



Sustainability report 2024

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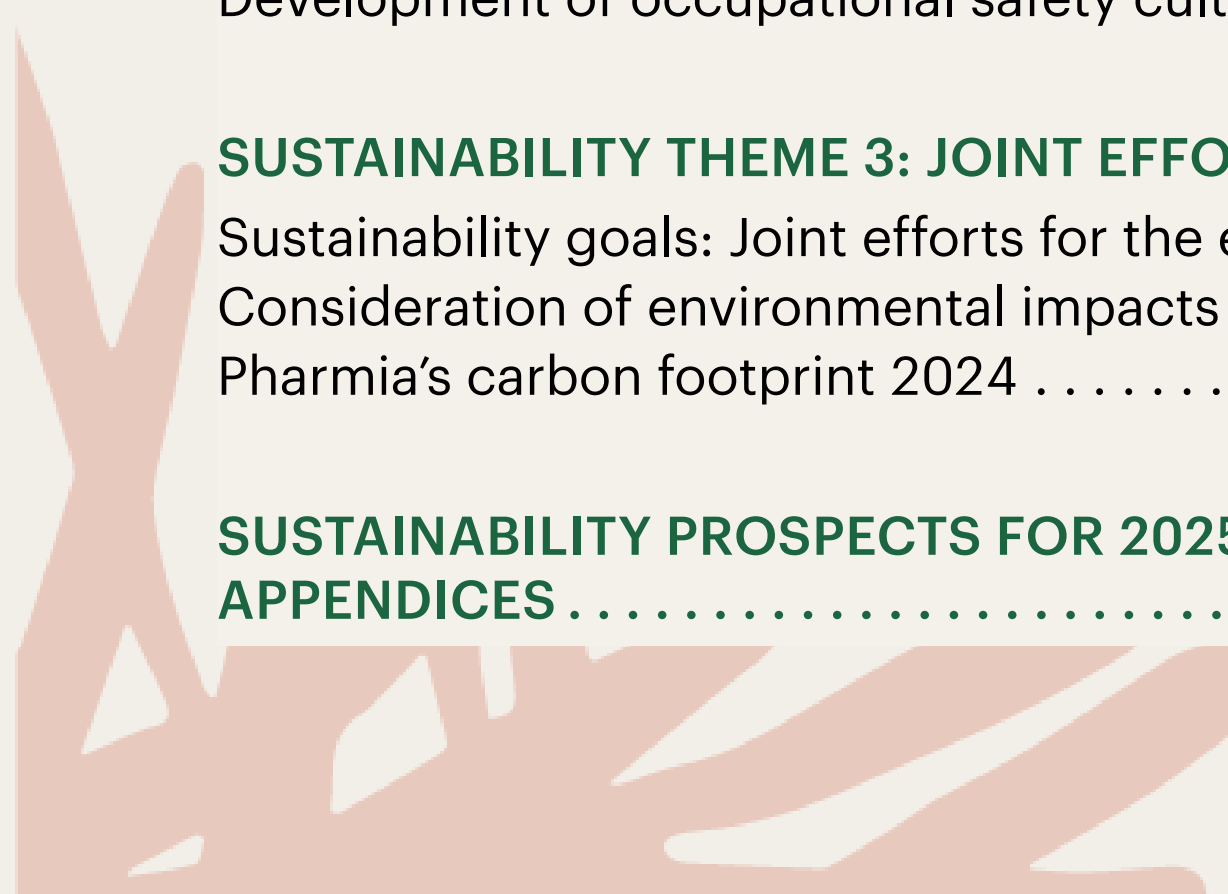
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A place where ideas become products

Founded in 1993, Pharmia is a leading Finnish contractual manufacturer specializing in the development and manufacture of food supplements and medical devices in Europe.

FOUNDED IN
1993
IN TUUSULA

TURNOVER 2024
19
MILLION EUROS

WE EMPLOYED
85
EMPLOYEES (FTE 12/2024)

CLIENTELE OF
40
COMPANIES

WE MANUFACTURED APPROX.
7,5 M
CONSUMER PACKAGES IN 2024

We promote people's well-being by creating innovative solutions for our customers, which we develop from idea to product. Our passion for well-being drives us to be more than just a contractual manufacturer – we are a partner that realizes and enables the success of our customers.

We offer our customers a unique service concept from product development to manufacturing, packaging and expert services. Our operations are based on solid scientific expertise, innovation and client-orientedness. Pharmia's customers include well-known pharmaceutical and food supplement companies, pharmacies and wholesalers in the sector in Finland and abroad.

Our product portfolio includes vitamins and minerals, probiotics and CE-marked flu treatment products and nasal sprays. We employ about 85 professionals from product development to production.



*Due to changes in the economic and market environment, we decided to integrate Pharmia Luonnontuote Oy's operations in Loviisa with the facility in Tuusula in June 2024.

Sustainability is our success factor

At Pharmia, sustainability is all about taking care and assuming responsibility: for our employees, our own operations and all our partners who allow us to develop and manufacture safe and healthy products for end users.

In 2024, we focused on strengthening our competitiveness. We invested in proactive product development, expanded our expertise especially in the field of probiotics and deepened our customer cooperation in the form of innovation days. We moved our operations in Loviisa to Tuusula, which further contributed to the efficiency of our operations.

