PolyPeptide

2025 Annual Report

Creating the future in peptides

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General information

PolyPeptide is a focused CDMO, specializing in the development and manufacturing of synthetic peptides used as active pharmaceutical ingredients (API) or intermediates in therapeutic products. Our mission is to help customers to develop products, secure regulatory approval, and successfully launch and commercialize their products by combining cGMP-compliant manufacturing practices with efficient and sustainable technologies.

As a CDMO serving pharmaceutical and biotech companies, PolyPeptide must adhere to stringent product quality requirements and regulations to protect the safety of patients. The Group is committed to driving sustainability by embedding core principles of sustainable business practices, ethical conduct, and regulatory compliance into its operations and Enterprise Risk Management (ERM) framework. At PolyPeptide, material sustainability topics are anchored in our corporate strategy and daily operations, reflecting our commitment to long-term value creation and alignment with evolving regulatory requirements.

PolyPeptide's strategy builds on its multi-site network to strengthen its foundations and competitive advantages, with innovation in green chemistry playing an increasingly important role in sustainable peptide drug manufacturing.

PolyPeptide's global footprint enables us to drive meaningful change across the pharmaceutical value chain through responsible practices and collaboration with partners worldwide. Through the Group's green chemistry agenda, PolyPeptide aims to improve environmental sustainability by reducing and optimizing the use of hazardous solvents across its processes. By prioritizing sustainability in our innovation, development and operational efforts in areas where we believe we can have the greatest influence, we aim to contribute to a more sustainable future.

In 2025, PolyPeptide further fortified its climate transition plan by including near-term, science-based greenhouse gas (GHG) reduction targets for Scopes 1, 2, and 3, as approved by the Science Based Targets initiative (SBTi). To reinforce this commitment and align with evolving expectations of business partners and investors, PolyPeptide is voluntarily reporting in reference to the EU Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS)[1] as well as in accordance with the Taskforce on Climate-related Financial Disclosure (TCFD) framework.

For further information regarding PolyPeptide's strategy, market, and business model, see section Strategy.

The Group participates in the Carbon Disclosure program (CDP), scoring a "B" rating in 2025 (2024: B). This is complemented by the EcoVadis ratings, where PolyPeptide received an "Advanced" rating for its carbon management program in 2025 and a "Silver" rating for its sustainability program, a recognition awarded to the Top 15% of companies assessed by EcoVadis in the 12 months prior to the medal issue date[2].

Since January 2026, all manufacturing sites are certified according to ISO45001:2018 Occupational health & safety, ISO14001:2015 Environmental management and ISO27001:2022 Information Security.

[1] PolyPeptide continues to monitor developments relating to the CSRD and the evolving scope of ESRS disclosure requirements. The approach outlined in this section reflects our current intentions and may be adapted as regulations are finalized.

[2] According to the CDP, the B rating places PolyPeptide in the so-called Management band (B/B- ratings), meaning that the Group is taking coordinated action on climate issues.
EcoVadis recognition page: https://recognition.ecovadis.com/m2avg0A0X0WP6JOkVsRCEg

Basis for preparation

This Sustainability Report covers the period 1 January – 31 December 2025 and is prepared in accordance with art. 964b of the Swiss Code of Obligations concerning transparency on non-financial matters as well as the Swiss Ordinance on Climate Disclosures (see sections Index of disclosure requirements in accordance with art. 964b Swiss Code of Obligations and Climate disclosures in accordance with art. 964b Swiss Code of Obligations and TCFD recommendations).

Furthermore, the Sustainability Report has been prepared in reference to ESRS for sustainability matters identified as material for the Group (see sections ESRS Content index of material disclosures)[1].

In 2024, PolyPeptide conducted a Double Materiality Assessment (DMA) in reference to ESRS to address material impacts, risks and opportunities (IROs) across its own operations as well as its upstream and downstream value chain.

All direct and indirect subsidiaries that PolyPeptide Group AG consolidates fall under the scope of this Sustainability Report 2025 (for a detailed overview of PolyPeptide's consolidated subsidiaries, see section 1.1.3 Non-listed companies belonging to PolyPeptide of the Corporate Governance Report 2025 and note 11 Investments in subsidiaries of the consolidated financial statements in the Financial Report 2025).

Disclosures in relation to specific circumstances

As part of the transition to reporting in reference to ESRS, 2025 serves as the base year for certain metrics reported for the first time. Scope 1, 2 and 3 emissions continue to rely on 2022 and 2023 as base year data used for the transition plan, as business activities during these years were broadly typical and representative. There were no significant financial or non-financial anomalies compared to previous years. Operational volumes and key performance indicators remained within normal ranges and reflected standard business activity. Comparative information for environmental metrics from preceding years is included where relevant, available and appropriate to support meaningful interpretation. Unless otherwise noted, 2025 serves as the base year for social and governance disclosures, and comparative information is not included in the first year of reporting where methodologies are newly introduced or updated. Comparative analyses for these metrics will be incorporated in future reports once data availability and methodological consistency allow.

Unless otherwise stated, PolyPeptide applies the ESRS definitions for short-, medium-, and long-term time horizons, referring to short-term as up to one year, medium-term as from one to five years and long-term as more than five years.

Data collection and estimation

We prioritize the use of primary data from our operations whenever practicable. For certain indicators, particularly those related to our value chain, we may apply proxies, estimates or extrapolated figures where direct measurement is not yet feasible or full-year data are unavailable. All estimates are derived from documented judgments and assumptions, informed by historical performance, industry benchmarks and comparable datasets. Extrapolation is used only when underlying patterns are assessed as stable over time.

Quality and consistency checks are conducted across all reporting entities and are being progressively embedded into our internal control environment. In 2025, PolyPeptide implemented an integrated ESRS and carbon accounting reporting platform to improve efficiency, transparency, traceability, and scalability in sustainability reporting while reducing manual processes and external dependencies. Key advantages include automated data collection and aggregation, reliable data quality and governance through workflows and audit trails, and compliance with evolving regulatory requirements.

Despite these efforts, inherent limitations in data availability, estimation and consolidation mean that some sustainability information may carry uncertainties, and minor inaccuracies may remain undetected even with robust processes and controls in place. Where applicable, applied methodologies and assumptions are outlined in the sections Accounting policies.

Assessment of effectiveness of measures across material topics

For each material topic, PolyPeptide defines, implements and discloses specific actions in line with its policies and identified risks and negative impacts. The effectiveness of these actions is assessed through a combination of defined metrics, internal controls and regular monitoring processes. Progress is evaluated against quantitative and qualitative targets, supported by trend analyses, audit results, incident reporting and relevant stakeholder feedback.

[1] PolyPeptide does not provide disclosures according to article 8 of the EU Taxonomy Regulation (Regulation (EU) 2020/852).

Governance

At PolyPeptide, the Board of Directors (Board) is responsible for the overall direction of the Group and oversight of management, including the Group's growth strategy that recognizes the importance of sustainability as part of its strategic foundation. The Board also oversees climate-related risks and opportunities. It supervises the identification of material sustainability topics and approves the Annual Report, including this Sustainability Report.

The governance of the Group's strategy, including its climate change transition plan and GHG reduction targets, ensures oversight and effective implementation. The Board oversees alignment between financial, business, and sustainability interests, regularly monitors trends and regulations, and integrates climate-related considerations into strategic planning, risk management, and performance objectives.

PolyPeptide assigns specific sustainability topics to Board committees to ensure that oversight is embedded into governance and aligned with expertise. Oversight of sustainability matters, including the setting and monitoring of targets, is thematically assigned to the Audit and Risk Committee (ARC) for risk, compliance and ethic topics, the Innovation and Technology Committee (ITC) for technical transformation of sustainability including decarbonization, innovation, safer production, and efficient resource use) and the Remuneration and Nomination Committee (RNC) for the people dimension of sustainability, including safety, culture, capability, fairness and remuneration. See also the table Assigned oversight and responsibilities for material sustainability topics below. For details on the responsibilities and composition of these committees, refer to section 3.5.3 Working Methods of the Committees in the Corporate Governance Report 2025. While PolyPeptide has not adopted targets on all identified impacts, risks and opportunities, the effectiveness of implemented policies and actions is tracked by the responsible functions. The overall responsibility for tracking and ensuring effectiveness and progress rests with the Executive Committee.

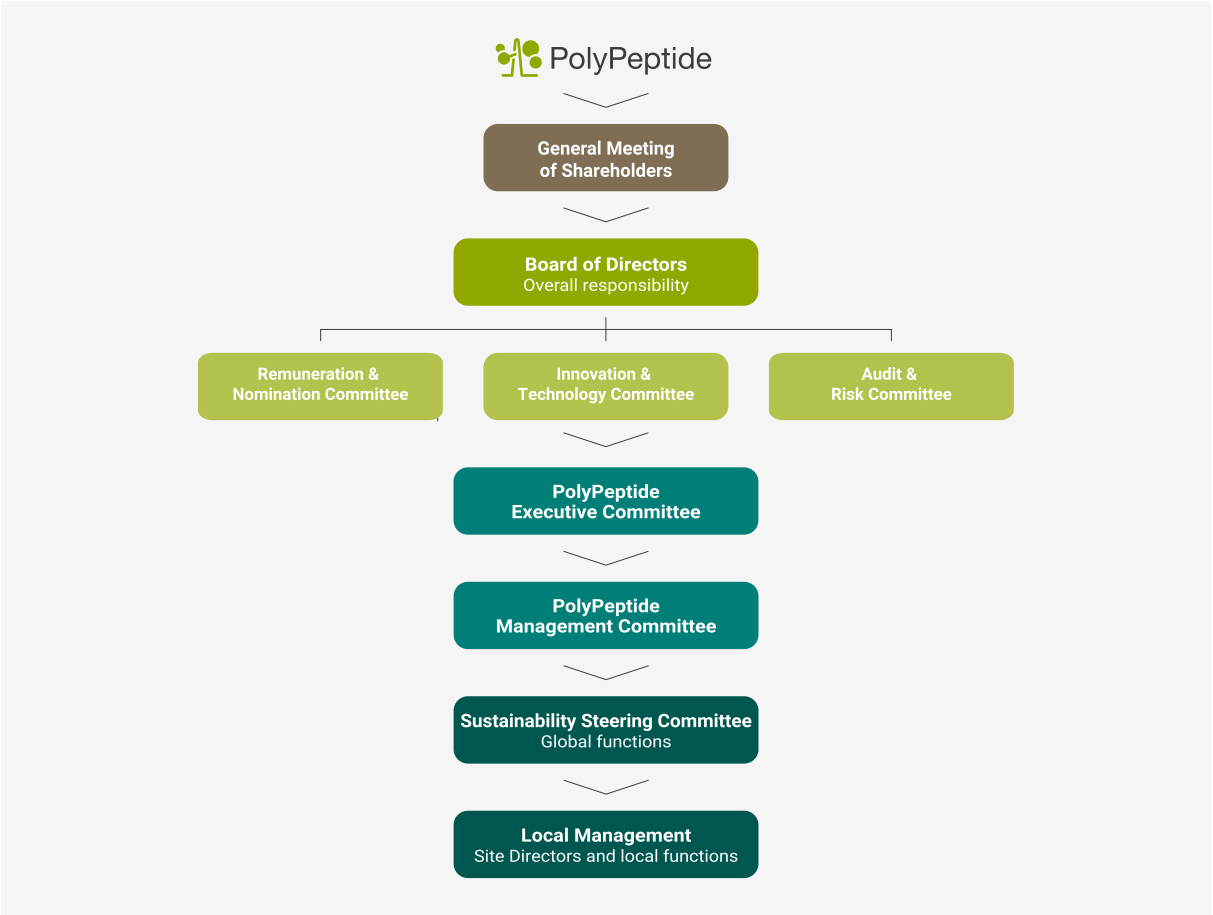
The climate strategy is supervised by the ITC and the implementation is coordinated by the cross-functional Green Steering Committee, which also oversees the Group's Green Master Plan. This plan includes initiatives that address both the optimized use of chemical substances, i.e., the green chemistry agenda and the Group's carbon footprint.

The Director Global EHS, a member of the Green Steering Committee, develops and oversees the implementation of the transition plan, oversees GHG emissions assessments, and monitors progress toward science-based targets. He ensures clear reporting mechanisms for tracking and managing climate-related matters. The Chief Manufacturing and Supply Chain Officer as well as site directors are responsible for executing the transition plan at manufacturing sites. The transition plan, approved by the Board of Directors, is reviewed every five years, with annual assessments for updates. The Director Global EHS coordinates the review process and presents the outcomes to the relevant governance bodies.

Internal reporting and review of the climate strategy and transition plan is structured as follows:

- Board of Directors: annually
- ITC: twice per year
- Green Steering Committee: quarterly
- Sustainability Steering Committee: periodically

PolyPeptide sustainability governance



Sustainability Steering Committee coordinates implementation

The responsibility and authority for carrying out operational activities of the Group are delegated to the Executive Committee. This includes the implementation of the Group's sustainability activities as an integrated part of its strategy and business plans. The Executive Committee receives support from the PolyPeptide Management Committee and the Sustainability Steering Committee[1], where relevant global functions are represented. These functions have been assigned responsibility for material sustainability topics, as set out in the table below, to make sure they are adequately reflected within the functional plans and, with the support of local management, in the Group's day-to-day operations. Within this governance framework, regular reporting on sustainability topics is ensured.

[1] To reflect our strategic emphasis on sustainability, the ESG Steering Committee was renamed during 2025 with no changes to its existing mandate and governance structure.

Assigned oversight and responsibilities for material sustainability topics

Material sustainability topics	Board Committee oversight	Functional responsibility (as member of Sustainability Steering Committee)
Climate change, Pollution, Resource use and circular economy (E1, E2, E5)	Innovation and Technology Committee (ITC)	• Director Global EHS • Director Global Innovation & Technology
Own workforce (S1)	Remuneration and Nomination Committee (RNC)	• Chief Human Resources Officer • Director Global EHS
Workers in the value chain (S2)	Audit and Risk Committee (ARC)	• Director Global Procurement
Access to safe and effective products (S4)	Innovation and Technology Committee (ITC)	• Chief Manufacturing and Supply Chain Officer • Director Global Quality, Development & Regulatory Affairs
Business conduct (G1)	Audit and Risk Committee (ARC)	• Chief Legal Officer • Director Global IS / IT

During 2025, a new role of Global Head of Sustainability was created as part of the Legal and Compliance department with responsibility for coordinating sustainability initiatives for PolyPeptide as chair of the Sustainability Steering Committee. Working closely across functions to continue driving the Group's sustainability efforts, this role also ensures compliance with relevant regulations and standards, including reporting and disclosure requirements.

As part of the Group's ERM framework, the Group evaluates the risks and opportunities in relation to the material sustainability topics (including climate change), with relevant developments reported to the Board of Directors on an annual basis (see section 3.7.3 Enterprise Risk Management Framework of the Corporate Governance Report 2025). The Board holds ultimate responsibility for risk management, while the PolyPeptide Management Committee (together with the ARC) is responsible for ensuring that the operation of the ERM Framework is sound, including risk management of significant risks through the monitoring of specified actions.

In addition, PolyPeptide's reporting and disclosure of sustainability topics in this Sustainability Report 2025 is subject to an independent practitioner's limited assurance report by BDO AG (Zurich).

Guidelines and policies

PolyPeptide is subject to comprehensive regulations, including current Good Manufacturing Practices (GMP), to ensure the quality of its services and products. The Group runs a network of six manufacturing sites in Europe (Belgium, France and Sweden), the United States of America, and India, with each of the sites subject to regular inspections by regulatory authorities and audits by customers. All sites are GMP certified, demonstrating suitable processes, methods, facilities, and controls.

The Group maintains a Quality Management System with policies and procedures designed to ensure compliance with applicable standards. For GMP-related activities, these policies and procedures reflect customers' obligation to use drug substances and intermediates manufactured in compliance with GMP to ensure patient safety, while also addressing requirements applicable to non-GMP operations. This includes adherence to applicable guidelines, in particular those from the International Council for Harmonization of Technical Requirements for Pharmaceuticals for Human Use.

For each manufacturing site, the Group maintains an internal Environment, Health and Safety (EHS) policy, structured to promote adherence to applicable EHS standards and regulations. Moreover, PolyPeptide commits to the Responsible Care initiative and implements an EHS management system certified ISO14001: 2015 and ISO45001:2018 for all manufacturing sites.

It has further developed policies and procedures that address, among other things, due diligence and risk management principles as well as the protection of human rights. The Group has issued the following policies that are available on its corporate website:

- Code of Business Conduct and Ethics,
- Supplier Code of Conduct,
- Global Anti-Corruption and Anti-Bribery Policy,
- Global Supply Chain Policy on Child Labor, and
- Whistleblower Policy

The policies are underpinned by fundamental international conventions and guidelines, including, where applicable, International Labor Organization Conventions, the United Nations Universal Declaration of Human Rights, the United Nations Global Compact principles, the Organization for Economic Cooperation and Development (OECD) Guidance for Responsible Business, industry standards, and other relevant statutory requirements. In 2025, PolyPeptide advanced its commitment to sustainable and responsible business practices by becoming a participant in the United Nations Global Compact and aligning with its principles-based approach.

Furthermore, PolyPeptide has implemented various internal policies to further support compliance and ethical business practices (e.g., Insider Dealing and Market Manipulation Policy, Disclosure Policy, Global Sanctions and Export Control Compliance Policy and Procedure, Risk Assessment and Reporting Procedure, and Enterprise Risk Management Policy).

Due diligence across all material topics

Sustainability due diligence is embedded in PolyPeptide's governance, strategy, and risk management framework. The Board of Directors has overall responsibility for the approval of the Group's sustainability-related policies and for the oversight of material sustainability topics and risks, including climate-related risks and the associated due-diligence processes. The Executive Committee is responsible for the operational implementation of these policies and due diligence processes as an integral part of the Group's strategy and business plans.

PolyPeptide has adopted Group-wide policies covering environmental matters, social and employee-related issues, respect for human rights, and business ethics, including anti-corruption (see section Guidelines and policies). These policies set out the principles governing the Group's conduct in its own operations and, where relevant and proportionate, in its business relationships.

A risk-based due diligence process is applied for all material sustainability topics. Risks, impacts and opportunities are identified and assessed primarily through the Group's double materiality assessment (see section Double materiality assessment) and the ERM framework, and are complemented by compliance processes, site-level assessments, EHS management systems, human-rights assessments, and supplier due diligence, including audits where appropriate. Stakeholder engagement supports risk identification and prioritization.

Identified risks and adverse impacts are addressed through policies, procedures and appropriate mitigating measures, including corrective actions.

The effectiveness of due diligence measures is monitored through internal controls, audits, performance indicators and regular reporting within the ERM framework. Concerns can be raised confidentially and even anonymously, if desired, through PolyPeptide's whistleblower hotlines available to employees and external stakeholders.

PolyPeptide's sustainability due diligence approach is reflected throughout this Sustainability Report, including in the disclosures on material impacts, risks and opportunities, related policies, actions, targets and metrics.

Strategy and remuneration

Details of PolyPeptide's strategy are highlighted in the Management Report 2025. To support the implementation of its strategy and operational plans as well as for executive compensation purposes, PolyPeptide maintains a Global Balanced Scorecard (GBSC). The GBSC consists of financial targets as well as quantitative goals for non-financial criteria, including sustainability-related aspects. In 2025, PolyPeptide incorporated Scope 1 and Scope 2 GHG emissions reduction targets, committed under its transition plan, into its GBSC, engaging selected staff participating in the initiative.

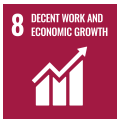
Through the GBSC, sustainability aspects are also incorporated in the variable compensation of the Executive Committee, as described in section 5.1.3.2 2025 STIP of the Remuneration Report 2025.

Supporting the UN Sustainable Development Goals

PolyPeptide supports the United Nations 2030 Agenda for Sustainable Development and recognizes the 17 Sustainable Development Goals (SDGs) as a vital global framework for fostering peace, prosperity, and environmental stewardship.

PolyPeptide focuses its contributions on those most aligned with its material topics within Environment, Own workforce, Workers in the value chain, Access to safe and effective products, and Business conduct.

Material topics	Relevant SDGs[1]		Relevant underlying targets	PolyPeptide contribution
Access to safe and effective products (S4)		*Ensure healthy lives and promote well-being for all at all ages*	3.8 Contribute to providing access to quality health care services, as well as to safe, effective, quality, and affordable essential medicines and vaccines.	PolyPeptide's core business is the development and manufacturing of peptide-based APIs, supporting drug innovation and ensuring a reliable supply of high-quality materials for the pharmaceutical and biotech industries. This indirectly contributes to patient safety and access to essential medicines, allowing us to contribute to the health of millions of patients.
Pollution, Resource use and circular economy (E2, E5)		*Build resilient infrastructure, promote sustainable industrialization, and foster innovation*	9.4 Upgrade infrastructure, technologies, and processes for sustainable and efficient use of resources.	PolyPeptide invests in innovative process development, green chemistry, and advanced manufacturing infrastructure to support sustainable growth. The Group applies green chemistry principles to reduce, recycle and recover hazardous substances, and to develop safer, more sustainable production processes.
		*Ensure sustainable consumption and production patterns*	12.4 Ensure management of chemicals and all wastes throughout their life cycle. 12.5 Reduce waste generation through prevention, reduction, recycling, and reuse.	PolyPeptide is committed to reducing the environmental impact of its operations by improving how solvents are managed across all sites. To address this, we have launched several programs focused on down-cycling solvent waste and, wherever feasible, recovering solvents for reuse in production processes.

