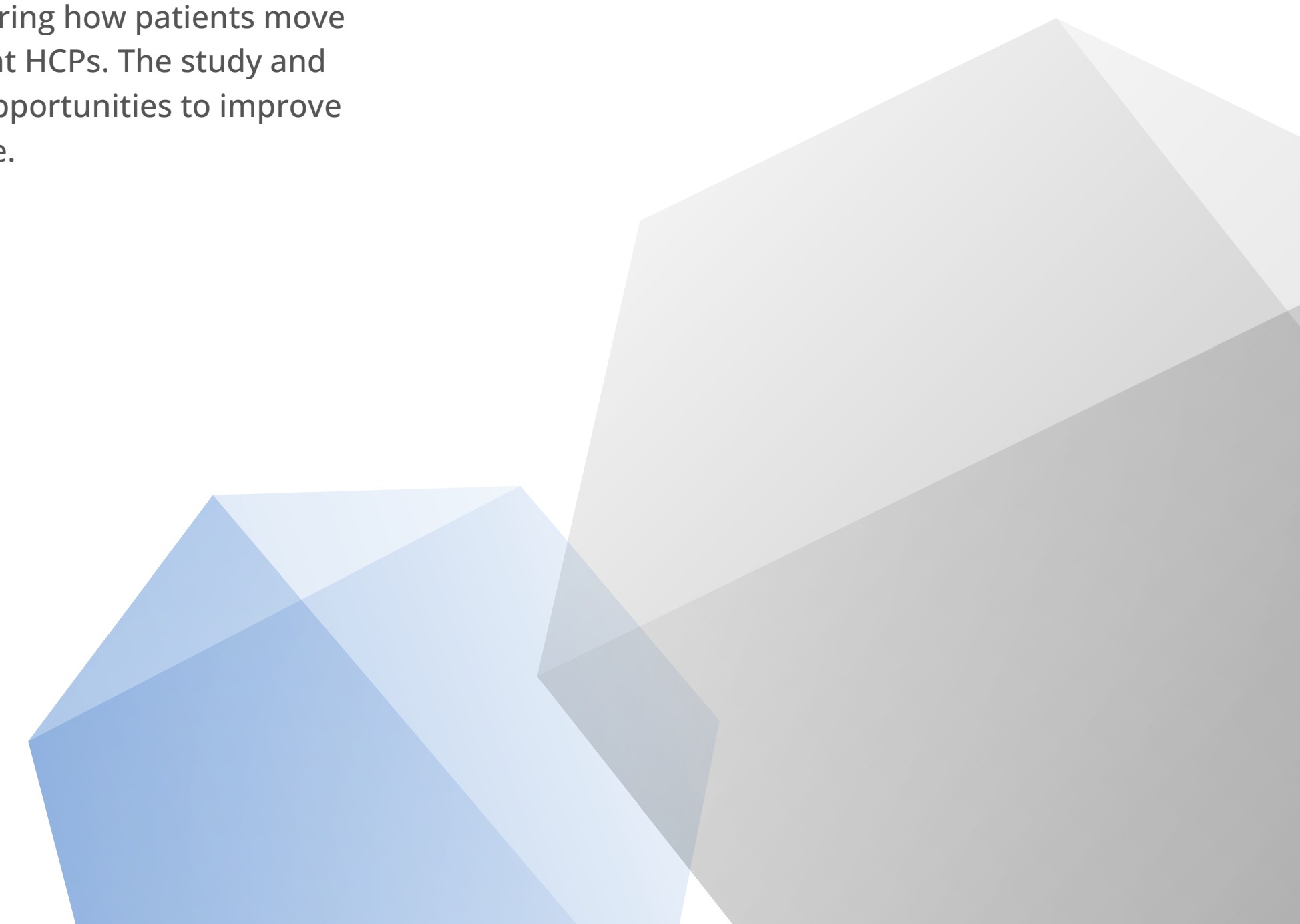
## Patient Journey

Through market research, we engage HCPs and patients to identify pain points and opportunities across the patient journey. Our recent publication, *"A social media listening study to understand the journey and unmet needs of patients living with post-stroke spasticity,"* marks our first external step in uncovering experiences, unmet needs, and quality-of-life metrics for people with PSS.

This year, we're shifting focus to the healthcare system perspective, exploring how patients move through care with different HCPs. The study and modelling aim to reveal opportunities to improve patient care at every stage.

## Advisory Boards

To better support physicians in addressing their patients' most pressing needs, we regularly convene advisory boards. These boards assess training needs, product development, and guideline requirements, helping us stay aligned with the evolving demands of patient care.



# Customer Satisfaction

## Sustainability Through Customer Insight Approach

Our commitment to sustainable products and exceptional service is rooted in our goal to support HCPs in improving patients' lives. Customer feedback and satisfaction reflect our sustainability efforts and help us uphold the high standards expected by our stakeholders—especially in the following areas:

- **Quality assurance:** Helping us meet and exceed industry quality standards.
- **Innovation:** Guiding product and data development to better meet patient needs.
- **Regulatory compliance and safety:** Ensuring adverse events and quality issues are reported effectively, strengthening our safety profile.
- **Environmental effect:** Meeting expectations for waste reduction and sustainable resource use.
- **Social responsibility:** Aligning fair business practices and sourcing policies with customer values, which is reflected in satisfaction metrics.

To meet these expectations, we engage in targeted efforts and have introduced standardized tracking to measure satisfaction annually, ensuring our practices align with both customer expectations and ethical business standards.

## Strategic Initiatives

To ensure we consistently listen to and reflect the needs of patients and customers, Merz

Therapeutics invests in several strategic initiatives:

- **Co-Creation:** Partnering with customers to develop tailored products and solutions that address unmet patient needs.
- **Customer Satisfaction Reporting:** Establishing continuous feedback channels to drive ongoing product and service improvements.
- **Brand Tracking:** Launched this year to understand how customers and healthcare professionals perceive treatment options in neurological disorders. It gathers insights to evaluate how well our brand meets expectations and guides improvements in communication, services, and customer experience.

## Patient Support Program

A prescription is just the beginning. Real impact comes from helping patients live their lives, not just manage their disease.

A new nurse-led Patient Support Program for Parkinson's Disease now guides patients through their treatment journey and addresses individual needs.

Starting at the point of medication delivery, the program reduces barriers and improves outcomes through personalized education, behavioral coaching, and multi-channel engagement.

Patients receive a welcome call with their first shipment, followed by scheduled adherence check-ins at days 14, 28, and 90. Additional follow-ups are offered based on individual needs to ensure timely support and sustained adherence.