Occupational safety remained a strong focus for us – we achieved significant improvements in issues such as protection, training and equipment. At the same time, we continued our preparations for ISO 14001 compliance, developed loss monitoring and reduction, and significantly reduced our scope 3 emissions.

Our third sustainability report not only shows our progress, but also our desire to evolve. We have identified and noted key areas of development, which are visible both in our daily operations and in this report. Our updated strategy and brand are based on sustainability. Sustainability work is not an isolated part of our business, but something that is at its core – and that is why we want to continue our commitment to a more sustainable Pharmia.



PETTERI LAAKSOMO, CEO, PHARMIA OY



Our values

We promote people's well-being: we create innovative solutions that start from ideas and become products. Our passion for well-being drives us to be more than just a contractual manufacturer – we are a partner that realizes and enables the success of our customers. Our values are the foundation for everything we do.



CLIENT-ORIENTEDNESS

Client-orientedness is the foundation of our operations: we want to win together. For us, client-orientedness means flexibility, agility, competitive pricing and a delicious product range – we want to make sure that our customers receive carefully tailored services that suit their needs. When the customer chooses our contractual manufacturing service, our goal is to commit them to the partnership so that they will continue cooperating with us also in the future.



EXPERTISE

Expertise sets us apart from our competitors. Our team consists of industry-leading professionals who are constantly developing their professional skills and keeping up-to-date with the latest innovations. We offer our customers solutions based on in-depth knowledge and experience, ensuring that they get the best possible service and results. We build trust, credibility and long-term customer relationships through our expertise.



RESPECT

Respect guides all our activities, both internally and externally. We respect our customers, staff and partners and believe in honesty and openness in our communications. We strive to create a working environment where everyone feels that they are respected and a part of the team. Respect can be seen in the way we treat people as individuals, listen to their views and give recognition for a job well done. This positive atmosphere is also visible to the outside when the customer feels that they receive respectful service and are being appreciated.

Sustainability at Pharmia

Our commitment and sustainability goals

Promoting well-being is our passion, and it inspires us to be more than just a contractual manufacturer. As a solution-focused partner, we support our customers also in meeting sustainability requirements.

Sustainability is a key part of Pharmia's strategy. It is also a competitive advantage and a means of creating long-term value. We update our sustainability program and targets annually to meet the expectations of our stakeholders, the demands of stricter regulation and our strategic aims.

Sustainability runs through the entire Pharmia organization – both at the cultural and operational level. The commitment of the management team and the entire staff to promoting sustainability is key for successful sustainability work. We monitor the achievement of the sustainability goals in our executive meetings, and the goals are taken into account when making decisions. The members of the management team also guide their department's sustainability activities and implement any corrective measures.

We play a key role in the value chain of our customers, and our stakeholders' expectations also guide our sustainability work. We focus on sustainability activities that are essential from the perspective of our operations and our stakeholders. Goals and indicators help us to monitor and evaluate the concrete impact of our sustainability work. We have identified five UN Sustainable Development Goals that are closely linked to our three sustainability themes.

Our work is also guided by our owner's (CapMan) sustainability requirements, which focus on building sustainable value. As an active owner, CapMan promotes well-managed, sustainable business operations through its goals.

PHARMIA'S SUSTAINABILITY THEMES AND KEY GOALS

TOP-CLASS HEALTHY PRODUCTS

We require our suppliers to comply with Pharmia's Code of Conduct.

Our most significant and continuous suppliers* commit to following our ethical principles, which concern, among other things, human rights, the environment and good governance.



PEOPLE DRIVE PHARMIA'S SUCCESS

We invest in the know-how, well-being and job comfort of our staff.

We provide a safe and healthy working environment and invest in the development of competence and the establishment of good practices in the everyday work of people at Pharmia.



JOINT EFFORTS FOR THE ENVIRONMENT

We are reducing our greenhouse gas emissions systematically.

We work actively to reduce our carbon footprint, for example by improving energy efficiency and optimizing our production processes.



Highlights of our sustainability work 2024



ENVIRONMENTAL ACTIONS PROGRESSED

We continued our environmentally sustainable activities at our Tuusula facility. Our commitment could be seen as reductions in greenhouse gas emissions, among other things. We also started collecting clear plastic in our production facilities. In addition, we prepared a GAP analysis and identified development targets on our journey towards ISO 14001 environmental certificate compliance.



GETTING RID OF LOSS

We focused actively on reducing production loss. We modified our processes and quality systems so that no loss would occur. Practical measures for reducing loss included e.g. optimizing order sizes, preventing foreign objects, repairing capsule machines and improving metal detection. Thanks to these measures, we were able to reduce process loss by about 29%.



THE PHARMERS FOR THE GOOD OF THE STAFF

We founded the Pharmers well-being team in the spring of 2024, which consists of six staff representatives. The aim of the team is to improve employee comfort and well-being by listening to the needs of the employees and by organizing inspiring events. The team is also responsible for the practical implementation of the development proposals arising from the staff.



PULSE AND WORKPLACE WELL-BEING SURVEYS

Throughout the year, we conducted an extensive workplace well-being survey and several pulse surveys. The results showed an improvement in job satisfaction: the response averages and the Net Promoter Score (NPS) increased compared to the work community survey conducted in May. We will continue this development by investing in smooth collaboration and employee satisfaction.



