

2024 SUSTAINABILITY REPORT

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GRI – Content Index

Dear Readers,

With PharmaNutra Group's Sustainability Report, we share with you the progress we made and the goals we achieved, as per our Sustainability Plan schedule.

The Sustainability Report clearly demonstrates our commitment to addressing the environmental, social and economic challenges of our time.

In the course of 2024, significant milestones were reached, including the achievement of the first sustainability rating by Ecovadis in October of 2024; the PharmaNutra Group was awarded a silver medal with a score of 71/100, placing it among the top 15% of companies assessed. In addition, a B rating was awarded by CDP for the climate-related environmental issue.

These represent the first concrete recognitions of the sustainability project launched in 2022 with the introduction of the 2023-2026 Sustainability Plan; these assessment processes also provided valuable insights for further improving our sustainability performance.

PharmaNutra Group is undergoing a major transformation that began with the inauguration of the new headquarters in October of 2023, and continued with the merger of Alesco and Junia Pharma into PharmaNutra. This merger was executed to develop substantial IT, logistics, commercial, corporate, and administrative synergies, with the aim of optimising business processes and containing overall structural costs.

In June of 2024, the company initiated the in-house production of sucrosomial minerals, which had previously been fully outsourced to external production plants.

The year 2024 therefore lays the foundation for setting environmental targets and KPIs that will guide the development of the sustainability project.

Our strategy will prioritise the improvement of Scope 3 emissions reporting through the increasingly active and responsible engagement of supply chain stakeholders and the expansion of the supplier assessment process; a product LCA process will also be developed and gradually extended to cover all relevant products.

PharmaNutra Group's Sustainability Report is presented not only to show the goals we achieved, but also to foster dialogue and collaboration. We are aware that achieving sustainability requires the commitment and contribution of everyone involved, both inside and outside the company.

It is a challenging path that we will face as always with determination and enthusiasm to build a future in continuous evolution and sustainable growth for PharmaNutra Group by pursuing the process of value creation that has characterised our history.

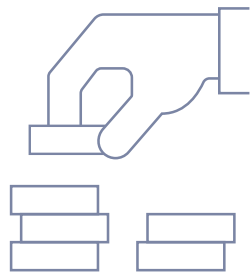
Faithfully yours,

Andrea and Roberto Lacorte
Founders of PharmaNutra S.p.A.



PHARMANUTRA

Shareholders' letter to the
stakeholders



+444%

Market Cap*
(compared to Listing in July 2017)

52.9%

SiderAI® market share in Italy
(source IQVIA)

+17.3%

CAGR consolidated turnover
2017-2024

86



Countries of the world
reached

58

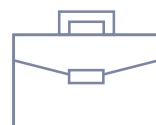


Business partners



117

Employees in
Italy



148

Pharmaceutical Sales
Representatives on
the national territory



Over 30

Sports entities supported
through sponsorship and
medical partnerships

176

Basic research
and clinical
studies
published

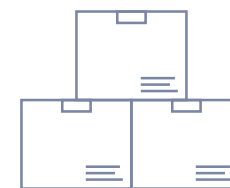


5^a

In the ranking for the national
nutraceutical market

(Source: IQVIA)

59



Portfolio Products

24



Proprietary patents

53

Registered
trademarks

22

Proprietary raw
materials

1.1 PharmaNutra Group

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01

About us

1.1 PharmaNutra Group

PharmaNutra Group (hereinafter also the "Group") consists of PharmaNutra S.p.A. ("PharmaNutra", the "Company" or the "Parent Company") and its subsidiaries Akern S.r.l. ("Akern"), PharmaNutra Usa Corp. ("PharmaNutra USA" or "PHN USA"), PharmaNutra España S.L. ("PharmaNutra España" or "PHN ESP") and Athletica Cetilar S.r.l. ("Athletica" or "ATHL").

PharmaNutra, a nutraceutical company based in Pisa, Italy, specialised in the development of nutritional supplements and medical devices and in the production and distribution of raw materials and active ingredients for the food, pharmaceutical and dietary supplement industries. In particular, it deals with the research, design, development and marketing of proprietary and innovative products. Among these, the most relevant are the ones based on Sucrosomial Iron®, namely the products of Sideral® line, and the products for the restoration of joint and movement capacity in osteo-articular diseases, consisting of Cetilar® line.

The Parent Company complies with strict quality standards while focusing on the unique and exclusive raw materials used throughout the country, and studies and produces formulations with an important scientific background.

Since 2005, the Group has been developing and marketing directly and independently a line of products under its own brand, being managed through a structure of Pharmaceutical Sales Representatives who present the products directly to the medical class. PharmaNutra now has the know-how to manage all stages from design, formulation and registration of a new product, to marketing and sales, up to Pharmaceutical Sales Representatives' training. The business model developed has been pointed out by key health marketing experts as an example of innovation and efficiency in the entire pharmaceutical scenario.

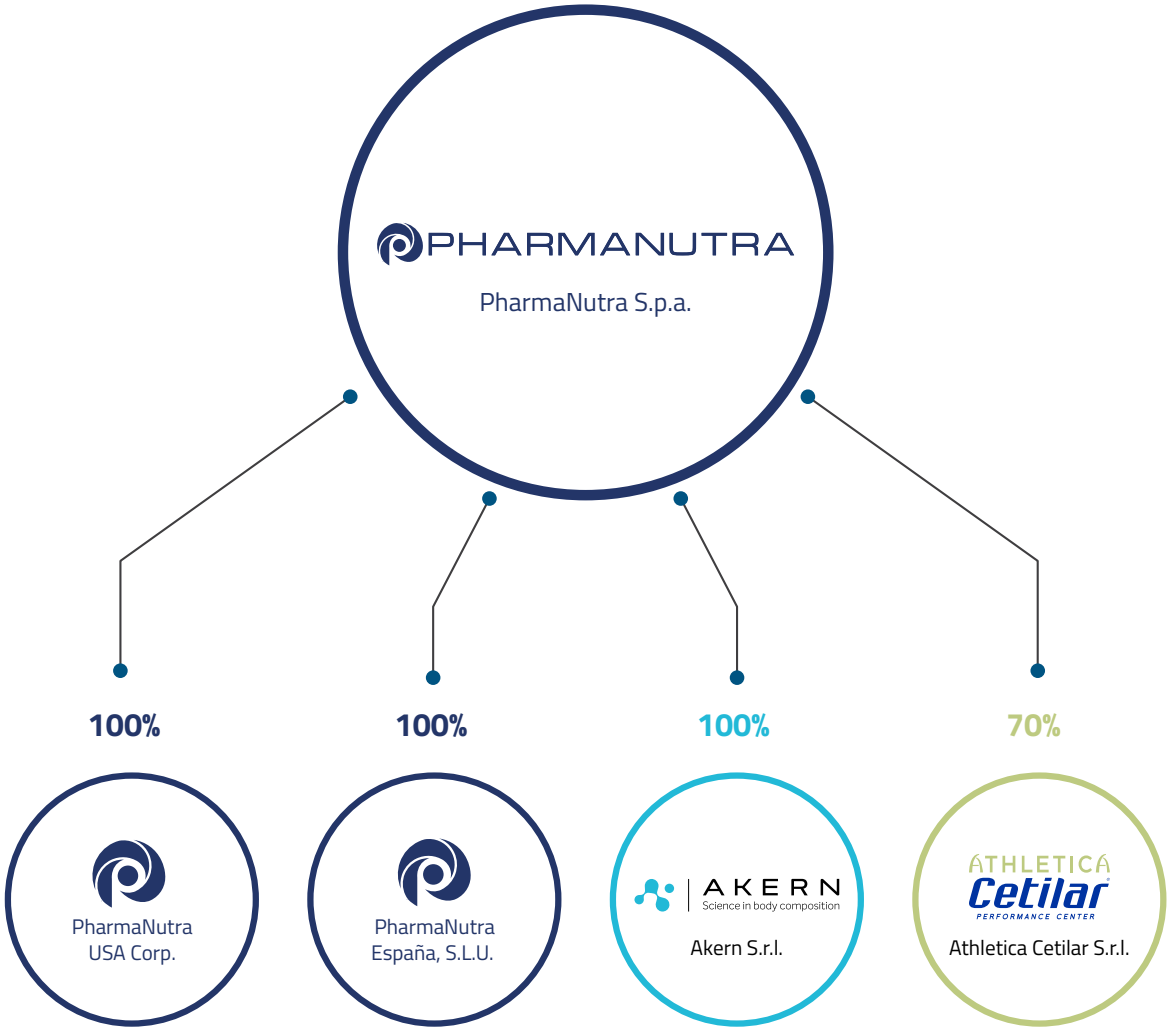
The Company constantly boosts its research and development activities in order to further strengthen its results in its industry.

Akern is an Italian company established in 1980 to research, develop and produce medical instrumentation and software for monitoring body composition using bio-impedance techniques.

PharmaNutra USA was established in December 2022 to distribute PharmaNutra® branded products in the US market through direct distribution on the territory and selected e-commerce channels.

PharmaNutra España, established in March 2023, is in charge of the distribution of the Cetilar® and Cetilar® Nutrition line products in the Spanish market through selected online sales channels and a dedicated sales network.

Athletica Cetilar S.r.l. was established in March 2024 with the aim of creating a sports medical centre geared towards optimising the performance of professional and amateur athletes and developing the applications of products from the Cetilar® line.



1.1.1 PharmaNutra: The history



The Group's history began in 2000 with the foundation of Alesco S.r.l., a company focused on the development of nutraceutical raw materials, which was followed in 2003 by the establishment of PharmaNutra S.p.A., specialising in the development of nutraceutical products and medical devices. Finally, in 2010, Junia Pharma S.r.l. was established, a company operating in the paediatric sector. In 2022, following the acquisition of 100% of Akern S.r.l., the Group opened up to the nutritional research sector, acquiring unique technical and scientific know-how and generating important synergies.

The Group has been present on foreign markets since 2013 with a flexible and innovative business model, which is based on an established network of premium quality distributors. Currently, the products of PharmaNutra are present in over 80 countries worldwide, including Europe, Asia, Africa and America, through a network of selected business partners.

In 2023, PharmaNutra España and PharmaNutra USA were established with the aim of directly overseeing the distribution of products in the markets of the two countries, while in 2024 the two historical companies, Junia Pharma S.r.l. and Alesco S.r.l., were merged into PharmaNutra.

That same year, Athletica Cetilar S.r.l. was established as a sports medical centre focused on optimising the performance of both professional and amateur athletes, treating and resolving medical and physical issues, and enhancing the application of products from the Cetilar® lines, in which the Parent Company holds a 70% share.

This defines a new corporate structure, which meets the requirements of the entire production chain, from the development of new technologies and patents, to the marketing of nutraceuticals and medical devices covering health and wellness needs from early childhood to adulthood.

Thanks to the continuous capital expenditures in R&D, which have led to the approval of several patents referred to the Sucrosomial® technology and Cetylated Esters (CFA), the Group has succeeded in a short time in establishing itself as leader in the industry of mineral- and iron-based nutritional supplements, as well as in the field of medical devices dedicated to the restoration of articular function.

For the purposes of this Sustainability Report, the newly established ATHL has been excluded from the scope of consolidation except for the calculation of Economic Value Generated and Distributed.

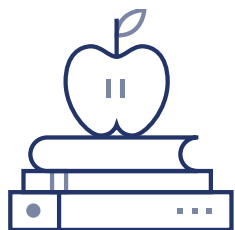
The reason for the exclusion from the reporting scope of this document is that the company's operations were extremely limited in 2024, and for this reason the impact of this company on the Group and the stakeholders identified, in economic, environmental and social terms, is not material. The company will be consolidated starting from the 2025 Sustainability Report.

1.1.2 Vision and Mission

PharmaNutra's mission is to make a difference by putting science at the service of nutrition so as to intervene before people need it.

We believe that the essential and indispensable tool to achieve this goal is curiosity, which drives one towards information, study, listening and knowledge in order to be able to understand the evolution of society and to have a microphone constantly turned on the health care environment.

These are our objectives:



Healing by educating for well-being: PharmaNutra works so that people do not get sick. This project goes beyond the concept of prevention because it is about culture and food awareness



Healing by making you feel well: **we enhance natural elements** with our technology so that nutritional supplements can be more effective and without contraindications



Healing by making people stronger: we know the human organism and we know that the first step to safeguarding its health is to give it **strong and effective natural defences**

How can we achieve them?



Making people more aware of the value of what they consume through food and the importance of a **healthy lifestyle**

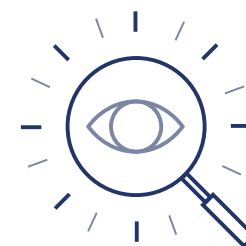
1.1.3 PharmaNutra Group values

The pillars on which **PharmaNutra** is built have always been, and will continue to be, based on three fundamental elements: **people**, protection of **intellectual property** and **continuous improvement**.

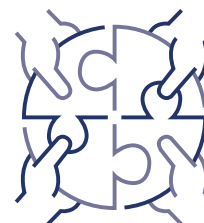
The Group believes that terms such as ethics, responsibility, research, innovation and respect for the people walking the same path as you have real, profound and current meaning. It is precisely on these concepts that the way of doing business is based. These are the solid foundations on which the founders have built, with commitment, determination and a pinch of healthy madness, a company that today is recognised as an Italian excellence.



Compliance with the regulatory provisions applicable in Italy and in any other country in which the Recipients operate



Transparency vis-à-vis all stakeholders, i.e. the categories of individuals, groups or institutions whose interests are directly or indirectly affected by the performance of corporate activities



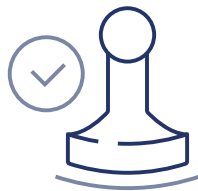
Responsibility towards the community which, even indirectly, may be influenced in its economic and social development by the activities of Group's companies



Protection of safety and health, physical and moral integrity **and rights of workers**



Respect for employees and a commitment to enhance their professional skills



Rejection of any conduct that, although aimed at achieving a result consistent with the companies' interests, presents aspects that are not compatible with the principles of its Code of Ethics and **the commitment to comply with the applicable regulatory provisions**, as well as the companies' rules of conduct and procedures.



Protection and preservation of the environment in all its components, the atmosphere, water, soil and subsoil, flora, fauna and ecosystems.

PharmaNutra Group's Code of Ethics - The trust that our customers, Partners and Stakeholders place in our Group is our most valuable asset. Therefore, it is the duty of all of us to renew this trust every day with correct and upright behaviour, also based on everyone's knowledge of and respect for the internal rules and legal regulations. To this end, PharmaNutra Group is committed to the constant pursuit of excellence and has deemed it appropriate to establish the ethical principles and rules of conduct aimed at pursuing the full respect of the founding values of business ethics, within a corporate culture that considers the respect of the laws in force and of the principle of legality as essential elements.

1.1.4 PharmaNutra market

PharmaNutra Group's distribution and sales model consists of three main Business Lines:

Italian Business Line: it is characterised by direct presence in the reference markets in which the Group operates; for finished products, the logic that governs this model is to ensure complete control of the territory through an organisational structure made up of about 148 Pharmaceutical Sales Representatives (PSRs), who, through sales and scientific information activities, ensure full control of all the players in the distribution chain: hospital doctors, outpatient doctors, pharmacies and hospital pharmacies.

Raw material commercial activity is aimed at companies in the food, pharmaceutical and nutraceutical industries as well as at nutraceutical production plants that produce on behalf of third parties.

PharmaNutra's sales network is divided into three distinct lines: **Primary Care**, **Supportive Care** and **Cetilar Nutrition**, each headed by a manager reporting directly to the Commercial Management.

The main aim of this organisation is to achieve greater effectiveness in the commercial activities of the PSRs by focusing on medical targets and product portfolio management.

The **Primary Care Line** predominantly operates with territorial doctors and pharmacies, and the main brand in its product list is Cetilar®, in its various formulations.

The **Supportive Care Line** predominantly operates in the hospital sector and the main product in its portfolio is Sideral Forte®.

The **Cetilar Nutrition Line** operates with a focus on the sports nutrition market.

The customers of the Italian Business Line are pharmacies, drugstores, rehabilitation centres (Direct Orders) and wholesalers. The tenders refer to sales made to public administration entities.

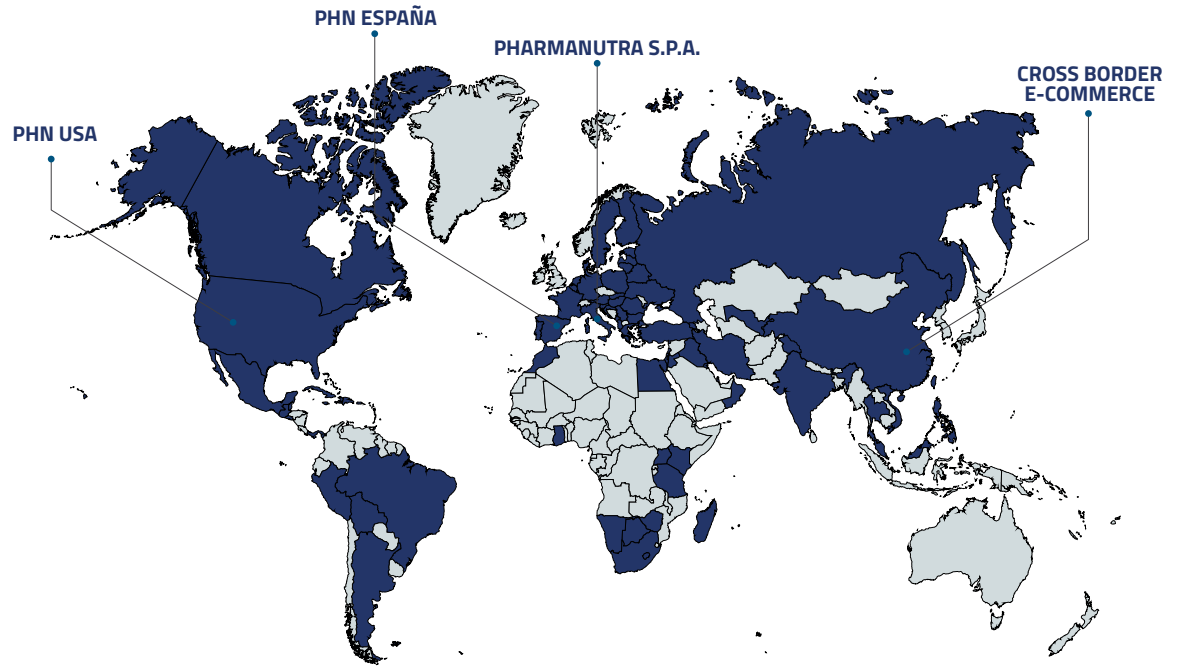
€/1,000	Number of customers	Turnover	Delta vs 2023
Direct Channel	7,835	26,513 €	15%
Wholesale Channel	31	42,630 €	7%
Tender Channel	28	28 €	22%

Foreign Business Line: this business model is applied on foreign markets, except for the United States, Spain (excluding the Sideral® line), and China, where the Group operates directly (in the latter through Crossborder e-commerce). It is characterised by the marketing of finished products and raw materials through local partners who, under exclusive long-term distribution contracts, distribute and sell the products in their own markets.

The search and selection of international partners and the negotiation of distribution contracts are directly handled by the company management with the support of two international account managers dedicated exclusively to the development and management of relations with foreign customers.

The two types of distribution mentioned above are complementary as, on the one hand, they allow for the complete management of the distribution and marketing process in Italy, and, on the other hand, they guarantee the quickest and widest territorial coverage, being possible only through a network of selected distribution partners.

PharmaNutra Group has been present in foreign markets since 2013. Currently, the Group's products are present in about **86** countries worldwide, including Europe, Asia, Africa and America, through a network of **58** carefully selected business partners.



Sales in Italy represent 60.9% of total revenues, with approximately 31.6% generated by international sales through distributor customers.

Akern Business Line: the business model involves the sale of instrumentation and software for body bioimpedance analysis in Italy and foreign markets through distributors and online sales. Revenues from this business line represent 5.0% of total revenues.

Alongside these three main lines, the raw materials and semi-finished products line (formerly Alesco) contributes 2.5% of total revenues.

In 2024, consolidated revenues from sales amounted to Euro 115.5 million, with an increase of 15.3% compared to the previous year.

In terms of volumes, the sales of finished products as at 31 December 2024 reached 14.9 million units, an increase of approximately 12.7% compared to 13.2 million units in the previous year.

Sales revenues by Business Line



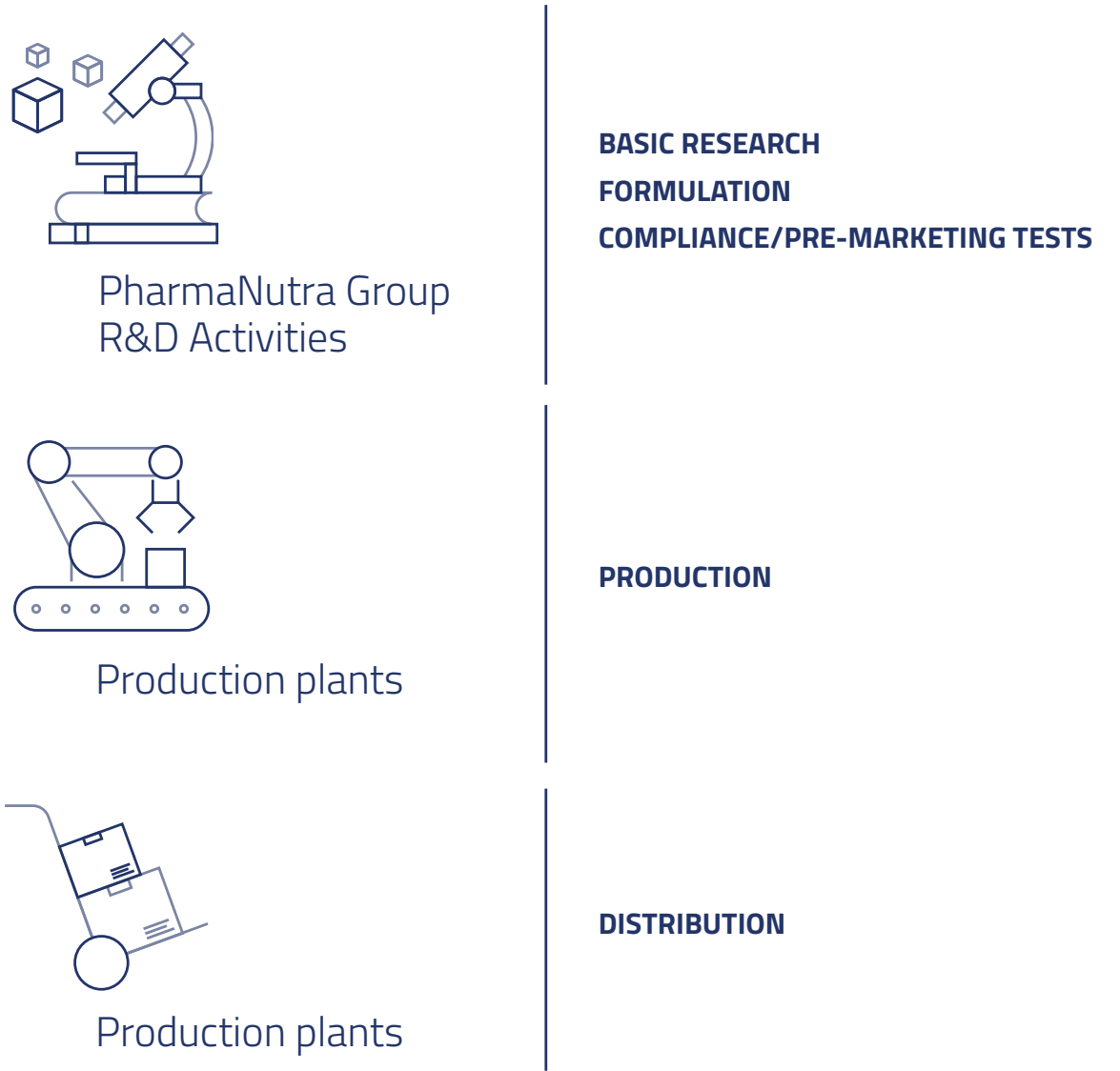
Sales revenues by geographical area



1.1.5 Business Model

The Group has the know-how to manage all stages of the production process from design, formulation and registration of a new product, to marketing and sales, up to the training of Pharmaceutical Sales Representatives and of those involved in marketing Akern's products. The Group markets unique and innovative products by taking care, also through outsourcing, of the entire production process from raw materials to the finished goods. It directly manages the distribution, promotion and sale of all products in its portfolio.

The primary activities carried out by the Group and which add value to the company's product are as follows:



Research and Development

PharmaNutra Group has always based its technical and scientific activities and business strategy on Research and Development (R&D) as a fundamental pillar for growth.

The year 2024 was characterised by intense R&D activity in the proprietary laboratories. This was made possible, among other things, thanks to the increase of the staff employed, which to date consists of 3 researchers, 1 formulation scientist and 2 laboratory technicians, who were joined during the year by several PhD students as a result of ongoing collaborations with a number of Italian universities (Pisa, Brescia, Piemonte Orientale). Another collaborator was then added to the research team in the position of Clinical Trial Assistant, thus also enhancing the whole clinical trial part. This made it possible to accelerate and at the same time increase the number of research projects.

The “Research and Development” activity for food supplements and medical devices can be structured in five clearly distinct phases:

Discovery: PharmaNutra Group is capable of developing innovative technologies and therapeutic solutions such as Sucrosomial Minerals (Iron, Magnesium, and others), CFAs (cetylated fatty acids), which are unique and inimitable due to proprietary international patents, with Sucrosomial Vitamins (D3 and B12) added at the end of 2024.

Synthesis of proprietary raw materials (active ingredients): the production technique for proprietary active ingredients is also an invention and property of the Group, which constantly carries out a functional evaluation to make improvements to the techniques and ingredients that make up the active ingredients.

Basic research: The construction of the new laboratories makes it possible to carry out the part of experimental research in the field of cell biology, which represents a fundamental step in the activity of screening and studying the effectiveness of all the formulation prototypes developed and to be tested before moving on to industrialisation. These studies allow for (i) comparison of the Group's solutions with competing solutions, (ii) comparative evaluation of formulation improvements, (iii) understanding of the metabolic pathways by which the nutritional/therapeutic action is carried out, and (iv) preliminary efficacy prior to evaluation in human clinical trials. New research models have been integrated into our operations, such as cellular models in the cardiology and osteoarticular fields, which will be important areas of activity in the coming years.