Climate change (E1)		*Take action to combat climate change and its impacts*	13.2 Integrate climate change measures into policies, strategies, and planning.	PolyPeptide has set science-based targets to reduce absolute Scope 1 and 2 GHG emissions by 42% by 2030 (from 2023 base year), and Scope 3 emissions by 61.1% per EUR value added by 2033 (from 2022 base year). The Group commits to transitioning to 100% renewable electricity by 2029 and electrifying its vehicle fleet. PolyPeptide conducts regular climate scenario analyses, integrates climate risks into financial planning, and participates in CDP and EcoVadis climate programs. 45% of suppliers (by spend) are targeted to have science-based targets by 2029.
Workers in the value chain (S2)		*Promote inclusive and sustainable economic growth, employment, and decent work*	8.7 Secure the prohibition and contribute to the elimination of child labor.	PolyPeptide's Supplier Code of Conduct enforces fair labor practices and human rights throughout its value chain. PolyPeptide's supply chain risk assessment includes due diligence on child labor and conflict minerals, and the Group aims to report transparently on compliance and ethics.
Own workforce (S1)		*Achieve gender equality and empower women*	5.5 Ensure participation and equal opportunities for leadership at all levels of decision making.	PolyPeptide's Code of Business Conduct and Ethics prohibits harassment, bullying, and discrimination, and promotes diversity, equity, and inclusion. Equal employment opportunities and respect for human rights are emphasized. The Group tracks gender diversity in its workforce, including at management levels, and reports on gender splits in production and other functions.

		*Promote inclusive and sustainable economic growth, employment, and decent work*	8.5 Achieve productive employment, decent work, and equal pay for work of equal value.	PolyPeptide offers job opportunities across its international manufacturing network, with ongoing training and development for employees. The Group upholds fair, inclusive, and respectful workplace practices, with a zero-tolerance policy for discrimination and firm commitments to labor rights. PolyPeptide is committed to building a strong safety culture across all its sites, with the ambition to achieve zero lost-time injuries (LTI) and continuously lower the severity rate year over year to ensure a safer and healthier workplace for all employees.
Business conduct (G1)		*Promote just, peaceful and inclusive societies, and build effective, accountable, and inclusive institutions*	16.5 Contribute to the reduction of corruption and bribery.	PolyPeptide maintains a robust compliance framework, including a Code of Business Conduct and Ethics, Supplier Code of Conduct, Global Anti-Corruption and Anti-Bribery Policy, and whistleblower programs.

[1] For details, refer to https://sdgs.un.org/goals; icons for informational purpose only.

Stakeholder engagement

PolyPeptide maintains an open dialog with internal and external stakeholders and is a member of various pharmaceutical and industry associations as well as the local and broader business community. Associations may serve a variety of purposes, such as exchanging best practice, advancing innovation and sustainability, and fostering collaboration[1].

Stakeholder group	Examples of stakeholder engagement	Impact on strategy and business model
Customers	Customer feedback	Feedback can drive innovation and improvement of existing business practices. Customer insights can influence pricing strategies and operational processes.
	Cultivating a long-term trusted partnership	
	Mantra of "Start here – stay here" and strong customer-centric perspective	
Shareholders	Consistent implementation of strategy and operational plans	Expectations for transparent reporting and consistent execution can push for a robust governance and risk management framework and influence capital allocation decisions.
	Transparent, integrated corporate reporting	
	Open dialog and communications through different channels	
Employees	Collaborative, diverse, and inclusive international working environment	Engagement and diversity initiatives play a role in shaping PolyPeptide's talent acquisition and retention strategies. A focus on health and safety can drive operational improvements and reinforce compliance priorities. At the same time, a collaborative culture fosters innovation and agile working models.
	Fostering dialog via townhalls, internal news, and employee events	
	Global employee engagement survey	
	Regular dialog to discuss individual development plans	
	Focus on employee health and safety	
	Active dialog and collaboration with applicable unions and freely chosen employee representatives	
Suppliers	Long-term collaboration	By fostering long-term partnerships and enforcing its Supplier Code of Conduct, PolyPeptide ensures that its supply chain strategy supports sustainability and responsible sourcing.
	Supplier Code of Conduct	
Industry associations	Collaboration, also to advance innovation and sustainability	Joint efforts to advance innovation and sustainability can shape innovation priorities and compliance standards.
Communities	Sponsoring of local activities	By fostering civic engagement and educational partnerships, PolyPeptide can enhance its employer branding and secure its social license to operate. Partnerships with universities can create talent pipelines, reducing recruitment costs.
	Charitable contributions and partnerships for civic engagement	
	Engagement with universities, educational institutions, students, and graduates	
	Collaboration with communities on employment and training opportunities for job seekers	

[1] In 2025, PolyPeptide maintained active memberships in various associations, such as the ACS GCI Green Chemistry Institute Pharmaceutical Roundtable, essenscia, France Chimie, Medicon Valley Alliance, and Biocom California.

Double materiality assessment

As part of the development of our sustainability strategy and in reference to the CSRD and ESRS, PolyPeptide conducted a DMA in 2024. The DMA identifies material sustainability topics by evaluating PolyPeptide's material impacts on people and environment (impact materiality) and the material effects of sustainability matters on PolyPeptide's development, performance and position (financial materiality) of our own operations as well as our upstream and downstream value chain. In this context, the financial effects of sustainability topics were mainly qualitatively assessed. Given the evolving understanding of related impacts, risks, and opportunities, potential financial effects, while assessed in accordance with the ERM framework, are not yet quantified or disclosed across all topics at this stage.

Process overview:

1. **Project initialization and context analysis:** PolyPeptide mapped its business model, value chain, and key stakeholder groups to establish the context for materiality assessment.

2. **Initial assessment of ESRS Topics:** The Group reviewed 94 ESRS sub-topics, assessing their impacts, risks and opportunities using the criteria scale, scope, likelihood, and difficulty of remediation for impacts, risks, and opportunities. Internal subject matter experts refined these assessments.

3. **Shortlisting and aggregation:** After descoping non-material topics, 25 sub-topics were consolidated into overarching material topics, which were grouped into seven ESRS standards, benchmarked against peers and regulatory standards.

4. **Stakeholder and management surveys:** PolyPeptide engaged internal and external stakeholders, as well as management, through online surveys to assess the significance of shortlisted topics from both impact and financial perspectives.

5. **Validation and finalization:** A validation workshop with senior management and external advisors was held to review and confirm the material topics, ensuring the selected topics and related impacts, risks and opportunities accurately reflect PolyPeptide's context and stakeholder expectations.

As noted above, stakeholder engagement was an integral part of the DMA and PolyPeptide conducted an online survey to assess the relevance and significance of shortlisted sustainability topics. The survey involved over 200 customers, shareholders, industry associations, communities, suppliers, and employees, ensuring that PolyPeptide's materiality assessment was informed by a broad range of perspectives and aligned with stakeholder expectations and business priorities.

Participants were asked to evaluate potential negative and positive impacts of PolyPeptide's activities on people and the environment for each material topic, using a standardized scale (1–6), and could also suggest additional relevant topics. A separate management survey targeted PolyPeptide's Management Committee and the Sustainability Steering Committee to assess the magnitude and likelihood of risks and opportunities for each material topic from a business perspective, using the same standardized scale (1–6).

Survey results were combined with subject matter expert assessments to calculate materiality scores for each topic, informing the relative materiality among the topics.

The Board of Directors approved the final list of material topics, which defines the material sustainability topics highlighted in this Sustainability Report.

The resulting material topics for PolyPeptide are:

- E1 Climate change
- E2 Pollution
- E5 Resource use and circular economy
- S1 Own workforce
- S2 Workers in the value chain
- S4 Access to safe and effective products[1]
- G1 Business conduct

For the ESRS content index of material disclosures, see the Appendix to this Sustainability Report.

[1] Corresponds to ESRS S4 Consumers and end-users.

Environmental information

Climate change

This climate section provides an overview of PolyPeptide's approach to climate change, with reference to ESRS requirements. A comprehensive assessment of climate-related risks and opportunities, including scenario analysis, is available in the section Climate disclosures in accordance with art. 964b CO and TCFD recommendations in the Appendix of this Sustainability Report.

Throughout PolyPeptide's value chain, greenhouse gases are emitted mainly in the following steps: (i) upstream in our supply chain, mainly from the production of raw materials (such as reagents, solvents and starting material) that we use in our production facilities, (ii) as part of raw material transport to our sites as well as (iii) treatment of manufacturing process waste. The Group's current growth is reflected in significant emissions from Scope 3 – category 2: Capital goods (30.8% of the total emissions in 2025). In our own operations, energy use in production represents an important part of emissions, which we plan to reduce with the implementation of an energy efficiency program and replacement of refrigerants with a high Global Warming Potential (GWP). In our downstream value chain, greenhouse gas emissions from the transport of APIs to our customers are not considered significant.

Managing these emissions is not only essential for regulatory compliance but also for long-term resilience and competitiveness. This commitment shapes PolyPeptide's strategic focus on three key areas: *climate change mitigation* through reducing emissions, *climate change adaptation* to safeguard operations, and accelerating the transition to renewable *energy* to decarbonize PolyPeptide's production footprint.

Climate change mitigation involves PolyPeptide's efforts to limit GHG emissions directly and indirectly from its own operations (Scope 1 and 2), and to deploy specific action plan to limit its upstream emissions from its value chain (Scope 3). According to the Group's carbon footprint assessment, more than 91% of its GHG emissions in 2025 originate from Scope 3.

PolyPeptide has conducted a climate scenario analysis to assess potential climate-related risks affecting its manufacturing sites as well as its key suppliers. The results of this assessment are provided in the section Climate disclosures in accordance with art. 964b CO and TCFD recommendations. In addition, the Group's ongoing green chemistry program is expected to play a significant role in strengthening PolyPeptide's overall climate change adaptation by reducing environmental impacts and enhancing the resilience of its manufacturing processes.

As PolyPeptide continues to grow, its energy consumption is expected to increase accordingly. To address this challenge, the Group has implemented a dedicated program aimed at offsetting the rising cost of energy through on-site energy generation and improved energy efficiency. This approach is projected to support PolyPeptide's expansion while managing operational costs and reducing environmental impact.

Impacts, risks and opportunities

DMA topics	Subtopic	IRO	IRO description and interaction with business and/or strategy	Value chain: Upstream	Value chain: Own operations	Value chain: Downstream	Time horizon: Short term	Time horizon: Medium term	Time horizon: Long term
E1 Climate Change	Climate change adaptation	Opportunity	Proactive approach to climate change, including the Group's green chemistry efforts with innovative and more sustainable manufacturing technologies, to protect and enhance its competitive position.	●	●			●	●
	Climate change mitigation	Negative impact	CO2 emissions from PolyPeptide's operations and value chain contribute to global warming.	●	●	●		●	●
		Risk	Transitional climate-related risks include changes in customer behavior leading to decreased revenues due to lower demand and increased direct costs.	●	●	●		●	
		Risk	Another transitional climate-related risk includes increased capital expenditure in connection with a transition to decreased scope 3 emissions.	●	●	●		●	
	Energy	Opportunity	On-site electricity production to safeguard against future price increases, alongside launching a comprehensive energy efficiency program and continued focus on renewable, less greenhouse gas intensive energy sources.		●			●	

Climate-related risks refer to challenges that PolyPeptide may face due to climate change and related environmental, economic, and social impacts. These risks are affected by GHG emissions from PolyPeptide's operations and value chain, which contribute to global warming. Transitional climate-related risks include changes in customer behavior that transition towards working with suppliers that have science-based targets, which may lead to a potential decrease in Group revenues due to lower customer demand, alongside increased direct costs (e.g., raw material supplies) as well as increased capital expenditure in connection with implementing a program to limit GHG emissions. These risks can affect PolyPeptide's operational continuity, financial performance, and strategic positioning.

On the other hand, a proactive approach to climate change, including through the Group's green chemistry agenda with innovative and more sustainable manufacturing technologies as well as transitioning to low-carbon energy sources, can help PolyPeptide protect and enhance its competitive position.

PolyPeptide conducted a comprehensive assessment of climate-related risks and opportunities in line with TCFD recommendations. This included scenario analyses based on the Intergovernmental Panel on Climate Change (IPCC)'s Shared Socioeconomic Pathways (SSP), evaluating physical and transition risks across its global manufacturing sites and key suppliers. The analysis highlighted potential vulnerabilities such as heat stress, water scarcity, and extreme weather events, informing PolyPeptide's adaptation and mitigation strategies and resilience planning.

Transition plan for climate change mitigation

PolyPeptide recognizes the urgency of addressing climate change and supports the objectives of the Paris Agreement. In 2024, PolyPeptide finalized its climate strategy and transition plan, which outlines the steps the Group will take to reduce GHG emissions across its operations. This transition plan reflects the Group's commitment to mitigating material climate-related risks and integrating sustainability into its business strategy and financial planning.

To provide transparency and credibility, PolyPeptide has set near-term GHG reduction targets validated and published by the SBTi in 2025. These targets are designed to align with a 1.5°C pathway and reinforce its long-term commitment to decarbonization. The approach includes:

- **Scope 1 & 2 Emissions:** Transitioning to renewable energy sources through power purchase agreements (PPAs) and on-site production, optimizing energy systems by transitioning to more energy efficient processes and equipment, replacing refrigerant with a high Global Warming Potential (GWP), electrifying the Group's car fleet and electrifying key processes to reduce reliance on fossil fuels, resulting in 42.0% absolute reduction in Scope 1 and 2 GHG emissions by 2030 compared to our 2023 base year. The Group also commits to increasing active annual sourcing of renewable electricity from 54.0% in 2023 to 100% by 2029 and to continue active annual sourcing of 100% renewable electricity through 2030.

- **Scope 3 Emissions:** The Group commits to reducing Scope 3 GHG emissions from purchased goods and services, capital goods, fuel- and energy-related activities, upstream transportation and distribution and waste generated in operations by 61.1% per EUR value added by 2033 from a 2022 base year. This commitment is supported by supplier engagements to assess climate maturity and implement sustainable procurement practices. To this extent, the Group commits that 45% of its suppliers (by spend) covering purchased goods and services will have science-based targets by 2029.

PolyPeptide is currently assessing potential long-term climate objectives in line with the Paris Agreement, including the feasibility of adopting net-zero targets and aligning with a 1.5°C reduction pathway, and confirms that it is not excluded from the EU Paris aligned benchmarks.

For more details on the transition plan, including assumptions and methodologies to assess climate-related and transitional risks, see the Climate disclosures in accordance with art. 964 Swiss Code of Obligations and TCFD recommendations in the Appendix of this Sustainability Report.

Policies

PolyPeptide has issued site-specific EHS policies based on a regularly updated Group-wide EHS policy statement, Global EHS Management Plan and local environmental risk assessments. The Group-wide EHS policy addresses key aspects such as employee health and safety and environmental stewardship across the areas energy and climate, water and industrial wastewater as well as waste and chemicals and thereby supports PolyPeptide's approach to managing relevant impacts, risks and opportunities related to climate adaptation and mitigation. These policies are aligned with PolyPeptide's corporate targets, including energy- and climate-related targets such as the sourcing of renewable energy.

PolyPeptide maintains an environmental management system based on ISO14001:2015 standards at all manufacturing sites. In addition, the manufacturing site in Ambernath is ISO50001-certified. The management system follows a continuous improvement process and is documented at each site through environmental, safety and quality procedures, checklists, forms and other relevant documentation. Furthermore, commitments validated by SBTi and actions as stated in the transition plan form the basis for the climate policies.

Actions

PolyPeptide has implemented an integrated ESRS and carbon accounting reporting platform that has increased efficiency, transparency, traceability, and scalability in sustainability reporting while reducing manual processes and external dependencies, especially for the carbon accounting of 2024 and 2025 data.

To reach its GHG reduction targets and deliver on its transition plan, PolyPeptide has initiated a number of global and site-specific initiatives, including:

Initiative 1: To achieve the absolute Scope 1 and 2 near-term targets, PolyPeptide strives to procure electricity from 100% renewable sources at all sites by 2029. In 2025, PolyPeptide continued to expand the sourcing of renewable electricity. At the end of 2025, the headquarters in Baar and the manufacturing sites in Ambernath, Braine-l'Alleud (Braine), Malmö, San Diego, and Strasbourg were operating with 100% of renewable electricity which represents an increase of 26.6% of renewable electricity consumption for the Group compared to 2023 and 80.6% of renewable electricity on Group level. Moreover, since 2024, the manufacturing site in San Diego has been identified as a "San Diego Community Power100 Champion". This San Diego-specific voluntary program enables businesses to transition from using electricity generated by non-renewable sources to sourcing electricity from renewable energy.

Initiative 2: Building on local initiatives started in 2023, a program to replace the Group's car fleet with electric vehicles is being deployed at all European manufacturing sites since 2025 which will reduce GHG emissions coming from mobile combustion (Scope 1). At the end of 2025, 38.8% of the European company car fleet was electric.

Initiative 3: In 2026, PolyPeptide will start the replacement of refrigerants that contain a high Global Warming Potential (GWP). These refrigerants account for 7.4% of Scope 1 and Scope 2 emissions in 2025.

These three initiatives are crucial for reaching the 42% reduction target by 2030 versus 2023. Progress on these initiatives achieved over the past two years has resulted in a 35.8% reduction in our Scope 1 and Scope 2 emissions in 2025 compared to the 2023 base year. However, additional initiatives will be required to compensate for the impact of expected business growth. Consequently, PolyPeptide plans for energy audits across all manufacturing sites to identify and carry out further energy-saving measures.

PolyPeptide expects that the financial impact for its climate transition plan will mainly be driven by initiatives related to Scope 3 emissions reduction as highlighted in the table below with an overview of current key initiatives.

Description of the initiative	Emission reduction in Scope	Decarboni-zation Lever	Expected GHG emission reduction	Financial invest-ment	Base year	Target year	Geo-graphy coverage	KPI description	KPI base year	KPI target year
1 - Sourcing 100% renewable electricity by 2029 on all sites	2	Fuel Switching & Renewable Energy Use	-43.9%	€	2023	2029	All sites	% of annual externally sourced electricity consumption from renewable sources	54%	100.0%
2 - Electric car fleet to replace current fleet (thermic/ hybrid)	1	Electri-fication	-3.7%	€	2023	2028	Belgium, Sweden and France	% of electric car in the PolyPeptide car fleet	7.4%	100.0%
3 - Development of an obsolescence management plan to manage refrigerants with high Global Warming Potential (GWP)	1	Transitio-ning to Low-GWP Natural Refrigerants	-4.0%	€	2023	2030	All manu-facturing sites	tCO2e emissions from refrigerant losses/kg of refrigerant losses	1.9	Under develop-ment
4 - Conducting energy audit on all manufacturing sites to identify potential energy savings	1 & 2	Energy Efficiency & Consumption Reduction	-4.0%	€	2023	2029	All manu-facturing sites	tCO2e Scope 1 + 2 emissions/ kg of final product manufactured	5.2	4.9
								MWh of electricity consumption/ kg of manufactured product	16.1	15.5
5 - Recycling of solvent and use of recycled solvent for GMP activities	3	Product/ Process Redesign & Substitution	cat. 1 : +++ cat. 2: 0 cat. 4: ++ cat. 5: +++	€€	2022	2033	Belgium, US	% of recycled solvent used for GMP activities for the reporting year	3.6%	Under develop-ment
6 - Segregation of solvent waste and associated treatment	3	Product/ Process Redesign & Substitution	cat. 1 : 0 cat. 2: 0 cat. 4: 0 cat. 5: ++	€€	2022	2033	Sweden, France	tCO2e from cat. 5/ t of solvent waste generated during operation for the reporting year	0.8	Under develop-ment
7 - Solvent reduction with the implementation of new technology	3	Product/ Process Redesign & Substitution	cat. 1 : ++ cat. 2: 0 cat. 4: ++ cat. 5: ++	€	2022	2033	All manu-facturing sites	t of solvent/ kg of final product manufactured for the reporting year	3.4%	Under develop-ment
8 - Science-based target for 45% of suppliers by spend	3	Supply Chain Decarboni-zation	cat. 1 : +++ cat. 2: 0 cat. 4: + cat. 5: 0	€	2022	2030	All manu-facturing sites	% of raw material spend for suppliers with science-based targets for the reporting year	8%	45%
9 - Modular approach for new buildings	3	Product/ Process Redesign & Substitution	cat. 1 : + cat. 2: ++ cat. 4: 0 cat. 5: 0	€€€	2022	2033	All manu-facturing sites	N/A	N/A	N/A

Expected reduction of Scope 3 GHG emissions:
+++ > -10% GHG emission reduction within the category;
++ impact > between -5 and -10% GHG emission reduction within the category;
+ impact < -5% GHG emission reduction within the category;
0 - no identified impact on PolyPeptide's GHG emissions.
Financial investment: € < 1MEUR ; €€ 1–5 MEUR , €€€ > 5MEUR.