QUALITY AUDITS WITH CLIENTS

The ISO 9001 certificate is proof of our commitment to the principles of quality and continuous improvement. In 2024, we conducted quality audits together with our clients and certification bodies. The audits strengthened our commitment to meeting the needs of our customers and ensuring customer satisfaction.



EVEN SAFER WORKDAYS

In 2024, we continued to develop our occupational safety culture through practical measures and by investing in safe working conditions and ergonomics. There were four workplace accidents and over 400 safety observations. We also conducted our weekly safety and ergonomics assessments. [Read more on page 23.](#)



SUSTAINABILITY THEME 1

Top-class healthy products

Sustainability goals: Top-class healthy products

The number one priority of Pharmia’s sustainability and business activities is to manufacture products that are safe and promote their users’ wellbeing. We comply with rigorous safety and quality standards for food supplements and CE-marked medical devices. We always ensure that our products meet all the applicable statutory requirements and standards.

TOPIC	SDG	GOAL	PROGRESS IN 2024
MORE SUSTAINABLE PACKAGING MATERIALS		We will include certified packaging options that place a smaller burden on the environment in our product portfolio.	We will introduce PET plastic packages and look into the possibilities offered by rPET. We will also explore the possibilities of using FSC-certified cardboard.
SUSTAINABLE INGREDIENTS		We will survey the supply chain in accordance with Food Fraud & Food Defence processes every year. We conduct a risk assessment for each ingredient every three years.	We have identified the countries of origin of our existing ingredients. We have assessed the risk of product fraud for each ingredient.
CODE OF CONDUCT		We require our suppliers* to comply with Pharmia’s Code of Conduct guidelines.	The Code of Conduct was completed in autumn 2023. 100% of A and B category suppliers committed to our Code of Conduct in 2024.

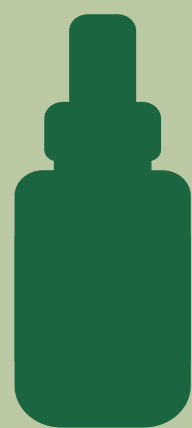
*Most significant and continuous suppliers (approx. 90% of purchase volume), excluding individual orders.

Pharmia's product portfolio

We develop and manufacture high-quality food supplements and CE-marked medical devices under contract. We have an extensive product portfolio, and we specialize in tablets, capsules and liquid products. Our clientele consists of pharmaceutical companies that advertise food supplements and CE-marked medical devices and natural product wholesalers around the world.

MEDICAL DEVICES

- Flu treatment via the nose
- Flu treatment via the mouth
- Nasal health
- Aural health
- Gastric health
- Oral health