Clinical trials: as “non-drugs”, clinical trials on patients are carried out both preliminarily on new products, where necessary, and on products already on the market. The practical implementation of these studies is carried out through agreements with Contract Research Organisations (CRO) and collaborations with hospitals, Italian and foreign research centres, depending on the skills and know-how required.

Quality Control: the analytical and organoleptic quality check of (i) the ingredients constituting the proprietary raw materials and (ii) the finished products destined for end consumers in the marketplace, is performed at accredited and certified laboratories according to strict procedures established by international standards. Following a method typical of the pharmaceutical industry, all batches on the market up to their expiry date are subjected to an after-sale check. The use of accredited analytical laboratories extends to chemical and microbiological stability tests of all new formulations (often customised according to the regulatory requirements of the various countries) before they are placed on the market, in order to define a shelf life (expiry date) certified by defined analytical protocols.

To date, PharmaNutra Group boasts a total of 173 publications on all its products, including full papers and preliminary data or posters at accredited scientific congresses and conferences. At the same time, numerous papers continue to be published in which Sucrosomial® Iron is cited and identified as one of the most innovative oral iron-based products. Worth mentioning is the publication of new European guidelines in cardio-thoracic surgery, in which Sucrosomial® Iron has been included as the only effective oral iron-based treatment that should be recommended.

The Group is constantly disseminating its results, which it considers useful to publish and make available to the scientific community on the one hand and to the commercial network on the other. Therefore, the Group's R&D staff participates in national and international congresses as speakers, or in hospital meetings and focus groups with doctors, where they show the evidence and results obtained on their products.

The Research and Development activity related to the medical instrumentations developed and produced by Akern is based on the constant work carried out on a yearly basis with dozens of universities to improve not only its equations/algorithms but also to better define standards and references to more accurately and specifically detect body composition alterations related to different patho-physiological conditions.

Thanks to rigorous research protocols, the results of Akern's equations are validated against reference methods (NMR, isotopic dilution, DXA, 3C and 4C models) and their accuracy is so high that many of them have become standard algorithms for the scientific community and for other manufacturers' instrumentation.

Today, Akern® is recognised in Europe as a reference company for the body composition science and is one of the most cited companies in world literature.

Raw material procurement

The Group directly manages the raw material procurement process through distributors carefully selected based on high quality standards and strict technical requirements that guarantee the highest levels of product quality through quantitative analyses (search for metals and non-metals), microbiological and organoleptic analyses.

Production

As of June 2024, the production of proprietary raw materials commenced at the company's own factory, enabling shorter lead times and greater flexibility.

The production process involves three phases: weighing, mixing, and packaging.

During the weighing phase, the materials required for mixing the various minerals are prepared. These materials are then sieved and blended in a mixer before being discharged into drums. Once mixing is complete, the drums are transferred to the packaging area, where bagging is carried out.

The production department is environmentally responsible, with water and energy consumption closely monitored. Washing processes are optimised to minimise water waste and reduce processing times.

The Group's products, food supplements and medical devices are entirely manufactured by ten Italian pharmaceutical plants selected following an in-depth audit by the quality control department and aimed at ensuring the highest quality standards which are verified through periodic analytical controls (quantitative, microbiological and allergen analyses) to be repeated before the product is released for marketing. The production of medical instrumentations by the subsidiary Akern is carried out by subcontractors who assemble the components to make semi-finished products, while final assembly and testing are carried out internally by in-house personnel.

The new plant has been designed to meet the highest standards of technology, **functionality and energy efficiency**, representing a concrete commitment in terms of **sustainability** also considering its location at the gates of San Rossore natural park. It occupies an area of 5,200 square metres, of which 2,200 square metres are used for production, 1,600 square metres for management activities and about 1,500 square metres for ancillary services, with **over 10,000 square metres of outdoor areas**.

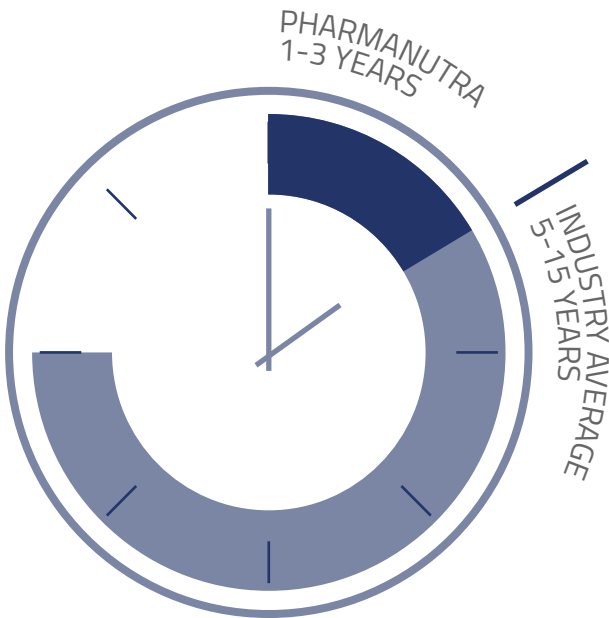
The investment is made in line with the values of Industry 4.0, with a focus on **landscape aesthetics, comfort and energy efficiency**, with a view to both **environmental sustainability (through the reuse of the existing building, the cultivation of endemic plants and the use of materials with low environmental impact)** and **social sustainability (for the enhancement of human capital with innovative areas for psychophysical well-being)**.



Logistics

The supply of goods to retailers in the Italian market (in particular pharmacies and wholesalers) is entrusted to one of the leading providers of logistics services for pharmaceutical products in Italy, being very attentive to environmental issues and holding an ISO 14001 certification. All packaging, adhesive tape, box-filling materials used, and even most of the pallets are green, 100% recycled and recyclable.

Our competitive advantage



Discovery of substances

Pharmaceutical formulation
development

Evaluation of effectiveness

Patent coverage

Marketing

Communications

Medical detailing activities

Distribution and sales

1.1.6 Products, brands and their purpose

The Group specialises in the research, design, development and marketing of innovative nutritional supplements and medical devices.

PharmaNutra is specialised in the development of nutritional supplements and medical devices. Among these, the most relevant are those based on Sucrosomial® Iron, consisting of the Sideral® line, the products for restoring joint capacity and movement in osteo-articular disorders, consisting of the Cetilar® line, the products of the Apportal® line, obtained by combining 19 nutrients, including 5 sucrosomial minerals, and

SUCROSOMIAL MINERALS®, nutritional supplements based on Sucrosomial® minerals, vitamins and amino acids, designed for daily well-being and support to the immune system.

SIDERAL® LINE



SIDERAL® INTERNATIONAL LINE



CETILAR® LINE



SIDEVIT® LINE



APPORTAL® LINE



Nutritional supplement containing 19 essential nutrients



Nutritional supplement with vitamins, Sucrosomial® minerals, amino acids, royal jelly, and coenzyme Q10

OTHER PROPRIETARY PRODUCTS



100% Sucrosomial Magnesium® to enhance magnesium absorption.



Formulated with EPA and DHA to provide a supplemental intake of nutrients for cardiovascular health support.



Containing Algal Calcium, vitamin K2 and vitamin D3, useful for supporting the physiological functions of bone tissue.



Cotton disposable wipes with Chamomile, Cornflower, Zantalone, and Vitamin E extracts for daily eye hygiene and care.



With Vitamin D, Vitamin E, DHA, phospholipids, and beta-palmitic acid to support immune function and skeletal development.



Nutritional supplement based on Sucrosomial Magnesium® and Lactium® (hydrolysed milk protein), designed to promote sleep and alleviate symptoms caused by stress and anxiety.

DOLOMIR® LINE



PRESCRIPTION PRODUCTS



CETILAR® NUTRITION LINE



* FEED YOUR PERFORMANCE



PROPRIETARY RAW MATERIALS (ACTIVE INGREDIENTS)







OTHER TECHNOLOGIES



Plant-derived glucosamine to support healthy joint cartilage.



Microencapsulated phytosterols to help protect heart health and maintain cholesterol levels.



Myrrh extracts with systemic anaesthetic and local analgesic effects, as well as antiseptic and antibacterial properties.



Cetyl ester complex (CFA) developed to replenish joint fluid and support normal flexibility and mobility of joints, muscles, and tendons.



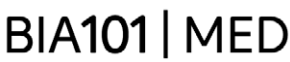
Produced through fermentation of red rice by the yeast *Monascus purpureus*, Monacolin K helps maintain normal blood cholesterol levels.

RAW MATERIALS UNDER EXCLUSIVE LICENCE FOR ITALY





AKERN BRAND PRODUCTS

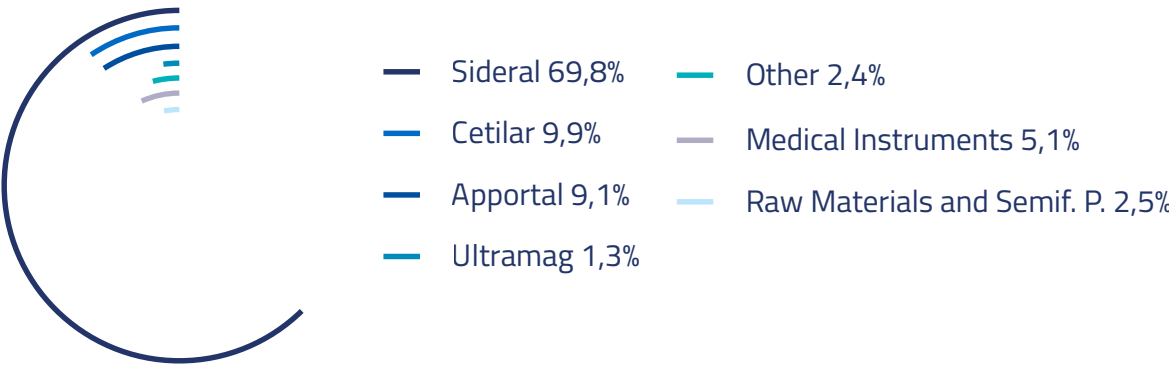




The table below provides a breakdown of revenues by product line for the financial year 2024.

F.P. REVENUES PER PRODUCT LINE € /1,000	2024	2023	2022	Δ% 24/23	INCIDENCE	
					2024	2023
Sideral®	80,626	71,534	58,790	12.7%	69.8%	71.1%
Cetilar®	11,393	10,055	8,144	13.3%	9.9%	9.8%
Apportal®	10,484	8,092	8,238	29.6%	9.0%	10.0%
Ultramag®	1451	1024	874	41.7%	1.3%	1.0%
Other*	2,762	2,255	2,415	22.5%	2.4%	2.9%
Medical instrumentations	5,922	5,030	1,961	17.7%	5.1%	2.4%
Raw materials and semi-finished products	2,859	2,213	2,303	29.2%	2.5%	2.8%
TOTAL	115,497	100,202	82,724	15.3%	100%	100%

*The Other item includes revenues from additional Group products



The Sideral® line, with an increase in revenues reaching Euro 81 million as at 31 December 2024 (+13% compared to 2023) and an incidence on the total finished product turnover of 70%, confirms itself as the main line in the Group's product portfolio with considerable growth margins.

The Cetilar® line recorded an increase of approximately 13.3% over the previous year. The incidence on total revenues remained in line with the previous year. Apportal® shows a significant increase compared to the previous year (+29.6%) thanks to its features of energising tonic.

1.1.7 A business that creates value: the Group's impacts

PharmaNutra's corporate governance system primarily aims at creating value for Shareholders through a responsible and sustainable approach, without losing sight of the social relevance of the business and all interests involved.

With a net revenue CAGR of around 17.3% over the last 7 years, PharmaNutra Group presents itself as a growing and strongly future-oriented company.

The following tables show the main income statement and balance sheet data for the financial years 2024, 2023 and 2022¹.

1 - Source: PharmaNutra 2024 Consolidated Financial Statements

INCOME STATEMENT FIGURES (€/millions)	2024	%	2023	%	2022	%
REVENUES	116.9	100%	102.0	100%	83.4	100%
REVENUES FROM SALES	115.5	99%	100.2	98%	82.7	99%
EBITDA	31.0	27%	26.5	26%	24.4	29%
NET RESULT	16.6	14%	12.8	13%	15.0	18%
NET RESULT excl. non-recurring items *	16.6	14%	15.5	15%	15.0	18%
EPS - NET RESULT PER SHARE (Euro)	1.73	-	1.33	-	1.56	-
EPS - NET RESULT PER SHARE (Euro) excl. Non-recurring items	1.73	-	1.60	-	1.56	-

* The Net Result and Net Earnings per share excluding non-recurring items for the financial year closed at 31/12/2023 include the amount of Euro 2.6 million, which represents the burden incurred for the definition of the tax periods between 2017 and 2021 with the aim of complying with the institution of cooperative compliance provided for by Italian Legislative Decree No. 128 of 5 August 2015.

BALANCE SHEET DATA €/millions	2024	2023	2022	Δ 24/23
Net invested capital	56.6	57.0	40.3	(0.43)
NFP (positive cash)	5.60	(2.62)	10.6	8.22
Shareholders' equity	(62.2)	(54.4)	(51.0)	(7.79)

ECONOMIC VALUE GENERATED €/1,000	2024	2023	2022
Value of production	116,911	101,963	83,394
Income from participations	8	-	-
Other financial income	1,402	905	528
Extraordinary income	-	-	-
TOTAL	118,321	102,868	83,922

In 2024, the Group obtained tax credit and tax relief in the amounts shown in the table below:

€/1,000	2024	2023	2022
Tax relief and tax credits	124	340	282

Tax credits for 2024 relate exclusively to credits accrued through research and development activities. For 2022 and 2023 they mainly refer to credit on Research and Development activities (72% for 2023 and 97.4% for 2022) and the remainder to credits for advertising investments. They are recognised on an accrual basis.

ECONOMIC VALUE DISTRIBUTED €/1,000	2024	2023	2022
Value distributed to suppliers of goods and services	(65,857)	(57,473)	(43,834)
Value distributed to the employees	(8,036)	(6,808)	(5,101)
Value distributed to the commercial network	(10,412)	(9,978)	(8,837)
Value distributed to capital providers [*]	(9,794)	(8,719)	(7,002)
Value distributed to P.A. bodies	(10,592)	(10,504)	(8,424)
Value distributed to the community	(1,455)	(1,142)	(1,208)
TOTAL	(106,146)	(94,624)	(74,406)

^{*}Note: The value distributed to capital providers includes dividends paid to shareholders and financial expenses

The Value distributed to the Public Administration in 2023 includes a € 2.6 million charge related to the resolution of tax periods 2017-2021, with the intention — already informally communicated to tax authorities — of joining the collaborative compliance framework outlined in Legislative Decree no. 128 of 5 August 2015.

ECONOMIC VALUE RETAINED €/1,000	2024	2023	2022
Wealth retained by the Group (Economic value generated - Economic value distributed)	(12,175)	(8,243)	(9,516)

1.2 Our approach to sustainability

1.2.1 Regulatory overview

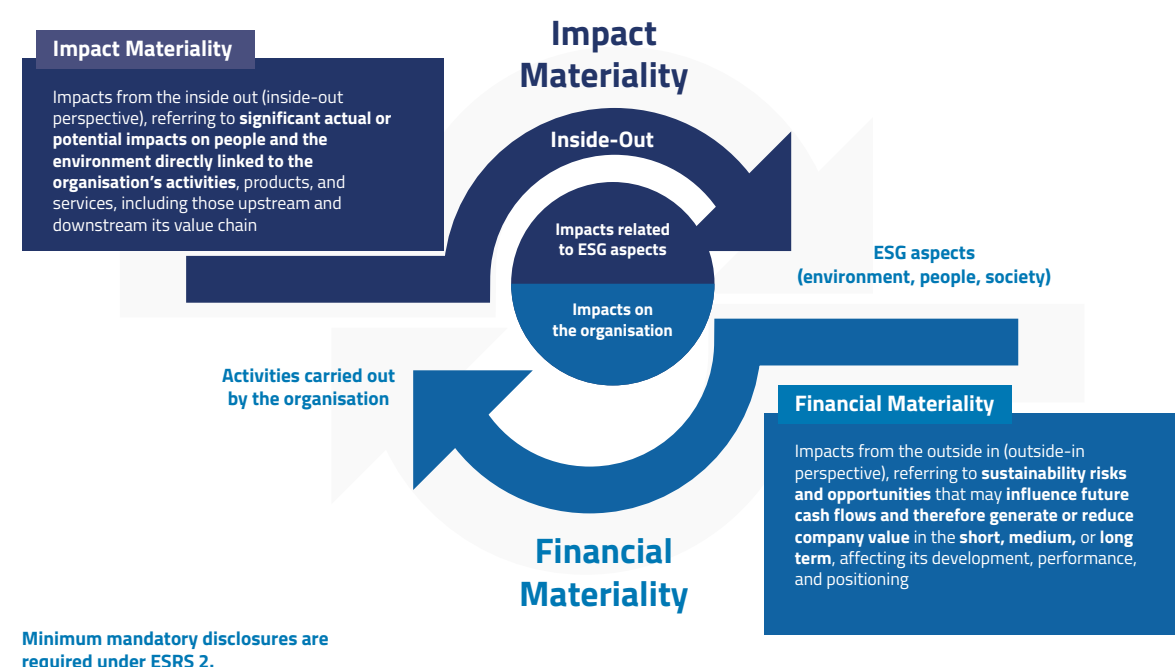
On 10 September 2024, Legislative Decree no. 125/2024 – "Implementation of Directive 2022/2464/EU" – was published in the Official Journal, formally transposing the European CSRD "Corporate Social Responsibility Directive".

In February of 2025, the European Commission proposed a simplification approach to the aforementioned directive (the "Omnibus package"), calling for a substantial reduction in reporting requirements and a deferral of disclosure obligations for companies currently within the CSRD's scope.

Directive (EU) 2025/794 was published in the Official Journal of the European Union on 16 April 2025, requiring Member States to transpose it by 31/12/2025; it provides a two-year delay in the application of CSRD reporting requirements for large companies yet to begin reporting and for listed SMEs.

1.2.2 The materiality analysis

As part of the development of sustainability reporting, the Group updated its materiality analysis in 2024, incorporating the concept of dual materiality. In addition to the impacts already reported in previous years, financial risks and opportunities related to material issues were also included.



Firstly, the potentially positive and negative material impacts caused or contributed to by the Group, both current and future, were identified in relation to the economy, environment, and people, including those related to human rights.

Through this approach, given the context in which it operates, by means of an assessment of the information it has on the economy, the environment and people, taking into account the needs of its internal and external stakeholders, and after discussion with the top management and the main company representatives for material topics, a list of 32 positive and negative, actual and potential impacts of the organisation on aspects such

as economy, the environment and people, including impacts on human rights (so-called **impact materiality**) was identified.

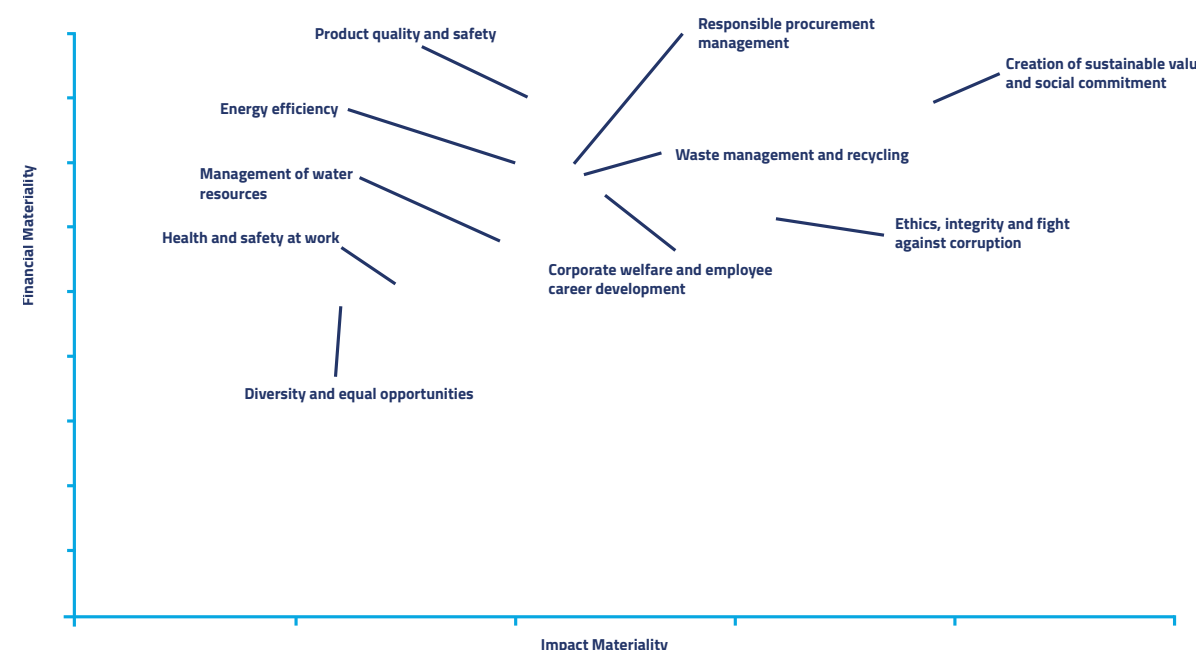
Alongside the assessment of impact materiality, 34 risks and opportunities arising from the effects of sustainability factors on the Group's economic and financial elements (so-called **financial materiality**) were also identified and evaluated.

Subsequently, in order to assess the significance of the impacts identified and to prioritise them, a questionnaire was completed by its most relevant stakeholders (employees, Board of Directors, Board of Statutory Auditors, some banks, some investors and the main suppliers).

The questionnaire gave PharmaNutra Group' stakeholders the opportunity to express their opinion in terms of **severity/relevance** (for current impacts only) and **likelihood of occurrence** (for potential impacts).

The assessment of financial materiality was conducted based on the magnitude and probability of occurrence of each risk or opportunity.

The matrix summarising the results obtained is shown below.



Sustainable value creation, quality, and product safety were the most relevant topics for stakeholders who completed the questionnaire.

2 - Within the questionnaire, stakeholders were asked to rate the impacts in terms of severity and likelihood on a scale of 1 to 5.

The severity of an actual or potential negative impact depends on the following characteristics:

- Scale: how serious is the impact;
- Scope: how widespread is the impact, for example, the number of people affected or the extent of environmental damage.
- Characteristics of irreparability: how difficult it is to mitigate or compensate the resulting damage.

The likelihood of a potential negative impact refers to the possibility of occurrence of the impact and can be measured or determined in a qualitative or quantitative way.

Below is the list of impacts, risks and opportunities identified and submitted for stakeholders’ assessment:

● Positive ● Negative

MATERIAL TOPIC	IMPACT	IRO	Nature
Creation of sustainable value and social commitment	Contribution to scientific dissemination in Italy and internationally through publications related to research and development activities.	Impact	● Current
	Positive socio-economic impacts on the community through philanthropy, sponsorships, and partnerships with local bodies.	Impact	● Current
	Initiatives benefiting the community through the development of services that meet local needs, generating both reputational and economic returns	Opportunity	
Ethics, integrity and fight against corruption	Training and implementation activities aimed at preventing and promptly detecting corruption, bribery, and anti-competitive behaviour	Impact	● Current
	Incidents of corruption, bribery, anti-competitive practices, monopolistic conduct, and conflicts of interest with potential negative reputational and financial impacts on stakeholders (e.g. suppliers, customers, partners, etc.)	Impact	● Potential
	Risk of failure to transpose or incorrect transposition of the European Directive on Whistleblowing aimed at protecting whistleblowers	Risk	
	Risk of corruption, bribery, and anti-competitive conduct resulting in reputational and financial harm to the Organisation	Risk	
	Effectiveness of governance in promoting corporate values, culture, and ethical principles by fostering a culture of integrity and rule compliance that encourages whistleblowing, enhances governance transparency, and builds trust with internal and external stakeholders	Impact	● Current
	Animal testing carried out in compliance with the regulations, in preparation for the publication of clinical results	Impact	● Current
	Risk of miscommunication regarding the corporate culture of PharmaNutra Group, potentially causing reputational harm	Risk	
	Delays in obtaining approval for experimental protocols involving animal testing, potentially delaying product launches or causing reputational harm	Risk	
	Ensuring that end consumers can access the information needed for correct product use through transparent package leaflet descriptions	Impact	● Current
	Inadequate product quality due to non-compliance with EU regulations or insufficient testing, potentially impacting consumer health and safety	Impact	● Potential
Product quality and safety	Poor management of customer data, with possible negative outcomes such as loss of sensitive stakeholder information and reduced stakeholder confidence in the Company	Impact	● Potential
	Risk of customer data loss and/or cyber attacks resulting in fines, compensation for damages, or reputational loss, making data protection through security measures and regulatory compliance essential	Risk	
	Ineffective management of customer relations (e.g. complaints, written requests, commercial quality, communication), potentially affecting corporate reputation.	Risk	
	Lack of monitoring of product stability and quality, leading to an increase in consumer complaints.	Risk	
	A sustainable supply chain maintained through transparent collaboration with suppliers, based on accurate performance assessment and partnerships with certified providers	Impact	● Current
Responsible procurement management	Incomplete or ineffective procurement and qualification processes regarding third-party risks (e.g. inadequate quality or quantity, poor reputation, insufficient environmental governance), potentially exposing PharmaNutra to reputational damage in cases of negative events.	Risk	
	Risk of delayed payments to suppliers and/or supply chain interruptions that could disrupt business operations	Risk	
	Guarantee of stable employment for workers throughout the value chain.	Impact	● Current
	Incidents of workplace accidents, injuries, or illnesses, with possible adverse effects on the health and safety of the workforce across the value chain.	Impact	● Potential
	Violations of the human rights of supplier and business partner employees.	Impact	● Potential
	Improper use of data related to workers employed by suppliers and business partners.	Impact	● Potential
	Risk of non-compliance with Occupational Health and Safety (Legislative Decree no. 81/2008) and Environmental regulations among upstream suppliers in the value chain.	Risk	
	Human rights violations involving workers within the value chain	Risk	
	"Risk of insufficient attention to gender equality, training, employment and inclusion of persons with disabilities, anti-violence measures, and workforce diversity in the value chain; possible legal repercussions with reputational and financial consequences. Risk that workers in the value chain are not protected in areas such as social dialogue, freedom of association, and collective bargaining, potentially leading to reputational damage and, in severe cases, work stoppages affecting financial performance."	Risk	