Recognizing that more than 90% of its emissions fall under Scope 3, PolyPeptide plans to integrate environmental sustainability criteria into supplier contracts where commercially reasonable in the coming two years.

Currently, PolyPeptide is focused on the reduction of emissions from solvents, which represent a key raw material in our operations. This initiative aligns with two main climate-related transition risks: changing customer behavior and the transition to increased recycled content. We anticipate a substantial decrease in these emissions through solvent recycling initiatives (Scope 3 – categories 1 and 5) and by urging 45% of our main suppliers (by spend) to set science-based GHG emission reduction goals.

PolyPeptide's capital expenditure includes focus on technologies that advance green chemistry and solvent recycling. These investments, which will not have a significant long-term impact on Scope 3 category 2, aim to reduce the environmental impact of manufacturing processes by promoting sustainable practices and circularity. These investments will enable medium-term CO2 emission reduction in categories 1, 4 and 5. Additionally, PolyPeptide is allocating resources towards the development and adoption of alternative energy sources, reinforcing its commitment to reducing GHG emissions and improving energy efficiency.

PolyPeptide also strives to leverage the potential for modularity. Prefabrication helps limit GHG emissions thanks to the industrial optimization of construction processes, reduced waste generation, and improved logistics efficiency compared to traditional on-site building methods. In addition, modularity shortens project timelines, enabling facilities to become operational more quickly.

Collectively, these investments demonstrate PolyPeptide's proactive approach to embedding sustainability into its operations, ensuring that its capital is deployed to foster both innovation and environmental responsibility[1].

At this time, PolyPeptide has not set an internal carbon price, as this has not been identified as a priority within the current climate strategy in accordance with the risk and opportunity assessment. The primary focus remains the implementation of the established transition plan, which allocates resources to key initiatives that drive tangible emissions reductions. The Group's existing asset base does not significantly limit its ability to reduce emissions in line with climate targets at this stage.

In response to the growing demand from its customers for access to product-specific CO2 data, toward the end of 2025 PolyPeptide launched a project to enable the calculation and communication of product carbon footprints to its customers.

[1] Monetary amounts in relation to capital expenditures and operating expenses allocated by PolyPeptide to implement its transition plan have a limited financial impact.

Targets and metrics

As outlined in the section Transition plan for climate change mitigation, the Group has set science-based targets for Scopes 1, 2 and 3 following the SBTi near-term target methodology.

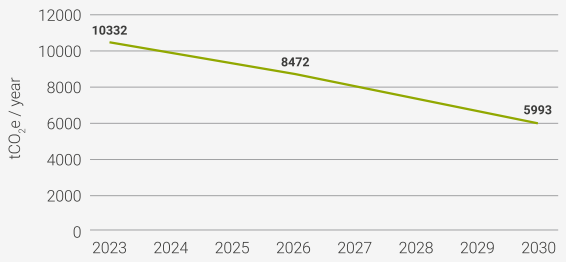
Scope 1 and 2 GHG emission reduction near-term absolute target

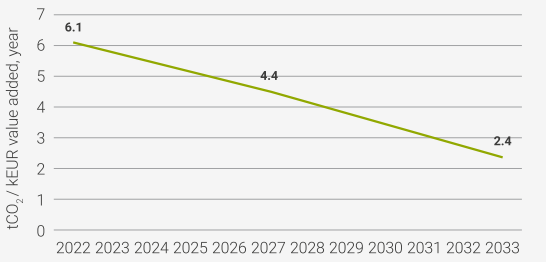
Target ID			
Overall number of active GHG emissions targets:	2		
Target number:	1/2		
Target type:	Absolute near-term target		
Date the target was approved by SBTi:	August 2025	Date the target was last revised:	does not apply
Target information			
Scope(s) covered	Scopes 1 & 2 (market-based)		
Percentage of in-scope emissions covered by the target	100%		
Base year:	2023	Base year emissions, t CO2e	10,333
Target year:	2030	Target year projected emissions, t CO2e	5,993
Targeted reduction from base year (%):	42%		
Targeted reduction achieved from current year (%):	36%	Current emissions, t CO2e (2025)	6,633
Target methodology			
Verified by an independent party	Yes, BDO		
Source that describes transition plan outlining how this target will be met	Climate Report Metrics and Targets		
Indicate the % of the target to be achieved through offsets	0%		

Scope 3 GHG emission reduction near-term intensity target

Target ID			
Target number:	2/2		
Target type:	Intensity near-term target		
Date the target was approved by SBTi:	August 2025	Date the target was last revised:	does not apply
Target information			
Scope(s) covered	Scope 3		
Percentage of in-scope emissions covered by the target	95%	Category 1: purchased goods and services, Category 2: capital goods, Category 3: fuel- and energy-related activities, Category 4: upstream transportation and distribution, Category 5: waste generated in operations	
Base year:	2022	Base year emissions, t CO2e/ kEUR value added	6.1
Target year:	2033	Target year projected emissions, t CO2e/kEUR value added	2.4
Targeted reduction from base year (%):	61.07%		
Targeted reduction achieved from current year (%):	+31%	Current emissions, t CO2e/ kEUR value added (2025)	8,0
Target methodology			
Verified by an independent party	Yes, BDO		
Source that describes the methodology used to calculate Scope 3 emissions covered by the target	Climate Report Metrics and Targets		
Source that describes transition plan outlining how this target will be met	Climate Report Metrics and Targets		
Indicate the % of the target to be achieved through offsets	0%		

The charts below illustrate the reduction targets approved by the Science-Based Target initiative in 2025 over time





Scope 3 target figures were updated during the SBTi validation process due to data corrections and foreign exchange effects resulting from the change from USD to EUR.

Apart from the Scope 1 and 2 absolute near-term and Scope 3 intensity near-term targets, the Group has set two engagement targets: (i) for renewable electricity sourcing: PolyPeptide aims to increase active annual sourcing of renewable electricity from 54% in 2023 to 100% by 2029 and to continue active annual sourcing of 100% renewable electricity through 2030; and (ii) for Scope 3: PolyPeptide requires that suppliers representing 45% of purchased goods and services by spend have science-based targets by 2030 (base year 2022).

Energy consumption and mix (MWh)	2025	2024	2023
Total energy consumption	**60,329**	**59,177**	**58,318**
fuel (excluding feedstock)	21,309	21,099	22,164
purchased electricity	35.308	34,481	32,272
purchased heat	3,337	3,232	3,470
self-generated non-fuel renewable energy	375	365	413
Renewable sources	**28,206**	**25,135**	**17,880**
Part of renewable energy (%)	**47%**	**42%**	**31%**

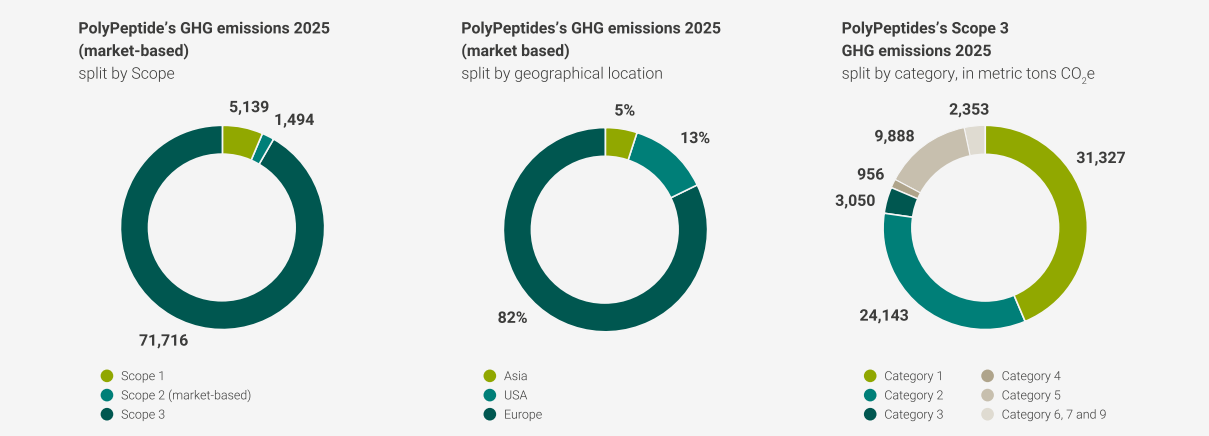
Performance KPIs

-35.8%	PolyPeptide’s absolute Scope 1 and Scope 2 GHG emissions vs 2023
-47%	PolyPeptide’s Scope 1 and Scope 2 2025 GHG emissions relative to total revenues vs 2023
-9%	PolyPeptide’s absolute Scope 3 GHG emissions (cat. 1 to 5) vs 2022
-24%	MWh of electricity consumption/ kg of manufactured product vs 2023
80.6%	of sourced electricity from renewable sources 2025
201.2	Total GHG emissions 2025 (market-based) per net revenue (tCO2e/MEUR)
216.2	Total GHG emissions 2025 (location-based) per net revenue (tCO2e/MEUR)

Group greenhouse gas emissions (tCO2e)	2025	2024	2023	2022
Total Scope 1	**5,139**	**7,283**	**5,834**	**5,766**
Stationary combustion	4,125	4,407	4,770	4,168
Process emissions	130	171	223	476
Mobile emissions	394	483	490	352
Refrigerants	490	2,222	351	770
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0	0	0	0
Total Scope 2 (location-based)	**7,330**	**7,412**	**9,395**	**8,819**
Total Scope 2 (market-based)	**1,494**	**3,557**	**4,498**	**4,105**
Purchased electricity (market-based)	1,009	3,086	4,408	4,021
Purchased hot water	485	470	90	84
Total Scope 3	**71,716**	**64,611**	**68,404**	**80,639**
Category 1: Purchased goods and services	31,327	26,433	20,877	19,655
Category 2: Capital goods	24,143	23,751	31,687	45,241
Category 3: Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	3,050	3,132	1,740	1,179*
Category 4: Upstream transportation and distribution	956	845	3,286	3,002*
Category 5: Waste generated in operations	9,888	8,122	8,480*	7,487
Category 6: Business travel	278	315	274	471*
Category 7: Employee commuting	2,035	1,987	1,934	3,512*
Category 9: Downstream transportation and distribution	40	26	126	92
Total (market-based)	**78,349**	**75,451**	**78,736**	**90,510**
Total (location-based)	**84,185**	**79,304**	**83,635**	**95,225**

During the SBTi validation process 2025, certain metrics disclosed in the Annual Report 2024 changed. Restated numbers are marked with * in the table above.

Overview of GHG emissions 2025



By the end of 2025, raw material suppliers representing 14% of spend already had SBTi-approved targets. In addition, suppliers accounting for 4% of spend had formally submitted their commitment to SBTi.

Taking into consideration the increased manufacturing volumes during the reporting period, the electricity consumption per kilogram of manufactured product decreased by 24% compared to 2023, mainly attributable to energy efficiency measures applied by the Group.

In 2025, PolyPeptide's Scope 1 and Scope 2 emissions decreased by 35.8% compared to 2023 levels. This reduction was primarily driven by the transition to renewable electricity across five of our production sites, as well as lower CO2 emissions from stationary combustion and process-related activities. This marks significant progress for the Group, which aims to reduce emissions by 42% by 2030.

During the same period, Scope 3 emissions for Categories 1 to 5 fell by 9%. However, relative to its GEVA target (Greenhouse Gas Emissions per Unit of Value Added), overall Scope 3 (cat. 1 to 5) emissions increased by 31%. This rise was mainly due to a lower value-added level than what had been anticipated on the pathway toward 2033.

Accounting policies

Energy consumption and mix

Electricity volume data is sourced from meter readings and supplier invoices. Electricity is classified as renewable when the origin of the purchased energy is explicitly specified in contractual agreements with energy providers. This includes renewable power purchase agreements and market instruments such as Guarantees of Origin from renewable sources. If such documentation is not provided, the emission factor provided by the electricity supplier is used.

GHG emissions

In 2025, PolyPeptide conducted its fourth global carbon footprint assessment in accordance with the GHG Protocol. The Group conducted the assessment according to the following parameters:

- Consolidation approach and organizational boundary: Financial. In our case, Financial and Operational control boundaries are fully aligned, apply also for SBTi targets and have been reflected during target setting.
- Standards applied: The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition), The Greenhouse Gas Protocol: Scope 2 Guidance, The Greenhouse gas Protocol: Corporate Value Chain (Scope 3) Standard
- Reporting period: calendar years 2024 and 2025.
- Where applicable, specific emission factors provided by public and licensed databases such as EcoInvent are applied in the calculation of CO2 emissions. Where available, supplier-specific emission factors are used (representing less than 1% of Scope 3 emissions).

GHG intensity

GHG intensity based on net revenue has been calculated as total gross Scope 1, Scope 2 location-based/ market-based, and gross Scope 3 emissions divided by total reported net revenue in MEUR as disclosed in the Financial Report 2025.

Scope 1 emissions are direct GHG emissions that occur from sources owned or controlled by the Group, such as emissions from mobile fleet combustion, stationary combustion, process emissions from solvents and fugitive emissions from refrigerant losses. Activity data is collected at site level and converted into CO2 equivalents using internationally recognized emission factors. Emission factors are reviewed periodically to reflect the latest scientific and regulatory guidance.

Biogenic emissions PolyPeptide calculated biogenic CO2 emissions for Scope 1 and 2 as part of the SBTi validation. These emissions relate to the use of fuels with blended biocomponents purchased at public fueling stations and account for less than 1% of Scope 1 emissions of the base year.

Scope 2 emissions account for GHG emissions from the generation of purchased electricity, steam, heat or cooling consumed by the Group. Scope 2 emissions physically occur at the facility where electricity, steam, heat, or cooling is generated. Scope 2 GHG emissions are calculated according to two methods: location based (reflects the average emissions intensity of grids on which energy consumption occurs, using mostly grid-average emission factor data), and market-based (reflects emissions from electricity that companies have purposefully chosen, derives emission factors from contractual instruments).

Scope 3 emissions involve GHG emissions in the value chain and are a consequence of the activities of PolyPeptide but occur from sources not owned or controlled by the Group. Examples of Scope 3 activities include extraction and production of purchased materials; transportation of purchased goods; employee commuting; treatment of waste generated in own operations; and transportation of sold products. Applicable Scope 3 categories and their calculation method are outlined in the table below:

Scope 3 calculation methods applied in PolyPeptide's corporate carbon footprint

Scope 3 category	Calculation method
Category 1: Purchased goods and services	• Supplier-specific • Average data • Spend-based
Category 2: Capital goods	• Spend-based
Category 3: Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	• Average data
Category 4: Upstream transportation and distribution	• Distance-based
Category 5: Waste generated in operations	• Waste-type-specific
Category 6: Business travel	• Supplier-specific • Distance-based
Category 7: Employee commuting	• Average data • Distance-based
Category 8: Upstream leased assets	• Does not apply: Any consumption and respective emissions from upstream leased assets have already been included in Scope 1 and 2 emissions (organizational boundary approach).
Category 9: Downstream transportation and distribution	• Distance-based
Category 10: Processing of sold products	• Does not apply: Calculating Scope 3, Category 10 GHG emissions for APIs is highly complex due to limited downstream data and fragmented supply chains, making accurate quantification challenging. Variability in external processing and proprietary operations further compounds this difficulty.
Category 11: Use of purchased goods	• Does not apply: PolyPeptide does not produce APIs used in inhalers that may require refrigerants and cause use-phase emissions.
Category 12: End-of-life treatment of sold products	• Does not apply: Emissions in this category would only cover end-of-life packaging treatment, which is immaterial to PolyPeptide's carbon footprint and therefore not calculated.
Category 13: Downstream leased assets	• Does not apply: This category does not apply to PolyPeptide.
Category 14: Franchises	• Does not apply: This category does not apply to PolyPeptide.
Category 15: Investment	• Does not apply: This category does not apply to PolyPeptide.

Pollution

Environmental management is a strategic priority for PolyPeptide as it prevents pollution, protects ecosystems and biodiversity, assures regulatory compliance, and strengthens the Group's market position as a responsible API (e.g., chemical) manufacturer. Preventing pollution comprises the sub-topics *Pollution of air, pollution of water, pollution of soils*, as well as the use of *Substances of concern (SOCs)* and *Substances of very high concern (SVHC)*.

Pollution of air (excluding GHG emissions) may occur within PolyPeptide's own operations from the evaporation of handled chemicals during manufacturing processes or in case of an incident such as fire. Pollution of water refers to the contamination with hazardous substances used for production or cleaning activities. Soil and groundwater pollution could occur in the event of an incident such as leaks of stored chemicals at manufacturing sites.

PolyPeptide's manufacturing processes involve SOCs and SVHCs that can have an impact on health and the environment. Examples include methanol and piperidine (SOCs) and dimethylformamide (SVHC).

Impacts, risks and opportunities

				Value chain			Time horizon		
DMA topics	Subtopic	IRO	IRO description and interaction with business and/or strategy	Upstream	Own operations	Downstream	Short term	Medium term	Long term
E2 Pollution	Pollution of air, water and soil	Negative impact	Discharge of harmful substances and pollutants. Improperly disposed waste and hazardous materials can result in soil degradation, human health impact, and long-term environmental damage.	●	●		●	●	
	Substances of concern / very high concern	Opportunity	Development of new processes utilizing less hazardous chemicals as part of the green chemistry program / reduction of pollution.		●			●	●
		Risk	Regulatory changes related to the use of substances of high and very high concern can impact production sites.	●	●			●	
		Negative impact	Exposure to hazardous or potentially harmful chemicals can compromise human health and safety as well as harm the environment.		●			●	

As part of its DMA, PolyPeptide screened its own operations and relevant upstream value chain activities to identify actual and potential pollution related impacts, risks and opportunities. The screening followed a structured approach to locate, evaluate and assess relevant IROs, based on site level EHS risk assessments, regulatory requirements, incident data and internal expertise, with results validated through internal expert and management review, which then informed the material topics disclosed under ESRS E2.

Based on this assessment, and given their critical role in PolyPeptide's innovation, development and manufacturing processes, SOCs, such as methanol, piperidine, and SVHCs, such as dimethylformamide (DMF), were assessed as highly material. These chemicals pose risks to human health and the environment if not managed properly. Exposure to these substances can compromise employee safety and potentially affect surrounding communities. The CDMO industry, including PolyPeptide, faces evolving challenges related to the use of SOCs and SVHCs, not only in terms of adapting to potential regulatory changes, but also in our responsibility to avoid environmental impact and safeguard natural ecosystems. When managing these substances, activities are carried out according to internal risk assessments. We follow established safety and environmental practices designed to support responsible handling and compliance with applicable guidelines and regulations across our operations.

These challenges may affect market dynamics and production processes, requiring us to continuously improve our practices to ensure regulatory compliance and protect the environment. At the same time, we focus our efforts on sustainability areas where we believe we can exert the greatest influence. In this context, PolyPeptide sees the development of new processes utilizing less hazardous chemicals and our green chemistry agenda aimed at advancing more sustainable production processes and solutions as essential to driving innovation.

Policies

PolyPeptide's EHS Group Policy Statement provides the overall framework for our commitments and actions aimed at employee health and safety as well as environmental stewardship. In furtherance of this statement, the Global EHS Management Plan sets out the health, safety and environmental requirements that apply to all activities and employees at PolyPeptide. This Global EHS Management Plan provides guidance for local EHS programs and other local procedures, including those related to handling hazardous materials throughout the entire production process within our own operations and addressing all material topics related to pollution. Moreover, all manufacturing sites maintain local business continuity, emergency and response plans, defining actions to limit impacts on people, the environment and business continuity.

In 2025 PolyPeptide committed to the Responsible Care initiative, making a public pledge to continuously improve its health, safety and environmental performance, as well as the responsible management of chemicals throughout their lifecycle.

Actions

Pollution of air, water and soil

PolyPeptide is committed to reducing air pollution across its manufacturing sites. To limit harmful emissions, we use advanced systems like Regenerative Thermal Oxidizers (RTOs)[1] at our Malmö and Braine facilities. These systems help respect emission limits for volatile organic compounds (VOCs) and other pollutants from exhaust air. At the Braine site, we also use activated carbon filters on ventilation systems to prevent laboratory fumes from entering the atmosphere. We are currently mapping VOC emissions at our European sites (i.e., Malmö, Braine, and Strasbourg) to comply with European regulations and apply best practices for minimizing environmental impact.