The program follows a Care-Centered Clinical Education framework:

- **Engage**  
Understand patient needs, resources, and knowledge through empathetic interviews
- **Educate**  
Share clear information on the disease, medication, dosing, side effects, and support
- **Empower**  
Help patients and caregivers build confidence to actively manage treatment

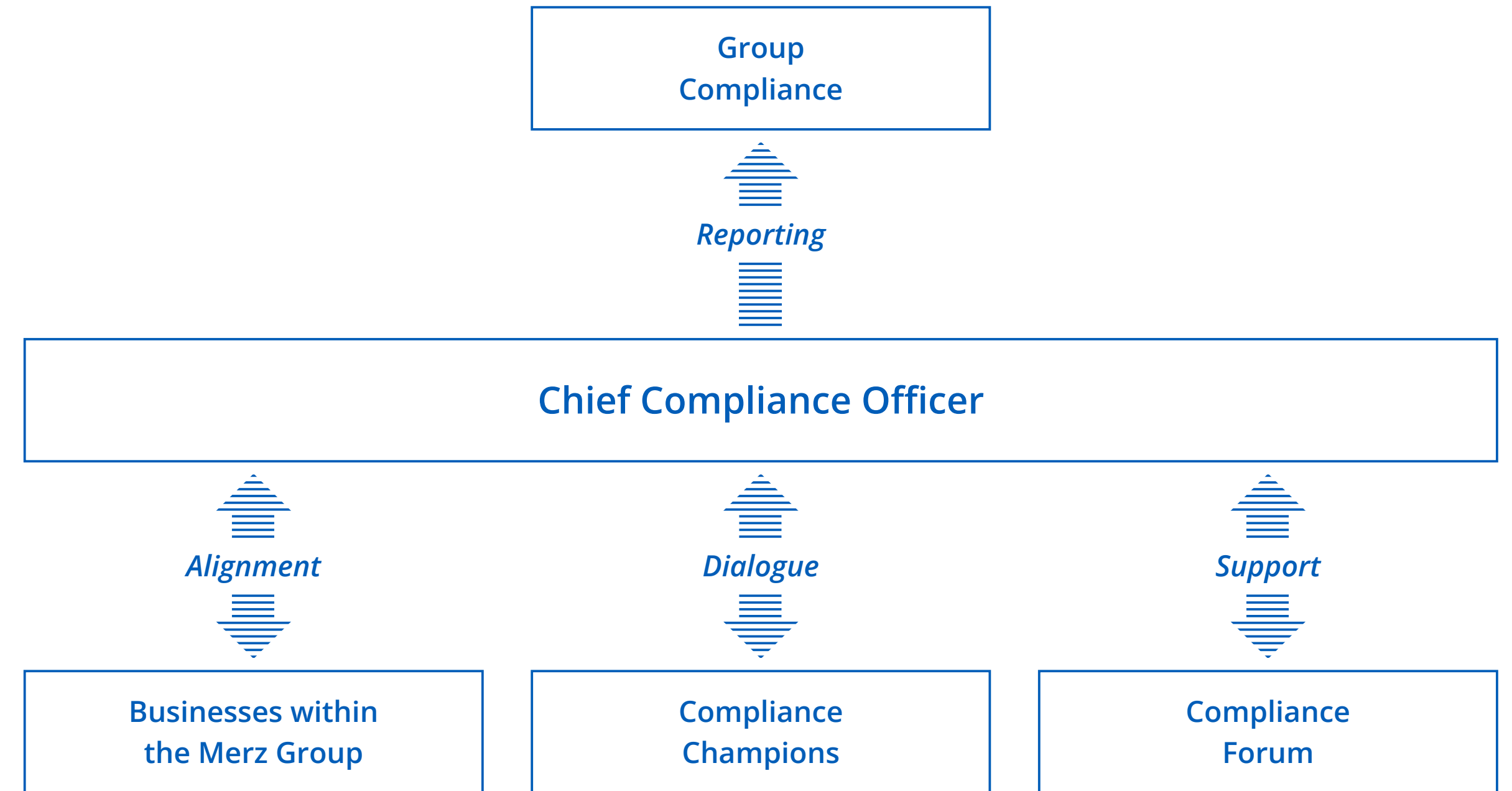
Support is delivered via phone or virtual sessions, at times convenient for the patient. Nurses may involve caregivers (with consent) and use translation services as needed.

# A Fair Business: Ethics, Compliance & Privacy

At Merz Therapeutics, “doing the right thing” is the foundation of every decision we make. Compliance for us means more than meeting legal requirements: It’s about living our Code of Conduct and staying true to our core value of delivering trusted results. By upholding the highest ethical standards, we strengthen integrity, transparency, and trust across all our stakeholder relationships.

## Governance & Program Structure

Our Compliance, Ethics, and Privacy Program is led by the Chief Compliance Officer, with dedicated Lead Compliance and Privacy Counsels embedded in business operations. The Lead Compliance Counsel reports directly to the Chief Compliance Officer and works closely with local Compliance representatives. At the group level, the Group Compliance Officer ensures alignment across Merz Group businesses and oversees the Group Compliance Program. A cross-functional Compliance Committee further supports our risk-based, business-driven approach.



# Code of Conduct & Policies

At Merz Therapeutics, ethical behavior isn't optional, it's expected. Our policies are designed to foster a culture of integrity, transparency, and accountability, both within our organization and across our value chain.