Waste management and recycling	Use of packaging materials and/or recycled packaging with lower environmental impact.	Impact	● Current
	Reduction of waste and raw material scrap during production processes to limit resource use.	Impact	● Current
	Improper handling of advertising materials linked to marketing and sponsorship activities.	Impact	● Current
	Generation of hazardous and non-hazardous waste in production and R&D that could negatively impact the environment.	Impact	● Potential
	Cost savings in procurement achieved through recycling and reuse of materials	Opportunity	
	Risk of regulatory changes affecting the use of non-biodegradable packaging	Risk	
	Risk of dependence on one or more natural resources (e.g. calcium) that cannot be synthetically replicated, which may result in product withdrawal from the market in the event of depletion	Risk	
	Risk of supply chain changes involving new suppliers with inefficient resource usage.	Risk	
Corporate welfare and employee career development	Reputational damage caused by pollution incidents involving Group's companies due to improper management of hazardous and non-hazardous waste.	Risk	
	Creation of a positive working environment and improvement of working conditions through effective human capital management, in compliance with national collective bargaining laws and the promotion of social dialogue and freedom of association, involving trade unions and works councils	Impact	● Current
	Enhancement of corporate welfare through the development of initiatives, benefits, and welfare plans that support work-life balance.	Impact	● Current
	Lack of subjective drivers in employee performance evaluations resulting in the inability to define career paths and develop individual skills for each employee	Impact	● Current
	Poor management of employee data, with possible negative outcomes such as loss of sensitive information and reduced stakeholder confidence in the Company	Impact	● Potential
	Violation of the human rights of employees and collaborators	Impact	● Potential
	Improved company performance driven by employee satisfaction, achieved by fostering a positive working environment that enhances employee retention.	Opportunity	
	Staff shortages may impact productivity and operational efficiency, particularly through increased workloads, reduced quality, and delays in production and deliveries, with consequent added costs	Risk	
	Risk associated with key company roles, particularly in the technical-scientific area (e.g. R&D), lacking adequate backup or succession planning, with specialised skills that are difficult to replicate internally or source from the market. Should these individuals leave the company, it could result in delays or inefficiencies in the Group's strategic or operational activities.	Risk	
	Cyber attacks on the information systems of the Group's companies could lead to the loss of sensitive employee data, with potential legal and reputational consequences.	Risk	
	Possible labour and/or trade union disputes due to incorrect application of contractual agreements (e.g. inconsistencies in employment contracts)	Risk	
	Delivery of training programmes inconsistent with company strategies. Incorrect planning of employee career paths resulting in inadequate training plans, which could lead to inefficiencies in task performance.	Risk	
	Reputational risk arising from violations of human rights and labour regulations.	Risk	

Energy efficiency	Installation of advanced production systems to monitor consumption and emissions	Impact		Current
	Generation of emissions across the value chain and at production plants (Scope 3), with negative impacts in terms of climate change contribution	Impact		Current
	Emission of air pollutants with potential impacts on human health and air quality (including N2O, HFCs, PFCs, SF6, NF3, SO2, NOX, NMVOCs, NH3, HM, O3, particulate matter, etc.), along with the release of hazardous or highly hazardous substances into soil.	Impact		Potential
	Discharge of pollutants and liquid contaminants that could cause water pollution in Group operations and throughout the value chain	Impact		Potential
	Inadequate handling of hazardous or highly hazardous substances during production, posing environmental risks and threats to surrounding communities	Impact		Potential
	Use of non-renewable natural resources	Impact		Current
	Contribution to climate change through the emission of greenhouse gases (GHGs) during operations (Scope 1 and 2).	Impact		Current
	Development of renewable energy sources (e.g. solar energy), preferably self-generated, to reduce energy costs and mitigate exposure to volatile energy market prices	Opportunity		
	Risk arising from volatile energy markets and new regulatory constraints on the use of fuel-based energy.	Risk		
	Political, legal, technological, market, and reputational transition risks associated with climate change.	Risk		
Management of water resources	Physical risks related to climate change due to the occurrence of acute and chronic weather events	Risk		
	Risk of exceeding regulatory limits for air pollutant emissions generated by the Group and across the value chain, potentially resulting in fines, operational disruptions, and reputational damage for PharmaNutra Group.	Risk		
	Generation of wastewater from the Group's operations, production plants, and other activities upstream in the value chain	Impact		Current
	Excessive use of water resources in upstream production processes for raw materials and final products, along with significant withdrawals, threatening long-term sustainability	Impact		Potential
Health and safety at work	Risk of water stress caused by droughts and supply shortages, particularly during low rainfall periods, with negative economic and financial consequences	Risk		
	Penalties for non-compliance with wastewater discharge regulations, potentially causing reputational and economic damage.	Risk		
	Occurrences of workplace accidents, injuries, and occupational illnesses, with negative impacts in terms of workforce health and safety.	Impact		Potential
Diversity and equal opportunities	Failure to comply with environmental regulations (e.g. minimum flow requirements, emissions, waste management an associated records, noise) and Occupational Health and Safety standards (Legislative Decree no. 81/2008), due to poorly defined, implemented, or updated policies, procedures, and manuals, possibly resulting in penalties and adverse impacts on the Group's financial and reputational standing	Risk		
	Incidents of discrimination among or against employees, affecting the mental health and well-being of those targeted	Impact		Potential
	Risk arising from potential discrimination causes leading to litigation and reputational damage.	Risk		

The mitigation actions implemented by the Group to manage negative impacts are described further ahead.

1.2.3 The Stakeholders

PharmaNutra Group maintains an interactive and continuous dialogue with the main internal and external stakeholders, listening to them and understanding their expectations, in order to actively contribute to corporate sustainable development goals and to value creation in the long term.

Starting from the awareness of its role and activities, the Group has identified its stakeholders in order to understand their expectations and define actions that fulfil the interests expressed, with the aim to satisfy market and consumer demands.

PharmaNutra constantly involves its stakeholders mainly through the activities of its Pharmaceutical Sales Representatives, sharing brochures and prospectuses. Another fundamental role is played by the trade fairs and congresses the Group takes part in,

which allow it to disseminate its values and come into direct contact with the various stakeholders.

In 2024, a questionnaire was developed to engage employees in the Group's Sustainability initiatives.

Based on the responses received through this activity, it was possible to obtain relevant insights and feedback and to try to capture, albeit indirectly, the stakeholders' perception of the Group in terms of sustainability.

The results are presented in the chapter dedicated to the employees.

STAKEHOLDERS	ENGAGEMENT METHODS
 SUPPLIERS	▪ Regular progress and alignment meetings between suppliers and corporate business units ▪ Code of Ethics ▪ Trade fairs and congresses ▪ Training to Pharmaceutical Sales Representatives ▪ Order platform ▪ Questionnaire on ESG issues
 CUSTOMERS	▪ Internet channels (website, LinkedIn) ▪ Social Media ▪ Trade fairs and congresses ▪ Scientific training for foreign distributors
 EMPLOYEES AND COLLABORATORS	▪ Regular internal staff meetings for every single function ▪ Annual performance evaluation ▪ Continuing Education ▪ Corporate events ▪ Questionnaire on ESG issues
 SHAREHOLDERS AND THE FINANCIAL COMMUNITY	▪ Meetings of the Board of Directors ▪ Periodic (quarterly) and annual management reports ▪ Press releases ▪ Website ▪ Periodic meetings
 LOCAL COMMUNITIES	▪ Continuous dialogue of partnerships with civil society and charitable organisations with regard to cultural and sports initiatives ▪ Territorial and community initiatives
 SCIENTIFIC COMMUNITY AND UNIVERSITIES	▪ Trade fairs and congresses ▪ University projects through sponsored masters
 HEALTH CARE FACILITIES AND WORKERS	▪ Dialogue with health care professionals and the scientific and academic community ▪ Press releases ▪ Website ▪ Trade fairs and congresses ▪ Use of medical partnerships

PharmaNutra also deems it essential to be part of the community of companies in its sector and territory: this is why it is an associate member of Farindustria, Union Foods (formerly Federsalus), Unione Industriali di Pisa.



1.2.4 Our contribution to the UN Sustainable Development Goals

Consistent with its vision and mission, PharmaNutra Group joined the 2030 Agenda for Sustainable Development (the “Agenda”) and assessed in a more direct way how it can contribute to the Sustainable Development Goals (SDGs). The Agenda was signed at the UN summit in September 2015 by 193 countries and includes 17 Sustainable Development Goals (SDGs), broken down into 169 targets, which have global validity and chart a path of responsibility and collaboration to address current challenges.

The 17 goals of the Agenda refer to a set of important themes for sustainable development that take into account the three dimensions - being economic, social and ecological - and involve all countries and societies, from private companies to the public sector, aiming to end poverty, fight inequality, tackle climate change and build societies that respect human rights.

Below are the material topics identified by PharmaNutra Group associated with the relevant SDGs, demonstrating the contribution that the Group’s companies can make towards achieving the SDGs.

Through a document on the official GRI Standards website showing the correlation between the GRIs applied and specific SDGs, the link between each topic and the SDGs of the 2030 Agenda was made.



	3 HEALTH AND WELL-BEING	5 GENDER EQUALITY	6 CLEAN WATER AND HYGIENE	7 CLEAN AND AFFORDABLE ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCING INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 ACTING FOR THE CLIMATE	14 LIFE UNDERWATER	15 LIFE ON EARTH	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
WASTE MANAGEMENT AND RECYCLING													
ENERGY EFFICIENCY													
MANAGEMENT OF WATER RESOURCES													
CORPORATE WELFARE AND EMPLOYEE CAREER DEVELOPMENT													
HEALTH AND SAFETY IN THE WORKPLACE													
DIVERSITY AND EQUAL OPPORTUNITIES													
RESPONSIBLE PROCUREMENT MANAGEMENT													
PRODUCT QUALITY AND SAFETY													
ETHICS, INTEGRITY AND FIGHT AGAINST CORRUPTION													
SUSTAINABLE VALUE CREATION													

1.2.5 The development of sustainability in PharmaNutra Group

During 2024, the Group implemented the actions that had been scheduled in the Sustainability Plan.

Through the Sustainability Plan, the Group communicates to its stakeholders its strategic guidelines and identifies the objectives it is committed to achieving, thus guaranteeing continuous annual updates, in the knowledge that sustainability is never a point of arrival but a constantly evolving path.

The Sustainability Plan is divided into six high-level areas of commitment:



GOVERNANCE
Oriented towards sustainable success



COMMUNITY
Contributing to the well-being and improvement of the quality of life of the local community



PEOPLE
Generating involvement, awareness and belonging to the ESG project



VALUE CHAIN
ESG-oriented enhancement of the supply chain



ENVIRONMENT
Ensuring efficient consumption management and reduction of environmental impacts



INNOVATION
Ensuring the protection of intellectual property, patents and raw materials

Below is the table listing the objectives identified in the 2022-2026 strategy and their status of achievement in 2024.

AREA OF COMMITMENT	PROJECTS	SCHEDULE	STATUS	NOTES
Governance oriented towards sustainable success	Delegation of ESG powers to the Executive Director	2023	✓	Appointed during the BoD in July 2023
	Broadening of the Control and Risk Committee's functions with the inclusion of ESG matters	2023	✓	Appointed during the BoD in July 2023
	Appointment of the ESG Manager	2023	✓	Appointed during the BoD in July 2023
	Creation of the ESG Operations Team	2023	✓	Appointed during the BoD in July 2023
	Implementation of software for data collection, data processing, ESG Report drafting	2023	✓	Completed in early 2024
	Software implementation for ESG Report taxonomy	2025	🕒	Pending the provisions of the Omnibus package
	"Integration of the Code of Ethics with ESG topics	2025	🕒	Under implementation
	Promotion of awareness of the Code of Ethics	2025	🕒	Under implementation
	Achievement of ESG certification and rating	2024	✓	EcoVadis and CDP certifications obtained at the end of 2024
	Software implementation for ESG Report tagging	2025	🕒	Pending the provisions of the Omnibus package
People: involvement, awareness and ownership of the ESG project	Implementation of incentive systems for management that include ESG-related objectives	2026	!	Planned for 2026
	Organisation of the annual meeting with employees to share Group strategies and trends	2023	✓	Each year, the Board organises a meeting with all employees to present the Group's achievements and outline future plans
	Addition of a company canteen and a well-being area in the new headquarters	2023	✓	In operation since October 2023
	Implementation of Smart or remote working agreements	2023	✓	Agreements signed in February 2023 and subsequently renewed
	Introduction of a personnel incentive system based on qualitative/quantitative elements	2025	🕒	Under implementation
	Formalisation of the staff training plan	2026	!	Planned for 2026
	Organisation of team building events	2024	✓	Christmas party
	Organisation of the training course about Project Management	2026	!	Planned for 2026
	Induction to the Board of Directors on ESG issues	2023	✓	At the end of 2023, on the occasion of the meeting of the Board of Directors for the approval of the third-quarter financial statements, an ESG training course was provided to all Board members
	Training on ESG issues to all staff/functional managers (managers who are part of the ESG team)	2024	✓	Training sessions on ESG topics started in December 2023 to key corporate representatives for material topics. The sessions ended in mid-2024.
	Formal communication of career paths	2026	!	Planned for 2026
	Assessment for the adoption of 45001 certification (Occupational Health and Safety Assessment Specification)	2025	🕒	Postponed due to the prioritisation of other certifications deemed more critical to business needs
	MBO system on ESG criteria to the ESG team	2026	!	Planned for 2026

AREA OF COMMITMENT	PROJECTS	SCHEDULE	STATUS	NOTES
Environment: ensuring efficient consumption management and reduction of environmental impacts	Commitment to purchase certified green energy	2025	✓	Implemented as of March 2025
	Assessment of the environment policy adoption and training	2025	✓	formal adoption of the policy by the end of 2025
	Implementation of a water and energy consumption monitoring system	2024	✓	Implementation of an automation system for monitoring consumption values
	Evaluation of the possibility of using biodegradable packaging	2027	✗	
	Assessment of the adoption of an ISO 14001-compliant environmental management system	2025	✓	Certification expected by 2026
	Projects to reduce water consumption and share of waste for disposal	2025	✓	A project with the Regusto platform for the donation of expiring products was launched in April, with campaign testing and validation starting in April 2025
Community: contributing to the well-being and improvement of the quality of life of the local community	Development of initiatives aimed at the development and welfare of the local community	2023/2024	✓	On a yearly basis, the Group implements and participates in initiatives aimed at the development and well-being of the local community
	Definition of agreements with educational institutions for internships, school/work placement	2023	✓	1 school/work project and 1 short internship were carried out
	Evaluation of the possibility of using food not consumed by the company canteen in canteens/hospitality centres	2027	✗	Preliminary verifications highlighted administrative requirements that could prevent the project from being implemented.
Value chain: ESG-oriented strengthening of the Supply chain	Introduction in supplier selection processes of the compliance with ESG criteria to be defined	2025	🕒	Under implementation
	Establishment of contractual clauses requiring the most significant suppliers to provide KPIs to be defined (implementation of a monitoring system for energy and water consumption upstream in the value chain)	2025	🕒	Currently being implemented, pending clarification on the Omnibus package

For monitoring the objectives, the Group has defined an appropriate measurement method (KPI) that allows it to determine the effectiveness of the actions taken and to monitor the achievement of its goals.

During the course of the year, Key Performance Indicators related to environmental matters were established.

Having access for the first time to data on energy and water consumption at the new headquarters over a full 12-month period enabled the definition of actions aimed at enhancing the environmental aspects of the plan by identifying specific environmental KPIs.

AREA OF COMMITMENT	CUSTOM KPI	2024 TARGET	2024 FINAL BALANCES	2025 TARGET
People	% of employees hired with open-ended contract	>90%	92%	>90%
	Turnover rate	<14%	10.3%	<14%
	Questionnaire per year about the workplace environment	1	1	1
R&D	Staff dedicated to R&D projects for annual hours	>9,500	10,751	>10,000
	Research and development investments	>500,000	1,000,000	>750,000
Value chain	% of suppliers who signed the Code of Conduct	>95%	>95%	>95%
	Audits of at least 50% of critical suppliers	>=50%	60%	>=70%
Community	Amount disbursed to the community as a donation	200,000	262,755	200,000
	Amount paid to sports clubs as sponsorships	100,000	261,754	200,000
	Amount invested in collaboration projects with universities started during the year	50,000	41,000	50,000
	Value generated in k€ (revenues) > 10% compared to the previous year	+10%	14.7%	+10%
Ethics and governance	Training to 80% of staff on the Code of Ethics and anti-corruption policy	80%	n.a*	80%
Environment	Reduction in electricity consumption compared to the previous year	n.a.	n.a.	-10%
	Reduction in water consumption in production activities	n.a.	n.a.	-20%
	Analysis of at least one product LCA	n.a.	n.a.	1
	Project to reduce the volume of waste directed to disposal	n.a.	n.a.	1

* Reporting on this KPI is postponed to 2025

Ratings and awards

In 2024, PharmaNutra Group submitted its ESG management system for evaluation by Ecovadis, receiving its first rating in October with a score of 71/100, thus attesting to its commitment to ESG principles.



In late September 2024, PharmaNutra Group completed the CDP (Carbon Disclosure Project) questionnaire and received a B rating for the climate section.



Feedback from these assessments highlighted areas for improvement that are currently under evaluation.

02

2.1 Approach, strategy

- 2.1.1 The Governance
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2.2 Our management systems and certifications

Governance, ethics and
integrity

2.1 Approach, strategy

PharmaNutra Group's core values include respect for ethics in business and socially responsible behaviour by placing responsibility towards customers, shareholders, people and the environment at the core of its business model.

To this end, the Group, which has been listed on the Euronext Star Milan market since December 2020, has adopted a governance structure aligned with national and international best practices and complies with the principles set forth in the Corporate Governance Code for Listed Companies promoted by the Corporate Governance Committee.

2.1.1 The Governance



PharmaNutra holds shares in subsidiaries as indicated by the ownership percentages shown in the sociogram in section 1.1.

Over the years, the Group has strengthened its governance structure, which is a sign of reliability and transparency towards its stakeholders by adopting the following organisational elements:

- Corporate governance structure reflecting the principles of Borsa Italiana's Corporate Governance Code;
- Code of Ethics containing the principles and values as a foundation for smooth management execution;
- Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001;
- Systems certified according to international ISO standards to control sensitive processes and operations for smooth running of the organisation.

PharmaNutra Group has adopted a traditional organisational model, consisting of: Shareholders' Meeting, Board of Directors and Board of Statutory Auditors.

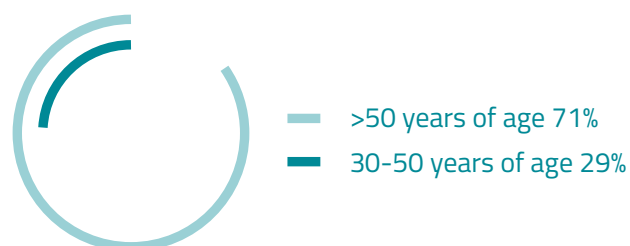
The Group's governance is entrusted to the Board of Directors (also "BoD"), which consists of seven members, four of whom are executive directors and three independent directors, appointed in 2023 with office until the approval of the 2025 financial statements, and whose Chairman is not an employee or manager of the Group.

Its operation is governed by the specific "Regolamento del Consiglio di Amministrazione (Rules of the Board of Directors) published on the Parent Company's website (www.pharmanutragroup.com).

BOD COMPOSITION



AGE GROUP



The Board of Directors is made up of 71% men and the remaining 29% women, with the average age of directors ranging between the 30-50 and 50-plus age brackets.

The members of the Board of Directors in office until 31 December 2024 are characterised by a mix of professional and personal skills ranging from scientific subjects to economics, law and management, with international experience in the business sectors in which PharmaNutra Group operates.

An abstract of the Curricula of all Board members can be found in the "Governance" section of the website www.pharmanutragroup.com.

The members of the Board of Directors are appointed by the Ordinary Shareholders' Meeting (which also determines their number) on the basis of lists in which the candidates must be listed in numerical order and in compliance with the pro tempore regulations in force concerning directors who meet the requirements of independence and gender balance.

The right to submit lists is held by the Board of Directors in office and by shareholders who, at the time the list is submitted, alone or together with others own shares representing at least the minimum percentage of the share capital with voting rights at the Ordinary Shareholders' Meeting as established by Consob, which will in any case be indicated in the notice of call.

Consob set the shareholding required for the submission of lists for the election of the Company's Board of Directors at 2.5% of the share capital.

Pursuant to the Articles of Association, the Directors are elected for a term of 3 (three) years or for a period of not more than 3 (three) financial years, as determined by the Shareholders' Meeting upon election, and can be re-elected.

PharmaNutra's Board of Directors met 12 times during 2024 (11 times in 2023), mainly dealing with issues concerning:

(i) Implementation of future growth strategies, with particular attention to the new subsidiaries PharmaNutra USA and PharmaNutra Spain; (ii) approval of the financial statements (quarterly, half-yearly, and annual); (III) approval of the budget; (IV) approval of the sustainability report; (V) risk analysis and assessment with the support of the Internal Audit function.

The Board of Directors is vested with the broadest powers for the ordinary and extraordinary management of the Company, decides on strategic guidelines both from a sustainable and a business viewpoint, and monitors the implementation of the decisions taken.

Strategies are defined by the Board of Directors, which takes sustainability impacts into account in the evaluation process.

In line with the Sustainability Plan (the "Plan") approved in 2023, the following actions were implemented:

1) With a view to sustainability, expansion of the functions of the Audit and Risk Committee, which has become the Audit, Risk and Sustainability Committee.

In addition to supporting the Board of Directors' assessments and decisions on the internal control and risk management system, such Committee has proposal and advisory functions vis-à-vis the Board of Directors on sustainability issues such as:

- examining and evaluating sustainability issues related to business operations and the dynamics of interaction with stakeholders;

- examining and evaluating the system for collecting and consolidating data for the preparation of sustainability reports and documents that will be required in the future as a result of the European Union's sustainability regulations;
- examining the Sustainability Report in advance, formulating an opinion for approval by the Board of Directors;
- monitoring the Group's positioning on sustainability issues, with particular reference to the Group's ranking in ethical sustainability indices;
- expressing opinions on any further sustainability issues at the request of the Board of Directors.

2) Assignment to an Executive Director of specific delegated powers for the management of the organisation's impacts on economy, the environment and people, and in particular:

- proposing, coordinating and starting projects and initiatives in the area of social responsibility;
- monitoring action plans for the implementation of the Sustainability Plan, also in the light of external best practices;
- reviewing stakeholders' information and requests on sustainability issues and coordinating the drafting of the annual Sustainability Report.

3) Appointment of the Group's ESG Manager with the task of implementing the software for drafting the Sustainability Report, monitoring the KPIs defined in the Sustainability Plan and coordinating the operations team for the implementation of the operational actions envisaged in the plan and the reporting of results, contributing to the dissemination of the sustainability culture.

For further details, please refer to the documents in the Governance section published on PharmaNutra Group's website.

2.1.2 The Committees

The Board of Directors has established three committees within its structure featuring proposal and advisory functions: the **Remuneration and Nomination Committee**, the **Control, Risk and Sustainability Committee** and the **Committee for Related Party Transactions**, consisting solely of independent and non-executive directors. The roles, composition and functioning of the various committees are defined by specific regulations that implement the principles set out in Borsa Italiana's Corporate Governance Code.

Remuneration and Nomination Committee

The Company has established a Remuneration Committee within its Board of Directors. On 26 April 2023, the Parent Company's Board of Directors appointed non-executive and independent directors as members of the Committee:

- Giovanna Zanotti – Independent Director – as Chairwoman;
- Marida Zaffaroni – Independent Director;
- Alessandro Calzolari – Independent Director.

The Committee has advisory and proposal functions with reference to the Remuneration Policy:

- it proposes the adoption of the Policy for the Remuneration of Directors and top executives with strategic responsibilities, including incentive plans;
- it periodically assesses the adequacy, overall consistency and practical application of the Remuneration Policy for Directors and top executives with strategic responsibilities;
- it submits proposals or expresses opinions to the Board of Directors on the remuneration of executive directors and other directors holding particular offices;
- it makes proposals to the Board of Directors with reference to the Remuneration Policy, including incentive plans, with reference to Managing Directors and other Directors holding particular offices, as well as, according to the suggestions of the Managing Directors, proposals for the definition of the remuneration criteria of the top managers with strategic responsibilities of the Company.

During the financial year and up to the Report Date, the Remuneration and Nomination Committee met three times.

Control, Risk and Sustainability Committee

On 3 February 2023, the Board of Directors of the Parent Company approved the regulation of the Control and Risk Committee defining its operation rules. Pursuant to the aforementioned regulation, the Control and Risk Committee has the task of assisting the Board of Directors' evaluations and decisions concerning the internal control and risk management system, by means of an adequate preliminary activity of a proposal and advisory nature, so that the main risks relating to the Company and its subsidiaries are correctly identified, as well as adequately measured, managed and monitored. More specifically, the Control and Risk Committee is entrusted with the tasks regarding control and risks as set forth in Recommendations 33 and 35 of the Corporate Governance Code, as also specified in the Committee's regulation published in the Governance section of PharmaNutra's website.

On 26 April 2023, the Parent Company's Board of Directors appointed as members of the Control and Risk Committee the Independent Directors Marida Zaffaroni (as Chairwoman), Alessandro Calzolari and Giovanna Zanotti. At the time of their appointment, the Board of Directors considered that the members of the Control and Risk Committee have, on the whole, adequate expertise in the business sector in which the Group operates to assess the related risks. In addition, the Directors Alessandro Calzolari and Giovanna Zanotti have adequate knowledge and experience in accounting, financial and risk management matters.

In July 2023, the Board of Directors of the Parent Company extended the competencies of this Committee by assigning it proposal and advisory functions vis-à-vis the Board of Directors on sustainability issues, as already mentioned.

During the financial year and up to the Report Date, the Control and Risk Committee met six times.

Related Party Transactions Committee

The Related Party Transactions Committee includes 3 Independent Directors, in the persons of Alessandro Calzolari (as Chairman), Marida Zaffaroni and Giovanna Zanotti, who were appointed by the Board of Directors of the Parent Company on 26 April 2023.

The Committee is assigned the functions set out in the Related Party Transactions Procedure (the "RPT Procedure").

On 23 October 2020, the Board of Directors of the Parent Company, after obtaining the favourable opinion of the independent directors in office at that date, resolved to adopt a new RPT Procedure. The RPT Procedure entered into force as of the negotiations start date and was last amended on 29 June 2021. The RPT Procedure establishes the rules governing the procedures for the identification, approval and management of the company's transactions with related parties in order to ensure the transparency and substantive and procedural fairness of transactions with related parties, carried out directly or through subsidiaries pursuant to art. 93 of T.U.F. or otherwise companies subject to management and coordination.