In addition, we have started phasing out the use of dichloromethane (DCM) at all sites, a substance that contributes to air pollution and will be classified as carcinogenic throughout Europe during 2026[2].

PolyPeptide takes robust measures to prevent water pollution. At our sites in Braine and Ambernath, industrial wastewater is treated in wastewater treatment plants, where pollutants are broken down before discharge. We monitor water quality to ensure safety and compliance. At our other sites (Malmö, Strasbourg, San Diego, and Torrance), industrial wastewater is collected as a waste and sent to certified treatment facilities.

To prevent soil contamination, all chemicals at PolyPeptide sites are stored in secure areas with secondary containment, and safety measures are implemented to avoid leaks or reactions. No thresholds regarding emission of pollutants warranting disclosure according to disclosure requirement ESRS E2-4 were exceeded during 2025.

Substances of Concern and Substances of Very High Concern

One of the key challenges PolyPeptide faces is the use of trifluoroacetic acid (TFA), a chemical classified as SOC, essential to certain production processes but notable for its persistence in the environment, as it does not naturally break down. This characteristic raises significant concerns regarding long-term environmental accumulation and potential ecological harm. In response, our innovation efforts are focused on developing new production methods to reduce and, where technically feasible and commercially acceptable, substitute selected SOCs/SVHCs. We are committed to consistently offering these improved, more sustainable solutions to our customers during product development, thereby reducing our environmental impact and supporting broader sustainability goals.

In pursuit of efficient use of DMF, classified as SVHC, the Group continues to deploy its patented in-process washing concept by percolation[3], which was developed by the Group's Global Innovation and Technology team.

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[1] Regenerative Thermal Oxidizers (RTOs): Industrial systems that use high temperatures to break down hazardous air pollutants and volatile organic compounds into harmless gases like carbon dioxide and water vapor.
Volatile Organic Compounds (VOCs): Organic chemicals that easily evaporate at room temperature and can contribute to air pollution and health risks.

[2] Actions are implemented within normal operating budgets; no significant incremental capital expenditures or operating expenses are allocated.

[3] A percolation wash is a continuous flow wash in which a solid is washed in a continuous way by adding wash solvent at the top while withdrawing wash solvent at the same time from the bottom of the filter. In such a flow wash, the wash liquid and the associated impurities of synthesis are displaced by the wash solvent from the top to the bottom of the filter.

PolyPeptide submitted this concept to the European Responsible Care (RC) Awards 2025. The concept was judged as an exemplary model in the field of circular economy, where the approach to reducing solvent consumption was particularly well received. Therefore, RC have proposed to share the project as a best practice in the European Chemical Industry Council (Cefic) RC self-assessment webtool – an online platform that helps chemical companies evaluate and improve their sustainability, safety, and environmental practices by benchmarking against industry standards and sharing best practices.

The Group also continues its comprehensive efforts to recycle or downcycle hazardous solvents and reagents used both in its up- and downstream manufacturing processes, see also section Resource use and circular economy.

Targets and metrics

In line with the actions highlighted above, voluntary pollution targets include:

- Apply green chemistry principles to reduce the use of SOCs and SVHCs.
- Monitor key pollutants such as DCM, SOCs and SVHCs annually, and minimize VOC emissions through air filtration and emission control technologies.
- Reduce the quantity of solvents used in production through the implementation of innovative technologies.
- Apply specific treatment to 100% of final products at end-of-life to avoid environmental pollution when destruction is required by customers.

In addition, to replace hazardous solvents or reagents with greener alternatives, PolyPeptide has gradually introduced the option of using greener solvents in new process development quotes. These alternatives, referred to as greener solvents, are selected for their lower environmental impact, reduced toxicity, and improved safety profile compared to conventional solvents (SOCs and SVHCs). In 2024, this option was included in 10.8% of all development quotes, whereas in 2025 it was included in 26.95% of the development quotes. The target for 2026 is set at 40%.

The solvent DMF is by far the most significant SOC and SVHC in PolyPeptide's manufacturing process. In 2025, DMF represented more than 87% of all SOCs used, and over 99% of the total amount of SVHCs.

Any residuals of SOCs or SVHCs are managed and leave the sites primarily via controlled waste treatment/disposal channels in accordance with applicable permits and regulations.

SOCs and SVHCs used during production and classified according to hazard class

Substances of concern (tonnes)	2025	2024	2023
Health hazard	6,714	4,527	4,087
Environmental hazard	69	65	54
Health and Environmental hazard	0.5	0.9	0.6
Total	**6,783**	**4,593**	**4,142**
Substances of very high concern (tonnes)	**2025**	**2024**	**2023**
Health hazard	5,965	3,925	3,367
Environmental hazard	0	0	0
Health and Environmental hazard	0.5	0.9	0.6
Total	**5,966**	**3,926**	**3,368**

Accounting policies

Substances of concern and substances of very high concern

SOCs and SVHCs used in the manufacturing processes at PolyPeptide's manufacturing sites are included in this Sustainability Report. Among the SOCs, the SVHCs were identified based on the 'Candidate List of substances of very high concern for Authorization', which identifies chemicals that may be added to Annex XIV of REACH (the authorization list). The weight of substances is calculated according to substance-specific conversion factors where available, otherwise we assume a density of one kilogram per liter.

The underlying substances are highlighted in three main hazardous classes:

Health hazard, including substances of at least one of the following characteristics:

- Carcinogenicity categories 1 and 2
- Germ cell mutagenicity categories 1 and 2
- Reproductive toxicity categories 1 and 2
- Endocrine disruption for human health
- Persistent, Mobile and Toxic or Very Persistent, Very Mobile properties
- Persistent, Bioaccumulative and Toxic or Very Persistent, Very Bioaccumulative properties
- Respiratory sensitization category 1
- Skin sensitization category 1
- Specific target organ toxicity, repeated exposure categories 1 and 2
- Specific target organ toxicity, single exposure categories 1 and 2

Environmental hazard, including substances of at least one of the following characteristics:

- Endocrine disruption for the environment
- Chronic hazard to the aquatic environment categories 1 to 4
- Hazardous to the ozone layer

Health and environmental hazard, for substances associated with hazards from both hazard classes above.

Resource use and circular economy

Resource use and circular economy encompass the two dimensions of *resource inflows* and *waste*. PolyPeptide's main resource inflows are starting materials, solvents, reagents, purification resins, SPPS resins and linkers. Waste generated in the Group's operations includes hazardous and non-hazardous waste.

Impacts, risks and opportunities

				Value chain			Time horizon		
DMA topics	Subtopic	IRO	IRO description and interaction with business and/or strategy	Upstream	Own operations	Downstream	Short term	Medium term	Long term
E5 Resource and circular economy	Resources inflows	Opportunity	Continuous operational improvements with a focus on raw material and water efficiency, including the adaption of circular concepts, can reduce costs, limit GHG emissions and improve profitability.	●	●	●		●	
	Waste	Negative impact	PolyPeptide's manufacturing activities generate waste which can have adverse environmental impacts. The main resources used include starting materials, solvents, reagents, and purification resins.	●	●	●		●	

Peptide synthesis requires the use of significant quantities of raw materials, particularly solvents. With the Group's growth and the scaling up of manufacturing processes, solvent consumption has increased. This increased activity and the large volumes of solvents also led to a higher generation of waste, including hazardous waste.

Used solvents are PolyPeptide's main type of waste. As part of its green chemistry agenda, the Group has initiated measures to downcycle and recycle solvents, helping to use natural resources more efficiently. Operational excellence, including innovative waste management practices and continuous improvements focused on resource efficiency and the adoption of circular concepts, helps mitigate the increasing waste generation from business growth while reducing costs, limiting GHG emissions, and improving profitability.

Water is also an important resource, serving as a key solvent throughout various production stages, including purification activities, cleaning processes, and certain utility operations. Although water is not considered material under the E3 (Water and marine resources) scope parameters, the resource-use analysis identified it as a significant solvent and a component also of the waste stream.

Policies

PolyPeptide is committed to using resources responsibly and minimizing waste throughout its operations. In furtherance of the PolyPeptide EHS Group Policy Statement that provides the overall framework for our commitments and actions aimed at employee health and safety as well as environmental stewardship, the Global EHS Management Plan sets out the health, safety and environmental requirements that apply to all manufacturing processes. It provides guidance for local EHS programs and procedures, designed to protect our workforce, minimize risks, and promote a safe and healthy working environment.

In alignment with our EHS Group Policy Statement and Global EHS Management Plan, we have established local EHS policies at each production site and the innovation center in Strasbourg to ensure proper handling of residual materials and waste.

These policies require that all resource-related waste is correctly classified, segregated, and managed in compliance with environmental regulations. Waste is transported and disposed of only through certified companies using approved methods to protect human health and the environment. The scope of these policies includes all employees involved in managing production and laboratory waste within our operations.

Site Directors are responsible for implementing these policies and ensuring that resource use is optimized, waste streams are minimized, and circular practices are promoted wherever possible. Through these measures, PolyPeptide aims to reduce environmental impact and support sustainable resource management across all sites.

Actions

PolyPeptide is committed to reducing the environmental impact of its operations by improving how solvents are managed across all sites. Solvents are essential in peptide manufacturing, but their use can generate significant waste. To address this, we have launched several programs focused on down-cycling solvent waste and, wherever feasible, recovering solvents for reuse in production processes.

Our long-term goal is to expand solvent recovery capabilities across all sites and integrate them into standard operating procedures, reinforcing PolyPeptide's commitment to resource efficiency and environmental stewardship. Recovering solvents offers multiple benefits: it reduces the demand for fresh solvents, lowers waste volumes, and minimizes the environmental footprint of our operations. These initiatives involve evaluating existing processes, upgrading equipment where necessary, and implementing best practices for solvent handling and purification. In some cases, recovered solvents can be reintegrated into non-critical steps of production, creating a more circular approach to resource use.

In 2025, PolyPeptide achieved a significant improvement at its Malmö site with the commissioning of a new tank farm, designed to improve efficiency, safety, and resource management. The tank farm centralizes solvent inflows, distribution and waste collection, replacing multiple truck transfers with automated pipeline systems. This innovation reduces manual handling, minimizes on-site traffic, and enables faster, safer operations. Waste streams can now be consolidated for optimized treatment, and solvent handling is streamlined to support future recovery and reuse initiatives. Benefits of such an investment have already been proven by the existing tank farm at the Braine site, which has been recycling solvents for over 20 years. By increasing capacity and reducing resource losses, the tank farm in Malmö represents a key step toward circularity and sustainable growth, aligned with PolyPeptide's long-term strategy for responsible resource use.

In addition to solvent down-cycling recovery, our Global Innovation and Technology team is working on ways to use solvents more efficiently. One key approach is introducing high-capacity resins in our manufacturing process[1]. These resins will allow us to produce more in the same reactor space, which means we need less solvent overall. This improvement will help reduce waste and lower our environmental impact.

Water is essential for our processes and represents a significant part of our waste stream. Using water efficiently and addressing the circularity of wastewater is therefore a priority for PolyPeptide. To improve efficiency, we focus on reducing water use and reusing it wherever possible. In 2025, PolyPeptide launched a program to map all water consumption points across our sites. This detailed analysis will help us identify the areas with the highest usage and uncover opportunities for reduction. Improvements may come from replacing older equipment with modern, water-saving technologies or reclaiming wastewater for non-critical applications. For example, at our Ambernath site, water treated in the wastewater plant is reused for cooling.

[1] Patent application WO 2023/234837 A1.

Targets and metrics

In line with the actions highlighted above, circularity targets include:

- Treat 100% of industrial wastewater discharges to meet local discharge standards
- Complete mapping of water consumption across 100% of manufacturing sites by 2027, supporting the initiation of efficiency improvements in 2028.

Initiatives related to resource inflow, including solvent use, are described in the section Climate change.

Although the zero-landfill goal is a voluntary target, and even if landfilling accounts for less than 0.5% of our waste disposal, we are actively working on identifying new treatment methods for the remaining concerned waste. Despite an increase in raw-material inflow to net revenue ratio, the share of non-recycled waste has continuously decreased over the past three years, reflecting the initiatives taken by PolyPeptide to reduce its environmental footprint.

Overall water consumption decreased in 2025 compared to 2024, with trends over time affected by product mix. As mentioned, PolyPeptide is working towards better water efficiency based on the mapping of water consumption started in 2025.

Raw material inflow	2025	2024	2023
Raw material inflow (kg)	12,993,386	10,896,917	8,689,037
Net revenue (kEUR)	389,327	336,792	320,372
Raw material inflow per net revenue (kg/kEUR)	33.4	32.4	27.1

Recovered and disposed waste in tonnes	2025	2024	2023
Total amount of waste generated	**18,361**	**15,376**	**14,148**
Total amount of waste diverted from disposal	**18,101**	**14,949**	**13,515**
Preparation for reuse	**0**	**0**	**0**
- Hazardous waste	0	0	0
- Non-hazardous waste	0	0	0
Recycling	**7,056**	**5,206**	**4,106**
- Hazardous waste	7,017	5,206	4,106
- Non-hazardous waste	39	0	0
Other recovery	**11,045**	**9,743**	**9,409**
- Hazardous waste	10,752	9,493	9,117
- Non-hazardous waste	293	250	292
Total amount of waste directed to disposal	**260**	**427**	**633**
Incineration	**169**	**269**	**434**
- Hazardous waste	169	269	433
- Non-hazardous waste	0	0	1
Authorized landfill	**65**	**56**	**58**
- Hazardous waste	8	1	3
- Non-hazardous waste	57	55	55
Other disposal	**25**	**102**	**141**
- Hazardous waste	25	102	141
- Non-hazardous waste	0	0	0
Percentage of non-recycled waste in percent	**1.4**	**2.8**	**4.5**

Water consumption	2025	2024	2023
Fresh water consumption (m^3)	174,985	177,297	137,597
Finished Products (kg)	2,862	1,823	2,000
Water consumption (m^3/kg)	61	97	69

Accounting policies

Resource inflows

Key material inflow includes starting materials, solvents, reagents, purification resins, SPPS resins and linkers. The total weight shown reflects 100% technical materials. None of these materials are or contain critical or strategic raw materials as identified in Annex I and Annex II of the Critical Raw Materials Act (Regulation (EU) 2024/1252).

The percentage of secondary reused or recycled components is near zero and therefore not indicated separately.

Data reported is calculated based on physical quantities of goods sourced and the methodologies for carbon accounting data Scope 3, category 1: Purchased goods and services.

Resource outflows

Solvent recycling: The process of purifying used solvents so they can be reused for the same or similar purpose without altering their chemical structure.

Solvent recovery: The process of extracting solvents from waste streams to minimize loss and environmental impact. Recovered solvents may be reused after further treatment or disposed of safely.

Progress on solvent reduction initiatives is monitored by the total raw material inflow relative to net revenues (indicative for manufactured volumes). The implementation of solvent recovery is monitored by the total volume of recovered solvents (in tonnes) vs. the total amount of generated waste.

We track progress on water efficiency by monitoring the volume of fresh water used per kilogram of finished product (m^3/kg).

Waste

Indicators for waste management include the weight of hazardous (>97% of the total waste) and non-hazardous waste. Hazardous waste mainly consists of chemical waste (primarily solvents) generated during manufacturing activities but also includes lubricating oils and refrigerants. Non-hazardous waste mainly consists of paper and cardboard, plastic, glass, metal, organic waste (food and drink waste) and household residual waste. Waste subcategories are shown between hazardous and non-hazardous waste, as defined in the EU's Waste Framework Directive. We have not identified any radioactive waste in our operations.

Only waste generated at manufacturing sites and the innovation center in Strasbourg is considered in the metrics, with the waste from the headquarters in Baar deemed immaterial and excluded. All waste generated across our sites is managed by local waste handling companies.

Social information

Own workforce

Own workforce refers to PolyPeptide's working conditions among its own employees. It encompasses the sub-topics *health and safety, social dialogue, collective bargaining, training and skills development, gender equality and equal pay of work of equal value, measures against violence and harassment in the workplace, and diversity.*

PolyPeptide's manufacturing process, especially the handling of hazardous substances, entails potential health and safety risks for employees that require specific precautions. The Group provides targeted training programs covering GMP requirements, environmental protection, workplace health and safety, ethical behavior and compliance, whistleblower programs as well as cyber security and data protection.

PolyPeptide supports fair employment by promoting gender equality and equal pay, implementing procedures against violence and harassment, and fostering diversity.

Impacts, risks and opportunities

				Value chain			Time horizon		
DMA topics	Subtopic	IRO	IRO description and interaction with business and/or strategy	Upstream	Own operations	Downstream	Short term	Medium term	Long term
S1 Own workforce	Social dialogue (Working conditions)	Risk	Attracting and retaining talent across key functions is critical to the execution of our business strategy. In an increasingly competitive market for skilled professionals, our ability to maintain performance and achieve strategic objectives could be negatively affected.		●		●	●	
	Collective bargaining, including rate of workers covered by collective bargaining agreements (Working conditions)	Positive impact	By providing attractive working conditions and employment benefits, PolyPeptide creates a fair and inclusive workplace. The commitment to collective bargaining and social dialogue can have a positive impact on employee health, well-being, and engagement.		●		●	●	
	Health and safety (Working conditions)	Negative impact	The handling of chemicals can lead to exposure risks, which may, if not properly managed, adversely affect the health and safety of individuals.		●		●	●	
	Gender equality and equal pay for work of equal value (Equal treatment)	Positive impact	By promoting equal treatment and opportunities for all employees, PolyPeptide helps create a respectful and inclusive workplace where employees have access to opportunities and rewards.		●		●	●	
	Training and skills development (Equal treatment)	Opportunity	Ensuring relevant and timely training, supports our strategic agenda: our commitments to workforce training contributes to delivery and business performance.		●		●	●	
	Measures against violence and harassment in the workplace (Equal treatment)	Positive impact	Through a zero-tolerance policy, whistleblower programs, and targeted trainings, PolyPeptide can foster a non-discriminatory environment that supports smooth processes and promotes a culture of respect, integrity, and trust.		●		●	●	
	Diversity (Equal treatment)	Positive impact	A workplace embracing the values of inclusion and diversity can increase employee satisfaction and well-being.		●		●	●	

Our work matters to millions of patients worldwide. PolyPeptide's success depends on a skilled and engaged workforce to operate under GMP standards and drive innovation. Attracting and retaining talent is critical in a competitive market, as shortages of qualified employees could impact our ability to deliver on strategic objectives.

PolyPeptide fosters a culture of respect and integrity through zero-tolerance policies on unethical and illegal behavior, supported by whistleblower programs, and targeted training. We promote inclusion and diversity, offer attractive working

conditions and benefits, and support social dialogue to enhance engagement and well-being. Our commitment to ongoing training ensures employees have the skills needed to maintain compliance and deliver on our strategic goals.

Our operations involve handling hazardous substances, which can pose health and safety risks if not managed properly. To mitigate these risks, we maintain strict EHS standards, provide continuous GMP and safety training, and implement measures to protect employees and non-employees working on-site in innovation and manufacturing environments. Our commitment to workforce training strengthens operational excellence and supports overall business performance.

Policies

PolyPeptide's values are embedded in its Code of Business Conduct and Ethics. We foster a workplace built on respect, integrity, inclusion and diversity and maintain a zero-tolerance policy for harassment, bullying, or discrimination. The Group will not discriminate against any employee or applicant with regard to gender, gender identity or expression, age, ethnicity, skin color, sexual orientation, religion, family or marital status, pregnancy, political activity, disability or any other characteristic protected by applicable law. We strive to uphold human rights and freedom of association, provide equal employment opportunities, and maintain alignment with all relevant labor and safety regulations. Our global employment principles reflect these values.

Our commitment extends to responsible practices across our supply chain. Through our Global Supply Chain Policy on Child Labor, we promote transparency and apply due diligence to prevent child labor in our operations and among high-risk tier 1 raw material suppliers.

In furtherance of the PolyPeptide EHS Group Policy Statement that provides the overall framework for our commitments and action aimed at employee health and safety as well as environmental stewardship, the Global EHS Management Plan sets out the health, safety and environmental requirements that apply to all activities and employees at PolyPeptide. It provides guidance for local EHS programs and procedures, designed to protect our workforce, minimize risks, and promote a safe and healthy working environment.

We do not currently have specific policy commitments that cover specific groups within our own workforce.

Processes for engaging with our workforce

We actively engage with our workforce, both directly and indirectly, through multiple processes that inform our decision-making. The primary channel for direct feedback is our annual employee engagement survey. This survey enables us to continuously monitor and improve PolyPeptide as a workplace, and all teams work proactively with the results each year to drive meaningful improvements.