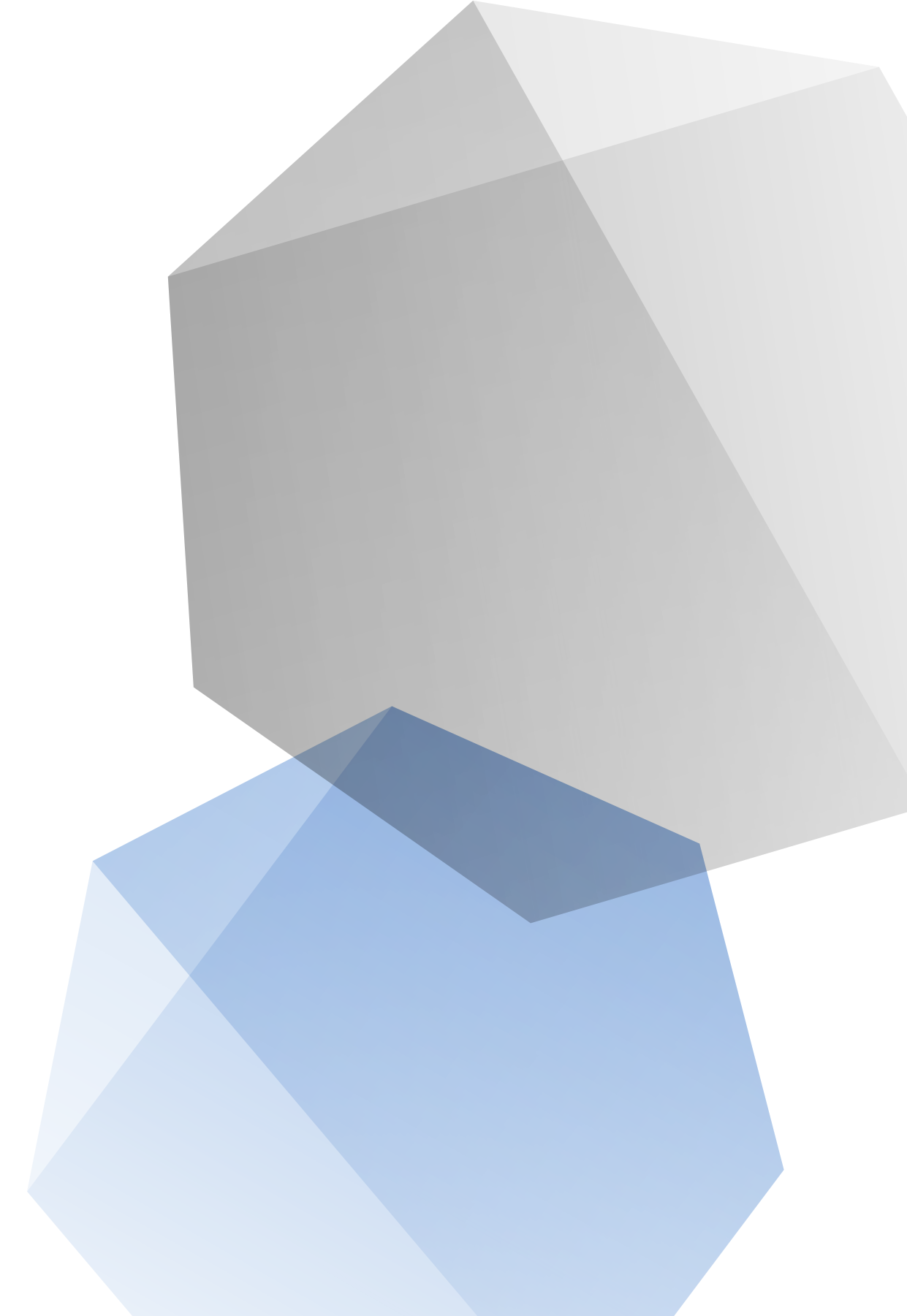
## Our Key Frameworks Include:

- **Global Code of Conduct**  
Sets clear expectations for lawful and ethical behavior, reinforces transparency and privacy protection, and promotes internal reporting of concerns.
- **Third-Party Code of Conduct**  
Extends our ethical standards to partners and suppliers, ensuring alignment with our principles throughout the value chain.

- **Compliance Management System**  
Anchored in the Merz Group Compliance Policies (MGCP), last updated in 2024. These policies form the basis of Merz Therapeutics' Compliance Business Procedures, the operational backbone of our Compliance Program.

### Key MGCP topics include:

- Anti-Corruption & Bribery
- Fair Competition & Antitrust
- Conflict of Interest
- Interactions with Healthcare Providers
- Interactions with Third Parties & Business Partners
- Privacy & Data Protection
- Export Control
- AI Governance
- Investigations



# Training & Awareness

An informed workforce is the foundation of a strong compliance culture. That's why Merz Therapeutics runs a risk-based training program tailored to each affiliate's local risk profile.

## Our Training Approach Includes:

- **Core topics**  
Data Protection, Code of Conduct, Interactions with Healthcare Professionals, and Business Partner Compliance
- **Mandatory onboarding**  
All new employees receive compliance onboarding as part of their introduction to Merz Therapeutics
- **Ongoing learning**  
Annual Code of Conduct training is mandatory. In 2024, we achieved a  $\geq 99\%$  completion rate across affiliates in Germany, Austria, Switzerland, Spain, France, Italy, the Netherlands, Sweden, the UK, and North America.
- **Accessible formats**  
Trainings are delivered through interactive eLearnings, engaging videos, and other dynamic formats to ensure relevance and reach.

## Ethics Helpline

We are committed to fostering a culture where speaking up is safe, supported, and encouraged. Employees can report concerns without fear of retaliation, whether directly to supervisors, HR, the Compliance Officer, or anonymously via our Ethics Helpline.



# Highlights of Our Compliance, Ethics & Privacy Program

At Merz Therapeutics, we are continuously strengthening our compliance infrastructure and setting a higher standard for transparency across the industry. Two recent tools are a key part of our digital transformation, exemplify our commitment to integrity, efficiency, and accountability:

## Business Partner Compliance Tool

This tool enhances our due diligence by systematically assessing compliance risks linked to third-party partners. It helps us identify and address potential issues early, protecting our reputation and reducing legal and regulatory exposure.

## Transparency Tool

Developed to meet transparency reporting requirements, this digital solution automates the documentation of financial interactions with healthcare professionals and institutions. It improves accuracy, saves time, and reinforces our ethical business standards.

## Data Protection Risk Assessments

At Merz Therapeutics, we are committed to the responsible and compliant handling of personal data, especially sensitive health information. As part of our robust data protection framework, we conduct Privacy Impact Assessments (PIAs) whenever new systems, projects, or major process changes are introduced. These assessments—managed through the OneTrust platform alongside our Record of Processing Activities (ROPA)—ensure centralized oversight and transparency. High-risk processing activities, particularly those involving sensitive health data or emerging technologies, undergo thorough review in collaboration with external legal experts.

### Each PIA includes:

- Ongoing review and documentation of data-related risks (e.g., unauthorized access, misuse, or loss)
- Implementation and monitoring of mitigation measures by our Data Protection Team
- Oversight from designated Data Protection Officers (DPOs)

## Compliance Risk Assessment Protocol

To ensure proactive risk management, Merz Therapeutics conducts a structured compliance risk assessment every two years across all operations.

### How it works:

- **Departmental Input**  
Each department completes a detailed questionnaire mapping activities to key compliance areas:
  - Interactions with Healthcare Professionals
  - Transparency
  - Distributor Relations
  - Anti-Money Laundering / Anti-Corruption & Bribery
  - Interactions with Patients and Patient Organizations

- **Risk Evaluation**  
Risks are assessed using a traffic-light scale:
  - Low risk (green)
  - Moderate risk (yellow)
  - High risk (red)
- **Follow-up Actions**  
When risks are flagged, corrective measures and follow-ups are initiated.
- **Ongoing Oversight**  
In parallel, the Merz Group Compliance Team conducts continuous internal audits across all compliance-sensitive areas.

# Highlights of Our Compliance, Ethics & Privacy Program

## Incident Reporting & Investigations

At Merz Therapeutics, employees can report compliance incidents through multiple trusted channels, including supervisors, compliance, or anonymously via our Ethics Helpline.

- **Case Classification**  
Reported incidents are categorized as *Minor*, *Moderate*, or *Major*.
- **Investigation Oversight**  
All cases are reviewed by the Investigation Committee, with tailored action plans developed as needed.
- **Reporting Structure**  
Merz Therapeutics Global Compliance department manages reporting and ensures appropriate communication to Compliance Officers, team leads, and relevant personnel. All incidents are reported quarterly to the Merz Group Compliance department.