In addition, it should be noted that PharmaNutra – as (i) a smaller company, as well as (ii) a newly listed company pursuant to article 3 of the "RPT Regulations" adopted by Consob with resolution no. 17221 of 12 March 2010 as subsequently amended (the "RPT Regulations") – applies to related party transactions – including the more relevant ones (as identified in accordance with Annex 3 of the RPT Regulations) – a procedure which takes into account the principles and rules set out in article 7 of the RPT Regulations, as an exception to article 8 of the same RPT Regulations.

For further information on the RPT Procedure, please refer to the procedure available on the website www.pharmanutragroup.com, Governance section.

During the Financial Year and up to the Reporting Date, the Related Party Transactions Committee met 2 times.

Board Governance

The Board of Directors periodically evaluates the effectiveness of its activity and the contribution made by its individual members, through formalised procedures whose implementation it oversees.

To this end, it carries out its own assessment of the size, composition and actual functioning of the Board itself and of the Board Committees (so-called board review), also considering the role that the Board has played in defining strategies and monitoring management performance and the adequacy of the internal control and risk management system.

During the financial year 2024, the Board of Directors carried out the annual assessment on the basis of a specific questionnaire divided into different areas of investigation (i.e. composition, structure, size and functioning of the Board, interaction with management, risk governance, composition and structure of the committees, etc.) and with the possibility of expressing comments and proposals. Such a questionnaire was transmitted and completed by all the Directors, as well as examined by the Board at its meeting of 04 March 2025. The Remuneration and Nomination Committee assisted the Board and the Chairman of the administrative body in ensuring the adequacy and transparency of the self-assessment process and, more generally, assisted the Board in its self-assessment activities, examining, in particular, the results of the self-assessment procedure.

As a result of the aforementioned self-assessment, the Board considered the administrative body suitable to perform the functions attributed to it by current legislation and that the size, composition and functioning of the Board and its committees are adequate with respect to the management and organisational needs of the Issuer, also taking into account the professional characteristics, experience, including managerial experience, of its members, their seniority as well as the presence, out of a total of 7 (seven) members, 3 (three) independent non-executive directors and 2 (two) female directors, who also guarantee an adequate composition of the Committees established within the Board

In addition, the Directors considered that the composition of the Board of Directors reflects adequate diversity profiles regarding aspects such as age, gender composition and training and professional path.

Furthermore, it should be noted that, at the Report Date, the Board did not adopt a plan for the succession of executive directors, taking into account the current shareholding and organisational structure of the Issuer and also considering that the Corporate Governance Code recommends it only for "large companies".

The Group has also appointed a **Lead Independent Director** in the person of Alessandro Calzolari, one of the independent directors elected by the Board of Directors, with the task of collaborating with the Chairman of the Board of Directors to ensure that corporate governance functions properly, that information flows to the directors in a complete and timely manner as recommended by the Corporate Governance Code, and to coordinate, in collaboration with the Managing Director, the activities of the non-executive and independent directors.

The Board of Directors, either directly or through its delegated bodies, periodically reports on its activities and any transactions involving the Company and its subsidiaries to the **Board of Statutory Auditors**, which, as a supervisory and control body, oversees the Company's management and compliance with the Italian Civil Code.

As at 31 December 2024, the Board of Statutory Auditors consisted of three auditors, 2 men and 1 woman, all of whom were over 50 years of age.

The Supervisory Body (SB), established pursuant to Italian Legislative Decree no. 231/2001, has the task of supervising and verifying the adequacy and application of PharmaNutra Group's Organisation, Management and Control Model, in relation to the corporate structure and its effective capacity to prevent the commission of offences. It carries out annual checks and on the occasion of substantial changes in activities or regulatory or organisational changes of reference, the completeness and updating of the Model, and ensures its observance by all recipients.

As at 31 December 2024, the Supervisory Body consists of three members:

- Mr Michele Luigi Giordano (Chairman and Standing Auditor)
- Mr Guido Carugi
- Mr Pasquale Giovinazzo (Internal Auditor)

During 2024, PharmaNutra Group's Supervisory Body met 7 times (7 in 2023).

The architecture of the Internal Control System

PharmaNutra Group deems it of the utmost importance for the development and management of its business to maintain an effective Internal Control System that, without being an unnecessary bureaucratic burden, is useful to the whole Group in achieving its objectives.

In line with national and international best practices, a valid Internal Control System must be aimed at enabling a sound, correct and consistent management of the company in accordance with its objectives through an adequate process of risk identification, measurement and management.

The responsibility for maintaining an adequate level of the Internal Control System lies with all employees, in particular managers and heads of business units, with different levels depending on the responsibility held by each.

The Internal Control System is the set of rules, procedures and organisational structures aimed at enabling a sound, correct and consistent management of the company in accordance with its objectives through an adequate process of identification, measurement, management and monitoring of the main risks.

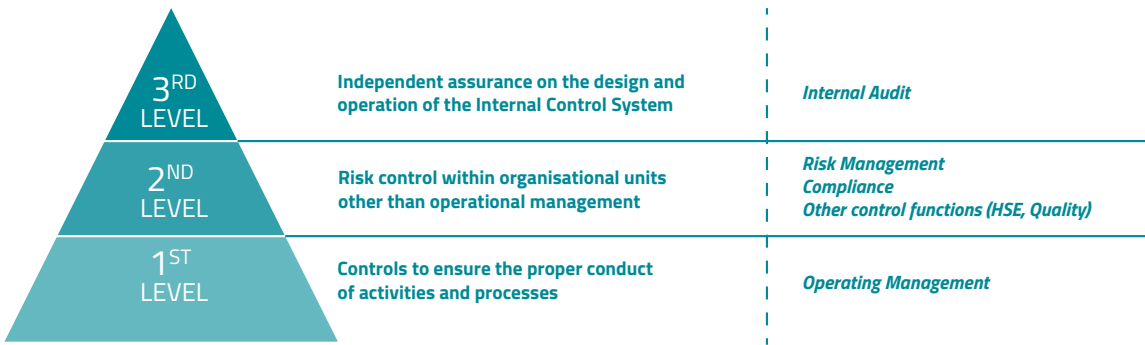
An effective Internal Control System helps to ensure:

- the protection of company assets;
- the efficiency and effectiveness of business operations;
- the reliability of financial reporting;
- the compliance with laws and regulations.

The execution of controls involves, with different roles, the administrative bodies, the control bodies, the management and all personnel. They form an integral part of corporate process activities. Internal controls can be attributed to three different organisational levels:

- **line controls or first-level controls**, aimed at ensuring that operations run smoothly. They are carried out by operational personnel in the different corporate functions (e.g. hierarchical and/or authorisation controls) or incorporated into procedures;
- **controls on risk management or second-level controls**, whose objective is to contribute to the definition of risk measurement methodologies, to verify compliance with the limits assigned to the various operational functions and to check the consistency of the operations of individual functions with the objectives assigned. They are entrusted to corporate functions other than operations;

- **internal audit or third-level controls**, aimed at identifying anomalous trends, violations of procedures and regulations as well as assessing the functionality in terms of design and operation of the overall internal control system. It is conducted continuously, periodically or by exception, by functions other than and independent of the operational functions, including by means of on-site audits.



Roles and responsibilities in the Internal Control System

The **Board of Directors** defines the guidelines of the Internal Control System so that the main risks are correctly identified and adequately measured, managed and monitored.

The **Chairman of the Board of Directors** oversees the company's internal control functions, those aimed at ensuring that public interest is fulfilled in the provision of the service and respect for users' rights.

The **Managing Director** is responsible for the management of the company, ensures that the organisational, administrative and accounting structure is appropriate to the nature and size of the company, examines the company's strategic, industrial and financial plans, evaluates and reports to the Board of Directors and the Board of Statutory Auditors on the general performance of operations and its foreseeable evolution as well as on the most significant operations, due to their size or characteristics, carried out by the Company. Therefore, it ensures the necessary resources for the management of the internal control system.

The **Head of Internal Audit** is responsible for verifying, on the basis of international standards, that the Internal Control System is always adequate, fully operational and functioning through an audit plan based on a process of analysis and prioritisation of the main risks. The Head of Internal Audit is not responsible for any operational area, reports hierarchically to the Board of Directors through the Chairman.

The function acts on the basis of the Internal Audit Mandate, the formal document that defines the purposes, powers and responsibilities of the Internal Audit activity, defined by the Board of Directors of PharmaNutra S.p.A.

By law, the **Board of Statutory Auditors** has the task of monitoring compliance with the principles of proper administration and the adequacy of the Company's organisational structure (for the aspects within its competence), the Internal Control System and the administrative-accounting system, as well as the reliability of the latter in correctly representing management events. Also in order to facilitate the fulfilment of the aforementioned tasks, the Board of Statutory Auditors:

- takes part in the meetings of the Board of Directors;
- independently evaluates the effectiveness and functioning of the Internal Control System and makes any recommendations to the competent bodies.

The Independent Auditors check during the year:

- the regular keeping of corporate accounts and the correct recording of management events in the books of account;
- that the financial statements and the consolidated financial statements correspond to the results of the books of account and the audits performed and that they comply with the rules governing them.

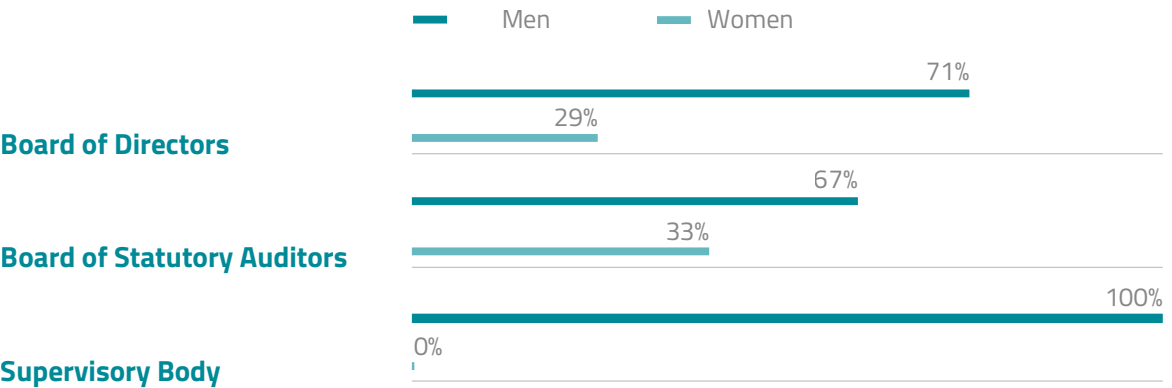
The **Supervisory Board**, established pursuant to Legislative Decree no. 231/2001, is granted independent powers of initiative and control. It has the task of supervising the operation of and compliance with the Organisation, Management and Control Model as well as its updating.

The **Heads of Function** are responsible for fostering and monitoring the effectiveness of the Internal Control System.

Employees, within the scope of their roles and responsibilities, after appropriate training, must contribute to ensuring the functioning of the Internal Control System.

The table below shows the breakdown by gender of the persons belonging to the corporate bodies described above for 2024.

	MEN	WOMEN	TOTAL
Board of Directors	5	2	7
Board of Statutory Auditors	2	1	3
Supervisory Body	3	0	3
TOTAL	10	3	13



In particular, as at 31 December 2024, 77% of the members of PharmaNutra Group's main governing bodies are men, while the remaining 23% are women.

2.1.3 Remuneration Policy

The Remuneration Policy adopted by the Group defines the principles and guidelines to which it adheres in determining the remuneration practices for Directors and the members of the Board of Statutory Auditors, as well as in monitoring the enforcement of the same.

The Remuneration Policy was drafted in light of the recommendations set forth in the Corporate Governance Code promoted by the Corporate Governance Committee, taking into account the provisions of the Rules of the markets organised and managed by Borsa Italiana S.p.A. and the relevant Instructions for issuers with STAR qualification, and was approved by the Company's Board of Directors on 16 April 2024 with a two-year duration.

The Company's Remuneration Policy – and, in particular, the policy on variable components of remuneration – contributes to the Company's strategy and to the pursuit of not only short-term but also medium/long-term interests and the sustainability of the Company.

The Policy is functional to the pursuit of sustainable success by the Company and takes into account the need to have, retain and motivate people having the skills and professionalism required by their role in the Company. In view of this goal, the Policy is defined in such a way as to ensure an overall remuneration structure capable of recognising the managerial value of the persons involved and the contribution made to the growth of the Company in relation to their respective roles and functions.

The Remuneration Policy has a two-year duration and in particular with reference to the 2024 and 2025 financial years.

The Company did not rely on the support of independent experts in the preparation of the Remuneration Policy.

The main persons and bodies involved in the preparation, approval and revision of the Remuneration Policy are the Board of Directors, the Committee, the Shareholders' Meeting and the Board of Statutory Auditors.

The remuneration of the members of the Board of Directors consists of a fixed part and a variable part (variable remuneration is reserved for executive members only).

The fixed component of the Executive Directors’ remuneration is commensurate with the responsibilities, delegated powers and professional skills associated with the office/ function held by the person concerned.

This component, which is not linked to the achievement of performance objectives, is determined in an amount sufficient to remunerate the performance of Executive Directors and Directors holding particular offices in the event that the variable components are not paid due to the failure to achieve the performance objectives specified by the Board.

The remuneration of Non-executive and Independent Directors shall be appropriate to the skills, professionalism and commitment required by the duties assigned to them within the Board of Directors and Board committees.

The variable component is divided into a short-term and a medium to long-term component.

The incentive system for Executive Directors recognises an appropriate balance between the fixed and variable components, consistent with the Company's strategic objectives and risk management policy, taking into account the characteristics of the Company's business and the sector in which it operates, it being understood that the variable portion represents a significant part of total remuneration.

The short-term variable component is determined on the basis of the achievement of preset annual objectives related to performance indicators, at the consolidated Group level, established by the Board of Directors, on the proposal of the Remuneration Committee.

The performance objectives, to which the payment of the variable components for Executive Directors is linked, are predetermined, measurable and mostly linked to a long-term horizon. They are consistent with the Company's strategic objectives and are designed to promote its sustainable success, including financial parameters only.

The medium-long term variable component of Executive Directors consists of monetary incentive plans that, in line with the best comparable market practices, envisage adequate vesting periods and is determined on the basis of the achievement of predefined annual quantitative targets correlated to performance indexes determined at the Group level, established by the Board of Directors, upon proposal of the Remuneration Committee.

For further insights, please refer to the section on the Report about the Remuneration policy and the remuneration paid³.

2.1.4 The organisational structure

The Parent Company's organisational structure is made up of five primary divisions, three of which report to one executive director, and two to three executive directors.

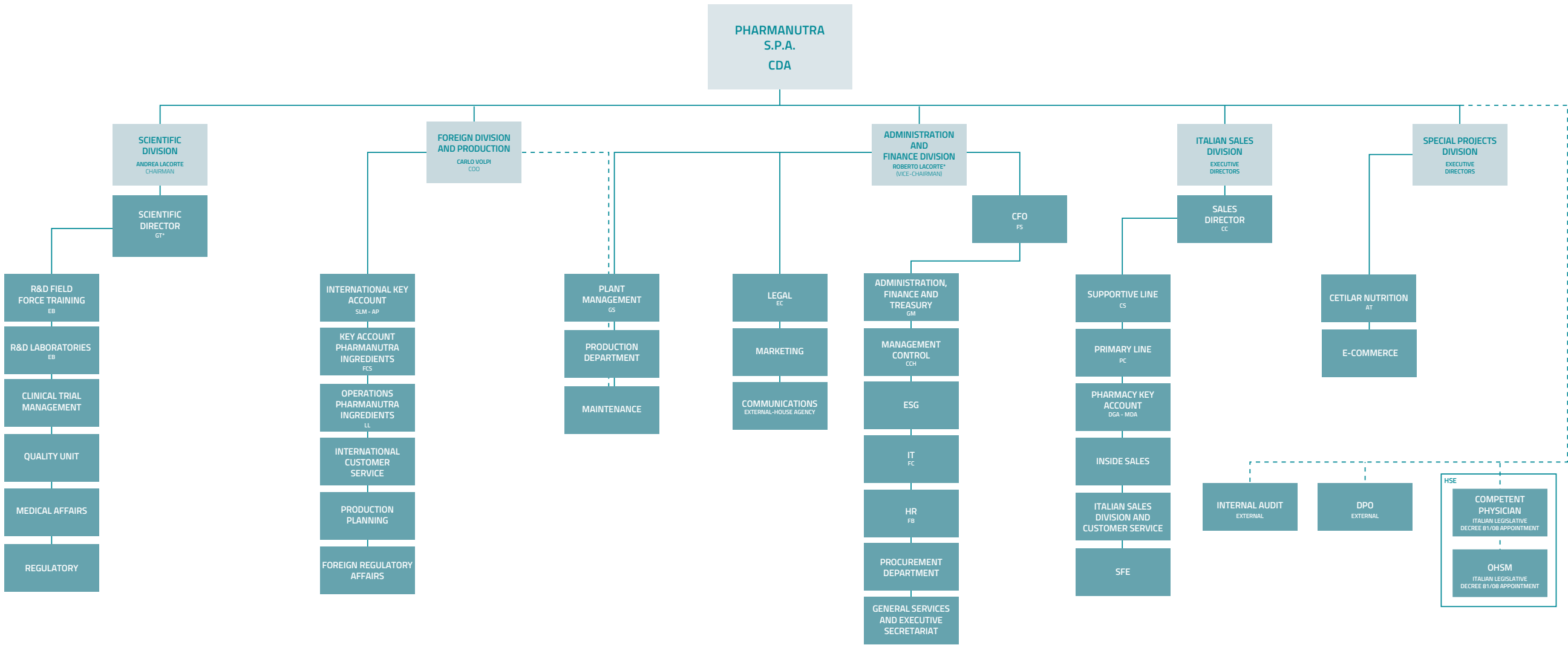
The **SCIENTIFIC DIVISION**, overseen by the Chairman and coordinated by the Scientific Director

The **FOREIGN AFFAIRS & PRODUCTION DIVISION**, overseen and coordinated by the Chief Operating Officer (COO)

The **ADMINISTRATION AND FINANCE DIVISION** overseen by the Vice-President and coordinated by the Chief Financial Officer (CFO)

The **ITALIAN SALES DIVISION**, overseen by the Executive Directors and coordinated by the Sales Director

The **SPECIAL PROJECTS DIVISION**, overseen by the Executive Directors



3 - The Remuneration Policy Report is available at the following link:
<https://pharmanutragroup.com/documents/Relazione-sulla-Politica-di-remunerazione-e-sui-compensi-corrisposti-PHN-2024.pdf>

The organisational chart of the subsidiary Akern S.r.l. follows the PharmaNutra organisational structure overseen by the Managing Director.

2.1.5 The Organisation, Management and Control Model and the Group's Code of Ethics

In 2019, PharmaNutra adopted the Organisation, Management and Control Model pursuant to Legislative Decree no. 231/2001, which was approved by the Board of Directors and is periodically updated (most recently in November 2023).

Thanks to its set of protocols, such Model allows for the application of a complete and effective control system within the Group, aimed at regulating and defining the corporate structure and the management of its sensitive processes, thus reducing the risk of criminal offences being committed, if it is correctly applied.

For the Model to be developed and adopted effectively, PharmaNutra Group:

- Carried out a risk assessment to identify and analyse the risk of offences being committed in the various company activities (both established and developing);
- Implemented specific procedures to manage risk, preventing the commission of unlawful conduct in areas where the risk of offences is higher.
- Defined the management structure for the prevention of offences, ethical principles, resources (human, economic, information), responsibilities and information flows, enabling the application and updating of prevention procedures and the detection, over time, of the emergence of new risk areas.

The effectiveness of Model 231 is ensured by the control activities of the Supervisory Body, which monitors the proper functioning of the Model, also with the support of the Internal Audit Department, takes care of its updating and continues to carry out its activities in accordance with its Articles of Association.

Model 231 traditionally consists of a general part, in which the guiding principles for the conduct of company operations are established, as well as the procedures for setting up and functioning of the Supervisory Body and the system of sanctions. There is also a special section where the control protocols of the corporate activities assessed as “sensitive” are explained and procedures for the precise regulation of some of them are included.

The documents constituting Model 231 are:

- Code of Ethics
- Disciplinary system
- Risk assessment
- List of offences

All the Organisational Models adopted within PharmaNutra Group foresee specific channels reserved to the reporting of anomalies or violations by employees and periodic training of personnel on the contents of the Models and reference standards.

Below are the main conducts contained in PharmaNutra Group's Code of Ethics:

- compliance with the regulatory provisions applicable in Italy and in any other country in which the Recipients operate;
- transparency vis-à-vis all stakeholders, i.e. the categories of individuals, groups or institutions whose interests are directly or indirectly affected by the performance of corporate activities;
- responsibility towards the community which, even indirectly, may be influenced in its economic and social development by the activities of Group’s companies;
- protection of safety and health, physical and moral integrity and rights of workers;
- respect for employees and a commitment to enhance their professional skills;
- rejection of any conduct that, although aimed at achieving a result consistent with the companies' interests, presents aspects that are not compatible with the principles of this Code of Ethics and the commitment to comply with the applicable regulatory provisions, as well as the companies' rules of conduct and procedures;
- protection and preservation of the environment in all its components of the atmosphere, water, soil and subsoil, flora, fauna and ecosystems.

2.1.6 Anti-corruption

In a perspective of continuous improvement, within the project of updating the Model 231/2001, the Group has set itself the objective of adopting an anti-corruption procedure aimed at guaranteeing the ethical performance of corporate activities, protecting the creation of value for the Group and its stakeholders and those fundamental values on which PharmaNutra's activities are based.

PharmaNutra Group manages the anti-corruption topic through the Organisation, Management and Control Model, which includes the Code of Ethics adopted by the Company in 2019 and as last updated on 06 November 2023.

In compliance with the Code of Ethics, the Model provides specific rules for the prevention of cases of corruption and the management of risks that may arise in the performance of corporate activities.

In order to ensure compliance with the principles contained in the Code of Ethics, the Company shall ensure its widespread dissemination to employees, but also to suppliers, distributors and any other subject deemed to be appropriate.

During 2023, as in previous periods, there were no incidents of proven corruption, which demonstrates the Group's ongoing commitment in this area.

As of 15 July 2023, the new whistleblowing procedures introduced by Italian Legislative Decree no. 24/2023, which transposes EU Directive 2019/1937 and expands the protections in the event of whistleblowing, extending the subjective scope of application and the procedures to protect whistleblowers from possible retaliation, became effective. Therefore, a whistleblowing tool guaranteeing the anonymity of the whistleblower was activated. In light of the activation of this tool, the text of the new “PharmaNutra Group’s Whistleblowing Management Procedure” was approved. No incidents of corruption were recorded in 2024, as detailed in the following table.

instance	2024	2023
Total number of confirmed instances of corruption	0	0
Total number of confirmed incidents of corruption that resulted in employee dismissal or disciplinary action	0	0
Total number of confirmed incidents of corruption that led to contract termination or non-renewal	0	0
Public domain legal cases related to corruption brought against the organisation	0	0

Training on anti-corruption procedures will be delivered in 2025 following the planned implementation of the relative policy.

2.1.7 Data Responsibility and Cybersecurity

PharmaNutra Group aims at continuously improving its privacy governance with guidelines for the business on the application of privacy requirements for specific activities, particularly in the processing of health data and takes into account the risks associated with the processing and integrity of the personal data of all its stakeholders. That is why it has adopted a Privacy Policy in accordance with Art. 13 of the EU Regulation 2016/679 as well as the applicable national data protection legislation.

The Group's data management follows specific standards of responsibility and confidentiality, using a protective IT infrastructure to guarantee data integrity throughout their life cycle, so as to prevent accidental or intentional modification, falsification or even deletion.

The Group's employees, with particular reference to those working in the field of clinical trials handling large amounts of data, receive continuous training on the importance of data integrity and privacy.

During 2024, as in the previous financial years, there were no security incidents/data breaches, such as to pose a risk to the rights and freedoms of the data subjects involved, no inspections or audits were carried out by the Privacy Guarantor and/or other competent privacy authorities, and no complaints were lodged with the Privacy Guarantor against PharmaNutra Group pursuant to Art. 77 of the GDPR.

PharmaNutra Group is on a path of constant evolution of its information systems in the broader context of digitisation of business processes and the related IT security.

To this end, in 2022 a Cyber Maturity Assessment was carried out in cooperation with the Group's consultants in order to evaluate the current level of maturity with regard to Cybersecurity issues in order to prevent and identify gaps in various contexts of the organisation and identify any remedial actions to be taken.

The analyses conducted and the assessments carried out revealed gaps in the areas of Information Risk Management, Business Continuity and Operations & Technology, which led to the definition of a plan to remedy the most relevant gaps, concluded in 2023.

In 2024, the Group carried out the wave 2 remediation projects identified during the Cyber Maturity Assessment, and based on the findings from the Periodic Risk Assessment. An updated summary of ongoing activities is provided below:

- **Cyber Skills Assessment & Cyber Training:** a Cyber Awareness tool was introduced and activated for all employees, providing access to courses and informational content.
- **Cyber Strategy:** the Cyber Security Roadmap was defined, outlining the medium- to long-term activities (over two years) needed to address key cyber risks faced by the Group, to complete the remediation plan from the assessment phase, and to achieve ISO/IEC 27001:2022 certification, the international standard for information security management systems (ISMS). Certification is also beneficial for ensuring compliance with the European NIS2 directive, under which PharmaNutra is recognised as a key operator due to its role in the production, distribution, and processing of food and healthcare products.
- **Cyber Security Testing:** a Security Testing plan was established for the purpose of conducting regular internal and external infrastructure scans using an automated platform, enabling safe and controlled simulations of cyberattacks to assess overall system security.
- **Asset Management & Change Management Procedures:** an IT asset management process was formally established, including secure data deletion during decommissioning, and the process for segregating organisational environments and roles was defined, establishing criteria for conducting security testing prior to production deployment.
- **Logical Access Management:** a scouting selection process was carried out to identify a potential solution for implementing enhanced authentication (MFA – Multi-Factor Authentication) for access to email and the corporate VPN.
- **Update of the Business Impact Analysis (BIA):** the scope of the analysis was extended to include the Production process. The business impacts for the loss/interruption of activities related to the process in question were subsequently identified, quantified and qualified in order to provide data to determine appropriate continuity strategies.