More than 1,000 employees took part in the employee engagement survey 2025, yielding a participation rate of 84% (2024: 86%). The overall engagement score was 3.7, on a scale from 1 to 5, with 5 being the highest and 1 being the lowest (2024: 3.6). The survey revealed "Relationships with Colleagues", "Meaningful Participation" and "Relationship with Manager" as strengths of PolyPeptide's workplace culture, while "Feedback and Communication", "Workplace and Tools", and "Autonomy" scored lower. The specific results of the engagement survey were made available to the respective teams in order to further develop employee engagement.

Other channels and platforms for engagement include the Group's intranet, global and local townhall meetings, as well as themed workshops and campaigns. In addition, we maintain ongoing dialogue with workers' representatives. In Braine, Malmö and Strasbourg, employees are represented by local unions and associations, which help incorporate their perspectives into PolyPeptide's approach to employee well-being, workplace conditions, and compliance with labor standards.

To manage individual performance and development, the Group maintains annual performance evaluation and employee development processes. Under the operational responsibility of local Human Resource managers, line managers are requested to conduct suitable discussions with their team members.

Processes to remediate negative impacts and channels for own workforce to raise concerns

We apply established processes to address and remediate negative impacts. For an overview of the channels available to our workforce for raising concerns, including whistleblowing mechanisms, see the section on Business conduct.

Actions

Our key actions related to health and safety (i.e., the identified potential negative impact) are described below. All employees engaged in the manufacturing process go through training in compliance with GMP requirements and health and safety regulations. The individual GMP training includes self-study, classroom teaching, and practical on-the-job training, which is documented and subject to regular refreshers. PolyPeptide believes that continuous learning and professional development are crucial for both individual and organizational success. We are committed to providing

training opportunities and resources to support individual growth through annually reviewed development plans, although we currently do not track total training hours.

To achieve its EHS objectives, PolyPeptide has deployed a three-year EHS action plan which includes a comprehensive EHS awareness program covering:

- Ongoing training for all employees;
- Access to tools that empower employees to report hazardous situations; and
- Systematic identification and management of operational risks.

In recent years, the Group has established a Global EHS Policy and implemented escalation forms to share lessons learned from incidents and best practices across all sites, fostering continuous improvement. PolyPeptide has introduced tools to proactively monitor regulatory changes and deployed a system for managing safety data sheets, providing employees with easy access to up-to-date information.

For the 2026–2028 period, PolyPeptide's priorities include further strengthening its EHS culture through an EHS employee awareness program, from onboarding to periodic refreshers on specific topics and an EHS training program for subcontractors operating at manufacturing sites. The plan also emphasizes harmonizing EHS processes across the Group, by, *inter alia*, developing guidance for event investigation, reporting, and sharing lessons learned, as well as standardizing risk assessment processes to ensure employee health and safety.

Collectively, these actions contribute to PolyPeptide's expected outcomes by strengthening the Group's ability to prevent and mitigate negative impacts on its own workforce while enhancing overall organizational resilience.

Targets and metrics

Characteristics and diversity metrics of PolyPeptide's employees

In 2025, the average number of FTEs was 1,395 compared to 1,291 in 2024. 146 employees left the Group during the reporting period, resulting in an employee turnover of 9.94%. Metrics, including breakdowns of the employees by geography, job category, site, age, experience, qualification, and gender are presented in the tables below.

While PolyPeptide is not reporting quantitative targets for all material topics of its Own workforce, the Group is committed to establishing relevant measurable outcome-oriented targets in line with its objectives while we track the effectiveness of our policies and actions in relation to identified IROs.

Number of employees (HC)	2025	in %	2024	in %
Total	1,469	100%	1,362	100%
Baar (CH)	16	1%	11	1%
Strasbourg (FR)	157	11%	152	11%
Braine (BE)	457	31%	454	33%
Malmö (SE)	445	30%	381	28%
Ambernath (IN)	134	9%	110	8%
San Diego (US)	61	4%	65	5%
Torrance (US)	199	14%	189	14%

Average number of FTE	2025	2024
Total	**1,395**	**1,291**
By geography		
Switzerland	15	10
France	155	139
Belgium	442	430
Sweden	403	350
India	123	101
USA	257	261
By job category		
Production	786	722
Marketing and sales	20	18
Research and development	167	168
General and administration	114	103
Quality control	178	161
Quality assurance	130	119

By age (HC)	2025	2024
Age under 30 years old	236	224
Age 30-50 years old	888	822
Age over 50 years old	345	316
By experience (HC)		
<2 years	30%	33%
2 to 10 years	46%	41%
>10 years	24%	26%
By qualification (HC)		
PhD	7%	7%
Academic	64%	63%
Non-academic	29%	30%

Gender diversity[1] (HC)		2025			2024		
		m	f	Total (absolute)	m	f	Total (absolute)
Diversity of governance bodies	Board of Directors	67%	33%	6	83%	17%	6
	Executive Committee[2]	75%	25%	4	75%	25%	4
	Management[3]	69%	31%	225	66%	34%	232

By gender split m/f (HC)	2025		2024	
	m	f	m	f
Production	75%	25%	76%	24%
Other functions	51%	49%	51%	49%

Number of employees by employment characteristics (HC)	2025		
	m	f	Total
Number of permanent employees	932	508	1,440
Number of temporary employees	17	12	29
Number of non-guaranteed hours employees	0	0	0
Total employees	949	520	1,469

Remuneration metrics	2025
Gender pay gap	4.2%
Remuneration ratio	38

Collective bargaining coverage

The number of employees covered by collective bargaining agreements by the end of 2025 was 72% (2024: 72%), representing all employees in Belgium, Sweden, and France that are covered by collective agreements.

[1] PolyPeptide recognizes that gender is not a binary concept.

[2] Top Management according to ESRS.

[3] Management refers to employees in leadership positions, including all team leader roles with at least one direct report, as well as Executive Committee and PolyPeptide Management Committee members.

Health and safety targets and metrics

PolyPeptide is committed to building a strong safety culture across all its sites, with the ambition to achieve zero lost-time injuries (LTI) and continuously lower the severity rate year over year to ensure a safer and healthier workplace for all employees. The Group prioritizes the protection of the health and safety of its employees, both physically and mentally.

In 2025, the Group incurred 17 LTI (2024: 14), resulting in 0.25 lost working days per employee (2024: 0.09). Zero fatalities as a result of work-related injuries and ill health were recorded during 2025. As part of PolyPeptide's ongoing commitment, the Group continued its health and safety programs at the manufacturing sites in 2025, including awareness initiatives and practical accident prevention trainings. In addition, the sites held practical trainings with emergency responders.

In addition, the Group launched the Safety Days/Safety Week initiative at several sites, with full implementation across 100% of sites targeted by 2026.

Health and safety metrics related to own employees	2025
Percentage of own workforce at manufacturing sites covered by the health and safety management system	100%
Number of fatalities as a result of work-related injuries or ill health	0
Recordable work-related accidents	17
Rate of recordable work-related accidents (LTI/FTE)	0.01

Incidents, complaints and severe human rights impacts

There are no confirmed cases of incidents of discrimination, including harassment, and no reported cases of severe human rights impacts and no related fines, penalties and compensation for damages.

See also section Business conduct for number of whistleblower reports.

Accounting policies

Characteristics of employees and non-employees

The identified material impacts and risks primarily relate to our own workforce, which includes both employees and non-employees.

Employees refer to individuals working part-time or full-time under a contractual agreement with PolyPeptide. Employee data is shown as headcount (excludes apprentices, interns, students, trainees, contract workers, and inactive workers) or standard full-time equivalent (FTE) based on records from the relevant HR systems at the end of the reporting period.

Non-employees consist of individuals engaged under a fixed-term contract. This group consists of self-employed contractors or individuals employed by third parties who are part of the operational business performing tasks similar to those of PolyPeptide's employees, on-site in research and/or manufacturing environments. PolyPeptide does currently not report the number of non-employees.

All members of our own workforce who could be materially impacted by PolyPeptide are included within the scope of our social disclosures. However, the nature of impacts, risks, and opportunities varies by roles and context. Health and safety considerations, in particular, primarily affect employees in innovation and operational functions, as these roles involve greater exposure to potentially hazardous situations and materials compared to those in office settings.

Employee turnover

The total number of permanent leavers in 2025 is calculated relative to the headcount per 31 December 2025. Employees who leave voluntarily or due to dismissal, retirement, or death in service are included in the calculation.

Training metrics

While we track participation in trainings provided, PolyPeptide does not currently track the total number of training hours for all employees or participation rates in development plan reviews.

Remuneration metrics

Gender pay gap is defined as the difference of average pay levels between female and male employees, expressed as percentage of the average pay level of male employees. Remuneration metrics are calculated based on compensation rates converted to EUR in relation to hours worked. Figures are based on gross pay as shown on pay slips and include worked hours plus paid absences (e.g., vacation) and any taxable benefits. Compensation is reported without adjustments for purchasing power differences between countries and is presented by gender only.

Calculations include all employees active as of 31 December 2025. Individuals with zero worked hours during the year are excluded. Employees without gender designation are also excluded.

Recordable work-related accidents

Recordable work-related accidents are reported as Lost Time Injury (LTI). LTI refers to a work-related injury or illness that prevents an employee from performing their normal job duties and results in them missing at least one full workday or shift after the incident date, requiring time off for recovery, even if assigned modified work, and counting towards lost workdays for tracking serious incidents.

Workers in the value chain

Safety of workers in the value chain refers to *health and safety*, meaning the conditions under which work is performed throughout PolyPeptide's value chain, including physical conditions.

PolyPeptide maintains a network of several hundred direct suppliers of raw materials, capital goods, and services. For most of these suppliers, PolyPeptide's addressable spend volume represents a relatively small share of the supplier's overall revenue, which limits the Group's influence on their practices.

Impacts, risks and opportunities

				Value chain			Time horizon		
DMA topics	Subtopic	IRO	IRO description and interaction with business and/or strategy	Upstream	Own operations	Downstream	Short term	Medium term	Long term
S2 Workers in the value chain	Health and safety (Safety of workers in the value chain)	Negative impact	Inadequate health and safety management increases the possibility of employee injury, illness, and even death.	●			●	●	
		Opportunity	Paying attention to appropriate occupational health and safety contributes to the prevention of physical and mental harm to workers and the promotion of their health.	●			●	●	

PolyPeptide maintains a global network of over 430 direct raw material suppliers. In 2025, the top 30 direct raw material suppliers together accounted for around 80% of the total material spend. Where feasible, PolyPeptide sources its needed materials regionally, supporting environmental sustainability as well as local economies and communities.

We are committed to ensuring fair and safe working conditions across our value chain. PolyPeptide actively assumes its responsibility to respect human rights, and aims to ensure fair treatment of workers within its own operations and throughout its network of commercial partnerships. This includes prohibiting child labor and promoting safe and ethical working conditions across the supply chain. Insufficient supply chain engagement can lead to adverse effects on workers and may harm the communities from which PolyPeptide sources. Furthermore, inadequate health and safety management at our suppliers increases the possibility of worker injury, illness, and even fatalities. At the same time, based on the DMA, PolyPeptide has not identified material actual or potential impacts on specific categories of workers in the value chain.

To mitigate these risks, PolyPeptide emphasizes adequate diversification of vendors, clear specifications and procedures, and direct supplier engagement. These measures strengthen operational resilience and promote ethical behavior and legal compliance along its value chain, ultimately protecting the Group's reputation.

Policies

PolyPeptide maintains a Global Supply Chain Policy on Child Labor which sets out how the Group meets its due diligence and transparency obligations across its supply chain. The policy defines the Group's child labor due diligence processes and its associated reporting and management systems. This policy is referenced in PolyPeptide's Code of Business Conduct and Ethics as well as the Supplier Code of Conduct that applies to all activities within our upstream value chain.

PolyPeptide's Supplier Code of Conduct establishes strict expectations for ethical, legal, and socially responsible practices across its supply chain, emphasizing respect for internationally recognized labor and human rights. It mandates freely chosen employment, explicitly prohibiting forced, bonded, or prison labor, as well as all forms of child labor and human trafficking. Suppliers must uphold fair treatment of workers, comply with ILO standards and UN Global Compact principles, and provide safe, healthy working conditions. The Supplier Code of Conduct requires transparent grievance mechanisms, enabling employees to report concerns confidentially and without retaliation, and obliges suppliers to investigate and remediate violations. These commitments aim to ensure that workers in PolyPeptide's value chain are protected from exploitation and treated with fairness, reinforcing the Group's sustainability objectives and global compliance standards.

In furtherance of this, we assess all suppliers in the following areas to ensure we work only with suppliers who understand and acknowledge our Supplier Code of Conduct:

- **Fair and Ethical Business Practices** – our Supplier Code of Conduct outlines the ethical standards and fair business practices by which we conduct our business, and we expect our suppliers to adopt similar principles.
- **Health & Safety**– we expect our suppliers to adopt management practices in respect of Health & Safety which provide a high level of safeguarding for their workers.
- **Environmental Protection** – we expect suppliers to maintain effective policies, processes and procedures to minimize their environmental impact.
- **Human Rights** – we expect our suppliers to develop and implement policies and procedures that protect human rights within their operations and to encourage their own suppliers to do the same.
- **Compliance with Laws and Regulations** – we expect our suppliers to respect and follow the laws, rules and regulations of the cities, states and countries in which they operate, this includes adherence to our Global Supply Chain Policy on Child Labor and Global Anti-Corruption and Anti-Bribery Policy.

Actions

Operating within a highly regulated GMP business environment, PolyPeptide maintains procedures to approve and qualify critical suppliers based on the criticality of the materials or services provided. Its Supplier Code of Conduct is published on the corporate website, and suppliers are expected to conduct their business in compliance with, *inter alia*, applicable local, national, and international laws and regulations, contractual agreements, and consistent with internationally recognized sustainability standards.

The instruments that PolyPeptide may use to identify and assess any risks of Child Labor in its supply chain are described in the Global Supply Chain Policy on Child Labor. The Group carries out a risk-based assessment to anticipate, avoid, or mitigate potential or actual adverse impacts associated with its supply chain.

PolyPeptide requires its suppliers to acknowledge and comply with its Supplier Code of Conduct and the Global Supply Chain Policy on Child Labor. During 2025, PolyPeptide introduced an automated distribution and acknowledgement process of the Supplier Code of Conduct through its Supplier Management System.

Process for engaging with value chain workers

We maintain both direct and indirect engagement with supplier representatives through ongoing interactions across our organization and procurement functions as well as supplier audits.

With the support of a multinational assurance, inspection, product testing and certification company, PolyPeptide began engaging with selected high-risk tier 1 raw material suppliers through a questionnaire based on ISO26000 in 2023. Suppliers are selected using a risk-based approach, focused on any enhanced risks of human rights and child labor violations based on, *inter alia*, the UNICEF Children's Rights in the Workplace Index. PolyPeptide may further conduct on-site as well as remote audits on a case-by-case basis to verify compliance. In the event of observations or suspicions of actual or potential violations, PolyPeptide will engage with the supplier to create a remediation plan, and in severe cases terminate the relationship.

Based on the due diligence activities conducted throughout 2025, including an assessment of five high-risk tier 1 raw material suppliers (2024: ten), PolyPeptide maintains a robust and risk-based approach to identifying and mitigating potential child labor risks in its supply chain. To date, the assessments have not identified any need for action with regard to human rights and child labor risks. While work on identified improvement areas continues, enhancements such as updated onboarding questionnaires, automated Supplier Code of Conduct acknowledgements, and targeted screening against international indices have further strengthened our compliance framework. Regular supplier engagement, ongoing sanctions screening, and staff training reinforce our commitment to responsible sourcing.

PolyPeptide's analysis in 2025 in relation to minerals and metals from conflict-affected areas established that PolyPeptide does not place in free circulation or process minerals containing tin, tantalum, tungsten or gold, or metals from conflict-affected and high-risk areas in Switzerland. PolyPeptide also performed its analysis in 2025 in relation to child labor (as defined in its Global Supply Chain Policy on Child Labor). PolyPeptide concluded that it does not offer any products or services for which there are reasonable grounds to suspect that they were manufactured or provided using child or forced labor.

For further information on PolyPeptide's analysis in 2025 in relation to conflict minerals and metals from conflict-affected areas and child labor, see PolyPeptide's voluntary report on child labor due diligence in its supply chain.

Process to remediate negative impacts and channels for value chain workers to raise concern

PolyPeptide maintains, as an early warning mechanism for risk identification, a reporting procedure that allows all interested parties to raise reasonable concerns about the existence of a potential or actual adverse impact related to child labor. Anybody with knowledge or suspicion of illegal activities or irregularities at PolyPeptide (including any concerns about child labor in PolyPeptide's supply chain) can report observations confidentially and even anonymously, if desired, through PolyPeptide's whistleblower programs publicly available on PolyPeptide's website and referenced in the Supplier Code of Conduct.

To support effective risk management and human rights due diligence, PolyPeptide maintains remediation procedures for human rights impacts, including child labor, which set out operational guidance on how to deal with potential or actual adverse human rights impacts in PolyPeptide's own workforce and supply chain.

Targets and metrics

While PolyPeptide has not established quantitative targets for workers in the value chain at this stage, the Group is committed to expanding and continuously improving the assessment of its supply chain, with a particular focus on any potential new suppliers from high-risk areas before entering into any business relationships.

Following the introduction of automated Supplier Code of Conduct acknowledgements during the year, approximately 90% of current direct material suppliers have either formally accepted PolyPeptide's Supplier Code of Conduct or confirmed adherence to an equivalent and acceptable code of conduct of their own. Going forward, any new supplier will be required to acknowledge the PolyPeptide Code of Conduct or maintain an equivalent Code of Conduct prior to engaging in transactions.

Access to safe and effective products

Access to safe and effective products includes the sub-topics *Health and safety* as well as *Access to products and services*. It refers to how customers can procure PolyPeptide's products and services, as well as how the Group contributes to patient health and safety. PolyPeptide assists its customers throughout the development and manufacturing of drug substances and provides regulatory support.

As a CDMO supplying APIs primarily to the pharmaceutical and biotech industries, PolyPeptide does not interact directly with consumers and end-users.

Impacts, risks and opportunities

				Value chain			Time horizon		
DMA topics	Subtopic	IRO	IRO description and interaction with business and/or strategy	Upstream	Own operations	Downstream	Short term	Medium term	Long term
S4 Access to safe and effective products (Consumers and end-users)	Health and safety	Positive impact	PolyPeptide's project and product portfolio covers a broad range of therapeutic areas that ultimately benefit millions of patients.			●	●	●	
	Access to products and services	Risk	Inherent technical and operational weaknesses across the product life cycle may impair delivery performance and ultimately restrict the availability of medications to patients.	●	●	●	●	●	
	Access to products and services	Opportunity	A strong track record in meeting delivery schedules, combined with innovative capabilities in process development and manufacturing, enables PolyPeptide to deliver significant value to customers and support sustainable business growth.			●	●	●	

PolyPeptide's mission is to help its customers develop products, secure regulatory approvals, and successfully launch and commercialize their products. Through its network of six GMP-certified manufacturing sites on three continents, PolyPeptide aims to consistently meet regulatory requirements and customer expectations in terms of quality, quantity, and timely delivery.

With its expertise in the development and manufacturing of peptide-based API and intermediates, PolyPeptide supports the drug innovation efforts of its customers and strives to ensure a reliable supply of material. The peptide materials involved are highly specialized and require careful handling as well as precise processes, reflecting the complexity behind modern medicines. PolyPeptide's active custom projects and commercial projects portfolio, including generics, covers a broad range of therapeutical areas to the benefit of millions of patients. Its manufacturing and quality processes are designed to protect their safety.

The drug development and manufacturing process contains inherent technical and business risks along the entire life cycle of a product. Flawed operational processes and controls may result in a low delivery performance. Delays in agreed production and delivery schedules and/or lower-than-expected yields from manufacturing can adversely impact the availability of medication for patients.

Advanced process development capabilities, high manufacturing efficiency, and timely delivery performance enable PolyPeptide to meet customer expectations and support their drug innovation efforts. Building on a strong track record and innovative capabilities in process development and manufacturing, PolyPeptide delivers significant value to customers and enables access to safe and effective products.

Policies

The Group's goal is to help customers develop products, secure regulatory approvals, and implement successful market launches to benefit patients around the world. PolyPeptide ensures regulatory compliance through its disciplined adherence to strict production procedures and product quality standards. The Group's Quality Manual is the basis for all GMP activities. It defines which regulations are applicable and sets the basis for the policies and procedures to be followed for a specific product or service. An essential element is the Quality Plan, which includes quality performance metrics applicable across the Group.

Processes for engaging with customers

As a CDMO delivering APIs to our customers mainly in the pharmaceutical and biotech industries, PolyPeptide does not directly engage with or deliver to consumers and end-users. We have therefore chosen to rename the ESRS metric S4 (consumers and end-users) to “Access to safe and effective products” to better reflect our role. Compliance with policies, procedures and regulations is PolyPeptide’s main instrument to ensure delivery performance, quality of its products and availability of medication for patients. Employees engaged in the manufacturing process undergo extensive training in compliance with GMP requirements and safety regulations. The individual training includes self-study, classroom teaching, and practical on-the-job training. To maintain training levels, PolyPeptide provides regular refresher courses.