## Conflict of Interest Procedure

As part of our updated Global Compliance Business Procedures, we introduced a dedicated Conflict of Interest Procedure.

This guidance helps employees identify, disclose, and manage potential conflicts transparently — ensuring fair decision-making and protecting both ethical standards and company interests.



A close-up photograph of a person wearing blue nitrile gloves, carefully handling a row of small, clear glass vials with white caps on a laboratory bench. The background is blurred, showing more vials and laboratory equipment. The overall color palette is dominated by blues and whites, with a dark blue gradient at the bottom where the text is located.

# Operational Sustainability

# Smart Supply Chain

At Merz Therapeutics, we see sustainability as a responsibility that extends across our entire value chain. Our approach goes beyond compliance: We're building a resilient, ethical, and environmentally responsible supply chain that drives long-term business performance, supports sustainable growth, and delivers lasting societal change.

## Merz Therapeutics Operations Team

Our dedicated Operations Team is the driving force behind sustainable procurement, global standard compliance, and supplier collaboration to reduce environmental impact in alignment with our Pivot for Growth Strategy. Working cross-functionally with R&D, Procurement, Compliance, and our new Global Product Teams, the team ensures that sustainability and efficiency are embedded across every process and throughout our broad product portfolio.

## Managing Supply Chain Risks & Volatility

In today's climate of environmental, social, and geopolitical uncertainty, Merz Therapeutics takes a proactive approach to supply chain risk management. Our efforts help safeguard business continuity and protect our long-term reputation. We assess and mitigate sustainability-related risks, including climate disruptions, resource scarcity, and labor violations through:

- Digital ESG risk assessment tools
- Ongoing regulatory alignment
- Continuous supplier engagement

These efforts help safeguard business continuity and protect our long-term reputation.



# Smart Supply Chain

## Sustainable Procurement & Supplier Engagement

We're committed to sourcing responsibly through rigorous ESG risk profiling and transparent supplier engagement.

### Our approach includes:

- Screening all new suppliers based on service type and country risk
- Requiring all suppliers to sign the Merz Third Party Code of Conduct, covering environmental responsibility, labor conditions, human rights, and governance
- Engaging flagged suppliers (medium–high risk) through detailed questionnaires and follow-ups

### In 2024:

- 2,314 suppliers were screened in line with the German Supply Chain Due Diligence Act
- 40.3% were flagged for further engagement

### By 2025:

We aim to deepen collaboration with key suppliers through interviews and joint sustainability improvement plans.

## Life Cycle Assessment (LCA) Integration

To support our environmental goals, Merz Therapeutics is integrating Life Cycle Assessments (LCAs) into product development and supply chain planning.

### This approach helps us:

- Identify environmental hotspots across the product lifecycle
- Develop targeted footprint reduction strategies
- Collaborate closely with suppliers and contract manufacturers to drive measurable change

## Capacity Building & Internal Training

To strengthen our supply chain resilience, Merz Therapeutics provides ongoing training for Sourcing Specialists and local Compliance Champions. This equips our teams to effectively navigate evolving supply chain challenges and uphold our sustainability standards across all operations.

### Training focuses on:

- ESG screening tools
- Supplier engagement practices
- Consistent risk management application

# We're Committed: Health, Safety, Security & Environment (HSSE)

We place equal importance on economic success, quality, health protection, occupational safety, and environmental responsibility across all locations and operations.

## Our HSSE Measures

- **Integration**  
HSSE factors are systematically considered in all business decisions. Compliance is a shared responsibility.
- **Safety First**  
Occupational safety and preventive health are top priorities. Managers are responsible for identifying, assessing, and eliminating risks.
- **Training & Instruction**  
All employees receive regular instruction on HSSE responsibilities and follow supervisor guidance.

- **Compliance Standards**  
We meet global legal requirements and apply additional internal HSSE guidelines where external regulations are lacking.
- **Partner Expectations**  
Suppliers and business partners are informed and held to our HSSE standards.
- **Employee Involvement**  
Employees are empowered to report risks and propose improvements. Participation and motivation are key.
- **Continuous Improvement**  
Ongoing reviews, inspections, and audits ensure compliance and drive performance.

## Our 2024 Track Record

This year, we had three work-related incidents across our global teams, leading to a total of ten workdays lost by accidents. We remain committed to keeping our workplaces as safe and supportive as possible.



# About This Report

# About This Report

## Reporting Standards & Framework

This report has been prepared with reference to the Global Reporting Initiative Universal 2021 Standards (GRI). While we previously anticipated a transition, we've opted to stay aligned with GRI due to continued uncertainty around the EU's 'Stop-the-clock' Omnibus proposal. Future alignment with the European Sustainability Reporting Standards will be harmonized with our holding company, Merz Pharma GmbH & Co. KGaA. In line with our commitment to the UN Global Compact's 10 principles, we continue to build stakeholder trust through transparent, ongoing sustainability reporting. This report has been formally approved by the Merz Therapeutics Executive Team.