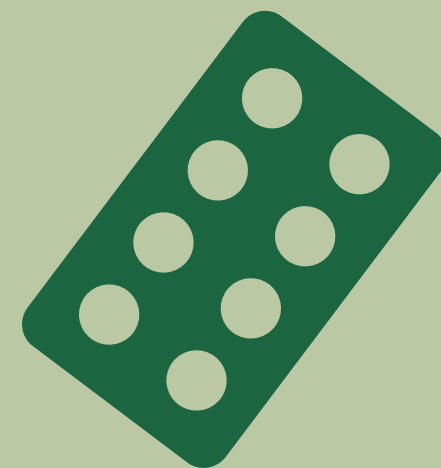
VITAMINS

- Vitamin B
- Vitamin C
- Vitamin D
- Multivitamins
- Other vitamins



PROBIOTICS

- Lactic acid bacteria
- Boulardii
- Other lactic acid bacteria



MINERALS

- Calcium
- Zinc
- Magnesium
- Iron
- Other



OTHER FOOD SUPPLEMENTS

- Caffeine
- Enzymes
- Fatty acids
- MSM
- Amino acids
- Xylitol
- Glucosamine



MELATONIN, COLLAGENS

- Melatonin, different strengths
- Collagens

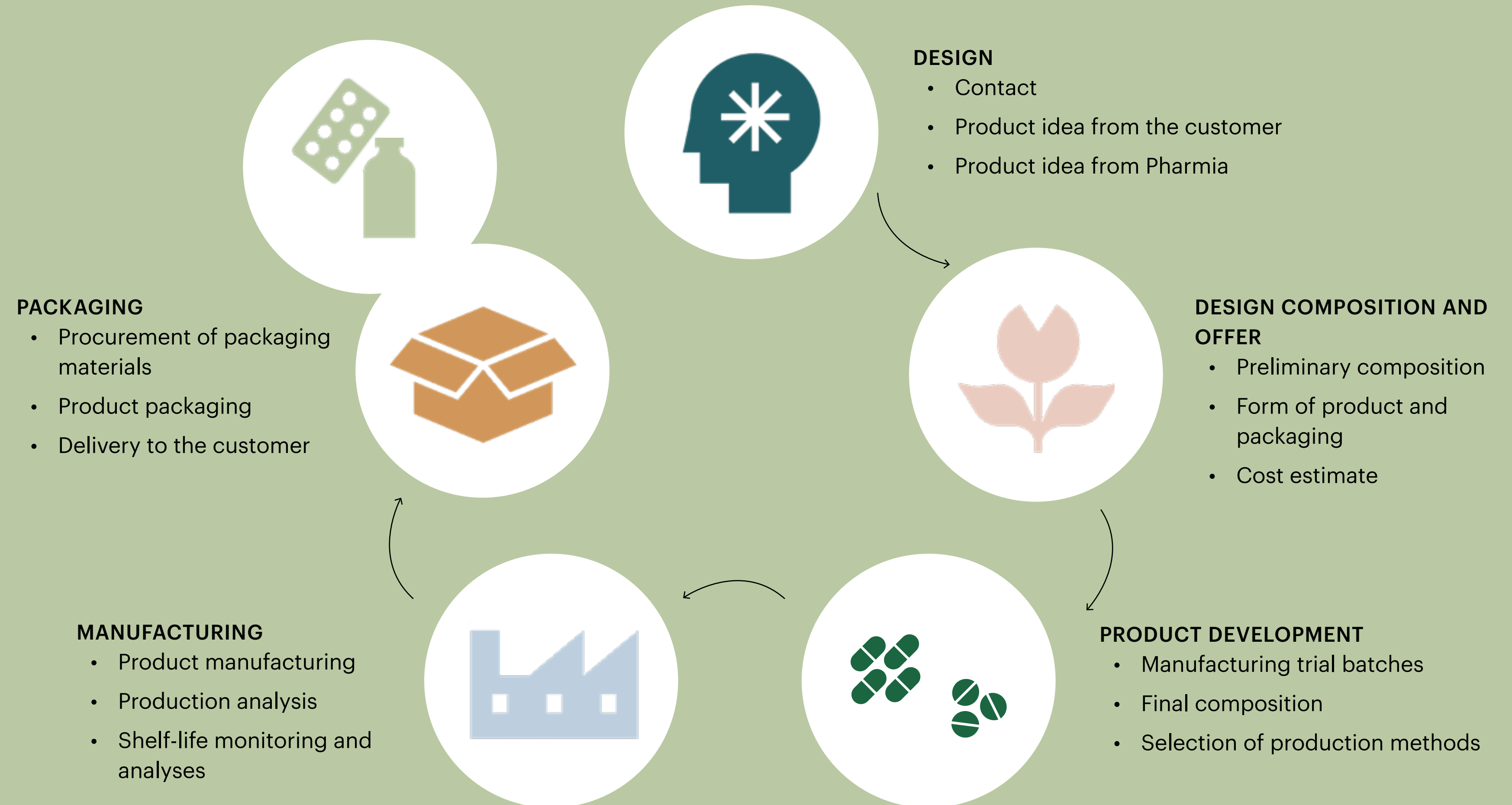


Innovation and client-orientedness at the core of product

We manufacture approximately seven million consumer packages per year and have developed over 2,700 different products during our years of operation. We have highlighted proactivity as our strategic goal to ensure the competitiveness of both our existing and new products. We work closely with material suppliers and are constantly looking for new product ideas that we adapt to suit our customers' needs.

Our knowledge of food supplements and CE-marked medical devices is combined with our versatile pharmaceutical and technological expertise. Our service covers the entire chain from product design to material acquisition and product packaging.

In 2024, we continued to develop our innovation process and adopted a project management tool. We have strengthened our expertise especially in the field of probiotics. We are looking for new product ideas proactively, and we keep a close eye on market developments.



Product safety – we ensure wellbeing

Pharmia is committed to responsible manufacturing and invests constantly in the quality and safety of its products. Product safety is a key part of our sustainability work, and we guarantee the safety of the supply chain all the way to our customer's brand.

We make sure that our products are safe and that they always comply with statutory requirements and applicable standards. We pay particular attention to the origin, purity and monitoring of the ingredients of our products, as well as to a safe working environment. We reinforce our safety culture by training our staff and monitoring the safety of the facilities, materials and equipment.

DEVELOPMENT TARGETS FOR 2024 IN PRODUCT SAFETY:

- We conducted over 40 safety assessments to identify and correct risk factors.
- We organized weekly hygiene assessments together with the cleaning company to ensure cleanliness.
- We updated the HACCP principles for solid products.

ONGOING MEASURES TO ENSURE PRODUCT SAFETY:

- We obtain our ingredients from trusted suppliers so that we can be sure of their high quality.
- We comply rigorously with hygiene rules, instructions and recipes at all stages of the production process.
- We have received an excellent result in the Oiva inspection, which shows that our food quality and safety supervision is at a high level.
- We identify potential risks in advance according to the HACCP principles.
- We conduct weekly assessments to ensure sufficient levels of hygiene and cleanliness.
- We assess the risks of product sabotage and fraud annually.
- Our operations are regularly audited by authorities and certification organizations.
- We carry out extensive laboratory analyses to guarantee the safety and quality of our products.

MORE THAN

46

SAFETY ASSESSMENTS IN

IN 2024,

0

PRODUCT RECALLS



Quality is the foundation of our business

When working with food supplements and CE-marked medical devices, it is especially important to ensure that the products comply with all the safety and quality standards. Our quality policy allows us to ensure the consistent quality of our products.

Our operating systems are designed to fulfil both national (e.g. own-check, HACCP) and international standards (e.g. FSSC 22000 and ISO 13485). Quality control and continuous development ensure that our production processes are efficient and free of errors. These measures make sure that our products are safe, high-quality and meet our customers' expectations. In addition, we offer comprehensive analytics packages and shelf-life monitoring.