Processes to remediate negative impacts

PolyPeptide measures and tracks operational performance through a set of metrics, procedures, and internal reports. GMP nonconformities are investigated, including an impact assessment, with reviews and approvals by appropriate individuals in the quality organization. Where needed, the Group takes appropriate corrective and preventative actions. Customers are involved in the process as defined in the respective quality agreements. In addition, PolyPeptide continuously develops its internal standards and procedures to enhance Group-wide consistency and coordination. Quality is secured at every production stage following the procedures from raw material sourcing, testing, and storage through production, packaging, testing, releasing, and finally, delivery of the product to the customer.

Actions

PolyPeptide aims to be the preferred long-term partner for customers throughout the entire drug life cycle. It seeks to maintain and further develop its pipeline of active custom projects and portfolio of commercial projects, diversified across therapeutic areas. With strong process development capabilities, PolyPeptide seeks to effectively support the development of complex peptide-based APIs and to meet the growing manufacturing volume requirements. With a focus on process design, GMP, and product quality, PolyPeptide strives for high manufacturing efficiency and timely delivery performance as a driver for customer satisfaction and financial results.

In 2025, PolyPeptide underwent seven regulatory (2024: five) and 47 customer (2024: 46) GMP audits, and its audit performance has generally remained strong. Continuous improvement is facilitated by the resolution of audit comments, where appropriate actions are taken in close collaboration with customers and authorities.

Targets and metrics

PolyPeptide ensures patient safety by delivering products that meet the highest standards of quality and regulatory compliance. While PolyPeptide has not introduced quantitative targets for ensuring access to safe and effective products at this stage, the Group remains firmly committed to upholding and continuously enhancing a culture of integrity, transparency, and accountability throughout its operations. By combining advanced process development capabilities with GMP compliance and robust quality systems, PolyPeptide strives to deliver reliable, on-time performance and scalable solutions that enable customers to bring life-changing therapies to patients worldwide.

Governance information

Business conduct

Business conduct refers to PolyPeptide's values, principles for ethical behavior and compliance with legal and regulatory requirements. It includes the sub-topics *Corporate culture, Protection of whistleblowers* and *Corruption and bribery*.

Impacts, risks and opportunities

				Value chain			Time horizon		
DMA topics	Subtopic	IRO	IRO description and interaction with business and/or strategy	Upstream	Own operations	Downstream	Short term	Medium term	Long term
G1 Business conduct	Corporate culture	Positive impact	By living up to the corporate values of Innovation, Excellence and Trust, and by promoting adherence to and strict compliance with the Code of Conduct, as well as through established whistleblower programs, PolyPeptide seeks to uphold integrity across its value chain and to protect its assets as well as the interests of its stakeholders.		●		●	●	●
	Protection of whistle-blowers	Positive impact	PolyPeptide's whistleblower programs can help detect, prevent, or mitigate corrupt, illegal or other unethical conduct and ensure the trustworthiness of PolyPeptide as a business partner.	●	●	●	●	●	●
	Corruption and bribery / incidents	Risk	Failure to comply with ethical standards and applicable regulations may result in legal prosecution and financial and reputational damage.	●	●	●	●	●	●

PolyPeptide's commitment to ethical conduct and compliance with legal and regulatory requirements safeguards its assets and protects the interests of its stakeholders across the value chain, including customers, employees, investors, and suppliers. By prioritizing customer needs and upholding the highest standards of quality and responsibility, PolyPeptide aims to contribute positively to the well-being of patients and the communities in which it operates.

The Group recognizes that violations of business ethics and compliance not only undermine stakeholder trust but also distort healthy competition. To prevent such risks, PolyPeptide maintains a robust compliance framework to prevent, detect, and remediate potential misconduct, reinforcing its role as a responsible and trusted industry leader.

By living up to its core values —Innovation, Excellence, and Trust— PolyPeptide promotes adherence to its Code of Business Conduct and Ethics and safeguards accountability through established whistleblower programs. These measures strive to uphold integrity across its value chain, strengthen ethical business practices, and protect both its assets and stakeholder interests. Failure to comply with applicable laws, rules, regulations, ethical standards, internal policies and procedures, or the loss of sensitive data, may put the Group at risk of business interruptions and legal prosecution with adverse impacts on financial performance and reputation.

Policies

All employees, including managers and the members of the Board of Directors, are subject to the Code of Business Conduct and Ethics, which emphasizes the Group's commitment to ethics and compliance, sets forth the basic standards of ethical and legal behavior, provides reporting mechanisms for known or suspected ethical or legal violations, and helps to prevent and detect wrongdoing. Supplementing the Code of Business Conduct and Ethics and the Supplier Code of Conduct, the Global Anti-Corruption and Anti Bribery Policy sets out PolyPeptide's principles for integrity and against corruption and bribery.

PolyPeptide fosters an agile, open, and collaborative work environment with an atmosphere of honest and open communication. In addition, PolyPeptide maintains Group-wide whistleblower programs as essential tools for detecting, preventing and mitigating potentially corrupt, illegal or other unethical conduct, ensuring the trustworthiness of PolyPeptide as a business partner. Whistleblowers, including any current or past employees and any other external party with a connection to PolyPeptide, are encouraged to report any such concerns and suspicions via the designated,

autonomous and independent whistleblower hotlines, knowing that they can do so without fear of intimidation, harassment, retaliation, reprisals, discrimination or adverse consequences because of such report.

PolyPeptide maintains a set of internal policies and procedures to ensure good corporate governance, including the Global Sanctions and Export Control Compliance Policy and Procedure, the Enterprise Risk Management Policy, the Risk Assessment and Reporting Procedure, a Disclosure Policy, and an Insider Dealing and Market Manipulation Policy.

In 2025, PolyPeptide advanced the development of its Artificial Intelligence governance framework, aligning with existing data privacy and information security frameworks to foster ethical AI practices, transparency, accountability, and regulatory compliance. The governance framework is built on key principles that prioritize patient safety, ethical and responsible application of AI models, transparency in decision-making, and data security.

As outlined in the section Workers in the value chain, PolyPeptide expects its suppliers to conduct their business ethically and in compliance with applicable local, national, and international laws and regulations, contractual agreements and consistent with internationally recognized sustainability standards.

Actions, prevention and detection of corruption and bribery

PolyPeptide has differentiated procedures in place to prevent, identify, assess and remediate any infractions of applicable laws, rules, policies, or guidelines, see also the section Compliance Controls in the Corporate Governance Report 2025. The Group's Code of Business Conduct and Ethics is part of the onboarding of new employees and regular trainings, including annual e-learnings.

The Group maintains an ERM framework, providing a consistent, Group-wide perspective of identified key risks. The PolyPeptide Management Committee, together with the Chief Legal Officer and other internal stakeholders, annually conduct a risk assessment and evaluate strategies to address the risks and opportunities identified. A risk assessment report, including the probability and consequences of identified risks, is presented to the ARC and the Board of Directors annually for a deep-dive discussion. During the 2025 risk assessment process, the Group increased focus on and the integration of sustainability-related topics, ensuring that sustainability risks and opportunities as identified in the double materiality assessment process are also part of the Group's risk management and strategic planning processes. Regular internal audits focus on areas including the Group's control environment, aligned with the strategic priorities and risks identified.

Observations and corrective actions resulting from internal audits have defined owners and due dates, with the implementation progress of defined actions being systematically monitored and reported.

The Global IS/IT organization monitors and audits the digital environment to detect and respond to any potential threats or breaches that could compromise the confidentiality, integrity, or availability of sensitive data and business information. By providing the necessary infrastructure, software, and support, Global IS/IT supports and facilitates the digital transformation of PolyPeptide's processes, products, and services.

To balance the risk of cyber security malicious events, while complying with regulatory requirements and maintaining customer trust, in 2025 PolyPeptide successfully completed certification of all sites according to ISO27001:2022 Information Security Management Systems.

In addition to regular digital and on-site trainings on business ethics, compliance, and cybersecurity, PolyPeptide seeks to embed relevant standards and procedures through targeted internal communications. These efforts ensure that employees are aware and knowledgeable about these standards and procedures, including the availability of whistleblower hotlines operated 24/7 by an independent third party in relevant local languages.

The Group regularly updates its e-learning modules to ensure relevance and effectiveness. In 2025, updates included the Whistleblower, Code of Conduct, IT-security awareness and Privacy awareness trainings. The results of trainings are examined for effectiveness and continued improvement. The generally positive feedback and outcomes from the Group-wide e-training efforts demonstrate the good acceptance and alignment with our corporate values and ethical standards. Some of the manufacturing sites provide further trainings to empower employees to recognize, prevent, and address inappropriate behavior in the workplace, including harassment and discrimination.

Targets and metrics

While PolyPeptide has not established quantitative targets for Business conduct at this stage, the Group is committed to maintaining and continuously strengthening a culture of integrity, transparency, and accountability across all levels of the organization.

Key compliance-related ambitions include:

- Global reach of all employees with targeted compliance and ethics training, with a particular focus on raising awareness around topics such as anti-corruption, data protection, harassment, and discrimination.
- Maintaining a zero-tolerance approach to corruption, with the clear objective of having no substantiated cases of corruption or serious ethical misconduct.
- Upholding high ethical standards in all business activities, ensuring that our operations support fair competition, regulatory compliance, and responsible business conduct.
- Extending our compliance culture across the value chain, by engaging suppliers and other business partners in our expectations for ethical behavior and responsible practices.

The following table presents the percentage of employees who have successfully completed key Business conduct e-learning activities

% of completed e-learning activities by employees	2025	2024
Code of Conduct e-learning	94%	92%
Whistleblower e-learning	91%	90%
IT-security awareness e-learning	93%	93%
Privacy awareness e-learning	92%	89%

The Group received eight whistleblower reports in 2025 (2024: ten). During 2025, the investigation for seven reports has been closed and summarized to the ARC, with a summary to the Board of Directors. Of the seven closed cases, three were partially or fully substantiated with appropriate actions taken. The remaining four were not substantiated. The investigation of the one remaining report is still ongoing.

Incidents of corruption or bribery

In 2025, there were no legal actions, no convictions and no fines regarding anti-competitive behavior or violations of anti-trust, pending or otherwise, and PolyPeptide had no significant compliance violations. PolyPeptide considers significant compliance violations to be those that must be publicly reported.

Accounting policies

PolyPeptide does not define specific roles as functions-at-risk. Instead, regular digital and on-site ethics, legal and compliance training is provided for all employees Group-wide, with dedicated themed trainings provided on, *inter alia*, confidentiality, insider training, sanctions and export control for certain functions. Trainings also include members of the Board of Directors who receive annual updates of our Legal and Compliance framework.

Appendix

ESRS content index of material disclosures

List of material disclosure requirements			Assured by BDO	Reference
ESRS 2 - General disclosures				
BP-1		General basis for preparation of sustainability statements		Page 18
BP-2		Disclosures in relation to specific circumstances		Page 18
GOV-1		The role of the administrative, management and supervisory bodies		Page 19
GOV-2		Information provided to and sustainability matters addressed by the company's administrative, management and supervisory bodies		Page 19
GOV-3		Integration of sustainability-related performance in incentive schemes		Page 22
GOV-4		Statement on sustainability due diligence		Pages 18, 64
GOV-5		Risk management and internal controls over sustainability reporting		Page 19
SBM-1		Strategy, business model and value chain		Page 9
SBM-2		Interests and views of stakeholders		Page 26
SBM-3		Material impacts, risks and opportunities and their interaction with strategy and business model		Page 27
IRO-1		Description of the process to identify and assess material impacts, risks and opportunities	•	Page 27
IRO-2		Disclosure requirements in ESRS covered by the undertaking's sustainability statement		Page 27
ESRS E1 – Climate change				
ESRS 2	GOV-3	Integration of sustainability-related performance in incentive schemes Strategy		Page 22
ESRS 2	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model		Page 29
ESRS 2	IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities		Page 27
E1-1		Transition plan for climate change mitigation	•	Page 29
E1-2		Policies related to climate change mitigation and adaptation	•	Page 30
E1-3		Actions and resources in relation to climate change policies	•	Page 30
E1-4		Targets related to climate change mitigation and adaptation	•	Page 33
E1-5		Energy consumption and mix		Page 35
E1-6		Gross Scopes 1, 2, 3 and Total GHG emissions	•	Page 36
E1-8		Internal carbon pricing		Not applicable
E1-9		Anticipated financial effects from material physical and transition risks and potential climate-related opportunities		Page 27
ESRS E2 - Pollution				
ESRS 2	IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities		Page 27
E2-1		Policies related to pollution		Page 40

E2-2		Actions and resources related to pollution	●	Page 40
E2-3		Targets related to pollution		Page 41
E2-4		Pollution of air, water and soil		Page 40
E2-5		Substances of concern and substances of very high concern	●*	Page 40
E2-6		Anticipated financial effects from pollution-related risks and opportunities		Page 27

ESRS E5 - Resource use and circular economy

ESRS 2	IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities		Page 27
E5-1		Policies related to resource use and circular economy		Page 43
E2-2		Actions and resources related to resource use and circular economy		Page 44
E2-3		Targets related to resource use and circular economy		Page 45
E5-4		Resource inflows	●*	Page 45
E5-5		Resource outflows	●*	Page 45
E5-6		Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities		Page 27

ESRS S1 - Own workforce

ESRS 2	SBM 2	Interests and views of stakeholders		Page 26
ESRS 2	SBM 3	Material impacts, risks and opportunities and their interaction with strategy and business model		Page 47
S1-1		Policies related to own workforce		Page 48
S1-2		Processes for engaging with own workforce and workers' representatives about impacts		Page 48
S1-3		Processes to remediate negative impacts and channels for own workforce to raise concerns		Page 48
S1-4		Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions		Page 48
S1-5		Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities		Page 49
S1-6		Characteristics of the undertaking's employees	●	Page 49
S1-7		Characteristics of non-employees in the undertaking's own workforce		Page 53
S1-8		Collective bargaining coverage and social dialogue	●	Page 51
S1-9		Diversity metrics	●	Page 51
S1-13		Training and skills development metrics		Page 53
S1-14		Health and safety metrics	●	Page 52
S1-16		Remuneration metrics (pay gap and total remuneration)	●	Page 51
S1-17		Incidents, complaints and severe human rights impacts	●	Page 52

ESRS S2 - Workers in the value chain

ESRS 2	SBM 2	Interests and views of stakeholders		Page 26
ESRS 2	SBM 3	Material impacts, risks and opportunities and their interaction with strategy and business model		Page 54
S2-1		Policies related to value chain workers	●	Page 54
S2-2		Processes for engaging with value chain workers about impacts	●	Page 55
S2-3		Processes to remediate negative impacts and channels for value chain workers to raise concerns	●	Page 56

S2-4		Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	●	Page 55
S2-5		Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities		Page 56
ESRS S4 - Access to safe and effective products (Consumers and end-users)				
ESRS 2	SBM 2	Interests and views of stakeholders		Page 26
ESRS 2	SBM 3	Material impacts, risks and opportunities and their interaction with strategy and business model		Page 57
S4-1		Policies related to consumers and end-users	●	Page 57
S4-2		Processes for engaging with consumers and end-users about impacts	●	Page 58
S4-3		Processes to remediate negative impacts and channels for consumers and end-users to raise concerns		Page 58
S4-4		Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions		Page 58
S4-5		Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities		Page 58
ESRS G1 - Business conduct				
ESRS2	GOV-1	The role of the administrative, supervisory and management bodies		Page 19
ESRS2	IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities		Page 27
G1-1		Business conduct policies and corporate culture	●	Page 59
G1-3		Prevention and detection of corruption and bribery	●	Page 60
G1-4		Incidents of corruption or bribery	●	Page 61

* Comparative information relating to the prior year has not been subject to external assurance.

ESRS – Statement on Due Diligence

Core elements of due diligence	Relevant sections for a) to e)
a) Embedding due diligence in governance, strategy and business model	General information - Due diligence across all material topics
b) Engaging with affected stakeholders in all key steps of the due diligence	Environmental information
c) Identifying and assessing adverse impacts	Social information
d) Taking actions to address those adverse impacts	Governance information
e) Tracking the effectiveness of these efforts and communicating	PolyPeptide's voluntary report on child labor due diligence in its supply chain

Index of disclosure requirements in accordance with art. 964b Swiss Code of Obligations

The following sections comprise the report on non-financial matters in accordance with art. 964b of the Swiss Code of Obligations (the "CO"), which includes an independent practitioner's limited assurance report on the Sustainability Report 2025. The approval of the report on non-financial matters for the financial year 2025 at the general meeting 2026 is limited to the content of these sections.

Pursuant to art. 964b CO, the report on non-financial matters must cover environmental matters, in particular the CO2 goals, social issues, employee-related issues, respect for human rights, and combating corruption. As part of the materiality analysis, PolyPeptide identified the material sustainability topics, considering their relevance for its business as well as the CO requirements.

Art. 964b CO content requirement	Section	Reference
General information required to understand our business	General information	Page 17
	General information - Basis for preparation	Page 18
	Management Report 2025 – Strategy	Page 9
	Management Report 2025 – Business Review	Page 13
	Stakeholder engagement	Page 26
Description of the business model	General information	Page 17
	Management Report 2025 –Strategy–Business model	Page 9
Description of materiality assessment	Stakeholder engagement	Page 26
	Double materiality assessment	Page 27
Description of governance	Governance	Page 19
Environmental matters (in particular CO2 goals)	Environmental information - Climate change	Page 28
	Environmental information - Climate change - Targets and metrics	Page 33
	Environmental information – Pollution	Page 39
	Environmental information – Resource use and circular economy	Page 43
	Climate disclosures in accordance with art. 964 Swiss Code of Obligations and TCFD recommendations	Page 69
Main impacts, risks and opportunities	Environmental information - Climate change - Impacts, risks and opportunities	Page 29
	Environmental information - Pollution - Impacts, risks and opportunities	Page 39
	Environmental information - Resources use and circular economy - Impacts, risks and opportunities	Page 43
	Climate disclosures in accordance with art. 964 Swiss Code of Obligations and TCFD recommendations	Page 69
Policies adopted, including the due diligence applied	General information - Due diligence across all material topics	Page 22
	Environmental information - Climate change - Policies	Page 30
	Environmental information - Pollution - Policies	Page 40
	Environmental information - Resource use and circular economy - Policies	Page 44
	Climate disclosures in accordance with art. 964 Swiss Code of Obligations and TCFD recommendations	Page 69
Measures taken to implement policies and assessment of effectiveness	General information - Assessment of effectiveness of measures across material topics	Page 18
	General information – Governance	Page 19
	General information – Strategy and remuneration	Page 22

	Corporate Governance Report 2025 - 3.7.3 Enterprise Risk Management Framework	Page 116
	Environmental information – Climate change – Transition plan for climate change mitigation	Page 29
	Environmental information – Climate change – Actions	Page 30
	Environmental information – Pollution – Actions	Page 40
	Environmental information – Resource use and circular economy – Actions	Page 44
	Climate disclosures in accordance with art. 964 Swiss Code of Obligations and TCFD recommendations	Page 69
Performance indicators	Environmental information – Climate change – Targets and metrics	Page 33
	Environmental information – Pollution – Targets and metrics	Page 41
	Environmental information – Resource use and circular economy - Targets and metrics	Page 45
	Climate disclosures in accordance with art. 964 Swiss Code of Obligations and TCFD recommendations	Page 69
Social issues	Social information - Own workforce	Page 47
	Social information - Workers in the value chain	Page 54
	Social information - Access to safe and effective products	Page 57
Main impacts, risks and opportunities	Social information - Own workforce - Impacts, risks and opportunities	Page 47
	Social information - Workers in the value chain - Impacts, risks and opportunities	Page 54
	Social information - Access to safe and effective products - Impacts, risks and opportunities	Page 57
	Social information - Access to safe and effective products - Processes to remediate negative impacts	Page 58
Policies adopted, including the due diligence applied	General information - Due diligence across all material topics	Page 22
	Social information - Own workforce - Policies	Page 48
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Measures taken to implement policies and assessment of effectiveness	General information - Assessment of effectiveness of measures across material topics	Page 18
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Art. 964j-l CO requirements	Section	Reference
PolyPeptide's due diligence in relation to minerals and metals from conflict-affected areas	Social information - Workers in the value chain	Page 54
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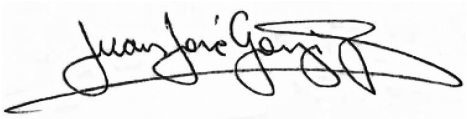
The report on non-financial matters for the financial year 2025 was approved for publication by the Board of Directors on 10 March 2026, and will be presented to the general meeting of shareholders for approval on 8 April 2026.