## Reporting Period and Cycle

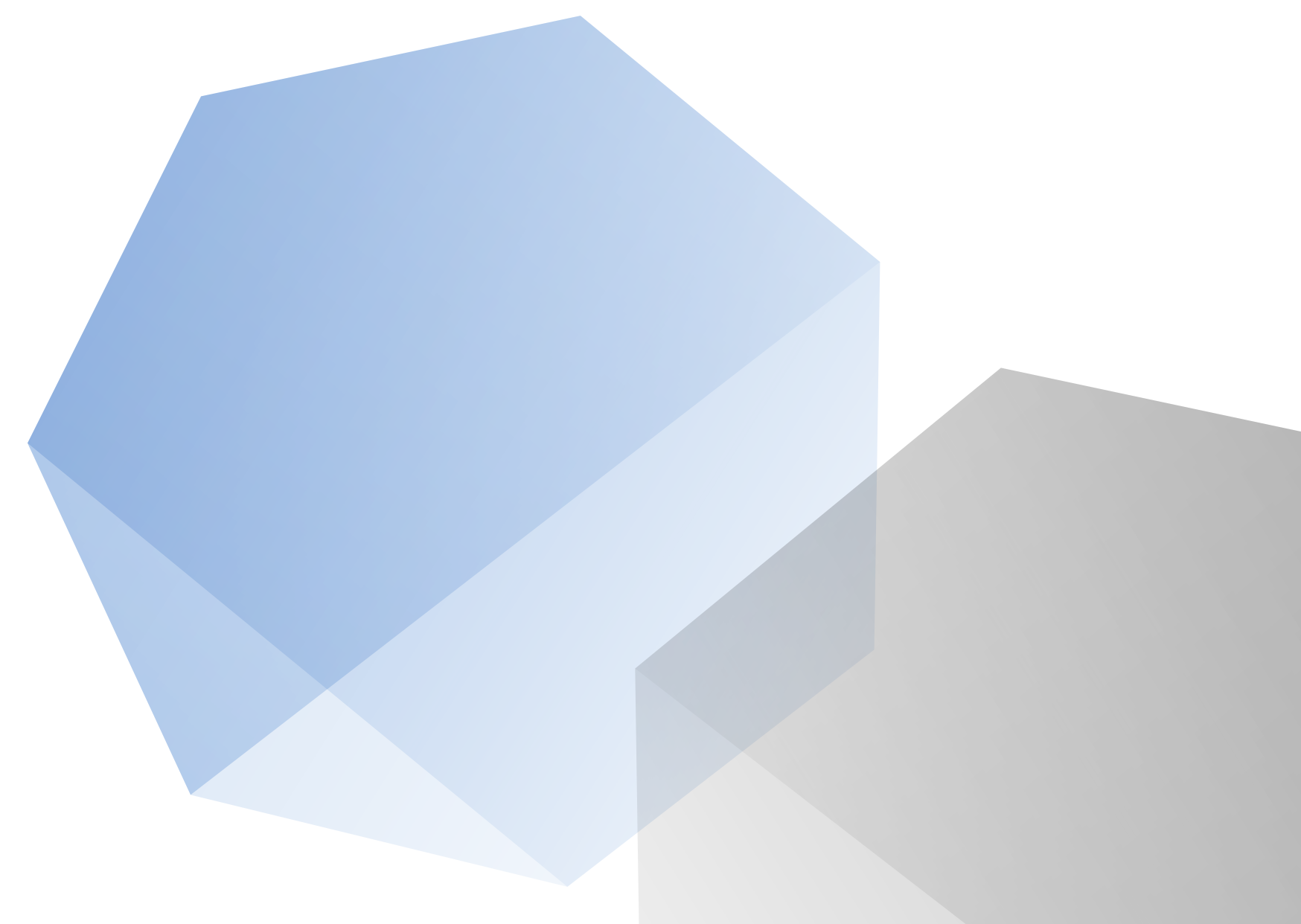
This report covers the sustainability performance of Merz Therapeutics for the period of January 1, 2024 to December 31, 2024 unless otherwise stated. We will report annually on our sustainability performance to ensure continuous assessment and improvement of our practices.

## Organizational Scope

This report covers all global affiliates of Merz Therapeutics. Material ESG topics reflect our internal operations and value chain responsibilities. While some Scope 1 and 2 data is estimated due to limited utility access, and Scope 3 and waste data are still being finalized, we are actively working to complete a full, transparent inventory.

## Objective & Target Audience

This report is intended for all stakeholders, meaning customers, employees, investors, communities, suppliers, partners, and anyone interested in our sustainability efforts. It outlines our strategy, actions, and commitment to transparency, accountability, and long-term value creation for society and the environment.



# Facts & Figures

# Appendix 1

## Overall, Carbon Footprint Results for Merz Therapeutics GmbH (Summarizing All Affiliates)

Emission Sources	2024, t CO <sub>2</sub> e	2024, %	2023, t CO <sub>2</sub> e	2023, %	Change, %
<b>1. Scope 1</b>	<b>1,358</b>	<b>4%</b>	<b>2,088</b>	<b>5%</b>	<b>-35%</b>
1.1 Direct emissions from company vehicles	1,068	3%	1,861	5%	-43%
Vehicle fleet	1,068	3%	1,861	5%	
1.2 Direct emissions from company facilities	290	1%	227	1%	28%
Stationary Combustion	250	1%	163	0%	
Fugitive Emissions	40	0%	63	0%	
<b>2. Scope 2</b>	<b>390</b>	<b>1%</b>	<b>771</b>	<b>2%</b>	<b>-49%</b>
2.1 Purchased electricity for own use	61	0%	469	1%	-87%
Electricity	60	0%	469	1%	
Company fleet	1	0%	0	0%	
2.2 Purchased heating, steam, and cooling for own use	329	1%	302	1%	9%
Heating	329	1%	302	1%	
Cooling	0	0%	0	0%	
<b>3. Scope 3</b>	<b>30,870</b>	<b>95%</b>	<b>36,782</b>	<b>93%</b>	<b>-16.1%</b>
3.1 Purchased goods and services	24,544	75%	27,348	69%	-10%
Packaging	640	2%	1,996	5%	
Indirect goods	17,128	53%	18,501	47%	
Production materials and consumables	6,776	21%	6,851	17%	
3.3 Fuel- and energy-related activities	596	2%	880	2%	-32%
Upstream emissions vehicle fleet	319	1%	475	1%	
Upstream emissions electricity	177	1%	208	1%	
Upstream emissions cooling	0	0%	2	0%	
Upstream emissions heat	99	0%	196	0%	

Emission Sources	2024, t CO <sub>2</sub> e	2024, %	2023, t CO <sub>2</sub> e	2023, %	Change, %
3.4 Upstream transportation and distribution	3,487	11%	5,130	13%	-32%
Inbound	98	0%	67	0%	
Outbound	3,130	10%	4,573	12%	
Internal	54	0%	0	0%	
Upstream storage	204	1%	489	1%	
3.5 Waste generated in operations	1	0%	20	0%	-94%
Operational waste	1	0%	20	0%	
Transport to disposal facility	0	0%	1	0%	
3.6 Business travel	1,533	5%	2,254	6%	-32%
Flights long haul	263	1%	2,090	5%	
Flights short haul	149	0%	0	0%	
Rail	4	0%	9	0%	
Hotel nights	14	0%	132	0%	
Other business travel emissions	1,103	3%		0%	
3.7 Employee commuting	633	2%	1,040	3%	-39%
Automobile travel	469	1%	896	2%	
Bus travel	98	0%			
Rail travel	37	0%			
Other modes of transportation	0	0%			
Home office	0	0%	144	0%	
Other employee commuting emissions	29	0%		0%	
3.12 End-of-life treatment of sold products	76	0%	110	0%	-31%
Product waste	76	0%	108	0%	
Transport to disposal facility		0%	1	0%	
<b>Overall Results</b>	<b>32,618</b>	<b>100%</b>	<b>39,641</b>	<b>100%</b>	<b>-18%</b>

Market-based emissions. Location-based emissions are 640.14 t CO<sub>2</sub>e in 2023 and 1,203.25 t CO<sub>2</sub>e in 2024 respectively.

# Appendix 2

## Commentary on the Changes in Carbon Footprint Analysis

### Scope 1

#### 1.1. Direct emissions from company vehicles

Vehicle fleet emissions reported for Benelux in 2023 have been re-estimated leading to 43% reduction in the category. Some of the reduction can also be attributed to the acceleration in electrification of the vehicle fleet.