We survey the supply chain in accordance with Food Fraud & Food Defence processes every year. We also conduct a risk assessment for each ingredient every three years. We have identified the countries of origin of our ingredients and exported the related risk assessment data to the ERP system. In the future, we will assess the risk of product sabotage and fraud annually.

CERTIFIED MANUFACTURER OF MEDICAL DEVICES SINCE 2013

- The MDR (Medical Devices Regulation) is a regulation concerning CE-marked medical devices issued by the European Union that aims to improve patient safety, among other things.
- Pharmia Oy was awarded a certificate under EU MDR 2017/745 on 1 December 2023, making it one of the first MDR-certified companies in Finland and in Europe.
- Our goal is to have all Pharmia's existing MDD devices MDR-certified within the transition period (31 December 2028).



Product development of packaging materials

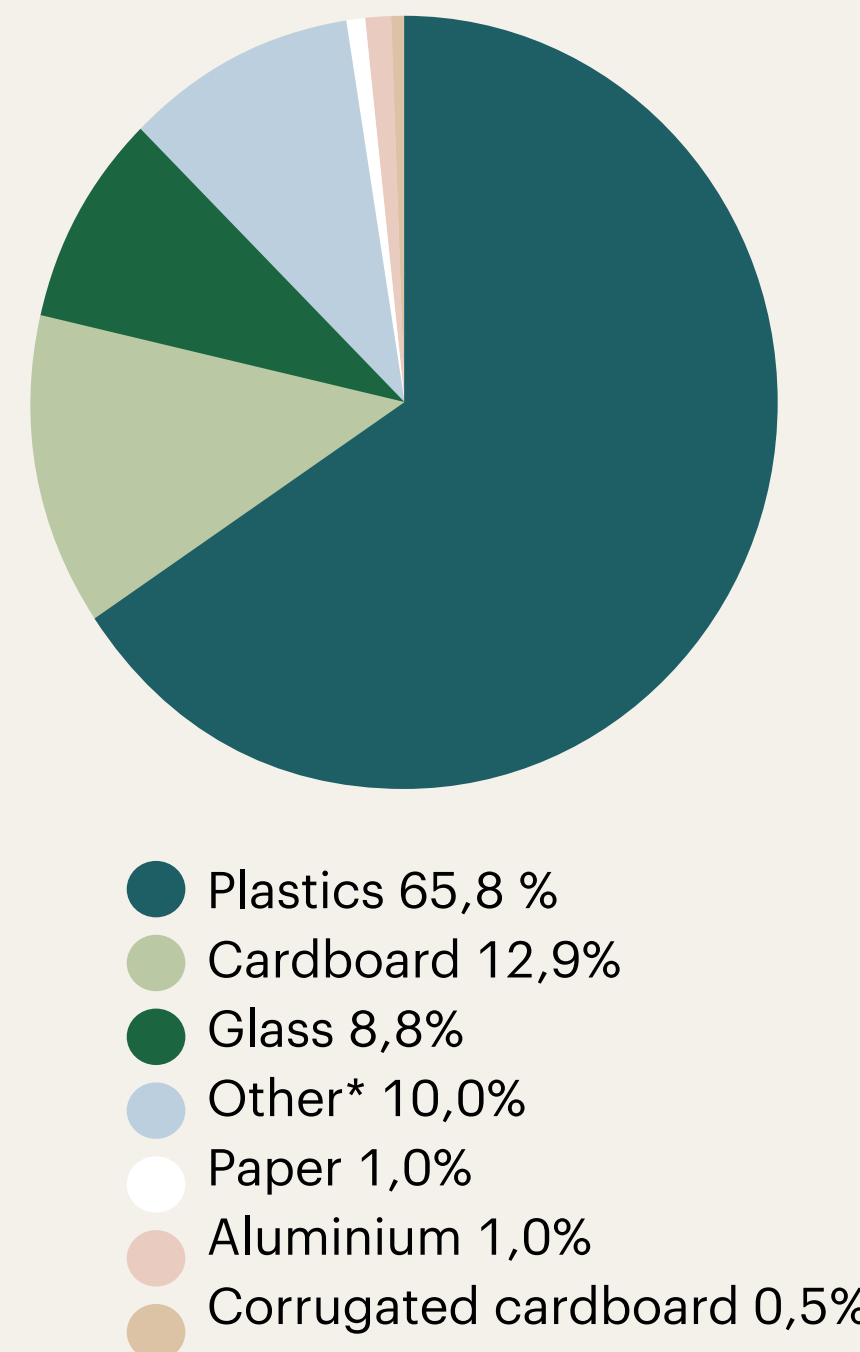
By choosing the right ingredients and packaging materials, we can influence the environmental impact of our products during their lifecycle. The product development of packaging materials is a key part of our practical sustainability work, as packages are one of our most significant emission sources.

Ingredients account for an estimated 62% of Pharmia's carbon footprint, and packaging accounts for 22%. The majority (66% of the total material purchase costs) of the packaging materials we use are different types of plastics.

We are exploring alternatives to virgin HDPE plastic, especially recycled materials. We have launched a PET project in product development, where we are looking into the quality and suitability of recycled rPET plastic for both our products and our customers' needs. The goal is to move towards more sustainable packaging solutions without compromising product safety or customer satisfaction.