Peter Wilden, Chair and Independent
Patrick Aebischer, Vice-Chair and Lead Independent Director
Jane Salik, Independent Member
Erik Schropp, Member
Philippe Weber, Independent Member
Jo LeCouilliard, Independent Member

Baar, 10 March 2026

On behalf of the entire Board of Directors and the Executive Committee,

Peter Wilden
Chair of the Board of Directors



Juan Jose Gonzalez
CEO

Climate disclosures in accordance with art. 964 Swiss Code of Obligations and TCFD recommendations

The following sections include our climate-related disclosures in accordance with art. 964b of the Swiss Ordinance on Climate Disclosures, based on the "Recommendations of the Task Force on Climate-related Financial Disclosures" (June 2017) and the annex "Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures" (October 2021). For a general overview of PolyPeptide's approach to climate change with reference to ESRS requirements, see section Climate change.

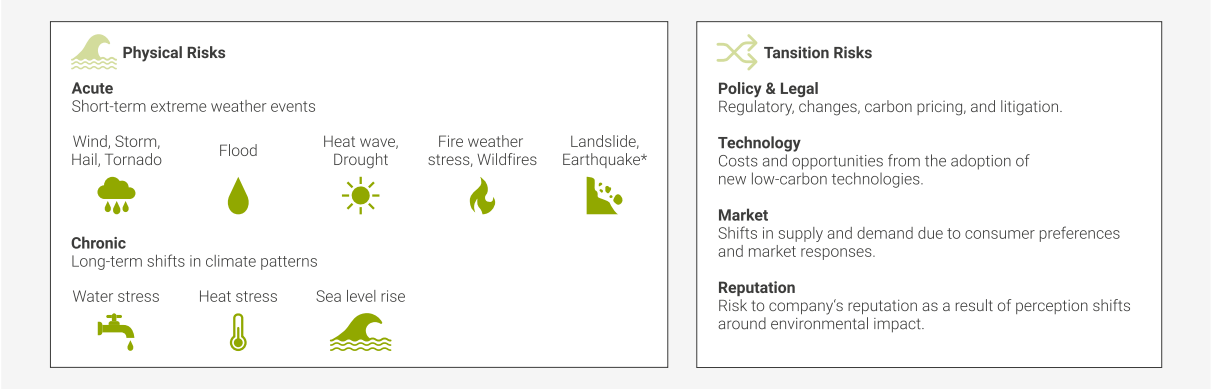
TCFD disclosure recommendations

Topic	Recommendation	Reference
Governance		
Disclose the organization's governance around climate-related risks and opportunities.	• Describe the Board's oversight of climate-related risks and opportunities. • Describe management's role in assessing and managing climate-related risks and opportunities	Section General information - Governance
Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	• Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term. • Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning. • Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	See this Appendix
Risk management		
Disclose how the organization identifies, assesses, and manages climate-related risks.	• Describe the organization's processes for identifying and assessing climate-related risks. • Describe the organization's processes for managing climate-related risks. • Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	Section General information - Governance Corporate Governance Report 2025
Metrics and targets		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	• Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process. • Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions, and the related risks. • Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Section Environmental information - Climate change - targets and metrics

Climate-related risks and opportunities

PolyPeptide used a semi-quantitative as well as qualitative approach including different scenarios to assess climate-related physical and transition risks and opportunities within the categories highlighted below.

Physical and transitional risks



*) Earthquakes are not related to climate change, but since they can cause substantive damage, they were also included in the analysis

Financial impact assessment

The Group assessed the physical and transition risks, and then the potential financial impact associated with each risk type was then estimated. Climate-related issues may affect the Group's financial position in various ways, including:

- Higher direct and indirect operating costs (e.g., energy, raw materials and transportation costs, and insurance,
- Increased capital expenditure in low-carbon technologies and innovation,
- Potential loss of revenues due to changing customer behavior; and/ or
- Exposure to fines or penalties.

The financial impact assessment considered all the aforementioned factors.

Climate scenarios

In its 6th assessment report (2023), the Intergovernmental Panel on Climate Change (IPCC) emphasized the use of advanced climate change scenarios to support long-term planning. These scenarios, known as Shared Socioeconomic Pathways (SSP1, 2, etc.) provide comprehensive narratives describing how society may evolve throughout the 21 st century and how such developments could influence climate outcomes. These SSP scenarios offer broader and more tangible narratives on potential human responses to the challenges posed by climate change.

These scenarios complement and build on earlier versions that focused on projected temperature increases due to the progression of greenhouse gas concentrations, defined as Representative Concentration Pathways (RCP2.6, 4.5, 8.5, etc.). The Munich Re Location Risk Intelligence Tool supports this scenario-based approach by offering climate risk data across various SSP scenarios, thereby enabling the integration of physical risks into informed decision-making processes.

An essential element of the scenario analysis is choosing a range of scenarios that encompass a broad spectrum of potential future results, including both positive and negative outcomes. For its physical risk assessment performed in 2024, PolyPeptide used an optimistic, a moderate and a worst-case SSP scenario[1] to facilitate challenging "what if" analyses, encompassing a broad spectrum of assumptions about future developments, including projected warming at the end of the 21 st century relative to the pre-industrial period (1850–1900):

- SSP1-2.6 (Sustainability) A sustainable world with fast decarbonization, strong global cooperation, as well as social and economic changes with a projected warming of around 1.0–2.4°C
- SSP2-4.5 (Middle of the road) moderate growth and slow climate action, fossil and renewable energy mix and some corporation with projected warming of around 2.1–3.5°C
- SSP5–8.5 (Fossil-fueled development) increasing fossil fuel use and emissions, high-consumption world with weak climate policies and expected warming of around 3.3–5.7°C

[1] Sources: https://www.ipcc.ch/report/ar6/wg1/downloads/report/IPCC_AR6_WGI_SPM.pdf; Munich Re

Climate scenarios and tools: assumptions, uncertainties, and constraints

Climate scenarios and risk assessment tools are subject to numerous assumptions, uncertainties, and constraints. Therefore, all associated estimates and projections are conditional.

RCP scenarios have the following uncertainties: they do not contain information regarding the socioeconomic conditions (GDP, population, etc.), technology, and regulatory landscape; there are uncertainties in the translation of emissions profiles to concentrations and radiative forcing.

SSP scenarios have the following uncertainties: they do not explore conditions about the types and success of global and national climate policy; they contain only qualitative information about the conditions described above, and may not help to quantify certain outcomes; they are designed to think about the rate of technology development and transfer broadly, thus do not explicitly explore all low-emission or CO2 removal technologies; each SSP provides a narrative and accompanying development assumptions, all of which relate to future uncertainty.

Existing climate models mainly focus on predicting averages and totals, such as the number of days or total precipitation, rather than offering insights into distribution patterns and extreme events. This presents a significant limitation since understanding extremes is vital for evaluating physical risks. To mitigate this issue, the "unexpectancy index" has been introduced in PolyPeptide's analysis. It integrates trends from various risks across different scenarios and timeframes to more accurately reflect the impact of extreme weather events that may have been overlooked by the Munich Re Location Risk Intelligence Tool.

Physical risks

For the assessment of physical risks, PolyPeptide used the Munich Re Location Risk Intelligence Tool (Munich Re Tool), which evaluates numerous risks with high spatial resolution, with the support of external consultants from the Climate&Strategy Foundation. For each of PolyPeptide's manufacturing sites, the Munich Re Tool reports were reviewed and supplemented with an analysis on a topographic map. Subsequently, flood and sea level rise risks were assessed using national or regional flood risk maps.

The Group conducted a physical risk vulnerability assessment for its manufacturing sites, considering factors like turnover contribution, asset damage risk, and water-related risks (e.g., drought). For the latter, PolyPeptide extended the analysis by considering the site's water usage. By aggregating the actual business risks associated with physical threats and their projected severity, using Munich Re Tool evaluations and supplemented by additional risk analyses, the Group assigned each site likelihood and vulnerability ratings using a five-tier scale (low, medium-low, medium, medium-high, high) across seven distinct risk categories.

The categorization of physical risks is presented in the table below. The risks are assessed across three time horizons (2030, 2050, and 2100, respectively), based on IPCC key dates and represent a risk trend of the SSP5–8.5 scenario. Risks were linked to operational impacts like heat stress, higher energy use, potential blackouts, and reduced working hours, and rated as low, medium, or high. Relevant primary responses and mitigating measures addressing these risks are also highlighted.

Climate-related physical risks for PolyPeptide's manufacturing sites

Risk group	Risk name	Potential financial impact description	Climate scenario trend 2030 to 2100	Overall risk score	Primary response to risk
Chronic - Temperature	Heat stress, Water stress	• Higher electricity demand • Reduced number of working hours	Increase (from medium-low to medium risk)	Low	• Energy efficiency and backup power systems • Backup water sources for essential operations • Monitoring of water purifying systems • Installation of equipment to control workplace temperatures
Acute - Extreme heat	Heat waves, Droughts	• Higher electricity demand • Reduced number of working hours	Stable (medium-low risk)	Low	• Energy efficiency and backup power systems • Backup water sources for essential operations • Monitoring of water purifying systems • Installation of equipment to control workplace temperatures
Acute - Wind/Storm	Tropical cyclone, Extratropical Storm, Hail, Tornado	• Damage to property • Supply chain disruptions	Stable (medium-low risk)	Low	• Increase in stock of critical raw materials • Backup power systems • Scheduled relocation of operations
Acute - Water	Fluvial flood, Pluvial flood, Flash flood	• Damage to property • Supply chain disruptions	Stable (medium-low risk)	Low	• Increase in stock of critical raw materials • Scheduled relocation of operations
Acute - Fire	Fire Weather Stress, Wildfires	• Damage to property • Supply chain disruptions • Reduced number of working hours • Smoke hazard	Increase (from medium-low to medium risk)	Low	• Increase in stock of critical raw materials • Backup power systems • Backup water sources for essential operations • Scheduled relocation of operations
Acute - Solid mass	Landslide, Earthquake	• Damage to property • Supply chain disruptions	Stable (medium-low risk)	Low	• Increase in stock of critical raw materials • Backup power systems • Scheduled relocation of operations

For each risk category, the overall risk score is derived by determining an inherent risk score that combines the potential financial impact and likelihood of each climate-related risk, and then reassessing that score after considering the level of control provided by existing mitigation measures. Stronger controls reduce the inherent risk score to a lower overall risk score, while limited controls mean the overall risk remains closer to the original assessment.

The scenario analysis results suggest that PolyPeptide's manufacturing sites are generally not substantially vulnerable to climate-related physical risks. Nonetheless, a detailed examination of individual sites enables prioritization of locations and resources for risk adaptation and mediation:

- The location in India is potentially exposed to flash floods, currently assessed as medium-low under various climate scenarios by 2030, with the risk possibly escalating to medium by 2050 and 2100 in scenarios of moderate and fossil-fuel intensive development.
- Europe is experiencing an increased frequency of extratropical storms, which can negatively impact operations, albeit typically in the short term.
- Locations in the US are exposed to tornadoes, which could disrupt operations.
- Additionally, California is susceptible to earthquakes. While not connected to climate change, these seismic events can lead to substantial property damage, power outages, and disruptions in the supply chain.
- Climate change signifies a substantial shift in temperatures, affecting all manufacturing locations. The risk of heatwaves can result in blackouts, surges in electricity demand, and considerable effects on employees' health and well-being. Additionally, temperature changes are likely to increase water demand even as global availability diminishes.

To identify priority areas in the Group's upstream value chain that may be vulnerable to climate-related physical risks, a further scenario analysis of its primary suppliers covering over 40% of the total addressable spend was conducted. The findings indicate that supplier locations are at a higher risk of physical threats than PolyPeptide's production facilities.

The risks include an increase in the frequency and severity of floods and tropical cyclones in Asia, while suppliers in Europe, particularly in Greece, face the threat of rising average temperatures, heatwaves, and droughts. These conditions may lead to increased costs for goods sourced by the Group and, in certain instances, could result in operational halts and shipment delays.

The mitigation strategies determined from this analysis involve:

- obtaining supplier business continuity plans;
- qualifying alternative suppliers; and/ or
- establishing a program for the systematic evaluation of key suppliers (those in the upstream supply chain of essential materials or with a substantial portion of the Group's expenditures) concerning the impact of climate change.

Transition risks and opportunities

For the identification of the transition risks, PolyPeptide followed a qualitative multi-step approach, involving internal specialists from different functions. The process started with a benchmark analysis. This served as basis for an expert workshop with the involvement of Internal Audit, Global Engineering and Manufacturing Technology, Global Procurement, Legal and Compliance, Investor Relations, and Global EHS. The workshop comprised both an educational segment and an assessment phase. Consequently, a revised list of potential transition risks has been compiled for further analysis in an internal stakeholder survey. The survey was used to evaluate the following aspects:

- perception of risk and its potential impact on the Group,
- time horizon of the risks (short-, medium-, and long-term),
- geographic occurrence and financial effects,
- likelihood, magnitude, and primary response to each risk.

Consequently, a final list of transition risks was compiled, examined, prioritized, and assessed regarding their potential financial impact, likelihood and level of control. A potential financial impact assessment is made for each risk which results with only two risks identified as moderate.

Identified transitional climate-related risks

Risk group	Risk name	Time horizon	Potential financial impact description	Overall risk score	Primary response to risk
Policy and Legal	Carbon pricing mechanisms / Increased pricing of GHG emissions	Medium-term	• Increased direct costs • Increased indirect [operating] costs	Low	• Infrastructure, technology, and spending
	Enhanced emissions-reporting obligations	Short-term	• Increased indirect [operating] costs • Fines, penalties or enforcement orders	Low	• Compliance, monitoring, and targets
	Non-compliance with regulations	Medium-term	• Fines, penalties or enforcement orders	Low	• Compliance, monitoring, and targets
Market	Changing customer behavior	Medium-term	• Decreased revenues due to reduced demand • Increased direct costs	Moderate	• Compliance, monitoring, and targets • Infrastructure, technology, and spending
	Increased cost of raw materials	Medium-term	• Increased direct costs	Low	• Infrastructure, technology, and spending
Technology	Costs of transition to lower emissions technology	Medium-term	• Increased direct costs	Low	• Infrastructure, technology, and spending
	Transition to increasing recycled content	Medium-term	• Increased capital expenditure	Moderate	• Infrastructure, technology, and spending

PolyPeptide defines the time horizons as follows:
short-term: 0–2 yrs,
medium-term: 2–5 yrs,
long-term: 5–15 yrs.
The result presented in the table above represents the time horizon the transitional risk is expected to surge.

PolyPeptide also evaluated climate-related opportunities as shown in the table below, focusing on enhancing the efficiency of its production processes and use of low-carbon energy sources

In terms of production efficiency, PolyPeptide considers its Green Master Plan as a critical, integral element of its strategy. The Group's innovation and technology team coordinates innovation efforts, while the manufacturing sites handle implementation. The program prioritizes reducing the quantity of solvents and reagents relative to production volumes, substituting hazardous chemicals with greener alternatives, and creating solvent recycling opportunities. The Group collaborates with customers during the initial stages of product development and upgrades its manufacturing infrastructure to support its innovative technical capabilities.

PolyPeptide refined its Green Master Plan in 2023, aiming for the efficient use of chemicals to mitigate its climate change impact. In 2025, the Group revised its Global EHS Policy statement, committing to an integrated and certified environmental management system at all manufacturing sites in accordance with ISO14001:2015. With the progress made over the last two years, all manufacturing sites operated in 2025 with this certification. Moreover, the EHS policy statement underscores the Group's dedication to green chemistry from early development stages and establishing production capacities for its application. Additionally, the Group promotes circular waste management by minimizing waste, enhancing waste stream recycling/recovery, and advancing solvent recycling methods.

Climate-related transition opportunities

Opportunity group	Opportunity name	Time horizon (main geography)	Potential financial impact description	Strategy to realize the opportunity
Increased efficiency of production and/or distribution processes	Green program, green chemistry, recycling of solvents	Short-term (Europe, US, India)	Reduced direct costs	Green program involves departments like Innovation, Development, EHS, and Engineering, and they currently work in close collaboration to define goals, governance, and actions
	Segregation of water in waste of solvent to reduce the quantity of incinerated waste	Medium-term (Sweden)	Reduced direct costs	Business case evaluation in progress
Use of low-carbon energy sources	Switching to electricity from renewable sources	Short-term (France, US)	Increased revenues resulting from increased demand for products and services	In 2025, an electricity contract in Ambernath securing 100% renewable electricity supply was finalized, bringing the share of renewable-sourced electricity to 80.6% in 2025
Use of recycled material for GMP activities	Recycling of solvent and reuse of recycled solvent for GMP activities	Medium-term (US, Belgium)	Reduced direct cost	Development of partnership with recycle plant

Additionally, the ERM identifies a range of risk types that may interact with climate-related risks:

Overview of risk categories that correlate with climate change

Risks	Risk owners	Mitigation measures
Customer relationships	Global Sales & Marketing	• Contract with specific requirements in terms of sustainability including greenhouse gas emissions, and defined rules if targets are not achieved
Manufacturing delays (operational execution) or interruptions	Global Operations	• Business continuity plans at each manufacturing site, including sharpened sourcing strategy • Insurance
Supply chain	Global Procurement	• Direct engagement with suppliers to mitigate supply chain risks • Supplier contracts with fixed prices
Environmental, health, and safety laws and regulations	Global EHS	• EHS regulation monitoring and compliance assessment • Significant new CAPEX projects might require specific assessments of regulatory requirements
Hazardous chemicals manufacturing and storage	Global EHS	• Development of emergency and response plan • Business continuity plans at each manufacturing site and facility maintenance plan to anticipate risks • Periodical environmental monitoring

Resilience – climate change

PolyPeptide is committed to implementing green chemistry principles to reduce the environmental impact of its manufacturing processes. The Group is dedicated to advancing green chemistry in projects from initial development stages. The production of peptide-based APIs necessitates substantial quantities of raw materials, such as solvents. PolyPeptide is committed to enhancing environmental sustainability through a robust green program aimed at reducing, recycling, replacing, or altogether avoiding the use of hazardous solvents in production.

The Group's specialists work with external experts and collaborations, exchanging industry trends in roundtables and with expert groups to push the industry forward and make the production of API more sustainable. The Group aims to engage with customers during the initial phase of product development and consistently enhances its manufacturing infrastructure to support this collaboration. It recognizes that ever-evolving legal and regulatory demands, coupled with increasing costs of raw materials and energy, could adversely affect PolyPeptide's financial profile. Therefore, embracing innovative manufacturing techniques not only aligns with customer expectations, but also bolsters the Group's market position and safeguards its competitiveness.

Overall, considering the various climate-related scenarios assessed, PolyPeptide believes its strategy and business model remain resilient under different plausible future conditions. This approach focuses on managing supply chain risks, advancing research and development, leveraging technological innovations (particularly in solvent recycling), and engaging stakeholders. A key element of this strategy is maintaining close dialogue with customers to ensure their needs, including those related to climate concerns, are effectively met.

PolyPeptide's transition plan formalizes the Group's intended contribution to keeping climate change-induced warming below 2°C, a trajectory that is overall implied by the SSP1-2.6 scenario. Using climate scenario-based projections enables PolyPeptide to iterate the transition plan so that identified climate-related opportunities outweigh the risks, with the goal to keep and increase resilience of the Group's business model.

GRI content index

PolyPeptide has reported the information cited in this GRI content index for the period 1 January 2025 to 31 December 2025 with reference to the GRI Standards.