Cybersecurity investments will continue in 2025 and 2026 with the implementation of the project roadmap defined in the Cyber Strategy, aimed at achieving ISO/IEC 27001:2022 certification.

2.2 Our management systems and certifications

As an operator in the health care and well-being sector, the quality of PharmaNutra Group's products and business processes is an indispensable value, to which the Group pays special attention through a structured Quality Assurance system, regulating activities at every level.

PharmaNutra Group's Quality Assurance system is based on three fundamental principles:

INNOVATION: The protection of intellectual property, patents and raw materials is the key to PharmaNutra Group's uniqueness

SCIENTIFIC RIGOUR: Cutting-edge studies and clinical research constantly guide the Group in the development of new products and solutions.

DEVELOPMENT SPEED: Flexible and interdisciplinary resources are the driving force behind development in a constantly changing world.

PharmaNutra is a **SA8000:2014** and **UNI EN ISO 9001:2015** certified company. Furthermore, since 2020, Cetilar® Cream, Cetilar® Patch and ApportAL® products were certified to meet the requirements of the **Play Sure Doping Free** specification.

PharmaNutra obtained **ISO 9001 certification** for its quality management system in 2007, and Akern followed in 2017. In 2018, all the Group's Italian companies were certified 9001:2015, maintaining ISO standards for the development and production of food supplements and medical devices in compliance with the requirements of a management system.

Akern is also **ISO 13845 certified**, a quality system for medical device manufacturers that takes care of all aspects, from design to after-sales service, including production, traceability and safety checks.

The Group's need is to demonstrate its ability to regularly supply products that meet customer demands and applicable mandatory requirements. In addition, our companies aim at continuously increasing customer satisfaction through the effective application of the system, as well as at promoting the use of the process-based approach and the risk-based thinking one:

- ensuring the availability of the necessary resources for the Quality Management System also through continuous professional development of personnel to ensure competence, awareness and the necessary knowledge for processes to take place;
- ensuring the continuity of product supply to customers and that agreed quality and legal requirements are met;
- selecting qualified service providers to maintain high quality standards;
- monitoring internal economic/financial and commercial aspects, also in relation to the national and global economic environment;

- defining quality indicators against which to assess the performance of business processes and implement intervention plans, which are periodically checked and redefined.

PharmaNutra has obtained voluntary SA8000 certification for the implementation of a Corporate Quality System and Corporate Social Responsibility (quality in the workplace). PharmaNutra wants to align its corporate objectives with its ethical principles, being aware that social responsibility is an added value for organisational development.

The adoption of the principles contained in SA8000 standard:

- It encourages accountability to the various stakeholders, both internal and external, in a transparent manner, with regard to issues such as working conditions, safety and staff remuneration; it promotes a participative business management model, in which dialogue between company leadership and staff is encouraged.
- It fosters a collaborative climate within the organisation.
- It supports communication between the company and its external stakeholders with a view to transparency.

The distinctive elements of SA8000 certification are:

- Avoiding and/or discouraging child labour
- Avoiding and/or discouraging forced or compulsory labour
- Monitoring and ensuring workers' health and safety in the workplace
- Guaranteeing freedom of association and the right to collective bargaining
- Avoiding or/discouraging the implementation of discriminatory practices
- Monitoring the correct and fair application of disciplinary practices
- Ensuring working hours congruent with those defined by current regulations
- Monitoring that the remuneration complies with the contracts concluded and the regulations in force
- Promoting the organisation and growth of the company's Management System

The Group is committed with a management system to respect human rights and labour laws and regulations, social performance is monitored and health and safety in the workplace is promoted.

FARMINDUSTRIA Certification



PharmaNutra Group holds Farmindustria Certification, thus ensuring compliance with the modalities of the specific scientific information activities of pharmaceutical companies. This certification is integrated with the Quality Management Systems such as ISO 9001:2015 or SA8000 (Social Accountability).

Holding this certification represents for PharmaNutra and the Group's companies a reason for differentiation in the nutraceutical industry, improves the credibility of the commitments made, thanks to the controls carried out by the independent third party body, and is a tool for communication and transparency of the quality of service towards all stakeholders.

PLAY SURE DOPING FREE Certification



In order to avoid taking doping food supplements and any other kind of doping products, the doping free certification was created. It is a first concrete attempt to ensure a precise formulation of food and nutritional products in general, so as to offer correct information not only to sportsmen and women, but to all consumers in general who want to avoid taking prohibited substances. The certification was created with the twofold aim of enhancing the companies that are committed to promoting action against doping substances in respect of their consumers, and at the same time giving a boost for activities that enable the control of production processes in an ethical manner.

The products of Cetilar® line were **Play Sure Doping Free**-certified in 2020. Granted by the **No Doping Life** association in technical collaboration with Bureau Veritas Italia, the Play Sure Doping Free label certifies that products are free of any substance considered potentially doping and hence are particularly suitable for those practising sport at any level.

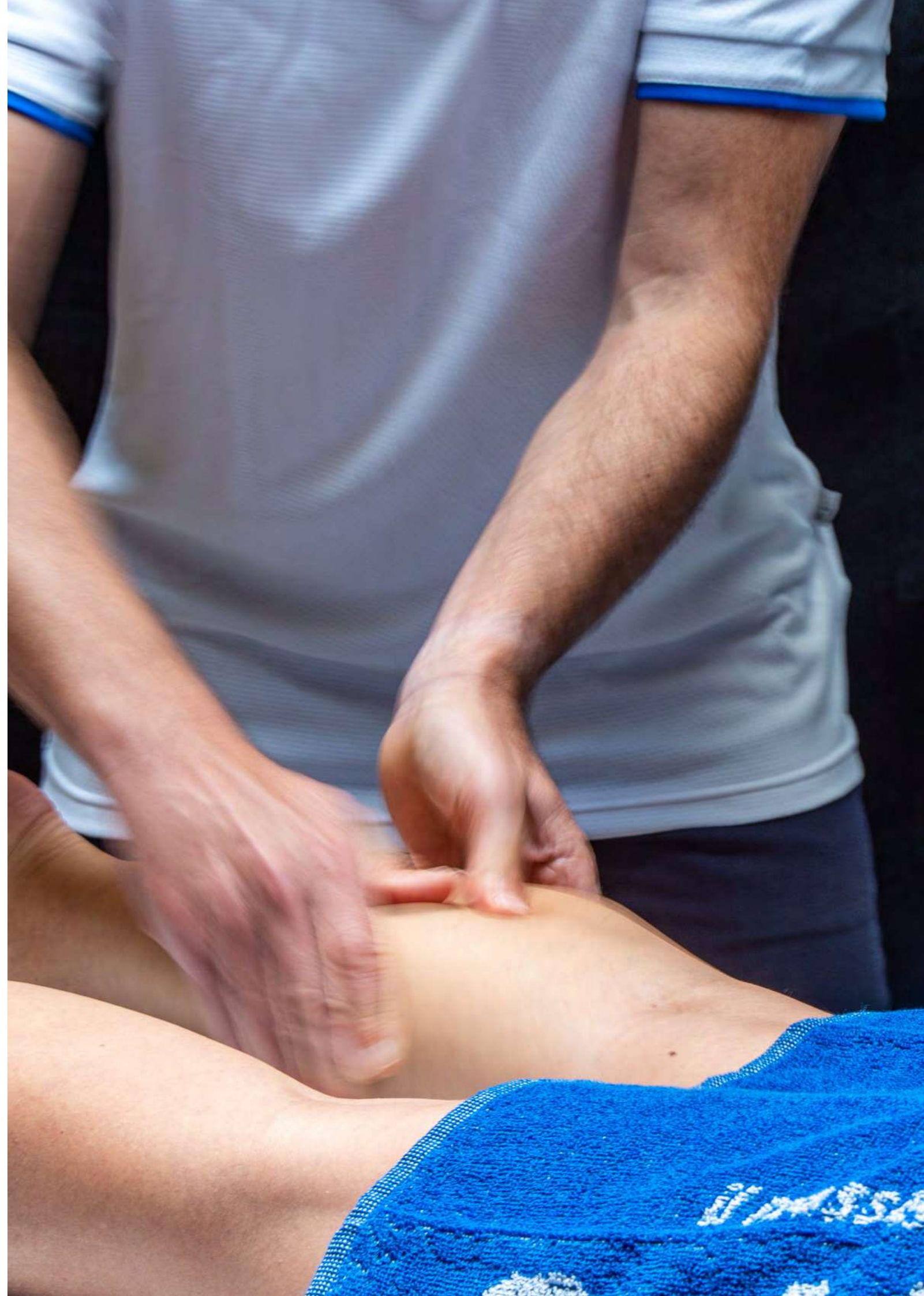
Doping is regulated at the international level by the World Anti Doping Agency (WADA), which annually issues specific lists of substances that must not be taken by athletes to be compliant for international competitions. Against this list, pharmaceutical manufacturers are obliged to display a warning on the packaging if there is a "prohibited" substance among the ingredients of the drug (graphically represented by a crossed-out red circle with the word Doping in black).

The certification benefits for PharmaNutra Group are manifold and are reflected throughout the supply chain: for all other parties involved in the production of the food supplement and/or food product, it represents an improvement in corporate image by proving care and attention to consumer needs. For customers, it represents a quality guarantee with respect to what is stated on the label.

BIOAGRICERT Certification



In August 2022, certification in accordance with Article 35, paragraph 1 of EU Regulation 2018/848 was obtained, concerning organic production and labelling of organic products.



3.1 Approach and policies

3.2 PharmaNutra staff

- 3.2.1 People management
- 3.2.2 We promote diversity and equal opportunities
- 3.2.3 We train and involve our people
- 3.2.4 We protect health and safety at work

03

People

3.1 Approach and policies

Human capital is a strategic asset for PharmaNutra Group and it can have a decisive impact on the entire value chain, leveraging people, skills and passion to enable us to face increasingly competitive markets.

The people working within the organisation represent a key stakeholder that PharmaNutra Group is committed to protect, involve and develop in a perspective that dynamically favours operations, the constant exchange of information and know-how and the development of relations between the Group’s companies.

Great companies are such not only because of the effectiveness of their products, but above all because of the value of the people who help to build them through their work and daily sacrifices. In an environment where effectiveness and innovation are the business pillars, taking care of people means paying attention to the dynamics of the different teams, but also being demanding and expecting quality, seriousness and dedication.

At PharmaNutra we believe in talent, but even more so in commitment and willpower, because the success of a company is only achieved when it is able to guarantee a future, safety, work and values for all its employees.

3.2 PharmaNutra staff

3.2.1 People management

The Group's new headquarters, inaugurated at the end of 2023, embodies the principles upheld with regard to human resources, and reflects a Company vision centred on employee well-being, creating a welcoming and inclusive environment that fosters a sense of belonging.

For the development of its human resources and their enhancement, the Group aims at fostering their professional growth and career development, believing that the results achieved are closely linked to people's ability to activate their energies to reach objectives.

In a highly digitised economic context, PharmaNutra has chosen to invest in its people by embracing values such as **UNITY** and **BELONGING**.

Supported by the new headquarters, which united the entire company workforce within a single hub of value, and improved technical and administrative management following the merger of Alesco and Junia Pharma into PharmaNutra, the transfer of employees among the companies has been successfully completed in full compliance with the labour law principles and the agreements in place with the Corporate Partners.

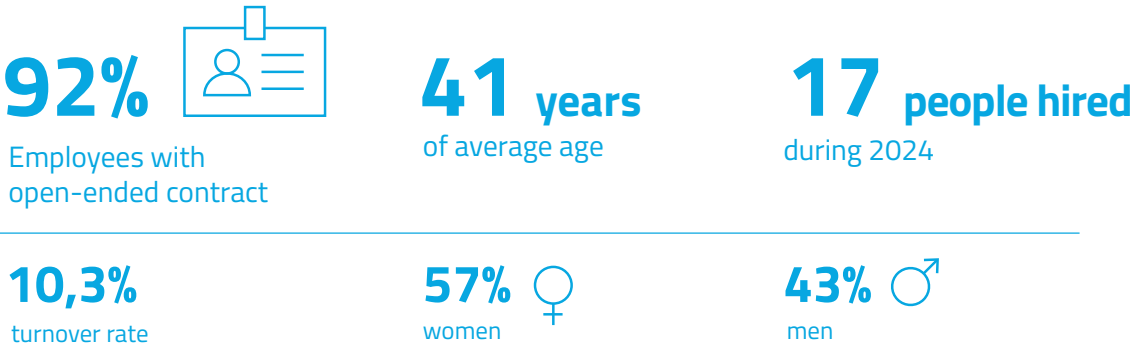
For the purpose of comparing the benchmark KPIs for 2024 with the KPIs for 2023 and 2022, it should be noted that in 2023 and 2022, the foreign subsidiaries PharmaNutra Espana e PharmaNutra USA were excluded from the scope of consolidation of the Sustainability Report except for economic data.

As at 31 December 2024, the total number of employees in the Group was 117 (+10% compared to 2023, +6% excluding Phn Esp and Phn USA), of which 57% were women and the remaining 43% men, with an average age of 41.

The national collective labour agreement (CCNL) applied for the employees of PharmaNutra is that of the Pharmaceutical Chemical Industry, while the CCNL for Akern’s employees is that of the Private Mechanical Engineering Industry and Plant Installation Industry.

For the Group’s foreign subsidiaries, the applicable national labour contracts specific to each sector are applied.

There are no staffing contracts or other types of contracts in the Group.



Workforce by qualification broken down by age group

	2024				2023				2022			
	<30	30-50	>50	TOTAL	<30	30-50	>50	TOTAL	<30	30-50	>50	TOTAL
Executives	-	4	1	5	-	2	1	3	-	1	1	2
Managers	-	22	6	28	-	20	6	26	-	18	3	21
White collars	12	45	15	72	13	38	14	65	11	28	6	45
Blue collars	1	8	3	12	1	9	2	12	-	3	-	3
TOTAL	13	79	25	117	14	69	23	106	11	50	10	71

The change in the number of managers in 2024 with respect to the previous year is due to the inclusion of PHN USA and PHN Esp within the reporting scope

% inc. workforce by qualification broken down by age group

	2024				2023				2022			
	<30	30-50	>50	TOTAL	<30	30-50	>50	TOTAL	<30	30-50	>50	TOTAL
Executives	0%	80%	20%	100%	0%	67%	33%	100%	0%	50%	50%	100%
Managers	0%	79%	21%	100%	0%	77%	23%	100%	0%	86%	14%	100%
White collars	17%	63%	21%	100%	20%	58%	22%	100%	24%	62%	13%	100%
Blue collars	8%	67%	25%	100%	8%	75%	17%	100%	0%	100%	0%	100%
TOTAL	11%	68%	21%	100%	13%	65%	22%	100%	15%	70%	14%	100%

Workforce by qualification broken down by gender

	2024			2023			2022		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Executives	4	1	5	2	1	3	1	1	2
Managers	17	11	28	16	10	26	14	7	21
White collars	18	54	72	16	49	65	11	34	45
Blue collars	11	1	12	11	1	12	2	1	3
TOTAL	50	67	117	45	61	106	28	43	71

% inc. workforce by qualification broken down by gender

	2024			2023			2022		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Executives	80%	20%	100%	67%	33%	100%	50%	50%	0%
Managers	61%	39%	100%	62%	38%	0%	67%	33%	100%
White collars	25%	75%	100%	25%	75%	144%	24%	76%	0%
Blue collars	92%	8%	100%	92%	8%	400%	67%	33%	0%
TOTAL	43%	57%	100%	42%	58%	100%	39%	61%	100%

The recruitment process

The selection process aims to identify candidates who best match the profiles required by the corporate functions.

The main recruitment channel used is the LinkedIn portal through job postings, which is a useful tool to quickly reach young talent throughout the country. At the same time, the posting is also published on the main recruitment sites and on the company website.

In order to assess the skills of the candidates during the selection process, several motivational, cognitive and technical interviews are conducted according to the position to be filled.

There is always an interest and pleasure on the part of the executive directors to personally meet the candidates in order to convey to them the passion and pride of being part of PharmaNutra.

PharmaNutra Group is committed to ensuring the continuity of employment within its company. As at 31 December 2024, 92% of contracts are open-ended and 98% of these are full-time.

Fixed-term contracts are used to hire junior candidates who have not yet acquired significant experience in the roles for which they are selected. In most cases, following an initial fixed-term contract, individuals are retained and begin their professional growth within the company.

For the subsidiary PharmaNutra USA, employment contracts are defined as "AT WILL" and have been deemed equivalent to Italian open-ended contracts.

85% of the 13 fixed-term contracts in 2023 were transformed into open-ended contracts in 2024.

Employees broken down by contract

	2024			2023			2022		
	MAN	WOMAN	TOTAL	MAN	WOMAN	TOTAL	MAN	WOMAN	TOTAL
Open-ended	49	62	111	40	53	93	24	41	65
Fixed-term	1	5	6	5	8	13	4	2	6
Non-guaranteed hours	-	-		-	-		-	-	
TOTAL	50	67	117	45	61	106	28	43	71
Contracts converted from fixed-term to open-ended	4	8	12	2	1	3	-	5	5

Employees broken down by type

	2024			2023			2022		
	MAN	WOMAN	TOTAL	MAN	WOMAN	TOTAL	MAN	WOMAN	TOTAL
Full-time	49	57	106	44	52	96	28	38	66
Part-time	1	10	11	1	9	10	0	5	5
TOTAL	50	67	117	45	61	106	28	43	71

The turnover rate for 2024 showed a slight decline from the previous year (10.3% in 2024 versus 12.3% in 2023), with a reduced number of hires reflecting the stabilisation of the organisational structure.

Turnover rate by gender

		2024			2023			2022		
	M.U.	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Turnover by gender	%	10.0%	10.4%	10.3%	20.0%	6.6%	12.3%	10.7%	14.0%	12.7%

Turnover rate by age

		2024				2023				2022			
	M.U.	< 30	30 - 50	> 50	TOTAL	< 30	30 - 50	> 50	TOTAL	< 30	30 - 50	> 50	TOTAL
Turnover by age group	%	7.7%	12.7%	4.0%	10.3%	28.6%	11.6%	4.3%	12.3%	0.0%	14.0%	20.0%	12.7%

Turnover rate by geographical area

		2024				2023				2022			
	M.U.	ITALY	SPAIN	USA	TOTAL	ITALY	SPAIN	USA	TOTAL	ITALY	SPAIN	USA	TOTAL
Turnover by geographical area	%	9.8%	50%	0.0%	10.3%	12.3%	n.a.	n.a.	12.3%	12.7%	n.a.	n.a.	12.7%

New hire rates by gender, age group, and geographical area are shown below:

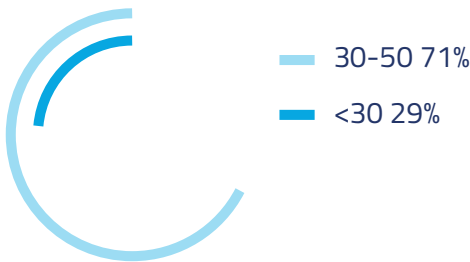
New hire rate by gender

		2024			2023			2022		
	M.U.	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
New hires by gender	%	12%	16%	15%	38%	21%	28%	32%	12%	20%

New hire rate by geographical area

		2024				2023				2022			
	M.U.	ITALY	SPAIN	USA	TOTAL	ITALY	SPAIN	USA	TOTAL	ITALY	SPAIN	USA	TOTAL
New hires by geographical area	%	15.2%	0.0%	0.0%	14,5%	28.3%	n.a.	n.a.	28.3%	20%	n.a.	n.a.	19.7%

Hired employees by age group



Employees by level of education



Hired employees by age group

	2024				2023				2022			
	<30	30-50	>50	TOTAL	<30	30-50	>50	TOTAL	<30	30-50	>50	TOTAL
Hired employees	5	12	-	17	8	17	5	30	6	8	-	14

Terminated employees by age group

	2024				2023				2022			
	<30	30-50	>50	TOTAL	<30	30-50	>50	TOTAL	<30	30-50	>50	TOTAL
Terminated employees	1	10	1	12	4	8	1	13	-	7	2	9

The high volume of hiring in 2023 was influenced by the move to the new headquarters; in the subsequent reporting period, the pace of hiring growth slowed.

The trend toward recruiting highly specialised and experienced professionals continued in 2024, with the 30-50 age group being the most represented among new hires.

Hired employees by gender

	2024			2023			2022		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
	6	11	17	17	13	30	9	5	14

Terminated employees by gender

	2024			2023			2022		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
	5	7	12	9	4	13	3	6	9

Employees hired by geographical area

	2024				2023				2022			
	ITALY	SPAIN	USA	TOTAL	ITALY	SPAIN	USA	TOTAL	ITALY	SPAIN	USA	TOTAL
Hires by geographical area	17	-	-	17	30	n.a.	n.a.	30	14	n.a.	n.a.	14

Employees terminated by geographical area

	2024				2023				2022			
	ITALY	SPAIN	USA	TOTAL	ITALY	SPAIN	USA	TOTAL	ITALY	SPAIN	USA	TOTAL
Terminations by geographical area	11	1	-	12	13	n.a.	n.a.	13	9	n.a.	n.a.	9

During 2024, the number of employees who took parental leave⁴ was 2% across the Group. All employees who took such a leave returned to work the following year (2025) because their leave period began at the end of 2024.

The number of employees who were entitled to take parental leave in the reporting year was two, both of whom were women.

Below is the summary table:

⁴ - Parental leave is defined as a period of optional abstention from work granted to parents to care for their child during its early years of life (Source: Inps website).

Workforce (employees and collaborators)

	M.U.	2024			2023		
		MAN	WOMAN	TOTAL	MAN	WOMAN	TOTAL
Total number of employees who were entitled to parental leave	no.	0	2	2	0	5	5
Total number of employees who took parental leave		0	2	2	0	4	4
Total number of employees who returned to work during the reporting period after taking parental leave		0	0	0	0	4	4
Total number of employees who returned to work after taking parental leave and who are still employed by PharmaNutra in the 12 months following their return		0	3	3	0	4	4
Rate of return to work		n.a.	0%	0%	n.a.	100%	100%
Retention rate of employees who took parental leave		n.a.	n.a.	n.a.	n.a.	100%	100%

3.2.2 We promote diversity and equal opportunities

In the framework of the employment relationship, PharmaNutra Group offers equal opportunities to everyone, avoiding forms of discrimination due to difference in gender, age, health status, nationality, political or religious opinions.

The Group deems inclusion to be an asset and promotes diversity as an opportunity to improve the working climate and allow every talent to express itself.

The company is committed to protecting the plurality of gender, origin and age, developing actions and strategies for inclusion and protection of diversity with the aim of guaranteeing employees equality in the workplace and equal opportunities for professional growth.

The Group makes its values explicit towards employees through a series of formal policies and documents, but also through constant dialogue with these stakeholders.

No incidents of discrimination of any kind were reported during 2024.

INSTANCES OF DISCRIMINATION	2024	2023
Number of incidents of discrimination recorded	0	0

Below are the figures on the ratio of women's average salary to men's average salary. The ratio of basic salary and total remuneration between women and men was reported by significant place of business. The significant place of business is identified is Italy, which includes only PharmaNutra and Akern within the reporting scope.

Average salary for men and women

	2024	2023	2022
Executives	120%	120%	79%
Managers	88%	88%	103%
White collars	83%	79%	83%
Blue collars	89%	85%	88%

Average remuneration for men and women

	2024	2023	2022
Executives	120%	130%	69%
Managers	91%	89%	103%
White collars	81%	74%	81%
Blue collars	88%	84%	48%

Changes in the ratio of salaries and remunerations are attributable to the dynamics resulting from employee turnover, their classification within the category and seniority within the company as well as the change in the consolidation area.

The Total Compensation Ratio of PharmaNutra Group is 55 for the reporting year⁵.

The slight decline in 2024 is explained by an increase in the median employee remuneration.

In 2023, following the expiry of the Directors’ term of office upon approval of the 2022 financial statements, the medium-long term variable remuneration amounts were disbursed. As a result, in 2024 the salary increase ratio was not calculated, since the previous payout led to a 3.2% decrease in the annual total remuneration of the highest-paid individual.

	2024	2023	2022
Total Compensation Ratio	55	62	50
Ratio of the remuneration increases*	n.a.	5.72%	n.a.

3.2.3 We train and involve our people

One of the Group's primary objectives, as a determining factor for the efficient and lasting development of its activities, remains the growth, in terms of training and professional enrichment of its human resources. The level of skills and knowledge acquired, the daily search for excellence in one's work are a heritage that we intend to preserve and increase.

Training and education activities are planned, scheduled and implemented by the Group.

From the very first days in the company, the newly hired employee is put through the so-called “on-boarding” process, in which the human resources department broadly explains the company dynamics, communicates the company culture, and clarifies in general terms the role he or she will be filling, the objectives and responsibilities.

The new employee is assigned a company “mentor” who defines and supervises the training programme of the new hire.

The Group constantly invests in the training of its personnel, both through standard and transversal courses (on topics such as safety at work), and through specific training dedicated to the various corporate functions.

5 - In the calculation of the Total Compensation Ratio, all variable elements were taken into account to determine the total annual remuneration of the highest paid person, excluding dividends (as the highest paid person is also a member of the Group). Severance pay is included in the calculation at the time of disbursement. The highest-paid individual is the Chairman of PharmaNutra’s Board of Directors. The median of the total annual salaries of all employees in the organisation excluding the highest paid person was used as the denominator.

Below are the training hours provided in the years 2022-2024:

Training hours by training areas

	2024	2023	2022
Commercial	0	0	407
Marketing	0	64	0
Administrative	91	107	34
IT/Technology	1,318	493	448
Managerial	26	0	74
Quality/Product	3,359	542	46
Safety/Technical	158	310	32
TOTAL	4,952	1,516	1,040

For the year 2024, training hours per capita were calculated by gender and qualification:

Training hours per capita by gender

	2024			2023		
	WOMEN	MEN	TOTAL	WOMEN	MEN	TOTAL
Administrative	0.76	0.80	0.78	1.06	0.93	1.00
IT/Technology	12.96	9.00	11.26	6.46	2.20	4.65
Quality/Product	24.76	34.00	28.71	4.30	6.22	5.11
Safety/Technical	1.31	1.40	1.35	1.70	4.40	2.85
Marketing	-	-	-	0.39	1.07	0.68
Other	0.30	0.12	0.22	-	-	-
TOTAL	40.09	45.32	42.33	13.91	14.82	14.30

Training hours per capita by qualification

	2024					2023				
	EXECUTIVES	MANAGERS	WHITE COLLAR	BLUE COLLAR	TOTAL	EXECUTIVES	MANAGERS	WHITE COLLAR	BLUE COLLAR	TOTAL
Administrative	3.20	1.35	0.56	-	0.79	-	0.77	1.21	0.67	0.93
IT/Technology	7.20	11.96	13.07	2.50	11.46	-	5.11	5.54	-	4.29
Quality/Product	0.80	1.38	45.88	1.33	29.21	-	0.92	7.97	-	4.71
Safety/Technical	2.20	0.62	1.51	1.83	1.37	-	1.54	2.49	8.33	2.63
Marketing	-	-	-	-	-	-	1.54	0.49	-	0.63
Other	-	0.12	0.32	-	0.23	-	-	-	-	-
TOTAL	13.40	15.42	61.33	5.67	43.06	-	9.88	17.70	9.00	14.30

For the reporting year, there was a substantial increase in training hours in the “quality/ product” and “computers/technology” training areas. Two specialised master's programmes in the area of product quality (Master in Food Quality Management and Communication, and Master in Food Science and Applied Dietetics) were funded, and cybersecurity training was provided.