#### 1.2. Direct emissions from company facilities

The increase in this category is consistent with the expansion of the business and increase in headcount, as is generated by heating of the facilities.

### Scope 2

#### 2.1. Purchased electricity for own use

Expected decline in this category is due to transition to renewable energy via direct PPAs and EACs.

#### 2.2. Purchased heating, steam, and cooling for own use

The increase in this category is consistent with the expansion of the business and increase in headcount, as is generated by heating of the facilities.

### Scope 3

#### 3.1. Purchased goods & services

10% decrease is caused by improvement of carbon accounting methodology and applying various emission factors to the categories of indirect goods and services purchased instead of using the same emission factor for all, as was the case in 2023.

#### 3.2. Capital Goods

Emissions associated with capital goods are included in Category 3.1 (Purchased Goods and Services). Category 3.2 is not reported separately to avoid double counting, as capital goods are treated as part of total purchased goods.

#### 3.3. Fuel- and energy-related activities

A 32% decrease is consistent with the transition to renewable energy, as well as better transparency on the emission factors applied.

#### 3.4. Upstream transportation and distribution

The reduction is consistent with the transition of the warehouse to green energy. Additional reduction is due to higher quality of transportation and distribution data in comparison to 2023.

#### 3.5. Waste generated in operations

A dramatic change is due to the fact that the recycling waste has been awarded the emission factor of 0 in 2024 according to the GHG protocol methodology. This was not the case in 2023.

#### 3.6. Business travel

Reduction due to change of calculation methodology—the business class flights were not awarded a higher emission factor in 2024. Additionally, we do not have transparency on the emission factors previously used to calculate this category.

Note: Due to some of the locations initially missing from the results, and being added at a later stage of the analysis, without the possibility of the data split, they were placed in Other Business Travel emissions category.

#### 3.7. Employee commuting

Home office is no longer part of the inventory. Higher granularity of data based on transportation mode for employees has yielded a lower footprint in this category.

Note: Due to some of the locations initially missing from the results, and being added at a later stage of the analysis, without the possibility of the data split, they were placed in Other employee commuting emissions category.

Categories 3.8–3.11 are not included in the inventory due to not being material/existent.

#### 3.12. End-of-life treatment of sold products

A dramatic change is due to the fact that the recycling waste has been awarded the emission factor of 0 in 2024 according to the GHG protocol methodology. This was not the case in 2023.

Categories 3.13–3.15 are not included in the inventory due to not being material/existent.

# Appendix 3

## Waste Generation Analysis

### End Fates by Weight

End Fate	Weight (t)	%
Reused	3.26	0.8%
Recycled	175.53	42.9%
Energy from Waste	227.22	55.6%
Landfill	2.68	0.7%
Other	0.04	0.01%
<b>Total</b>	<b>408.73</b>	<b>100%</b>

### Amount Produced per Material by Weight

Material	Reused	Recycled	Energy from Waste	Incineration	Landfill	Other	Total Weight (t)
Other/Mixed	0	0.32	35.04	0	0	0	35.36
Residual Waste	0	0	143.8	0	2.67	0	146.47
Paper/Card/Cardboard	0	140.12	0	0	0	0	140.12
Plastic Mixed	0	3.48	15.09	0	0	0	18.57
Glass	0	13.31	0	0	0	0	13.31
Wood	3.26	0	0	0	0	0	3.26
Metal	0	3.5	0	0	0	0	3.5
Other Categories	0	14.8	33.29	0	0.01	0.04	48.14
<b>Total</b>	<b>3.26</b>	<b>175.53</b>	<b>227.22</b>	<b>0.00</b>	<b>2.68</b>	<b>0.04</b>	<b>408.73</b>

# Appendix 3

## Waste Generation Analysis

### Current Circularity Metrics

Material	Reused (t)	Recycled (t)	Energy from Waste (t)	Incineration (t)	Landfill (t)	Other (t)	Aspired total value (t)	Value in 2023 (t)	Value in 2024 (t)	Change (%)
Fluorescents		0.02					0.0	0.03	0.02	-33%
Paper/Card/Cardboard		140.12					81.2	101.4	140.12	38%
Glass		13.31					4.4	6.3	13.31	111%
Tetrapak							0.1	0.1	0.0	see comment
Chemical – Ink							0.0	0.0	0.0	-100%
Fire extinguisher							0.8	0.8	0.0	-100%
Residual waste			143.8		2.67		30.2	37.7	146.47	see comment
Mixed plastic		3.48	15.09				9.6	13.6	18.57	37%
Food						0.04	0.0	0.0	0.04	see comment
Chemical – Organic			9.32				23.0	23.0	9.32	-59%
Wood	3.26						3.1	3.1	3.26	5%
Mixed packaging							41.8	59.7	0.0	see comment
Mixed packaging (contaminated)							0.8	1.2	0.0	see comment
Metal – Aluminum		0.44					1.1	1.1	0.44	-62%
Medicinal products			23.96				34.4	49.1	23.96	-80%
Chemical – Inorganic							5.5	5.5	0.0	-100%
Rubber							0.0	0.0	0.0	-100%
Construction					0.014		1.3	1.3	0.014	-99%
WEEE		1.02					1.1	1.1	1.02	-13%
Batteries		0.04					0.04	0.04	0.04	0%
Chemical – Lubricants							0.0	0.0	0.0	-100%
Absorbents							0.8	0.8	0.0	-100%
Infectious wastes							0.0	0.0	0.0	-100%
Metal – Iron							2.1	2.1	0.0	see comment
Insulation							0.01	0.01	0.0	see comment
CFCs							0.01	0.01	0.0	-100%
Metal – Mixed		3.06					0.0	0.0	3.06	see comment

# Appendix 3

## Waste Generation Analysis

### Current Circularity Metrics

Material	Reused (t)	Recycled (t)	Energy from Waste (t)	Incineration (t)	Landfill (t)	Other (t)	Aspired total value (t)	Value in 2023 (t)	Value in 2024 (t)	Change (%)
Used cooking oil		6.42					0.0	0.0	6.42	new category
Other mixed		0.32	35.04				0.0	0.0	35.36	new category
Plastic – HDPE		1.2					0.0	0.0	1.2	new category
Plastic – LDPE		2.23					0.0	0.0	2.23	new category
Plastic – PP		2.46					0.0	0.0	2.46	new category
Plastic – PS		1.41					0.0	0.0	1.41	new category
Clinical waste			0.01						0.01	new category
<b>Total</b>	<b>3.26</b>	<b>175.53</b>	<b>227.22</b>	<b>0.00</b>	<b>2.69</b>	<b>0.04</b>	<b>241.3</b>	<b>308.2</b>	<b>408.73</b>	

### Comments

- Tetrapak data not separately collected this year, included in general waste.
- Residual waste category this year has included more previously reported categories, including mixed packaging, municipal waste, inorganic chemical waste. A significant increase is also due to higher data coverage and inclusion of all global sites with the exception of Canada.
- Food waste is calculated separately at some sites from this year on, and is being composted.
- Mixed packaging as well as mixed contaminated packaging are included in the residual waste category this year. We will work to increase data clarity and separation in the following years to achieve meaningful reduction.
- We assume that mixed metal category calculated this year includes previously separately outlined iron metal waste category.
- Previously reported insulation is now included in the construction waste.