We source our packaging materials from European suppliers. All of our printed packaging materials, such as packaging leaflets, labels and cases, come from our long-term Finnish partner. Cardboard accounted for 13% of our packaging material purchases, and we are actively looking into the availability and suitability of both recycled and FSC-certified cardboard for our packaging.

PACKAGING MATERIALS USED IN 2024



Packaging materials used in own production (percentage of total material purchase costs).

*Other materials: bags of dry material, pallets, labels, stickers,

OF OUR CARBON FOOTPRINT,
62%
CAME FROM INGREDIENTS

OF OUR CARBON FOOTPRINT,
22%
CAME FROM PACKAGING

OF OUR PACKAGING MATERIALS,
100%
CAME FROM EUROPE



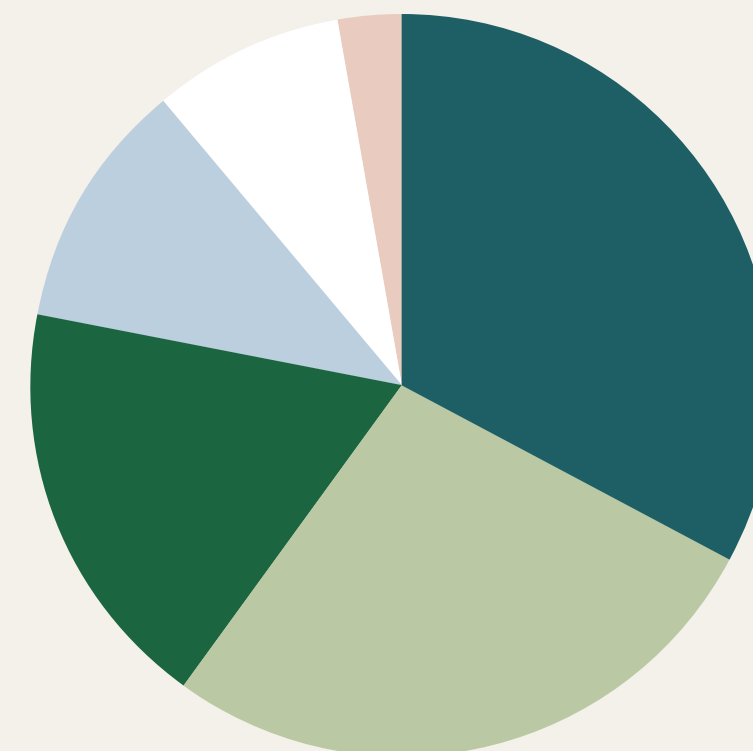
Procurement of packaging materials and ingredients

There are multiple phases involved in the manufacturing and production processes of food supplements and CE-marked medical devices, and they require careful planning and implementation. In purchasing and procurement, we favor well-known, reliable suppliers with a proven track record of quality.

Pharmia's purchasing activities focus on quality, total cost management and ensuring the sustainability of the supply chain. The ingredients and materials procured by Pharmia are manufactured in about 50 different countries. We work in close, long-term cooperation with several suppliers. Due to our vast product portfolio, we procure ingredients directly from manufacturers as well as through our European partners.

We make procurements competitively with consideration given to volumes, market intelligence and delivery reliability. We constantly monitor the price, quality and availability of ingredients. We strive to anticipate and secure smooth production processes, optimize stock levels and secure our high delivery reliability.