GRI 1 used	**GRI 1: Foundation 2021**
Applicable GRI Sector Standard(s)	**None**

General Disclosures

GRI Standard	Disclosure		Reference/ information	Omission
The organization and its reporting practices				
GRI 2: General Disclosures 2021	2-1	Organizational details	• PolyPeptide in brief, page 7 • Strategy, page 9 • Group structure and shareholders, page 92 • Notes to the consolidated financial statements, page 177	
	2-2	Entities included in the organization's sustainability reporting	• Basis for preparation, page 18 • Group structure and shareholders, page 92	
	2-3	Reporting period, frequency and contact point	• General Information, page 17 • Imprint, page 243	
	2-4	Restatements of information	• No material restatements	
	2-5	External assurance	• Independent practitioner's limited assurance report on Sustainability Report 2025, page 84	
Activities and workers				
GRI 2: General Disclosures 2021	2-6	Activities, value chain and other business relationships	• Strategy, page 9	
	2-7	Employees	• Own workforce, page 47	
Governance				
GRI 2: General Disclosures 2021	2-9	Governance structure and composition	• Board of Directors, page 99	
	2-10	Nomination and selection of the highest governance body	• Election and term of office, page 106 • Remuneration and Nomination Committee, page 111	
	2-11	Chair of the highest governance body	• Members of the Board of Directors, page 99 • Internal organizational structure, page 107	
	2-12	Role of the highest governance body in overseeing the management of impacts	• Governance, page 19	
	2-13	Delegation of responsibility for managing impacts	• Governance, page 19	
	2-14	Role of the highest governance body in sustainability reporting	• Governance, page 19	
	2-15	Conflicts of interest	• Internal organizational structure, page 107	

	2-16	Communication of critical concerns	• Organizational Regulations • Business conduct, page 59 • Information and control instruments vis-à-vis the Executive Committee, page 116
	2-17	Collective knowledge of the highest governance body	• Board of Directors, page 99
	2-18	Evaluation of the performance of the highest governance body	• Remuneration Report, page 133
	2-19	Remuneration policies	• Articles of Association
	2-20	Process to determine remuneration	• Role and activities of the Board of Directors and shareholders, page 138 • Role and activities of the Remuneration and Nomination Committee, page 140

Strategy, policies and practices

GRI 2: General Disclosures 2021	2-22	Statement on sustainable development strategy	• Editorial, page 4
	2-23	Policy commitments	• Business conduct, page 59
	2-24	Embedding policy commitments	• Business conduct, page 59
	2-25	Processes to remediate negative impacts	• Business conduct, page 59 Compliance controls, page 118
	2-26	Mechanisms for seeking advice and raising concerns	• Compliance controls, page 118
	2-27	Compliance with laws and regulations	• Business conduct, page 59
	2-28	Membership associations	• Stakeholder engagement, page 26

Stakeholder engagement

GRI 2: General Disclosures 2021	2-29	Approach to stakeholder engagement	• Stakeholder engagement, page 26
	2-30	Collective bargaining agreements	• Own workforce, page 51

Material topics

GRI Standard	Disclosure		Reference/ information	Omission
GRI 3: Material Topics 2021	3-1	Process to determine material topics	• Double materiality assessment, page 27	
	3-2	List of material topics	• ESRS - content index of material disclosures, page 62	
E1 Climate change				
GRI 3: Material Topics 2021	3-3	Management of material topics	• Climate change, page 28	
			• Climate disclosures in accordance with art. 964 Swiss Code of Obligations and TCFD recommendation, page 69	
GRI 302: Energy 2016	302-1, c.i.	Energy consumption within the organization	• Climate change, page 35	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	• Climate change, page 36	
	305-2	Energy indirect (Scope 2) GHG emissions	• Climate change, page 36	
	305-3	Other indirect (Scope 3) emissions	• Climate change, page 36	
E2 Pollution, E5 Resource use and circular economy				
GRI 3: Material Topics 2021	3-3	Management of material topics	• Pollution, page 39	
			• Resource use and circular economy, page 43	
GRI 303: Water and Effluents 2018	303-5, a.	Water consumption, resource outflows	• Resource use and circular economy, page 45	
S1 Own Workforce				
GRI 3: Material Topics 2021	3-3	Management of material topics	• Own workforce, page 47	
GRI 403: Occupational health and safety 2018	403-9, a. ii.	Work-related injuries	• Own workforce, page 52	

S2 Workers in the value chain

GRI 3: Material Topics 2021	3-3	Management of material topics	• Workers in the value chain, page 54

S4 Access to safe and effective products

GRI 3: Material Topics 2021	3-3	Management of material topics	• Access to safe and effective products, page 57

G1 Business conduct

GRI 3: Material Topics 2021	3-3	Management of material topics	• Business conduct, page 59
GRI 205: Anti-corruption 2016	205-3	Confirmed incidents of corruption and actions taken	• Business conduct, page 61
GRI 206: Anti-competitive behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	• Business conduct, page 61

PolyPeptide's voluntary report on child labor due diligence in its supply chain

Re: Art. 964j-l of the Swiss Code of Obligations and the Swiss Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labor.

This voluntary report relates to the due diligence and reporting obligations in relation to minerals and metals from conflict-affected areas and child labor required by Art. 964j-l of the Swiss Code of Obligations ("CO") and the Swiss "Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labor" ("DDTrO"). It covers the period 1 January 2025 to 31 December 2025. PolyPeptide's analysis in 2025 in relation to minerals and metals from conflict-affected areas established that it does not place in free circulation or process minerals containing tin, tantalum, tungsten or gold, or metals from conflict-affected and high-risk areas in Switzerland. PolyPeptide also performed its analysis in 2025 in relation to Child Labor (as defined in its Global Supply Chain Policy on Child Labor[1]). PolyPeptide concluded that it does not offer any products or services for which there are reasonable grounds to suspect that they were manufactured or provided using Child Labor. However, given that PolyPeptide operates in potential Child Labor risk contexts (e.g., in light of its global sites and international Supply Chain (as defined in its Global Supply Chain Policy on Child Labor)), it has taken the decision to conduct due diligence and is reporting on this matter on a voluntary basis.

Principles

PolyPeptide strives to remain focused on the needs of its customers and its business, while adhering to fundamental principles of ethics and compliance, such as the United Nations Convention on the Rights of the Child[2], the Children's Rights and Business Principles developed by UNICEF, the United Nations Global Compact and Save the Children[3], and UNICEF's Children are everyone's business workbook 2.0[4].

PolyPeptide is aware of the problem of Child Labor in global value chains and takes its responsibility to respect human rights in its own operations and throughout its business relationships seriously, meaning to act with due diligence to avoid infringing on the rights of others and to address any adverse impacts. PolyPeptide is committed to complying with all applicable laws and regulations on Child Labor. Effectively preventing and mitigating adverse impacts may also help PolyPeptide maximize positive contributions to society, improve stakeholder relationships, and protect its reputation.

Policies

The foundation of PolyPeptide's commitment to complying with all applicable laws and regulations on Child Labor is its Global Supply Chain Policy on Child Labor[1], Code of Business Conduct and Ethics[1] and Supplier Code of Conduct[1], which are mandatory for all employees, vendors, consultants, and other business associates across PolyPeptide.

The Global Supply Chain Policy on Child Labor sets out in particular how PolyPeptide will comply with its due diligence and transparency obligations in its Supply Chain in relation to Child Labor. The Group-wide implementation of the principles as set out in the Global Supply Chain Policy on Child Labor helps PolyPeptide to avoid and address any adverse impacts related to Child Labor that may be associated with its Supply Chain.

PolyPeptide's Supply Chain due diligence and reporting management system as described in its Global Supply Chain Policy on Child Labor is an essential element in (i) detecting any products or services in its Supply Chain in relation to which there is a reasonable suspicion that they have been manufactured or provided using Child Labor, (ii) identifying and assessing the risks of adverse impacts in PolyPeptide's Supply Chain, (iii) establishing a risk management plan and taking measures to minimize the risks identified, regularly reviewing the effectiveness of the measures taken, including internal documentation, and (iv) preparing and publishing a yearly report on compliance with the due diligence obligations. The Global Supply Chain Policy on Child Labor further outlines PolyPeptide's Supply Chain Traceability System in relation to Child Labor.

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[1] Accessible at: www.polypeptide.com/company/downloads/.

[2] Accessible at: www.unicef.org/child-rights-convention/convention-text#.

[3] Accessible at: www.unicef.org/documents/childrens-rights-and-business-principles.

[4] Accessible at: www.unicef.org/vietnam/media/2281/file/Children%20are%20everyone's%20business:%20work book%202.0.pdf.

As an integral part of PolyPeptide's Supply Chain management system, its Global Supply Chain Policy on Child Labor is based on and to be read in conjunction with (i) PolyPeptide's Supplier Code of Conduct, (ii) the International Labor Organization (the "ILO") Conventions Nos 138[5] and 182[6], (iii) the ILO-IOE Child Labour Guidance Tool for Business of 15 December 2015[7], and (iv) the OECD Due Diligence Guidance for Responsible Business Conduct of 30 May 2018[8]. The Global Supply Chain Policy on Child Labor further supports PolyPeptide's environmental and human rights sustainability objectives.

The Code of Business Conduct and Ethics serves to (i) emphasize PolyPeptide's commitment to ethics and compliance with the law; (ii) set forth basic standards of ethical and legal behavior; (iii) provide reporting mechanisms for known or suspected ethical or legal violations; and (iv) help prevent and detect wrongdoing. In particular, the Code of Business Conduct and Ethics emphasizes PolyPeptide's efforts to ensure that its activities (directly or through its business relations) respect fundamental human rights, as set out by the United Nations Bill of Rights[9] and the core conventions of the ILO. PolyPeptide rejects any behavior that violates the human rights of any employee or individuals employed on behalf of the Group, especially forced labor or Child Labor, in its Supply Chain. The use of forced, bonded, or indentured labor or involuntary prison labor is strictly prohibited; this applies both to its suppliers and within the Group.

The Supplier Code of Conduct requires suppliers to comply with all applicable national and international laws and regulations, including the ILO and the United Nations' Universal Declaration of Human Rights, industry standards, and all other relevant statutory requirements – whichever requirements impose the highest standards of conduct. The Supplier Code of Conduct sets out PolyPeptide's expectations with regard to ethics, labor, and human rights, health and safety, environment, management systems and how questions or concerns can be reported to PolyPeptide. It states that suppliers must prohibit involuntary labor or work performed under the threat of penalty, including forced, prison, indentured labor, bonded labor, or other forms of slavery and/or servitude. Suppliers must further avoid all use and forms of Child Labor in their business operations and act in accordance with the United Nations Global Compact principles, the ILO labor standards and the OECD Guidance for Responsible Business Conduct. Where local laws are stricter by requiring a higher age for work or compulsory education, they take precedence. The Supplier Code of Conduct further states that suppliers shall publicly declare zero tolerance of Child Labor in their own business operations and prohibit all forms of child or forced labor (including modern slavery and human trafficking) in their own supply chain network. Suppliers must perform the necessary due diligence as specified by the OECD and in accordance with the Swiss regulations, especially when requested by PolyPeptide. The Group commits to provide providing suitable support, should a supplier identify practices or behaviors that fall short of these expectations.

Supply chain risk assessment and management system

PolyPeptide maintains a network of over 430 direct raw material suppliers around the globe. In 2025, the top 30 direct raw material suppliers together accounted for around 80% of the total material spending. The Group's main raw material categories constitute starting materials, solvents, reagents, and purification resins. Where feasible, PolyPeptide sources these materials regionally, supporting environmental sustainability as well as local economies and communities.

PolyPeptide requires its suppliers to acknowledge and comply with its Supplier Code of Conduct and the Global Supply Chain Policy on Child Labor. The Group carries out a risk-based assessment to anticipate, avoid, or mitigate potential or actual adverse impacts associated with its Supply Chain. The instruments that PolyPeptide may use to identify and assess any risks of Child Labor in its Supply Chain are described in the Global Supply Chain Policy on Child Labor.

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5 Accessible at: www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_INSTRUMENT_ID:312283.

6 Accessible at: www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C182.

7 Accessible at: www.ilo.org/wcmsp5/groups/public/---ed_norm/---ipec/documents/instructional material/wcms_ipec_pub_27555.pdf.

8 Accessible at: mneguidelines.oecd.org/due-diligence-guidance-for-responsible-business-conduct.htm.

9 See: www.ohchr.org/en/what-are-human-rights/international-bill-human-rights.

PolyPeptide maintains a uniform supplier screening and onboarding process based on a third-party screening interface. The process contributes to the identification of high-risk suppliers and risk-based prioritization. In addition, PolyPeptide began engaging with selected high-risk tier 1 raw material suppliers through a questionnaire based on ISO26000 in 2023. Suppliers are selected using a risk-based approach, focused on any enhanced risks of human rights and child labor violations based on, *inter alia*, the UNICEF Children's Rights in the Workplace Index. PolyPeptide may further conduct on-site as well as remote audits on a case-by-case basis to verify compliance. In the event of observations or suspicions of actual or potential violations, PolyPeptide will engage with the supplier to create a remediation plan, and in severe cases terminate the relationship.

Based on the due diligence activities conducted throughout 2025, including an assessment of five high-risk tier 1 raw material suppliers (2024: ten), PolyPeptide maintains a robust and risk-based approach to identifying and mitigating potential child labor risks in its supply chain. To date, the assessments have not identified any need for action with regard to human rights and child labor risks. While work on identified improvement areas continues, enhancements such as updated onboarding questionnaires, automated Supplier Code of Conduct acknowledgements, and targeted screening against international indices have further strengthened our compliance framework. Regular supplier engagement, ongoing sanctions screening, and staff training reinforce our commitment to responsible sourcing.

Following the introduction of automated Supplier Code of Conduct acknowledgements during the year, approximately 90% of current direct material suppliers have either formally accepted PolyPeptide's Supplier Code of Conduct or confirmed adherence to an equivalent and acceptable code of conduct of their own. Going forward, any new supplier will be required to acknowledge the PolyPeptide Code of Conduct or maintain an equivalent Code of Conduct prior to engaging in transactions.

Furthermore, through its risk analysis conducted in 2025, PolyPeptide did not identify any suspicion of Child Labor beyond its tier 1 Supply Chain. Given the complexity of the Supply Chain beyond tier 1, PolyPeptide will strive to expand its monitoring activities to enhance its diagnostic understanding of those suppliers.

Grievance mechanism

PolyPeptide maintains, as an early warning mechanism for risk identification, a reporting procedure that allows all interested parties to raise reasonable concerns about the existence of a potential or actual adverse impact related to Child Labor.

Anybody with knowledge or suspicion of illegal activities or irregularities at PolyPeptide (including any concerns about Child Labor in PolyPeptide's Supply Chain) can report observations confidentially and even anonymously, if desired, through PolyPeptide's whistleblower programs. Further information about PolyPeptide's whistleblower policies and hotlines can be found at: www.polypeptide.com/investors/corporate-governance/. Anyone who, in good faith, raises a concern about a possible ethics or compliance violation will be supported by PolyPeptide management and will not be subject to any form of retaliation. In addition, PolyPeptide will provide information on reports received to the Audit and Risk Committee or Board of Directors, as appropriate. All reports will be internally documented in writing.

In 2025, PolyPeptide did not receive any complaints or reports about Child Labor in its own operations or Supply Chain.

Traceability system

Names and addresses of all PolyPeptide's tier 1 raw material suppliers, as well as the category of the goods or services they provide, are recorded in the Group's ERP systems. PolyPeptide keeps records of its monitoring activities, assessments, and completed third party ISO26000 questionnaires.

PolyPeptide established and will maintain, as integral part of its Supply Chain management system, a system to document information for each product or service for which there are reasonable grounds to suspect Child Labor, if any ("Supply Chain Traceability System"). The Supply Chain Traceability System consists of internal company documentation and would list, insofar as reasonably possible, the following information for each product or service in the upstream Supply Chain for which there are reasonable grounds to suspect Child Labor: (a) description of the product or service and the trade name (if one exists) and (b) the names and addresses of the vendor and the production sites or the service provider for PolyPeptide. As of 31 December 2025, the Supply Chain Traceability System contained no entries, as PolyPeptide's assessment did not reveal any reasonable suspicion of Child Labor.

Transparency and reporting

PolyPeptide's general communication and reporting in relation to Child Labor are described in the Global Supply Chain Policy on Child Labor.

The Global Supply Chain Policy on Child Labor, Code of Business Conduct and Ethics, and Supplier Code of Conduct are all publicly available on PolyPeptide's website.

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REPORT OF THE INDEPENDENT PRACTITIONER

To the Board of Directors of PolyPeptide Group AG, Baar

Limited Assurance Report on Selected Sustainability Information 2025

We have undertaken a limited assurance engagement on selected Sustainability Information of PolyPeptide Group AG and its subsidiaries (the "Group") included in the Annual Report 2025 (the "Report") on pages 16-83 as at 31 December 2025 and for the period from 01 January 2025 to 31 December 2025 (the “selected Sustainability Information”), including:

- Non-financial disclosures prepared in reference to European Sustainability Reporting Standards as published in May 2024 by the European Financial Reporting Advisory Group ("ESRS Standards") marked as “assured by BDO” in the appendix ESRS – Content index of material disclosures as well as the process carried out by the Group to identify the information reported in the Report (the "Process") in accordance with the description set out in note ESRS 2 IRO-1 as disclosed on pages 62-64 of the Report;
- Non-financial disclosures prepared in accordance with art. 964b Swiss Code of Obligations ("CO") in conjunction with the Swiss Ordinance on Climate Disclosures as disclosed in the appendices Index of disclosure requirements in accordance with art. 964b Swiss Code of Obligations and Climate disclosures in accordance with art. 964 Swiss Code of Obligations and TCFD recommendations on pages 65-76 of the Report;
- The Group's compliance with art. 964j et sqq. CO related to the due diligence and reporting obligations concerning minerals and metals from conflict regions and child labor as disclosed on pages 81-83 of the Report.

The selected Sustainability Information was prepared by management under the supervision of the responsible Committees of the Board of Directors. The selected Sustainability Information has been prepared in accordance with the Group’s reporting criteria included in the selected Sustainability Information on the relevant pages of the Report.

Criteria

The selected Sustainability Information was prepared by management under the supervision of the respective responsible Committees of the Board of Directors based on the following criteria (the "applicable Criteria"):

- the ESRS Standards to the extent specified in the section Basis for preparation and the appendix ESRS - Content index of material disclosures, which describe the principles for preparing the Group’s Sustainability Report 2025;
- art. 964b CO in conjunction with Swiss Ordinance on Climate Disclosures and;
- art. 964k and 964l CO regarding due diligence and reporting obligations concerning minerals and metals from conflict regions and child labor.

Responsibility of the Board of Directors

The Board of Directors is responsible for:

The Board of Directors is responsible for the selection of the applicable Criteria and for the preparation and presentation, in all material respects, of the selected Sustainability Information in accordance with the applicable Criteria. This responsibility includes the duty on transparency and

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accountability on non-financial matters according to the applicable law and regulations related to reporting of the selected Sustainability Information as well as the design, implementation, and maintenance of the internal control relevant to the preparation of the selected Sustainability Information that are free from material misstatement, whether due to fraud or error.

Independence and Quality Management of the Independent Practitioner

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Management 1, which requires the firm 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.

Inherent Limitations in preparing the Sustainability Report

The accuracy and completeness of the selected Sustainability Information are subject to inherent limitations given their nature and methods for determining, calculating and estimating such data.

Our assurance report should therefore be read in connection with the Group guidelines, their definitions and procedures as well as third-party guidelines used to present the selected Sustainability Information.

Responsibility of the Independent Practitioner

Our objectives are to plan and perform the assurance engagement to obtain limited assurance about whether the selected Sustainability Information is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Report as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional skepticism throughout the engagement.

In conducting our limited assurance engagement, with respect to the Process, we:

- obtained an understanding of the Process by:
  - performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents); and
  - reviewing the Group's internal documentation of its Process;
- evaluated whether the evidence obtained from our procedures about the Process implemented by the Group was consistent with the description of the Process set out ESRS 2 IRO-1.

In conducting our limited assurance engagement, with respect to the selected Sustainability Information, we:

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- assessed the design and implementation of systems, processes, and internal controls for determining, processing, and monitoring sustainability performance data, including the consolidation of data;
- interviewed employees responsible for the determination and consolidation as well as the implementation of internal control procedures regarding the selected disclosures;
- inspected selected internal and external documents to determine whether quantitative and qualitative information is supported by sufficient evidence and presented in an accurate and balanced manner;
- assessed the data collection, validation, and reporting processes as well as the reliability of the reported data on a test basis and through testing of selected calculations;
- analyzed the assessment of the data and trends of the quantitative disclosures included in the scope of the limited assurance engagement;
- assessed the consistency of the disclosures applicable to the Group with the other disclosures and key figures as well as the overall presentation of the disclosures through critical reading of the Group's selected Sustainability Information;
- assessed the completeness of the selected Sustainability Information regarding the disclosures required by art. 964b para. 1 and 2 CO and the Swiss Ordinance on Climate Disclosures as well as the disclosure requirements of art. 964j para. 1 and 2 CO and the Swiss Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour.

Limited Assurance Conclusion

Based on the procedures performed and the evidence obtained and subject to the inherent limitations outlined in this report, nothing has come to our attention that causes us to believe that the selected Sustainability Information as at 31 December 2025 and for the period from 1 January 2025 to 31 December 2025 in the Report has not been prepared, in all material respects, in accordance with the applicable Criteria.

Basis for Conclusion

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board. That Standard requires that we plan and perform our engagement to obtain limited assurance about whether the selected Sustainability Information is free from material misstatements.

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Our responsibilities under this standard are further described in the "Responsibility of the Independent Practitioner" section of our report. We believe that the evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

Other Matter

Our limited assurance engagement was performed solely in relation to the selected Sustainability Information for the current reporting period. It did not extend to information relating to prior

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periods (including any comparative information) or forward-looking information included in the selected Sustainability Information, and we do not express a conclusion thereon, except for the 2024 greenhouse gas (GHG) emissions, which were included within the scope of our procedures.

Zurich, 10 March 2026

BDO Ltd

Simon Oswald
Audit Expert

Roland Z'Rotz
Audit Expert

PolyPeptide

PolyPeptide Group AG
polypeptide.com