#### Overall comment

We recognize that our reported waste volumes may continue to increase in the near term. This does not necessarily indicate declining performance, but rather reflects growing operational complexity and improved measurement. Our focus is on building the systems and insight required to effectively influence and reduce waste over time.

# Appendix 4

## GRI Content Index

Statement of use	Merz Therapeutics has reported the information cited in this GRI content index for the period January 1, 2024–December 31, 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

Disclosure	Location
------------	----------

### GRI 2: General Disclosures 2021

2-1	Organizational details	Section: Introduction: Merz Therapeutics; Headquarters: Merz Therapeutics GmbH, Eckenheimer Landstraße 100, 60318 Frankfurt am Main, Germany; Countries of operation: Germany, UK (UK and Ireland), France, Italy, Spain (Merz TX Iberia – Spain and Portugal), Sweden (Merz TX Nordics), Netherlands (Merz Tx Benelux), Austria, Switzerland, Russia, USA, Canada
2-2	Entities included in the organization’s sustainability reporting	Legal names: Merz Therapeutics GmbH, Georg Simons GmbH, Merz Pharma Austria GmbH, Merz Therapeutics Iberia SL, Merz Therapeutics Nordics AB, Merz Pharma France S.A.S., Merz Pharma Italia S.r.l., Merz Pharma UK Ltd., Merz Pharma (Schweiz) AG, Merz Pharmaceuticals LLC, Merz Pharma Canada Ltd. Entities ≥51% owned are included. Locations with immaterial waste excluded to focus on major contributors.
2-3	Reporting period, frequency and contact point	8.0 About this report; Contact person: Tatiana Kalashnikova, Global Sustainability Lead; tatiana.kalashnikova@merz.com
2-4	Restatements of information	8.0. About the Report section. In previous report we stated we would report this year as per CSRD, but given Omnibus ‘stop the clock’ announcement we have kept GRI reporting. 4.0. Planet: Mindful treatment of our environment: We have aligned our reduction target with the Science Based Targets initiative but have not submitted it for validation due to parent company policy. Submission is planned for the near future. Appendix: Waste generation analysis—aspired waste figure total is 241.3 t not 308 t—typing error in previous reporting.
2-5	External assurance	This report has not been externally assured. In preparation for the upcoming CSRD requirements, which will mandate external assurance, we are aligning our processes accordingly and plan to pursue assurance in the future.

2-6	Activities, value chain and other business relationships	Private sector; GRI Sector Program: Group 2 (Industrial); Pharmaceuticals. Sections: Sections: 1.0. Introduction; 7.0. operational Sustainability: Smart Supply Chain; Markets: Merz Therapeutics in North America, Europe and Asia; Distribution Partners in LATAM, EMEA, and APAC. Activities span R&D, indirect raw material procurement via the parent company, drug manufacturing (at a parent-owned site in Germany and through CMOs), packaging (via a non-owned German partner), and global distribution. Regulatory compliance is ensured (e.g., FDA, EMA). Products are delivered through healthcare providers to patients, with a focus on safety, accessibility, and affordability.
2-7	Employees	Headcount as of December 2024: 937 employees. EMEA – 677, North America – 260. In 2024, 67% of these employees were women and 33% men.
2-8	Workers who are not employees	Not reported. Data on non-employee workers is not currently disclosed.
2-9	Governance structure and composition	Sections: 1.0. Introduction: Our Executive Team, Sustainability Leadership structure; 5.0. People: Attractive and future proof employer: together@merztx fostering a psychologically safe and empowering environment, 6.3. A Fair Business: Ethics Compliance and Privacy.
2-10	Nomination and selection of the highest governance body	Not reported. Information is not currently disclosed by choice.
2-11	Chair of the highest governance body	Section: 1.0. Introduction: Our Leadership Team. The CEO also serves as Chair. An independent director supports oversight and helps mitigate conflicts of interest in decision-making.
2-12	Role of the highest governance body in overseeing the management of impacts	The governance body oversees impacts through leadership discussions and a dedicated together@merztx Board exists. The independent director contributes to balanced oversight. No formal committees.
2-13	Delegation of responsibility for managing impacts	The CEO and Executive Team hold overall responsibility. Day-to-day management is delegated to departments, with accountability ensured through regular reporting to leadership.
2-14	Role of the highest governance body in sustainability reporting	Section: 8.0 About this report
2-15	Conflicts of interest	Section 6.0. Governance: A Fair Business: Ethics, Compliance & Privacy. The organization has an internal policy in place to manage conflicts of interest.
2-16	Communication of critical concerns	Not reported. Information is not currently disclosed by choice.
2-17	Collective knowledge of the highest governance body	Section: 1.0 Introduction: Sustainability Leadership Structure
2-18	Evaluation of the performance of the highest governance body	Not reported. Information is not currently disclosed by choice.

# Appendix 4

## GRI Content Index

2-19	Remuneration policies	Not reported. Remuneration details are not publicly available.
2-20	Process to determine remuneration	Not reported. Internal remuneration processes are not disclosed.
2-21	Annual total compensation ratio	Not reported. Disclosure not considered relevant for this reporting cycle.
2-22	Statement on sustainable development strategy	Section: 2.0 Strategy: Our Sustainability Strategy, Our Ambition, At a Glance: Our Four Focus Areas
2-23	Policy commitments	Sections: 6.0. Governance: Impact-Driven Responsible Business: A Fair Business: Ethics, Compliance & Privacy; 7.0. Operational Sustainability: Smart Supply Chain: Smart Supply Chain. In addition to the content referenced: Merz Therapeutics GmbH has developed, implemented, or adopted the following policies to date in order to anchor the implementation of the sustainability strategy within the company: – Merz Group Code of Conduct and Third-Party Code of Conduct – Environmental Stewardship - Climate Change Policy – Merz Group HSSE Guideline – Merz Group Policy Statement of the Human Rights Strategy – Compliance Program Additionally, there are internal Human Resources Policies ensuring the well-being of our employees.
2-24	Embedding policy commitments	Section 6.0. Governance: Impact-Driven Responsible Business: Training & Awareness
2-25	Processes to remediate negative impacts	Sections: 6.0. Governance: A Fair Business: Ethics, Compliance & Privacy: Ethics Helpline; Governance & Program Structure; 7.0. Operational Sustainability: Smart Supply Chain, We're committed: Health, Safety, Security & Environment (HSSE)
2-26	Mechanisms for seeking advice and raising concerns	Section 6.0. Governance: A Fair Business: Ethics, Compliance & Privacy: Ethics Helpline
2-27	Compliance with laws and regulations	Not reported. Regulatory compliance incidents are not disclosed in this report.
2-28	Membership associations	Not reported. Memberships are not disclosed in detail in this report.
2-29	Approach to stakeholder engagement	Section: 2.0. Strategy, 2.1.Our Sustainability Strategy, 2.2. Our Ambition, 2.3. At a Glance: Our Four Focus Areas
2-30	Collective bargaining agreements	Not disclosed. Data on collective bargaining coverage is not publicly disclosed.