An Artificial Intelligence training course was held for Akern employees.

Internal courses are partly carried out by specialised external consultants, and concern refresher courses on software that the staff constantly use in the course of their work (see the hours related to IT/Technology).

The incentive system currently concerns a limited number of employees for whom a contractually defined reward system is in place. For executives and a large portion of managers, bonuses are provided, usually annually or quarterly, based on company performance targets set by the management. For all employees, a bonus is awarded at the end of the year on the basis of a discretionary assessment by the department head and the management.

As explained in the Sustainability Plan, in the short term the Group intends to extend to all employees an incentive system based on qualitative-quantitative elements and to build a customised career path.

PharmaNutra Group currently employs a workforce with an average age between 30 and 50 years, and the company policies therefore focus on training (upskilling/reskilling), welfare, and well-being rather than introducing assistance measures to facilitate operational continuity and the management of retirement or end-of-employment transitions.

As mentioned in the section on stakeholders’ involvement, also during the year 2024, PharmaNutra Group employees were given a questionnaire, to be filled in anonymously, through which they were asked to judge with a score from 1 (completely disagree) to 5 (completely agree) on PharmaNutra Group's commitment to sustainability. Open questions were also asked through which the ESG team could gather insights to create the future strategic sustainability plan⁶.

Below are the main results of the questionnaire.

Such questions were grouped into categories covering the main employee-related issues.

6 - In general, the questions focused on topics concerning the Group's Leadership, innovation, the Group's commitment to the community, and personnel-specific topics.

Ranking of the results provided by the personnel questionnaires

TOPICS – GROUP	2024	2023
Involvement and appreciation of the work done	4,25	4,06
Technological Innovation	4,20	4,24
Integrity and equal opportunities and respect for rights	4,06	3,93
Remuneration and career development	3,95	3,93
Horizontal and vertical communication	3,90	3,86
Training	3,66	3,71
Flexibility and work-life balance	3,57	3,76

As you can see from the average of the scores obtained, the staff gave an overall positive opinion about all the topics analysed in the questionnaire.

There were no significant changes compared to the results of the questionnaire for the year 2023.

The Group is committed to implementing innovative incentive policies and tools, not of a strictly monetary nature, aimed at increasing personal and, where permitted by law, family well-being and improving the so-called work-life balance in line with UN Sustainable Development Goal number 3 (health and well-being).

To this end, the Group’s employees are granted the following benefits:

- Part-time for a percentage of staff
- Flexible working hours for all staff
- Company canteen
- Relaxation and wellness areas
- Remote working

To further support work-life balance, the corporate welfare plan was extended until 31 December 2026, enabling employees to access a range of services tailored to support personal and family life according to their individual needs. The employee receiving the plan can make his or her choices and allocate his or her budget via a dedicated web portal whose access is personal and confidential.

PharmaNutra Group has allocated an expenditure budget to the various categories of workers targeted by the plan, the disbursement of which is conditional on the achievement of certain economic targets.

The benefit range in the welfare plan includes:

- Reimbursement of education expenses for family members
- Refunds of summer camps, holiday retreats, summer schools
- Reimbursement of school books
- Reimbursement of expenses for extracurricular language and computer courses
- Reimbursement of expenses for baby sitting / baby parking
- Reimbursement of expenses for elder care

- Reimbursement of expenses for public transport passes
- Purchase vouchers
- Recreation services
- Services for medical purposes
- Supplementary pension provision

Well-being policies

The opening of the new headquarters marked a milestone in PharmaNutra Group's well-being policies. The new building has been designed with the employee at the centre, providing a cosy and healthy working environment with comfortable relaxation areas and an in-house company canteen; the company bears all the relative costs without taking any withholdings from the employee. The new headquarters is located in an urban context near a natural park, a short walk from the city centre of Pisa and not far from airports and stations for easier travelling.

In 2024, the Group opened a Performance Centre offering medical and physiotherapy services, where employees are able to access benefits under specific agreements.

3.2.4 We protect health and safety at work

The Group deeply cares about the health and safety at work of its employees, ensuring safe working places on a daily basis.

For the continuous improvement of the company's management system and guaranteeing that the basic requirements of SA8000 standard become more widely accepted, the Group has set up a working group called SPT (Social Performance Team) consisting of employee representatives, a member of the management team and the management system manager. The SPT has the task of carrying out risk assessment activities, identifying points for improvement and reporting any action the Group wishes to take to management.

The adoption of SA8000 principles encourages accountability to the various stakeholders, both internal and external, with a view to transparency on issues such as staff working conditions, safety and remuneration.

To avoid and mitigate significant negative impacts on health and safety at work directly related to its operations, products and services, the Group adopts all measures required by occupational safety regulations for the premises where the worker operates and those that may be suggested at the periodic meeting.

As detailed in the tables below, the measures adopted and the nature of the activities performed have ensured that no fatal accidents or serious incidents have occurred among Group employees or non-employees whose work activities and/or workplaces are under the control of Group’s companies. During 2024, one minor accident occurred at the subsidiary Akern S.r.l.

Employees

	2024	2023	2022
No. of deaths due to workplace accidents	0	0	0
No. of occupational accidents with serious consequences	0	0	0
No. of recordable occupational accidents	1	0	0
Main types of workplace accidents	Injury	N.A.	N.A.

Non-employees whose work activities and/or workplaces are under the organisation’s control

	2024	2023	2022
No. of deaths due to workplace accidents	0	0	0
No. of occupational accidents with serious consequences	0	0	0
No. of recordable occupational accidents	0	0	0
Main types of workplace accidents	N.A.	N.A.	N.A.

The tables below show the total hours worked, along with calculations of incidence rates, severity rates, rates of recordable occupational accidents, rates of occupational accidents with serious consequences (excluding fatalities), and fatal accident rates⁷.

	2024			
	M.U.	MAN	WOMAN	TOTAL
Total hours worked by the employees	h.	81,224	103,941	185,165
Number of workplace accidents (enter types of accidents in the notes)	no.	1	-	1
Number of occupational accidents with serious consequences (excluding deaths)	no.	-	-	-
Number of days of absence due to accidents	d.	13	-	13
Deaths	no.	-	-	-
Number of employees	no.	50	67	117

	2024		TOTAL
	MAN	WOMAN	
Rate of recordable workplace accidents ⁷	12.31	-	5.40
Rate of workplace accidents with serious consequences (excluding fatalities)	-	-	-
Rate of deaths resulting from workplace accidents	-	-	-

In the reporting year, there were no cases of occupational disease or fatalities due to occupational illness.

⁷ - Notes for calculation:
Frequency rate for recordable workplace accidents (number of recordable workplace accidents / total hours worked)*1,000,000

	2024
number of deaths due to occupational illness	-
number of recorded cases of occupational illness	-
main types of occupational illness	-

During the reporting period, no occupational diseases were recorded, confirming that PharmaNutra's operational model is firmly grounded in a strong safety culture. With the launch of the new production facility in 2024, a comprehensive risk analysis was conducted and documented through the updated Risk Assessment Document (RAD), outlining the measures adopted by the company to mitigate these risks.

PharmaNutra employs the most advanced safety technologies available and maintains continuous oversight of activities through designated key roles (Employer - EM, Occupational Health and Safety Manager - OHMS, Competent Physician - CP, Managers, Supervisors, Workers' Safety Representatives - WSRs, and workers). Internal audits and third-party certification audits are also carried out to minimise the risk of occupational illness.

At the time of recruitment, the worker is subjected to a fitness-for-duty examination by the corporate competent physician, who will determine the frequency of subsequent examinations. At the same time, a general and specific training course must be attended, the duration of which depends on the risk associated with the job.

The Group considers corporate safety training to be fundamental as it believes that the dissemination of a safety culture based on the awareness of possible risks and individual responsibility are central factors in providing a safe working environment by minimising the occurrence of accidents.

In 2024, following the merger of Junia Pharma S.r.l. and Alesco S.r.l. into PharmaNutra S.p.A., a new RAD was issued to reflect the specific risks identified in the individual assessments of the merged entities.

The Group’s Italian companies have drawn up a general Safety Organisation chart and have set up a workplace safety system in accordance with Italian Legislative Decree no. 81/2008, requiring scrupulous compliance with it in order to meet the requirements of the regulations in force.

The Group’s companies conduct annual meetings as required under Art. 35 of Legislative Decree no. 81/08, as amended, involving the Employer’s Delegate, the Competent Physician, the OHSM and the WSR.

The Occupational Health and Safety Manager (OHSM) and the competent physician inspect the workplaces on a regular basis in order to point out to the Employer any health and/or safety risks at work. Workers have the right to notify their Workers' Safety Representative (WSR) if they become aware of risks that have not been sufficiently assessed or have arisen, and the WSR will report to the Employer and/or the OHSM.

For the reporting year, the following potential risks were identified:

- Safety risks due to structures, machines, installations, dangerous substances and preparations, fires and explosions;

Frequency rate for serious occupational accidents (number of serious occupational accidents/total hours worked)*1,000,000
Frequency rate for fatalities from workplace accidents (number of fatalities/total hours worked)*1,000,000
Note: incidence, severity, and frequency rates exclude commuting accidents.

- Health risks due to chemical, physical and biological agents;
- Cross-risks, due to work organisation, ergonomic factors, psychological factors and difficult working conditions.
- Risks associated with VDT operators, related to posture and visual fatigue.

They were quantified as a product of likelihood of occurrence and severity of damage, resulting in a risk matrix in which for each likelihood value and damage severity corresponds a risk level ranging from insignificant to high.

The work carried out by the Group's personnel can be traced back to a single Homogeneous Group of Workers (GOW), which includes office workers and researchers.

As a result of the audits carried out, the risks identified were all classified as insignificant or low. No major or significant risks to the health and safety of employees emerged.

A review of the effectiveness and adequacy of the Risk Assessment Document (RAD) is carried out annually with the involvement of the employer and all those involved in the management of company safety.

With the construction of the new headquarters, PharmaNutra Group has incorporated all the highest industry standards and used the newest technologies to make the emergency equipment even more effective/automated. Particular attention was paid to laboratory and production areas where statistically there are greater accident risks.

It is precisely in these areas where potential accident hazards can be triggered (rooms where toxic substances can be released) that ventilation systems (extraction hoods) are in place to ensure clean and healthy air in the environment.

The work activities and risks previously assessed were partly confirmed and partly included in an analysis project that was completed in 2024 with the issuance of the new RAD.

The work of PharmaNutra and Akern employees involves workers' exposure to minor risks, which are described and assessed in the RAD. In particular, personnel using video terminals (administration, sales, marketing) are subject to risks related to posture and visual fatigue, while exposure to dust risk and biomechanical overload is monitored for warehouse and production personnel, due to the manual handling of loads.

Laboratory staff are exposed to biological risks, which are effectively controlled through the appropriate use of personal protective equipment (PPE).

The assessment of fire risks showed a medium level, while the assessment of risks related to places, work equipment and tasks confirmed an overall good situation as it is reflected in the specific assessments.

An improvement and maintenance plan, with an implementation schedule, has been defined to ensure constant compliance with current legislation and to guarantee the best working conditions for all workers in terms of health, safety and well-being at work.

For Akern, as a precautionary measure, in view of the sporadic use of chemicals, the health protocol also provides for the monitoring of parameters significant for chemical risk, in order to be able to observe any abnormal deviations over time.

The Company has also established an active system for monitoring near misses. Each reported incident triggers actions aimed at reducing risk or resolving the identified issue, whether minor or significant.

With a view to protecting the health of their employees, employees of PharmaNutra have the option of joining the Faschim health care fund, which can also be extended to family members. Employees also have the option of joining the Fonchim supplementary pension fund.

Akern S.r.l.'s employees are enrolled in the Metasalute fund when they are hired. Joining the fund does not entail any cost for the employee, it is the company that pays 100% of the fee. Membership in the fund may also be extended to family members by paying additional contributions.

Employees also have the option of joining a supplementary pension fund (Fondo Cometa).

04

4.1 Approach and policies

- 4.1.1 Quality and transparency of our products
- 4.1.2 Innovation and product development

Product quality and safety

4.1 Approach and policies

Our aim is to manufacture and provide consumers with safe, effective and high-quality products. Thanks to our products’ features, we are the leader in the Italian market for iron-based food supplements with a value market share of 52.9% ⁸.

4.1.1 Quality and transparency of our products

The Group ensures compliance with product quality and safety in all activities, covering research and development, industrialisation, procurement of raw materials and packaging materials, production, distribution and after-sales surveillance. This is ensured through the adoption of a **Corporate Quality Policy**, which demonstrates the Group's commitment to complying with applicable regulatory requirements and meeting customers’ needs, resulting in the adoption of a Quality Management System allowing its maintenance.

PharmaNutra Group has structured its own quality management system, consisting of a Manual, a Procedure and Instructions, aimed at coordinating the corporate processes so that they meet the mandatory requirements, reference standards and customer requirements necessary to guarantee product quality and safety.

The Group has procedures that define the activities required to monitor its processes, handle any complaints received and the preventive and corrective actions taken. PharmaNutra has also adopted a quality policy, issued by the Management, known to all employees and available to consumers via the company website, which defines the organisation's general commitment to its products’ quality and safety.

The Parent Company has an in-house Quality Department which is responsible for maintaining the pre-established safety requirements for the quality of its products.

Such a department focuses the research, development, production and marketing of its products on the organisational efficiency, the respect for ethical values (guaranteeing to its consumers a set of actions that allow careful control of production processes), on the compliance with and the application of the regulations in force in the food supplements and medical devices sector as well as in the pharmaceutical sector.

The Group focuses on process and product compliance, which entails a careful and meticulous management of the various processes aimed at minimising any problems that may arise.

In order to protect its customers and consumers and ensure that certain quality standards are maintained, the following procedures have been drawn up to which the Group must adhere so as to prevent PharmaNutra and its subsidiaries from possible quality threats for the products.

PROCEDURE NO.	REVISION	TITLE	YEAR OF APPROVAL	PURPOSE OF THE PROCEDURE
PR-13	2	Outsourced production of food supplements, drugs and cosmetics	2023	The purpose of this procedure is to describe the operating methods followed by PharmaNutra S.p.A. and Junia Pharma S.r.l. for production planning and management, for the final release of batches and the control of samples until delivery to the customer.
PR-19	2	Risk management for medical devices	2022	The purpose of this procedure is to define how PharmaNutra develops, implements and maintains a risk management process to establish risk acceptability criteria, to identify hazardous situations, as well as to assess, estimate and monitor the risks associated with the use of a medical device throughout its life cycle. Risk management activities (both in terms of Plan adequacy and review of the risk analysis and assessment) are reassessed annually in the Management Review.
PR-20	2	Withdrawal and recall of non-compliant products	2023	The purpose of this procedure is to define the procedures for the activation and management of product recall processes, ensuring their rapid traceability and identifying the various responsibilities for the company representatives involved. In order to manage withdrawal and recall actions, the procedure establishes the “Decision-making team” including all the key representatives of the companies, with the commitment to co-operate and co-ordinate actions with all the parties involved as quickly as possible and being capable of activating all the procedures necessary to carry out a withdrawal/recall of a non-compliant product. In addition, the procedure clearly defines the information flows to be maintained with official control bodies, the media, suppliers and customers in the event of the need for a product recall (Reg. 178/2002).
PR-21	2	Post-Marketing Surveillance and PMF	2022	The purpose of this procedure is to regulate the post-marketing surveillance system, in a manner proportionate to the risk class and type of devices produced, defining all the activities carried out, also in collaboration with the economic operators involved in the marketing chain, to proactively collect and analyse experience gained on the devices placed on the market, in order to: - update the relevant technical documentation - identify any need for immediate corrective or preventive action - cooperate with the relevant National Authorities responsible for monitoring and market surveillance.
PR-22	3	Management of NC and Complaints	2023	The purpose of this procedure is to establish the operational methods for recording, investigating and archiving Non-Conformities and the activities carried out for their prevention and correction. It also defines the steps that must be observed for the proper management of Non-Conformities, so as to assess the impact on product and system quality, to identify the causes and implement the appropriate corrective and preventive actions in order to avoid their recurrence and/or reduce their occurrence.
PR-25	2	Outsourced Medical Device manufacturing	2022	The purpose of this procedure is to describe how PharmaNutra manages the production of medical devices.

⁸ - Source: IQVIA data

PROCEDURE NO.	REVISION	TITLE	YEAR OF APPROVAL	PURPOSE OF THE PROCEDURE
PR-16	3	Internal Audits	2024	The purpose of this procedure is to define how to plan and carry out internal audits at PharmaNutra SpA Group, assisting in the continuous application and improvement of the Quality Management System in place.
PR-30	0	Receipt, acceptance, shipment and storage of raw materials, finished products and packaging materials.	2024	The purpose of this procedure is to describe how PharmaNutra S.p.A. Group manages the warehouse. In particular, this management concerns: - the receipt and storage of raw materials and packaging - the storage and dispatch of finished products
PR-34	0	Training/Coaching of production personnel	2024	The purpose of this procedure is to define, implement, and maintain a training programme for factory personnel to ensure they are capable of performing their assigned tasks in accordance with - Good Manufacturing Practice (GMP) standards - the ISO standards for which the company is certified - the standards of behaviour and personal hygiene. and in full compliance with the environmental, health, and occupational safety regulations. In particular, the procedure defines how training/coaching interventions are scheduled, identifies the types of training and how the document is recorded and archived.
PR-36	0	Raw Material Sampling	2024	The purpose of this procedure is to define the RM (raw materials) sampling activities that take place during acceptance.
PR-38	0	Finished Product Sampling	2024	Sampling is the first step in any analytical process that will lead to results whose quality is closely related to that of the sample taken. For this reason, sampling is an extremely complex and delicate phase that affects the results of all subsequent operations and consequently also the total uncertainty of the analytical results to a non-negligible extent.
PR-41	0	Operational procedures for access to production departments and research laboratories	2024	The purpose of this procedure is to define the rules of dressing and the flows of people and materials within the production departments and ancillary areas (changing rooms, mechanical workshop, warehouses) in order to exclude or minimise the risk of transmitting physical, chemical or microbiological contamination from outside to the departments.
PR-42	0	Plant sanitisation and hygiene	2024	The purpose of this procedure is to establish procedures for cleaning and sanitising machines, installations and environments: this procedure describes how cleaning and sanitising activities are to be implemented in order to ensure their proper performance. The procedure is addressed to all operators involved in the various activities described, including operators of external companies carrying out cleaning and sanitising activities within the plant.
PR-47	0	Master Batch Record management	2024	The purpose of this procedure is to define how the production report is created, how many documents it includes, and how and by whom it is filed. Defining how product control documentation must be managed at all processing stages.
PR-49	0	Internal production process	2024	The purpose of this procedure is to describe the operating methods for the management of the internal production activities.

In 2024, the Group introduced an HACCP manual that defines the structure and management approach of the health and hygiene self-monitoring system adopted.

The manual also ensures compliance with food safety legislation, customer requirements, and the technical standards relevant to company certifications:

DOCUMENT	REVISION	TITLE	DATE OF APPROVAL	EFFECTIVE SINCE	PURPOSE OF THE PROCEDURE
COMPANY SELF-CONTROL MANUAL	1	COMPANY SELF-CONTROL MANUAL	03/09/2024	03/09/2024	The manual defines the structure and operational management of the health and hygiene self-monitoring system in place at PharmaNutra S.p.A.'s plant at Via Campodavela 1, Pisa (PI) Italy - 56122. The document also ensures compliance with the food safety regulations, customer requirements, and the standards outlined in the company's certifications.
RA_001	0	RISK ANALYSIS	15/12/2023	15/12/2023	Risk analysis is a process used to identify measures or interventions that protect health and ensure that safe food products, compliant with the current legislation, are placed on the market.

Akern Quality Control: every single device produced by Akern® for bio-impedance analysis is checked twice, at production output and at certification. All documentation relating to these controls is archived and retained for a minimum of five years for evaluation in the certification processes.

The quality checks cover all aspects, from regulatory to functional, and are part of an integrated system created with the aim of eliminating risks associated with use, so as to always increase the reliability of devices dedicated to body composition analysis.

For supplies, the company always uses qualified and certified suppliers, preferring Italian materials and suppliers whenever possible.

The quality system requires traceability of the device and its critical components. The entire production and sales chain is tracked through serial or batch numbers that allow for the identification and possible recovery of components with safety, integrity and quality problems. Furthermore, the devices must be tested for electromagnetic compatibility and electrical safety. Stress tests are also carried out on the latest devices to verify their reliability in the design phase.

PharmaNutra Group has implemented the monitoring of the effectiveness of the management model and the compliance of what is foreseen in its management system with the actual operational activities carried out by its workforce. On the basis of what is defined in the aforementioned procedure, it evaluates the company's processes at predetermined intervals, defining any changes necessary for continuous improvement.

To date, the Group declares that it has found no non-compliance with regulations and/or self-regulatory codes, and that it has found no cases of defective batches or products that need to be withdrawn from the market.

	2024	2023	2022
Cases of product non-conformity	0	0	0
Cases of defective batches recalled from the market	0	0	0

In line with the requirements of SA8000 standard, PharmaNutra Group establishes how non-compliances and reports concerning corporate social responsibility are managed.

For the medicinal products for which PharmaNutra S.p.A. is AIC holder, it applies a pharmacovigilance process management in compliance with the mandatory European and Italian regulations. The management of pharmacovigilance processes is primarily aimed at protecting public health. Pharmacovigilance activities are aimed at identifying, assessing, understanding and preventing adverse effects or any other problems related to the use of medicines, to ensure a favourable benefit/risk ratio for the population. Also for its marketed medical devices, PharmaNutra Group applies a system of vigilance and post-market surveillance aimed at regulating the post-market system, in collaboration with the economic operators involved in the marketing chain, to proactively collect and analyse the experience gained on medical devices placed on the market, in order to identify any need for immediate corrective or preventive action and to cooperate with the competent national authorities in charge of market surveillance and supervisory activities.

4.1.2 Innovation and product development

PharmaNutra Group has always based its technical and scientific activities and business strategy on Research and Development (R&D) as a fundamental pillar for growth.

The year 2023 was characterised by the construction and start-up of the new laboratories at the new company headquarters. As of 2024, the new research premises have hosted three laboratories with very high potential: pharmaceutical techniques, cell biology and quality control with state-of-the-art technology and machinery. This, together with the team of researchers and technicians who work there on a daily basis, have made it possible to reduce the time needed to research new products, improve current ones, and study all their features and functions. During the year, the process of strengthening the structure continued with the addition of a new employee as laboratory technician and a new figure as formulator for the internal development of innovative formulations.

The R&D work inevitably starts from a continuous study and a detailed knowledge of both the biology, human physiology and biochemistry aspects of nutrition, as well as medicine and pharmacology. It is fully driven by the objective to meet the needs of the market as well as the ones of consumers and key players in the health sector, to be able to provide them with new products with which to address unresolved issues.

The Group's R&D objectives are to find new formulations, implement or discover new applications for existing products, generate new scientific evidence, so as to constantly guarantee the effectiveness and innovation of its products.

Basic research, through pre-clinical experiments (in-vitro, ex-vivo and in-vivo) has borne fruit with important international publications that are paramount tools available to the business and represent solid pillars, thus ensuring a significant competitive advantage. The construction of the new laboratories makes it possible to carry out the part of experimental research in the field of cell biology, which represents a fundamental step in the activity of screening and studying the effectiveness of all the formulation prototypes developed and to be tested before moving on to industrialisation.

The activity of PharmaNutra Group's Research and Development department also includes the execution of clinical studies on its products, both in the development and post-marketing phases. The practical implementation of these studies is carried out through formal collaborative relationships with clinics, hospitals, Italian and foreign research centres, depending on the skills and know-how required, or through formal agreements with Contract Research Organisations (CRO).

Research is mainly carried out on the Group's flagship products, Sideral®, Cetilar® and its proprietary raw materials (Ultramins®). Numerous studies (both clinical and pre-clinical), conducted in Italy or abroad, plus other clinical studies followed by foreign partners on products in distribution, are underway also on the other products. Some of these studies are very innovative and are expected to allow to open new markets that will be useful to strengthen current evidence and market positioning.

The year 2024 saw the publication of various studies regarding the Group's products in international indexed journals. Among these, particularly noteworthy is the publication of a study on the sucrosomial vitamin B12 (UltraVitB12®), which confirmed how the technology developed by PharmaNutra and proven effective in the supplementation of minerals (such as iron, magnesium, etc.), is also capable of providing added value in the supplementation of vitamins. Furthermore, from a clinical research perspective, in 2024 the Group's R&D completed two studies on the oral version of Cetilar (Cetilar ORO), in particular on the benefit in reducing pain in individuals with back pain, thus providing very solid and important tools for the commercial development of the product.

As at 31 December 2024, PharmaNutra Group boasted a total of 173 publications on all its products, including full papers and preliminary data or posters at accredited scientific congresses and conferences. At the same time, numerous papers continue to be published in which Sucrosomial® Iron is cited and identified as one of the most innovative oral iron-based products.

The Group is constantly disseminating its results, which it considers useful to publish and make available to the scientific community. Therefore, the Group's R&D staff participates in national and international congresses as speakers, or in hospital meetings and focus groups with doctors, where they show the evidence and results obtained on their products.

The total costs incurred to carry out Research and Development activities amounts to Euro 2.3 million of which Euro 1.3 million charged to the income statement, to which personnel costs for Research and Development should be added. The costs incurred relate to clinical studies, basic research, prototype formulation costs and laboratory materials.