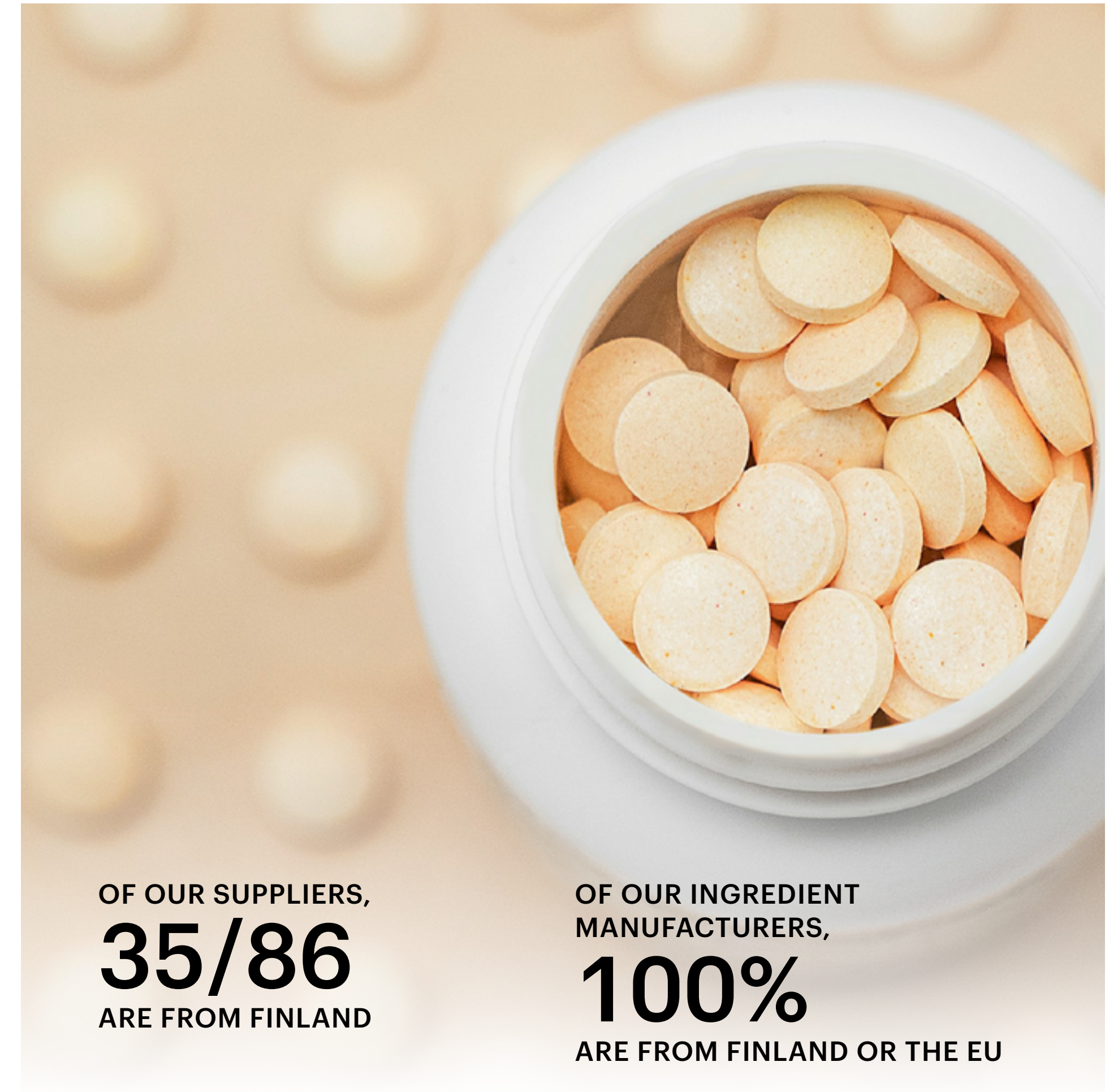
INGREDIENT SUPPLIER COUNTRIES



- Netherlands 27%
- Finland 24%
- Italy 20%
- Other countries* 13%
- German 8%
- Sweden 6%
- French 2%

Ingredients used in own production (percentage of total ingredient purchase costs).

*Other countries: Belgium, Spain, United Kingdom, South Korea, Puola, Ranska, Sveitsi ja Tanska.



OF OUR SUPPLIERS,
35/86
ARE FROM FINLAND

OF OUR INGREDIENT
MANUFACTURERS,
100%
ARE FROM FINLAND OR THE EU

Code of Conduct guides our supplier cooperation


We are committed to the principles of human rights, environmental sustainability and good business practices, and we expect the same from our partners. We require our suppliers and other partners to commit to Pharmia's Code of Conduct, which defines the principles of sustainable operations.

We treat our partners fairly and with a focus on the long term. We pay particular attention to working conditions, human rights and environmental policies in our supply chain whenever possible. Pharmia's Code of Conduct defines the minimum requirements we expect our suppliers to meet. The signatory suppliers undertake to promote environmental sustainability, human rights, occupational safety and the protection of business secrets.

We updated the Code of Conduct in 2023 and sent it to our most significant suppliers (category A and B suppliers, which cover about 90% of total purchases) for them to sign. So far, 100% of them have committed to following the principles of the Code of Conduct. We revised our previous target in the spring of 2025, as all of our major suppliers have now committed to our Code of Conduct.

*Largest category A and B suppliers.

- Category A suppliers cover about 60% of total purchases.
- Category B suppliers cover about 30% of total purchases.
- Category C suppliers cover about 10% of total purchases. The category includes several small suppliers that supply only a few low-value ingredients.



WE REQUIRE OUR
SUPPLIERS* TO COMPLY
WITH PHARMIA'S
CODE OF CONDUCT







SUSTAINABILITY THEME 2

People drive Pharmia's success

Sustainability goals: People drive Pharmia’s success

We want to build long-term, trust-based relationships with our customers and partners. We actively listen to their needs and work proactively. We develop the competence and well-being of our staff and offer our employees a safe, encouraging and motivating work environment in which they can develop professionally.

TOPIC	SDG	GOAL	PROGRESS IN 2024
STAKEHOLDER COOPERATION		We take the needs of stakeholders into account in our sustainability work and communications.	Publication of the sustainability report 05/2024.
OCCUPATIONAL SAFETY		We provide a safe working environment.	Accident rate in 2024: 25. 3 accidents in 2024.
OCCUPATIONAL HEALTH		We will reduce the sick leave rate to be below the industry average (5%).	Sick leave rate 4%
JOB SATISFACTION		We invest in the know-how, well-being and job comfort of our staff.	Job satisfaction survey 3.3/5.

Expert customer cooperation

Client-orientedness is at the core of our operations. We develop innovative solutions that we refine from an idea to a finished product as fast as in three months. Our goal is to be a partner that supports the success of our customers.

Pharmia is known for its strong expertise, product development capabilities and knowledge of industry regulations. We are an active product developer and contractual manufacturer. We listen to our customers and provide them with tailored solutions that support their business. Our client-orientedness can be seen in our joint innovation days, for example, where we set common customer-specific goals for projects and develop new ideas together.