## GRI 3: Material Topics 2021

3-1	Process to determine material topics	Section: 2.0. Strategy, 2.1.Our Sustainability Strategy, 2.2. Our Ambition, 2.3. At a Glance: Our Four Focus Areas
3-2	List of material topics	Section: 2.0. Strategy, 2.1.Our Sustainability Strategy, 2.2. Our Ambition, 2.3. At a Glance: Our Four Focus Areas
3-3	Management of material topics	Section: 2.0. Strategy, 2.1.Our Sustainability Strategy, 2.2. Our Ambition, 2.3. At a Glance: Our Four Focus Areas Environmental topics are led by Sustainability; Social and Governance topics are co-managed with HR and Legal. The Executive Team oversees budgeting and performance. Evaluation is based on 3P (Planet, People, Profit), supported by internal KPIs and databases (e.g., GHG, waste).

## GRI 205: Anti-corruption 2016

205-1	Operations assessed for risks related to corruption	Section: 6.0. Governance: A Fair Business: Ethics, Compliance & Privacy
205-2	Communication and training about anti-corruption policies and procedures	Sections: 6.0. Governance: A Fair Business: Ethics, Compliance & Privacy 7.0. Operational Sustainability: Smart Supply Chain, We're committed: Health, Safety, Security & Environment (HSSE)

## GRI 305: Emissions 2016

305-1	Direct (Scope 1) GHG emissions	Sections: 4.0. Planet: Mindful treatment of our environment: Addressing Climate-critical emissions; Appendix (pages 75–76); GHG emissions are reported in CO <sub>2</sub> e, including all relevant greenhouse gases; baseline year is 2022. Subject to change based on professional advice or new standards. We use operational control as a method; emissions were calculated using company consumption data and a third-party methodology. Primary data were prioritized; credible secondary sources (e.g. ecoinvent, DEFRA) were used as needed. Both market- and location-based methods were applied for electricity.
-------	--------------------------------	--

# Appendix 4

## GRI Content Index

305-2	Energy indirect (Scope 2) GHG emissions	Sections: 4.0. Planet: Mindful treatment of our environment: Addressing Climate-critical emissions; Appendix (pages 75–76); GHG emissions are reported in CO <sub>2</sub> e, including all relevant greenhouse gases; baseline year is 2022. Subject to change based on professional advice or new standards. Scope 2 emissions were calculated using a third-party proprietary methodology aligned with the GHG Protocol. Emission factors are based on regional electricity data and updated annually. We use operational control as a method; emissions were calculated using company consumption data and a third-party methodology. Primary data were prioritized; credible secondary sources (e.g. ecoinvent, DEFRA) were used as needed. Both market- and location-based methods were applied for electricity.
305-3	Other indirect (Scope 3) GHG emissions	Sections: 4.0. Planet: Mindful treatment of our environment: Addressing Climate-critical emissions; Appendix (pages 75–76); GHG emissions are reported in CO <sub>2</sub> e, including all relevant greenhouse gases; baseline year is 2022. Subject to change based on professional advice or new standards. Scope 3 emissions were calculated using a third-party proprietary methodology aligned with the GHG Protocol. Emission factors are based on regional electricity data and updated annually. We use operational control as a method; emissions were calculated using company consumption data and a third-party methodology. Primary data were prioritized; credible secondary sources (e.g. ecoinvent, DEFRA) were used as needed.
305-5	Reduction of GHG emissions	Sections: 4.0. Planet: Mindful treatment of our environment: Addressing Climate-critical emissions; Appendix (pages 75–76)

### GRI 306: Waste 2020

306-1	Waste generation and significant waste-related impacts	Sections: 4.0. Planet: Mindful treatment of our environment: Waste, Recycling & Packaging; Appendix (pages 77–79)
306-2	Management of significant waste-related impacts	Sections: 4.0. Planet: Mindful treatment of our environment: Waste, Recycling & Packaging; Appendix (pages 77–79); data was collected via acquisition forms from locations where waste is material and data was available. End fates were reported where known. Site visits and interviews supported validation. Some data were modelled due to gaps in annual records.
306-3	Waste generated	
306-4	Waste diverted from disposal	
306-5	Waste directed to disposal	

### GRI 403: Occupational Health and Safety 2018

403-1	Occupational health and safety management system	Section: Operational Sustainability: We're Committed: Health, Safety, Security & Environment (HSSE)
403-2	Hazard identification, risk assessment, and incident investigation	
403-3	Occupational health services	
403-4	Worker participation, consultation, and communication on occupational health and safety	
403-5	Worker training on occupational health and safety	
403-6	Promotion of worker health	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	
403-8	Workers covered by an occupational health and safety management system	100% of employees and all visitors
403-9	Work-related injuries	Section: Operational Sustainability: We're Committed: Health, Safety, Security & Environment (HSSE)
403-10	Work-related ill health	Section: Operational Sustainability: We're Committed: Health, Safety, Security & Environment (HSSE)

# Appendix 4

## GRI Content Index

---

### GRI 404: Training and Education 2016

404-2	Programs for upgrading employee skills and transition assistance programs	Sections: 1.0. Introduction: ESG Risks& Opportunities; 5.0. People: Attractive & Future-Proof Employer: Employee Development
404-3	Percentage of employees receiving regular performance and career development reviews	100% of employees

---

### GRI 405: Diversity and Equal Opportunity 2016

405-1	Diversity of governance bodies and employees	Section: 5.0. People: Attractive & Future-Proof Employer: together@merztx: Fostering a Psychologically Safe and Empowering Environment
-------	--	--

---

### GRI 414: Supplier Social Assessment 2016

414-1	New suppliers that were screened using social criteria	Section: 3.0. Care: Working Together for the Good of Patients: Commitment to Product Quality
414-2	Negative social impacts in the supply chain and actions taken	Section: 7.0. Operational Sustainability: Smart Supply Chain

---

### GRI 416: Customer Health and Safety 2016

416-1	Assessment of the health and safety impacts of product and service categories	Section: 3.0. Care: Working Together for the Good of Patients: Commitment to Product Quality
-------	---	--

---



THERAPEUTICS

---

Better outcomes for more patients.