The most significant collaborations are with universities (Pisa, Padua, Brescia), research centres (New York Blood Center – Fred Hutch Cancer Center, US; BioGem Italia; Humanitas Research Hospital, Milan), and various Contract Research Organisations.

The main costs incurred relate to collaborations with highly specialised and qualified suppliers, research centres specialising in research and analysis activities.

As at 31/12/2024, the Group owned 24 patents, 53 trademarks, and had 22 proprietary raw materials.



The Group constantly invests in new R&D projects in order to achieve ever-increasing technical and scientific know-how.

It is a unique value and an indispensable strategic asset, but also the foundations on which to continue building a future in which scientific progress serves collective well-being, understood as prevention and care for health.

The table below shows the number of studies (Preclinical and Clinical) and new products across the reporting years.

Considering the merger that took place on 1 July 2024, the distinction between the three companies has been maintained.

ONGOING R&D PROJECTS	2024	2023	2022
ALESCO			
Preclinical studies	11	36	20
PHARMANUTRA			
Clinical studies	10	20	15
New products	11	21	21
JUNIAPHARMA			
Clinical studies	0	0	0
New products	0	3	2



5.1 Approach and policies

5.2 Local communities and the territory

5.2.1 Sponsorships

5.2.2 Universities and research centres

05

5.1 Approach and policies

The Group aims to share its expertise with communities to help increase health literacy. By raising awareness of nutritional deficiencies in which it has unique expertise, PharmaNutra Group makes an effective contribution by improving health and well-being worldwide. Addressing health literacy is the key to combating global inequalities and providing quality treatment for all. Recognising that the level of knowledge of disease and health are issues that greatly differ between countries and communities, the Group works hard to reach out to disproportionately affected patient groups. This way it pioneered the development of iron-based food supplements and established itself as a leader in the treatment of iron deficiency.

Also during 2024, PharmaNutra Group continued to invest in the territory, ensuring the development of local communities by supporting humanitarian social activities.

VALUE DISTRIBUTED TO THE COMMUNITY (€/1,000)	2024	2023	2022
Gifts	263	195	126
Universities and research centres	41	34	44
Sponsorships	1,090	857	987
Membership fees	62	56	51

5.2 Local communities and the territory

PharmaNutra Group to support social and inclusion initiatives:

“I Bambini delle fate” (Fairy Children) Project



Since 2005, PharmaNutra has been working alongside the association “I Bambini delle Fate” (<https://ibambinidellefate.it>), a social enterprise financed by more than 2,400 Italian companies that provides financial support to social inclusion projects and paths run by local partners, benefiting families with autism and other disabilities. Such an association works at

the forefront, with facts, to tell “with a smiling face” about the potential of children and young people with autism and the great strength of their families. This activity could not fail to find full support from PharmaNutra Group, which has always closely followed activities with a strong ethical value operating in difficult contexts.

“Alice Benvenuti ETS” Foundation



PharmaNutra Group supports the “Alice Benvenuti” Foundation, whose activities are aimed at the aid, care and assistance of families with cancer children being treated at the Mayer Children's Hospital in Florence and support for the younger generation.

Rosa Pristina Foundation



Since 2022, following the beginning of the conflict between Russia and Ukraine, PharmaNutra Group decided to allocate part of the margin made through sales to the Russian distributor to initiatives in support of the Ukrainian population with donations to Comitato Provinciale della Croce Rossa di Pisa (Pisa Provincial Red Cross Chapter), taking care of Ukrainian families sheltered in and around the city. This commitment was also maintained in 2024 with donations to the Rosa Pristina Foundation and the Red Cross itself totalling Euro 200,000.

The Rosa Pristina Foundation is a philanthropic organisation based in Pisa that pursues social, humanitarian and research goals, working in the fields of care, health and education in various parts of the world, including Ukraine. The funds raised have already contributed to the purchase and shipment of 31 used, overhauled and re-equipped Ambulances, 2 pieces of diagnostic equipment for operating rooms, 4 electric generators, as well as medicines, life-saving devices and dressing materials. Rosa Pristina also helped to transport hundreds of medical equipment donated by Italian authorities to Ukraine and to build 30 small flats in the Lviv region to house refugee families from the Donbass. In 2024, the “Dacha Family House”, inaugurated in October of 2023 to provide comprehensive support for children undergoing cancer treatment and their families, became fully operational. It features 13 private rooms, offering a comfortable, family-like setting for patients and their loved ones.

“Il Talento dell'opera Onlus” foundation



Once again in 2024, PharmaNutra supported the “Il Talento dell'opera” foundation, pledging to provide for a three-year period the annual amount of Euro 12,000 to finance a scholarship for a student of Scuola Superiore Sant'Anna, a University in Pisa.

15.1 RUN



Through the organisation of the 15.1 Run sporting event, PharmaNutra supports the association Per Donare la Vita ONLUS, which has always been committed to promoting the culture of organ and tissue donation and supporting the families of transplant patients. An organisation operating with passion and dedication in some of the most challenging circumstances, to which PharmaNutra annually donates all proceeds from the 15.1 Run registrations, sharing a message of solidarity and generosity in support of organ and tissue donation for therapeutic transplants.

PharmaNutra Group to support cultural initiatives:

The Group is attentive and sensitive to the needs of the community, that is why events and meetings were organised during the reporting year to develop and promote the culture and interest of adults and children in literature.

Pisan June



PharmaNutra sponsored the events of Pisan June (Luminara, palio of St. Ranieri) and the participation in the regatta of the maritime republics with the aim of contributing to further improve these events through the financial support given

Campionati giornalismo La Nazione - CRONISTI IN CLASSE (Journalism Championships - REPORTERS IN CLASS)



For the fourth consecutive year, the collaboration between PharmaNutra and La Nazione for the initiative "Cronisti in classe - Campionato di Giornalismo 2024" (Reporters in class - Journalism Championships) is confirmed. The project involves students from secondary schools and primary schools (classes 3, 4 and 5 of the Italian education framework) in a training course, with the aim of introducing the new generations to reading newspapers, stimulating the children's interest in current affairs, and letting them experience the different stages of creating an article.

Scrittori in borgo (Writers in the village)



Once again in 2024, PharmaNutra Group supported the initiative of a Pisan bookstore with the 2023 literary review of "Scrittori in Borgo" (Writers in the village).

The protagonists of this initiative are many national and local authors, being open to the audience with presentations and dialogues.

The Edufin Project



In 2024, PharmaNutra joined a financial education initiative promoted by the Chamber of Commerce of North-West Tuscany and the Industrial Union of Pisa, in collaboration with the Bank of Italy's school programme, by providing a trainer to help local high school students understand the ethics of finance and sound money management, including payment systems, technologies, financial risks, and tools for managing personal finances both daily and long-term.

5.2.1 Sponsorships

PharmaNutra Group to support sports

PharmaNutra Group's dedication to the world of sports is a core part of its mission, reflecting its commitment to enhancing quality of life.

Through partnerships with athletes, teams, and sporting events at all levels, the Group plays a leading role in numerous initiatives focused on prevention, raising awareness of the relationship between nutrition, supplementation, physical activity, and healthy living. This dedication underscores PharmaNutra's ongoing ambition to be a reference point for those striving to live active, healthy lifestyles.

Support for Obiettivo3



Since 2019, PharmaNutra Group has supported the Obiettivo3 Project, founded by Alex Zanardi to provide practical and financial assistance to people with disabilities who wish to engage in sports activities.

Thanks to a widespread presence across the country, Obiettivo3 has recruited over 170 athletes in its first eight years. Upon joining the community, all the athletes have found that the coaches and team members act as key points of reference for pursuing their passions. Many have received sports equipment on loan for their chosen disciplines, and have benefited from support in their athletic training.

Most Obiettivo3 athletes have participated in numerous national and international competitions, achieving significant results. Most notably, they have won five Paralympic medals — one in 2021 and four in 2024. Beyond competitive performance, Obiettivo3 has also worked among local communities to convey the importance of sports for people with disabilities.

Support for Paralympic golfer Tommaso Perrino



In 2024, for the fifth year running, PharmaNutra continued its collaboration with Livorno golfer Tommaso Perrino, active on the EDGA (European Disabled Golf Association) international circuit, which promotes golf for people with disabilities, as well as other events across Italy.

Parma Lands



In 2024, the Parma Lands project developed between PharmaNutra and Parma Calcio continued solely with a charitable purpose. For all home games during the 2024/2025 season, the Men's First Team has chosen to wear a special line of pre-match shirts during warm-up, which can be purchased and personalised at the Tardini Stadium store.

Proceeds from these shirts will go toward funding sports activities for autistic children and youth in the municipalities of Calestano, Fornovo di Taro, Medesano, and Varano de' Melegari.

Cetilar Academy Project



Cetilar Academy is a project through which PharmaNutra supports the growth in athletic, professional and human terms of future sports talents involved in amateur clubs of excellence, including the motorsport rising stars of Kart Republic team, the young soccer players of Parma club U.S. Arsenal and the youngsters of the American football

team Parma Panthers.

PharmaNutra puts its heart on the field

On 16 November 2024, the Group took part in the charity event **"Metti in campo il cuore – 50 anni di Shalom"** (Put your heart on the field – 50 years of Shalom), a football match for solidarity between the **Next Generation Singers National Team** and the **Shalom nel cuore** team.

The proceeds supported two major initiatives: the construction of a school in Madagascar and the purchase of a monitor for the MRI room at the Cisanello Hospital.

Through this event, **PharmaNutra Group** reaffirmed its commitment to promoting universal values of **peace and inclusion** through sports. The event offered a moment of unity and social engagement for the Pisan community, and served as a tangible opportunity to support two key causes — education and healthcare — fields in which the company has always been actively involved

5.2.2 Universities and research centres

PharmaNutra Group supports the organisation of the Master's course in Marketing Management at the University of Pisa.

The partnership with the University of Pisa's Master's course in Marketing Management reinforced PharmaNutra Group's close relationship with the university, offering students valuable experience in a research-driven environment that encourages them to take advantage of their skills and capabilities.

In 2024 as well as in the previous three years, the Group participated, with other companies from different sectors, in a PROJECT WORK within the Marketing and Web Technologies course of the Department of Management Engineering of the University of Pisa.

The project consisted in developing a marketing plan dedicated to the launch of a new PharmaNutra-branded product.

The Group's participation in such projects aims not only to test the students on the topics acquired during the course of study, but also to enable them to apply them concretely to the corporate world, leading them to understand and master the strategic decision-making processes underlying entrepreneurial activities.

The winning group was awarded the "Best Marketing Project" prize.

Scientific collaborations with universities and academic institutions of excellence have always been a key part of the company's growth. On the one hand, they have enabled PharmaNutra to become increasingly aware of the quality and importance of its research and to acquire expertise through the comparison and exchange of knowledge with experts in the field. On the other hand, actively collaborating with research centres outside the company is an important recognition of the scientific value expressed by the Group.

During 2024, the Group supported research projects with the University of Brescia, the Paediatric and Adolescent Andrology Foundation and the University of Pisa.

Among the research institutes and universities with which we collaborate:



6.1 Approach and policies

6.2 The supply chain

6.2.1 Supply management and production plants

6.2.2 Other suppliers

06

Suppliers and commercial
network

6.1 Approach and policies

The supply chain represents the ecosystem of companies and entities within which PharmaNutra Group deals with suppliers for the purchase of goods or services. The Group's adoption of corporate social responsibility principles enables the company to make decisions that are economically, socially and environmentally sound and generate a positive impact on the community.

PharmaNutra Group constantly strives to ensure that suppliers and partners adhere to standards of conduct consistent with the Group's ones. These include compliance with laws, regulations, international human rights agreements and decent working conditions according to accepted international labour standards.

The Group's suppliers can be classified into production and logistics suppliers and service providers. The former include the production plants and the supplier in charge of the storage and distribution of the finished products and samples.

Service providers mainly include Pharmaceutical Sales Representatives, marketing and advertising providers, as well as general service providers:

COSTS* €/1,000	2024	2023	2022
Production and logistics costs	19,588	20,081	14,507
Commercial costs and commercial network costs	11,313	11,359	10,089
Marketing and advertising costs	18,491	15,670	12,051
Other costs	9,137	7,995	5,684
Cost for the purchase of raw materials, consumables and supplies	4,965	5,148	4,793
Research and Development costs *	1,290	1,171	505
TOTAL	64,784	61,424	47,629

Note: data expressed in thousands of Euro
*Research and Development costs represent the costs incurred for collaborations with external bodies, while the cost of employees performing research and development is included in personnel costs.

The increase in sales for 2024 compared to the previous financial year was accompanied by a physiological increase in operating costs due to the higher revenue volumes realised in raw material purchase cost, production and logistics costs, sales network costs and travel costs. 2024 saw the continuation of the start-up and development of the subsidiaries PharmaNutra España, PharmaNutra USA and the new Cetilar® Nutrition line, which led to an increase in Marketing and Advertising Costs and Other Costs, in particular recruiting, administrative and sales consultancy costs.

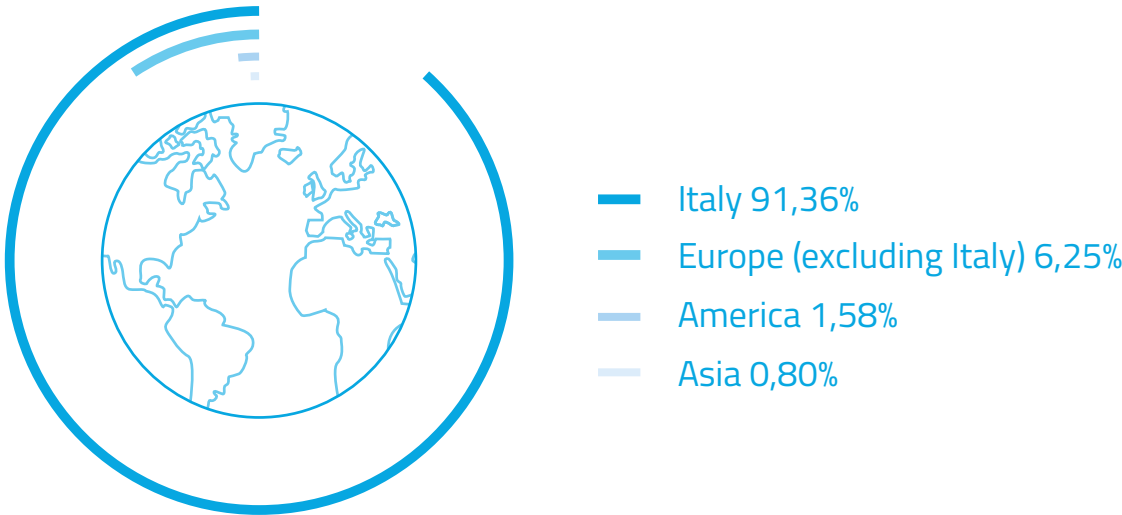
In 2024, the subsidiary Athletica Cetilar S.r.l. was established, though its impact on the Group's total costs remains marginal.

The total value of supplies of goods, services and labour by geographical area is shown below, specifying that for the breakdown by geographic area of raw material suppliers, since they are mainly distributors, the criterion of the origin for the product purchased is applied and not that of the location of the supplier.

COUNTRIES €/1,000	2024	2023	2022
Italy	18,784	19,770	13,739
Europe (excluding Italy)	1,286	1,377	1,426
America	325	237	5
Asia	165	46	271
Other*	0.8	50	99
TOTAL	20,561	21,480	15,540

The reduction in production plant costs is the result of targeted planning and the consequent optimisation of the finished product manufacturing expenses.

In terms of volume, the total number of parts purchased and produced in 2024 increased with respect to the previous year.



6.2 The supply chain

6.2.1 Supply management and production plants

The Group's suppliers are selected on the basis of specific features that reflect the Group's quality standards. In particular, for raw materials (RM), a sample is requested and analysed at the third party laboratory.

The documentation required for the certification of a new supplier includes proof of compliance with the mandatory requirements and possession of voluntary certifications attesting to the quality of business processes. The final judgement on the quality of the supplier is only made after an audit has been carried out by PharmaNutra Group's appointed personnel.



Following a positive assessment, the supplier is listed among qualified suppliers and monitored annually according to 4 evaluation parameters:

- Production volume, to be considered as the volume of product handled
- Percentage of non-compliant batches
- Timely delivery
- Proactivity in the management of corrective actions

In addition, during the supplier's qualification phase, evidence is acquired concerning the safety and health of workers with reference to the voluntary SA8000 standard.

The audited suppliers are evaluated on a yearly basis to ensure that the Group's quality requirements are maintained, enabling the Group to monitor the high and required quality standard. Any observations, points for improvement and non-conformities are monitored over time and re-assessed in the next scheduled audit.

During 2024, 6 audits were carried out at the plants and they were all successful.



100 %

of our supplier contracts include a
human rights clause

Following the construction of the new headquarters, completed at the end of 2023, the gradual insourcing of proprietary raw material production began in 2024. The steady growth in in-house production led to an increase in production shifts, from one to two per day.

All finished products are manufactured exclusively in Italy by a limited number of pharmaceutical production plants located in the north, which either complete or manage the entire production process. The plants all meet environmental sustainability requirements.

The Group is committed to selecting suppliers who guarantee high product quality standards. The primary suppliers are currently based in Italy; although production plants abroad have been considered for testing new technologies, no foreign suppliers have yet met the Group's quality criteria. The Group remains dedicated to ongoing research and innovation to further improve and expand its operations.

The production cycle of PharmaNutra Group's products includes several process controls along the production lines to prevent any defects and deviations being potentially harmful to consumer health. In addition, for each product the plants produce a certificate of analysis confirming the wholesomeness of the product and compliance with production conformity. At the production stage, before the packaging components are printed, a check is carried out to verify that the indications and information present on the same comply with the mandatory regulations aimed at preventing any non-compliant use by the end consumer. Following food alerts resulting from ethylene oxide contamination, PharmaNutra Group has voluntarily started monitoring the raw materials used in its products with targeted analyses and fully checking finished products with systematic and continuous analyses. Finally, in compliance with the provisions of (EU) Regulation 2022/63, PharmaNutra Group has removed the ingredient titanium dioxide from all its products, the use of which in food supplements has been preventively banned.

PharmaNutra Group has adopted, in advance of regulatory requirements, environmental labelling on the cases and components of its products indicating material, collection, reuse recovery and recycling. Environmental labelling informs the end consumer about the proper separate disposal of packaging to mitigate the current impossibility of using biodegradable packaging to maintain the quality of the finished product.

Alongside its key suppliers, the Group is also working to improve information flows for better traceability of products and packaging.

6.2.2 Other suppliers

The category of other suppliers includes the class of Pharmaceutical Sales Representatives (PSRs), which represent a strategic stakeholder-supplier together with the production plants as they constitute the direct distribution channel for PharmaNutra on the Italian market.

The work carried out by the PSR for the Group also has an important function in providing scientific information to the medical profession, which is why the Group carefully selects candidate profiles and provides periodic refresher courses for the agents themselves.

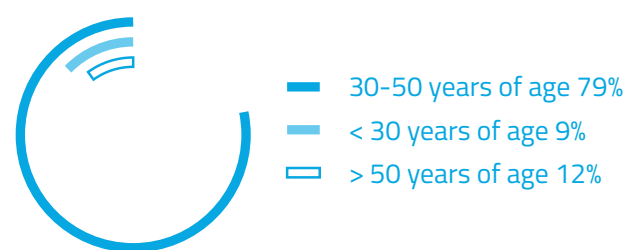
As described above, the sales network is organised into three dedicated sales lines, Primary, Supportive and Nutrition, each headed by a manager reporting directly to the Commercial Management.

As at 31 December 2024, there are 148 PSRs with exclusive mandate, who are the real driving force of the company.

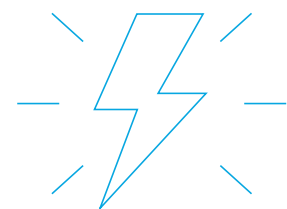
ISC BREAKDOWN BY GENDER



ISC BREAKDOWN BY AGE



With regard to gender distribution, the workforce is fairly balanced (71 men and 77 women), while around 80% of agents are aged between 30 and 50, reflecting the nature of the role, which involves frequent travel between hospitals and pharmacies. In addition, given the peculiarities of the products marketed, the Group is looking for people who are preferably university graduates with a few years of experience.

**Flexibility and responsiveness**

Such features have enabled the integration of remote information and sales tools, thus structuring a new sales system capable of meeting changing market needs and reactivity.

**Continuing Education**

Professional growth is guaranteed by a system of constant professional update and monitoring of performance and scientific knowledge

**Competitive time to market**

Guaranteed only by rigorous scientific research, high quality standards and proprietary technologies.

The process of selecting Pharmaceutical Sales Representatives involves the Sales Department in defining the job description and the area that the Pharmaceutical Sales Representative will cover.

Recruitment channels are the same as those used for personnel recruitment (LinkedIn, recruitment sites).

The training of new PSR consists of several stages starting with the delivery of the scientific and commercial material for training, and is developed through periodic in-person and/or remote sessions with final evaluation tests. On average, each new Pharmaceutical Sales Representative receives about 100 hours of training before starting work in the field.



7.1 Approach and policies

7.2. The actions taken for reducing environmental impacts

7.2.1 Energy

7.2.2 Management and use of water resources

7.2.3 Waste management

07

Environment

7.1 Approach and policies

The fight against climate change is one of the major global challenges of recent years. Every company, whether large or small, can engage and contribute to this global challenge.

Commitment to social and territorial responsibility has long been an integral part of the principles and conduct of companies of the Group oriented towards maintaining high levels of safety, environmental protection and energy efficiency, as well as training, awareness and involvement of personnel on social responsibility issues. It is acknowledged that in this financial year, as in the past, there was no damage caused to the environment for which the Group’s companies have been finally declared liable.

During the reporting year, internal production of several key semi-finished products began, enabling the Group to establish a baseline for 2025 to implement an effective, responsive system for optimising energy use, reducing consumption, and minimising emissions.

In 2024, drinking water dispensers were installed at the PharmaNutra head office, saving over 8,000 0.5L plastic bottles to date.

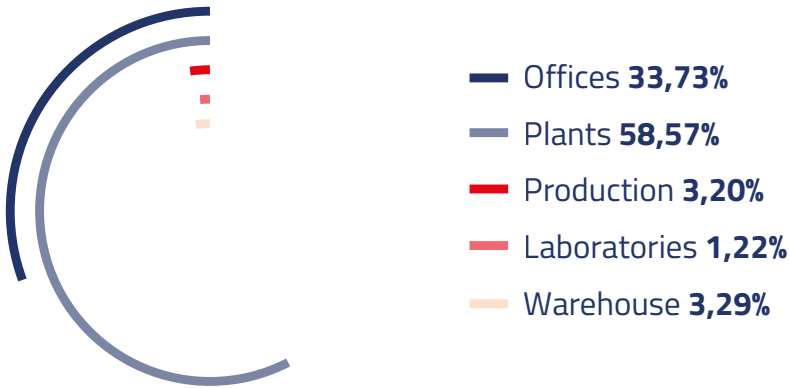
The Group plans to initiate the ISO 14001 certification process in 2025 and to formally establish its environmental policy.

7.2. The actions taken for reducing environmental impacts

7.2.1 Energy

At the end of 2024, following the move to its new headquarters, PharmaNutra Group began monitoring the building’s energy and water consumption using a Building Management System (BMS). This consists of a smart, automated, and remotely managed system for tracking consumption values.

The pie chart below illustrates the breakdown of energy use across different company areas:



As shown in the chart, the majority of consumption is attributed to the management and office areas (92.10%), while usage from production, warehouse, and laboratory areas is comparatively low, accounting for 3.2%, 3.3%, and 1.2% respectively.

Below are the main figures on the organisation’s internal energy consumption:

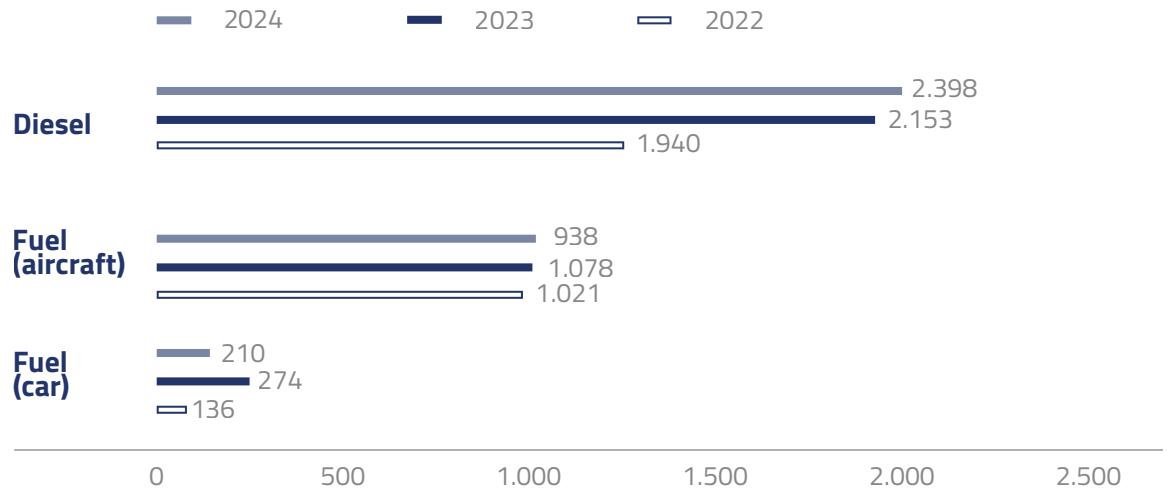
(ENERGY) CONSUMPTION WITHIN THE ORGANISATION	M.U.	2024	2023	2022
Methane (room heating)	GJ	-	58	60
Petrol (car)		210	274	136
Fuel (aircraft)		938	1,078	1,021
Diesel		2,398	2,153	1,940
Electricity		6,697	2,243	455
TOTAL		10,243	5,806	3,612

Note: DEFRA conversion factors

The following table presents the calculation of energy intensity in GJ consumed relative to revenue:

ENERGY INTENSITY GJ/TURNOVER (€ MILLION)	2024	2023	2022
Revenue (€ million)	115	100	83
Total energy consumption (GJ)	10,243	5,806	3,612
Intensity	89.1	58.1	43.7

The increase in diesel consumption can be attributed to the increase in the company car fleet and more journeys.



Energy consumption in 2024 reflects full-year use of the new building, unlike the partial use in 2023, and is influenced by the larger surface area, energy required for heating, and the start-up of the production department.

Since August of 2024, the Group has utilised renewable energy sources via its installed photovoltaic system.



The new premises incorporate various emission-reducing systems as part of their construction:

- **energy efficiency systems such as high-efficiency air-conditioning and heat recovery systems;**
- **air renewal system with heat recovery;**
- **free-cooling system;**
- **roof rainwater recovery system for irrigation use**

However, as 2024 marks the first full year of occupancy at the new site, no comparable data from previous years is currently available.

New electricity supply contracts were signed, ensuring the exclusive use of renewable energy and the inclusion of green certificates. The supply of certified green energy began in March of 2025.

The Group's CO2 emissions reflect direct (Scope 1) and indirect (Scope 2) energy consumption, resulting from the conversion of consumption data using conversion factors.

DIRECT CO2 EMISSIONS (SCOPE 1)	M.U.	2024	2023	2022
Methane (room heating)	Tonnes Co2e	-	3	3
Petrol (car)		13	17	9
Fuel (aircraft)		58	66	64
Diesel		149	143	123
TOTAL		220	229	199

Note: DEFRA conversion factors

INDIRECT CO2 EMISSIONS (SCOPE 2)	M.U.	2024	2023	2022
Market-based electricity	Tonnes Co2e	931	271	58
Location-based electricity		545	186	31
TOTAL		1,476	457	89

Note: Terna and AIB conversion factors

Below is the calculation of GHG emission intensity (Scope 1 and Scope 2) in relation to revenue:

EMISSION INTENSITY – TONNES CO2E/TURNOVER (MILLION)	2024	2023	2022
Total Tonnes CO2 Scope 1+2 Location Based	765	416	230
Revenue (€ million)	115	100	83
Intensity	6.6	4.2	2.8

For the subsidiaries PharmaNutra España and PharmaNutra USA, which had no production facilities, logistics warehouses, or company vehicles in 2024, energy usage was limited solely to electricity consumption at the head offices. This energy usage, covering only routine operations in the Barcelona and Florida offices, is minimal given the small size of the premises utilised, and can therefore be considered negligible.

Energy consumption in 2024 reflects the full-year utilisation of the facility, unlike 2023 when use was only partial. This consumption is affected by the increased surface area, heating requirements, and the operational launch of the production department. As a result, the ratio of energy consumption to turnover is also impacted.

Starting from 2022, with a view to improving the ESG reporting process of the value chain and for better impact mitigation, the Group began interfacing with one of the main production plants and the logistics and distribution company.

The production plant energy consumption data provided refer to the energy used for production activities carried out on behalf of PharmaNutra. These figures are estimated based on the share of PharmaNutra production relative to the total supplement line output, given that all products undergo similar production processes.

The information was reversed over the entire production of the Group's products (excluding Akern's products) to obtain an estimate of total emissions. The table below shows the emissions attributable to the Group's total production (approximately 697,046 kg for 2024 and 575,026 kg for 2023, respectively).

CONSUMPTION GENERATED BY PRODUCTION PLANT	M.U.	2024	2023
Water	cubic m	1,534	1,192
Energy	Kw	59,040	61,486
Gas	Methane Nm3	143,104	119,517

Total emissions from production plants (tCO2e)

INDIRECT EMISSIONS UPSTREAM OF THE VALUE CHAIN	m.u.	2024	2023
Energy	tCO2e	12.10	11.89
Methane	tCO2e	292.71	243.62

For the purposes of reporting emissions from the transport of the Group's products, subsidiaries were excluded.

The parent company’s logistics emissions are based on data provided by the sole distributor responsible for product delivery within the Italian market. The estimate considers the number of shipments, distance travelled from the main depot to the various regional hubs, type of vehicle used, and the proportion of PharmaNutra products in each shipment (which are shared with other companies).

		2024
INDIRECT EMISSIONS FROM THE TRANSPORT OF PHARMANUTRA PRODUCTS	u.m.	ITALY
CO2 emissions from product transport	tCO2e	43.93

In 2024, with a view to enriching its environmental reporting, the Group estimated one of the 15 Scope 3 categories: employee commuting, i.e. the emissions resulting from staff travel from home to work for the Group's Italian companies only.

A questionnaire was spread among all members of the organisation (excluding employees with company cars), asking for an estimate of the kilometres travelled on the home-to-work journey and the type of vehicle used.

The employees who provided answers to the questionnaire represent 87% of the sample; The figure for the Total Emission Estimate was obtained by multiplying the emissions per capita of one employee by the total number of employees of the Group.

	2024	2023
Scope 3: employees' commuting	tCO2e	tCO2e
Estimated total emission	67.55	86.78

Note: source of the conversion factor used to transform km into KGC02: ISPRAAMBIENTE.IT

The data collected showed a decrease in emissions for the year 2024. This decline is due to a more accurate calculation methodology. In particular, a higher response rate was recorded in 2024 compared to 2023, including individuals working remotely (full or partial remote working) or commuting without private vehicles such as cars or motorcycles. As the average per capita consumption was lower than the previous year, the overall total followed the same downward trend.

The same criterion was applied for the estimation of emissions from business trips made by the sales network (in this case, the number of responses accounted for 66% of the overall total).

The estimated overall total of CO2 emissions related to commercial network travel is:

	2024	2023
Scope 3: PSR business trips	tCO2e	tCO2e
Estimated total emission	775.29	684.33

Note: source of the conversion factor used to transform km into KGC02: ISPRAAMBIENTE.IT

In the years of reporting, the Group has not received any sanctions and has not been the subject of litigation concerning environmental issues.

7.2.2 Management and use of water resources

PharmaNutra Group has shown a strong commitment to sustainable water resource management. Water is used for general purposes including irrigation of green areas, office operations, and cleaning and sanitation of production areas, with careful oversight to reduce environmental impact. PharmaNutra Group does not operate in water-stressed areas.

Efficient water management planning includes the following practices:

1. **Sustainable Irrigation:** The Group has adopted the use of alternative water sources to irrigate green areas, such as groundwater and a rainwater collection tank; lake water is also used for irrigation. When the lake water drops below a certain threshold, it is replenished using stored rainwater or well water.

1. **Optimisation of Washing Processes:** production schedules and the use of efficient cleaning technologies help minimise water consumption while maintaining high hygiene and sanitation standards.

2. **Monitoring and Awareness:** Ongoing monitoring of water use and initiatives aimed at raising employee awareness of the importance of water conservation help support a culture of sustainability. To further reduce water consumption and optimise washing processes, production campaigns are validated to allow for continuous system operation without interim washing.

These practices not only ensure compliance with the environmental regulations but also reflect PharmaNutra’s active role in conserving natural resources and upholding its social responsibility.

Water withdrawal

Water for the Group’s production site is supplied via drinking water from the municipal network.

Withdrawals are closely monitored using general meters on the office side and dedicated meters on the production side.

Withdrawal of drinking water from the environment

	M.U.	2024	2023
Water mains	ML	1.28	0.97

Final destination of industrial water

The wastewater from the production and laboratory activities is sent to a treatment plant and, once purified, is discharged into the ground. The company conducts regular wastewater sampling in compliance with the regulatory requirements. In the event of operational issues in the lab or production, wastewater is diverted into an emergency tank and transported for off-site disposal, bypassing the treatment plant.

For reporting purposes, the volume of water withdrawn equals the amount discharged. This reflects the fact that water used within the facility is not consumed but returned entirely as surface water. Moreover, water is not used as an input in the production process.

7.2.3 Waste management

As of June 2024, production of proprietary raw materials began at the company-owned facility. This led to the generation of in-house waste in addition to that produced by the external production plants manufacturing PharmaNutra’s finished products.

Certified and standardised procedures are applied to both internal production (in the proprietary facility) and external production (by subcontractors), clearly defining how, when, and by whom waste is to be managed.

The methods laid out by the internal “Supplier Qualification” SOPs for the selection of disposers and transporters are followed. The companies entrusted with waste transport, disposal and recovery have the legal authorisations without which they would not be assigned such a task as they are denied access to the production sites.

Waste is classified as either municipal or special waste in accordance with the current European Waste Catalogue (EWC). Code assignment is a prerequisite and condition for the classification as hazardous and non-hazardous.

Inside the company (plant), in the production unit, QC laboratory, offices, etc., different types of containers are placed, identified with appropriate signs bearing the name, the EWC code and any signs indicating the hazard risk.

All waste operations are tracked on loading and unloading registers, one for each production site by the persons in charge (such as Quality Assurance or transporters). Records are made within 10 working days of waste production and disposal, and records are kept for at least 5 years at Quality Assurance.

As of 2022, with a view to improving the ESG reporting process of the value chain and for better impact mitigation, the Group started interfacing with its strategic suppliers, requesting from them some data on the waste generated in the production process.

From this activity, the Group was able to obtain data from a production plant on the waste generated and the consumption resulting from the production process.

The information provided refers to waste generated for the production made on behalf of PharmaNutra on the basis of one kilogram of generic product made by the plant, in view of the fact that the production steps are common to all products manufactured by the plant.

The information was reversed over the entire production of the Group's products (excluding Akern's products) to obtain an estimate of total waste. The table below shows the tonnes of waste attributable to the Group's total production (approximately 697,046 kg for 2024 and 575,026 kg for 2023, respectively).

PRODUCTION PLANT-GENERATED WASTE IN PRODUCTION PROCESS STEPS	M.U.	2024	2023*
Hazardous waste	t	190.78	195.34
Non-hazardous waste		347.13	299.76

*For the year 2023, the figure for hazardous waste was recalculated using a more accurate conversion factor.

In line with the previous year, the Group continued its policy of reducing the disposal (destruction) of obsolete packaging materials in the year under report.

According to this policy, if a change in product packaging graphics is decided, the packaging to be replaced will be used before the change is made so as to minimise the quantities to be disposed of.

To further reduce waste, the Group joined the "Regusto" donation management platform at the end of 2024, based on an innovative charity-sharing model.

Starting in April 2025, the Group will use the platform to donate products with expiry dates less than six months out, which would otherwise be disposed of.

As previously noted, waste generated directly by the organisation results from the production of proprietary raw materials, internal quality control on finished products, raw material and semi-finished product sampling, and the disposal of non-functioning or damaged products (for the company Akern).

TYPE OF WASTE	M.U.	2024	2023	2022
Hazardous waste	t	1.39	0.50	0.60
Non-hazardous waste		3.87	17.20	954.00
TOTAL		5.3	17.7	954.6

DESTINATION (T)	2024	2023	2022
Recovered waste	1.9	15.4	951
% of total	36.97%	87.43%	99.61%
Waste disposed of	3.3	2.3	3.6
% of total	63.03%	12.90%	0.37%
TOTAL WASTE PRODUCED	5.3	17.7	954.6

Compared to previous years, total waste volumes have decreased, as 2023 and 2022 figures included waste resulting from the construction of the new headquarters.

Waste from production activities primarily consists of mixed packaging materials and expired medicinal products, which are classified as non-hazardous waste (approximately 84% of the total waste).

The remainder consists of packaging and materials contaminated with hazardous substances.

The R&D laboratory, on the other hand, generates potentially infectious wastes, acid and basic solutions, solvents, saline solutions, PPE, gloves, glassware, tips and pipettes, due to research and development activities related to new raw materials and semi-finished products.

Waste disposal is externally managed by a company registered with the Tuscan Regional Register of Environmental Managers.

Therefore, PharmaNutra Group keeps and files the forms issued by the company for each disposal carried out.

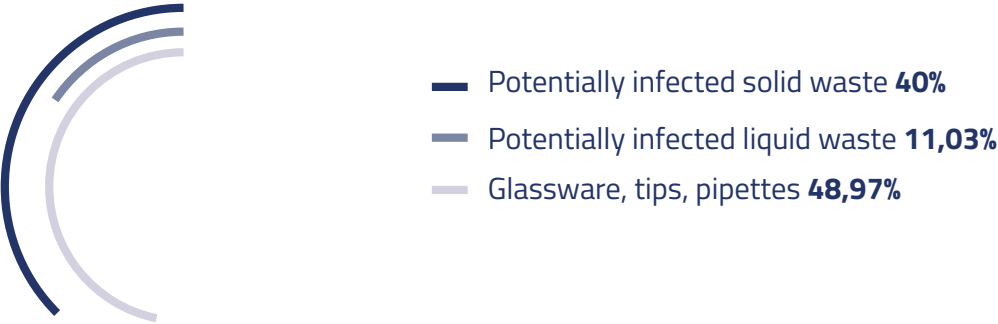
Prior to collection and disposal by the external company, waste is classified according to the EWC code and hazardous nature. Inside the laboratory, waste is collected separately in dedicated paved areas, deposited in specific containers for temporary storage, before transport and recovery/disposal by the external company.

Only when a specific amount has been reached does the external company proceed with collection and disposal, so the data reported only refer to the amount of waste that has reached a quantity that can be disposed of

Subsequently, the waste is stored and shipped by the external company in a separate manner according to its type and destination.

According to the forms issued by the disposal company, the main waste generated by the organisation are:

LABORATORY WASTE



Laboratory waste generation in 2024 totalled 680 kilograms (down from 1,247 kg in 2023), consisting mainly of hazardous waste: this waste is fully directed to disposal and mainly consists of glassware, pipette tips and pipettes (49%), with 40% constituting potentially infectious solid waste, and 11.03% acidic solutions.



Data on waste generated and disposed of are summarised below:

COMPOSITION OF WASTE (M.U. t)		2024			2023			2022		
CODE EWC	DESCRIPTION	GRAND TOTAL	REC.	DISPOS.	GRAND TOTAL	REC.	DISPOS.	GRAND TOTAL	REC.	DISPOS.
150101	Mixed material packaging	1.2	1.1	0.1	15.5	15.4	0.1	11.6	11.6	
170904	Mixed construction and demolition waste other than those under items 17 09 01, 17 09 02 and 17				-	-		719.8	719.8	
170904	Demolition and construction waste				-	-		-	-	
170802	Chalk-based construction metals other than those under item 170801				-	-		-	-	
170802	Plasterboard				0.3	-	0.3	-	-	
170604	Insulating materials, various				-	-		0.1	0.1	
170407	Mixed metals				-	-		-	-	
170405	Iron and steel				0.1	-	0.1	-	-	
170203	Plastic				-	-	-	0.1	0.1	
170202	Glass				-	-		-	-	
170201	Wood				-	-		12.6	12.6	
170101	Cement				-	-		206.7	206.7	
161002	Miscellaneous aqueous liquid wastes under item 161001				-	-		2.1		2.1
160214	Discarded equipment other than those mentioned under EWC item 160209 to 160213	0.2	0.2	0.1	0.3	-	0.3	-	-	
160216	Discarded equipment other than those mentioned under EWC item 160215	0.0		0.0	0.1		0.1			
180109	Medicinal products not listed under 18 01 08	2.5		2.5	0.8		0.8	0.9		0.9
TOTAL NON-HAZARDOUS		3.9	1.3	2.7	17.1	15.4	1.7	954.0	951.0	3.0
150110	Packaging units containing residues of or contaminated by hazardous substances	0.7	0.7							
160601	Non-powdery solid HP5 HP8 HP10 HP14	0.0		0.0	0.03		0.03			
160605	Non-powdery solid	0.0		0.0	0.03		0.03			
150202	absorbent materials, filter materials (including unspecified oil filters), rags and protective clothing contaminated with hazardous substances	0.0	0.0							
200121	Fluorescent tubes and other mercury-containing waste				-	-		-	-	
170603	Other insulation materials containing or consisting of hazardous substances				-	-		-	-	
170605	Construction material containing asbestos				-	-		-	-	
170301	Bituminous mixtures containing coal tar				-	-		0.4	0.4	
180202/02	potentially infected solid waste	0.3		0.3	0.2		0.2	0.1		0.1
180203	waste that must not be collected and disposed of with special precautions to avoid infection							0.1		0.1
180103	potentially infected liquid waste	0.1		0.1	0.1		0.1	0.0		0.0
160506/04	Acid solutions				0.2		0.2	0.1		0.1
160506/02	glassware, tips, pipettes	0.3		0.3	0.0			0.0		0.0
TOTAL HAZARDOUS		1.4	0.7	0.7	0.5	-	0.5	0.7	0.4	0.3
GRAND TOTAL		5.3	2.0	3.4	17.6	15.4	2.2	954.7	951.3	3.3

This document represents the fourth Sustainability Report for PharmaNutra Group, consisting of the companies Pharmanutra S.p.A., Akern S.r.l, PharmaNutra España S.L.U., PharmaNutra USA Corp. and Athletica Cetilar S.r.l. It demonstrates the Company's commitment and focus on integrating sustainability issues into its business.

We point out that in this Sustainability Report, in contrast to the Annual Financial Report, the newly established ATHL has been excluded from the reporting scope except for the calculation of the Economic Value Generated and Distributed.

The reason for the company's exclusion from the reporting scope of this document is that during 2024 its operation was extremely limited, therefore the impact of this company on the Group and the stakeholders identified, in economic, environmental and social terms, is not material. The company will be consolidated starting from the 2025 Sustainability Report.

The reference time frame is the financial year 2024, i.e. the calendar year from 1 January 2024 to 31 December 2024. To support the comparability of quantitative data across the different areas analysed, numerical values for 2023 and 2022 have also been included, some of which were recalculated for improved accuracy.

The Sustainability Report, which was approved on 12 May 2025 by the Board of Directors of the Parent Company, is prepared in accordance with the GRI Standards, on an "In accordance" basis. GRI standards were updated in accordance with the Global Reporting Initiative (GRI) in 2021 and are the most widely recognised international non-financial reporting standard to date.

This document is drawn up on a voluntary basis as the company is exempted from the mandatory reporting of the Sustainability Statement according to Italian Legislative Decree no. 125/2024, currently in force.

The Sustainability Report is subject to limited assurance by KPMG S.p.A., which issued a specific report and conducted the audits according to the procedures indicated in the section of the document entitled "Independent Auditors' Report".

This document deals with and explores material topics for PharmaNutra Group, i.e. issues that represent the organisation's impacts on the economy, the environment and people, including human rights. Impacts are defined as the effects the organisation has or could have on the economy, the environment and people, including their human rights, which in turn can indicate its contribution (negative or positive) to sustainable development.

The Group has updated the materiality analysis in section "1.2.2 Materiality Analysis", incorporating the principle of dual materiality. In addition to the impacts already reported in previous years, financial risks and opportunities related to material issues were also included.

In the correlation table "GRI Content Index" included at the end of the document, for each material topic the page reference of the Report where the relevant content can be found is made explicit.

PharmaNutra Group makes this Sustainability Report available to the stakeholders through its publication on the website www.pharmanutragroup.com.

To request further information about this Document or to share comments and observations, please write to the e-mail address esg@pharmanutra.it.

Declaration of use: PharmaNutra Group presented a report in accordance with GRI standards for the period 01/01/2024 - 31/12/2024.
Relevant GRI industry standards: N/A

GRI	INDICATOR	PAGE
1	Foundation - Version 2021	n/a
GENERAL DISCLOSURES 2021		
2-1	Organisational details	10
2-2	Entities included in the organisation's sustainability reporting	11-12-13;124-125
2-3	Reporting period, frequency, and contact point	124-125
2-4	Restatements of information	124-125
2-5	External assurance	128 to 131
2-6	Activities, value chain and other business relationships	14 to 27
2-7	Employees	71
2-8	Workers who are not employees	107-109
2-9	Governance structure and composition	46 to 57
2-10	Nomination and selection of the highest governance body	46 to 48
2-11	Chair of the highest governance body	47-48
2-12	Role of the highest governance body in overseeing the management of impacts	40 to 43
2-13	Delegation of responsibility for managing impacts	49
2-14	Role of the highest governance body in sustainability reporting	49
2-15	Conflicts of interest	49-50;58-59
2-16	Communication of critical concerns	50-51
2-17	Collective knowledge of the highest governance body	46-47
2-18	Evaluation of the performance of the highest governance body	58-59
2-19	Remuneration policies	55-56
2-20	Process to determine remuneration	55-56
2-21	Annual total compensation ratio	75
2-22	Statement on sustainable development strategy	4- 40 to 43
2-23	Policy commitments	62 to 54
2-24	Embedding policy commitments	86 to 88; 105-106
2-25	Processes to remediate negative impacts	59-60;79;89;104;112;122
2-26	Mechanisms for seeking advice and raising concerns	58-59
2-27	Compliance with laws and regulations	n/a
	NOTE/OMISSION: During the reporting period, there were no instances of non-compliance with laws and regulations	
2-28	Membership associations	36
2-29	Approach to stakeholder engagement	35
2-30	Collective bargaining agreements	68-69
MATERIAL TOPICS 2024		
3 - 1	Process to determine material topics	30-31
3 - 2	List of material topics	32-33
ETHICS, INTEGRITY AND FIGHT AGAINST CORRUPTION		
3-3	Management of material topics	32-33; 59-60
205-1	Operations assessed for corruption risks	59-60
205-2	Communication and training on anti-corruption policies and procedures	59
205-3	Confirmed incidents of corruption and measures taken	60
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	60
	No complaints were received during the reporting period concerning breaches of customer privacy or data loss	
PRODUCT QUALITY AND SAFETY		
3-3	Management of material topics	32-33; 86 to 90
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	89

GRI	INDICATOR	PAGE
RESPONSIBLE PROCUREMENT MANAGEMENT		
3-3	Management of material topics	32-33;104-105
204-1	Proportion of spending on local suppliers	105
CORPORATE WELFARE AND EMPLOYEE CAREER DEVELOPMENT		
3-3	Management of material topics	32-33; 68 to 71
401-1	New employee hires and employee turnover	71-72-73
401-3	Parental leave	74
404-1	Average number of training hours per year per employee	76
404-2	Programs for upgrading employee skills and transition assistance programs	77-78
HEALTH AND SAFETY IN THE WORKPLACE		
3-3	Management of material topics	32-33; 79 to 83
403-1	Workers representation in formal joint management–worker health and safety committees	79-80-81
403-2	Hazard identification, risk assessment, and incident investigation	81-82
403-3	Occupational health services	83
403-4	Worker participation, consultation, and communication on occupational health and safety	79-80-81
403-5	Worker training on occupational health and safety	76
403-6	Promotion of worker health	79-80-81
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	79-80-81
403-9	Workplace accidents	80-81
403-10	Occupational diseases	81
DIVERSITY AND EQUAL OPPORTUNITIES		
3-3	Management of material topics	32-33; 68 to 74
405-1	Diversity of governance bodies and employees	75
405-2	Ratio of basic salary and remuneration of women to men	74-75
406-1	Incidents of discrimination and corrective actions taken	74
SUSTAINABLE VALUE CREATION		
3-3	Management of material topics	32-33; 27 to 29
201-1	Direct economic value generated and distributed	28
201-4	Financial assistance received from government	28
413-1	Operations with local community engagement, impact assessments, and development programs	96 to 101
WASTE MANAGEMENT AND RECYCLING		
3-3	Management of material topics	32-33; 118 to 123
306-1	Waste generation and significant waste-related impacts	118 to 123
306-2	Management of significant waste-related impacts	118 to 120
306-3	Waste generated	122-123
306-4	Waste diverted from disposal	119
306-5	Waste directed to disposal	119
ENERGY EFFICIENCY		
3-3	Management of material topics	32-33; 112 to 117
302-1	Energy consumption within the organization	113
302-3	Energy intensity	113
305-1	Direct (Scope 1) GHG emissions	114
305-2	Energy indirect (Scope 2) GHG emissions	114
305-4	Intensity of GHG emissions	115
MANAGEMENT OF WATER RESOURCES		
3-3	Management of material topics	32-33; 117-118
303-1	Interactions with water as a shared resource	117-118
303-3	Water withdrawal	117
303-4	Water discharge	117-118



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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report on the sustainability report

To the board of directors of
Pharmanutra S.p.A.

We have been engaged to perform a limited assurance engagement on the 2024 sustainability report (the "sustainability report") of the Pharmanutra Group (the "group").

Directors' responsibility for the sustainability report

The directors of Pharmanutra S.p.A. (the "parent") are responsible for the preparation of a sustainability report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" issued by GRI - Global Reporting Initiative (the "GRI Standards").

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of a sustainability report that is free from material misstatement, whether due to fraud or error.

They are also responsible for defining the group's objectives regarding its sustainability performance and the identification of the stakeholders and the significant aspects to report.

Auditors' independence and quality management

We are independent in compliance with the independence and all other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our company applies International Standard on Quality Management 1 (ISQM Italia 1) and, accordingly, is required to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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Pharmanutra S.p.A.
Independent auditors' report
31 December 2024

Auditors' responsibility

Our responsibility is to express a conclusion, based on the procedures performed, about the compliance of the sustainability report with the requirements of the GRI Standards. We carried out our work in accordance with the criteria established by "International Standard on Assurance Engagements 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised"), issued by the International Auditing and Assurance Standards Board (IAASB) applicable to limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the sustainability report is free from material misstatement.

A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE 3000 revised and consequently does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures we performed on the sustainability report are based on our professional judgement and include inquiries, primarily of the company's personnel responsible for the preparation of the information presented in the sustainability report, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

Specifically, we performed the following procedures:

- 1 analysing the reporting of material aspects process, specifically how the reference environment is analysed and understood, how the actual and potential impacts are identified, assessed and prioritised and how the process outcome is validated internally;
- 2 comparing the financial disclosures presented in section "1.1.7 A business that creates value: the Group's impacts" of the sustainability report with those included in the group's consolidated financial statements;
- 3 understanding the processes underlying the generation, recording and management of the significant qualitative and quantitative information disclosed in the sustainability report.

Specifically, we held interviews and discussions with the parent's management personnel. We also performed selected procedures on documentation to gather information on the processes and procedures used to gather, combine, process and transmit non-financial data and information to the office that prepares the sustainability report.

Furthermore, with respect to significant information, considering the group's business and characteristics:

- at group level:
 - a) we held interviews and obtained supporting documentation to check the qualitative information for consistency with available evidence;
 - b) we carried out analytical and limited procedures to check, on a sample basis, the correct aggregation of data in the quantitative information;
- we visited Pharmanutra S.p.A., which we have selected on the basis of its business, contribution to the key performance indicators at consolidated level and location, to meet its management and obtain documentary evidence, on a sample basis, supporting the correct application of the procedures and methods used to calculate the indicators.



Pharmanutra S.p.A.
Independent auditors' report
31 December 2024

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the 2024 sustainability report of the Pharmanutra Group has not been prepared, in all material respects, in accordance with the requirements of the GRI Standards.

Florence, 23 June 2025

KPMG S.p.A.

(signed on the original)

Giuseppe Pancrazi
Director of Audit



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