A PROACTIVE APPROACH

Proactive product development is at the core of our strategy, and we have strengthened our operations in both sales and customer acquisition. We build long-term partnerships in close cooperation with the customer, product development and quality teams. Our goal is to offer competitive solutions that can be implemented quickly – creating an offer for a customer takes only a week on average. In 2024, our delivery reliability remained stable, and we reduced our target

delivery time to three months. We have worked together with an external supplier to reinforce our expertise especially in the field of probiotics, and we are actively developing new product types to suit our customers' needs.

As a reliable partner, we inform our customers immediately of any security threats or counterfeits. We comply with the competition legislation and the principles of fair competition. We provide our customers with transparent and up-to-date information about products, ingredients, manufacturing and sustainability work when necessary. We measure our customer satisfaction every few years. The next time will be in 2025.



Pharmia employees are a priority

Pharmia employees are top experts in their fields, and their well-being at work is of paramount importance to us. We provide a safe and healthy working environment and invest in the development of competence and the establishment of good practices.

SHARED GROUND RULES

Creating and maintaining a good working environment is everyone's responsibility. Our goal is to strengthen the dialogue with our staff and to improve their job comfort even further. We involve Pharmia's employees in decision-making and give them the opportunity to influence the development of the work environment and processes. In 2024, we began drafting Pharmia's internal Code of Conduct, i.e. the ground rules for personnel, which will be completed in 2025.

THE PHARMERS

We founded the Farmers wellbeing team in the spring of 2024, which consists of six staff representatives. The aim of the team is to improve job comfort and well-being by listening to the needs of the employees and by organizing events that enhance the community spirit.

The Farmers team works actively to create joy and a positive working atmosphere. The team is also responsible for planning and implementing

the workplace well-being survey and implementing the improvement suggestions arising from the results of the survey.

CHANGE NEGOTIATIONS IN LOVIISA

Due to the economic situation and the rapid changes in the market environment, we had to shut down Pharmia Luonnontuote Oy's facility in Loviisa. As a result, we were forced to make difficult but necessary decisions regarding the staff in Loviisa. The employment of six employees was terminated for economic and productive reasons.



Equality and diversity at Pharmia

Pharmia focuses on a fair and equal working culture that supports a diverse working environment. Our employees come from a variety of backgrounds and nationalities. The age range of our employees is very broad: 18–65 years.

Pharmia is committed to promoting diversity and equality. 55% of our employees are women, and 20% of the members in the management team and in the board are women. The gender pay gap was 0.08. Our goal is to promote equal pay, and we have created a model of our production workers' wage structure.

COMPETENCE DEVELOPMENT

Continuously developing competence allows new innovations to emerge. We create an annual training plan for our entire staff, which is based on our strategic goals and the development needs identified in performance appraisals. We updated the training plan last year and began systematic monitoring of the participants. We also offer the opportunity to complete an upper secondary vocational degree or a partial degree (in pharmaceuticals or process engineering, for example) either through an apprenticeship or while working.

AGE RANGE

18-65

YEARS

OF OUR
EMPLOYEES,
55%
ARE WOMEN

OF OUR BOARD,
1/5
ARE WOMEN

OF OUR
MANAGEMENT
TEAM,
1/5
ARE WOMEN

STAFF OF

85

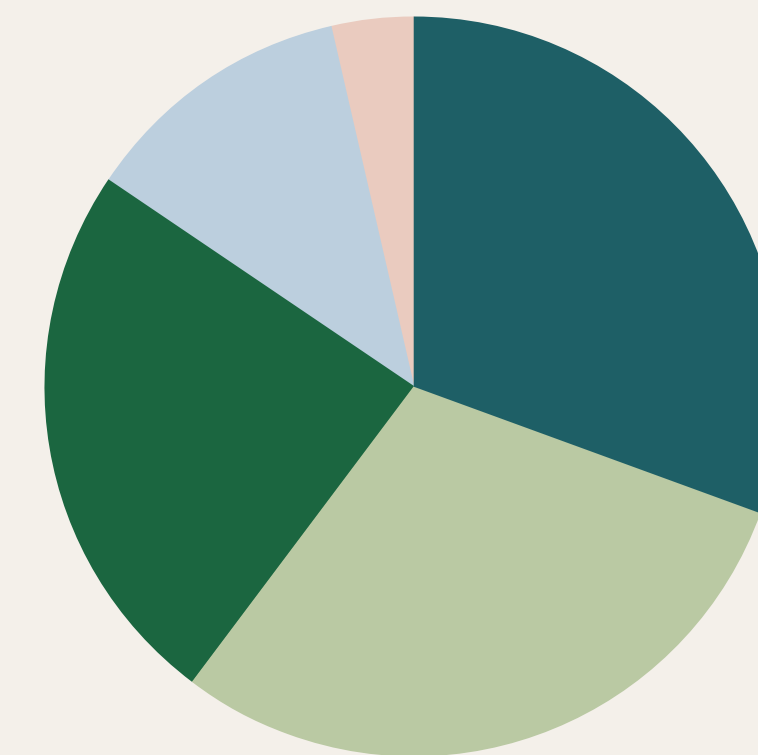
EMPLOYEES (FTE 2024)

OF EMPLOYMENT
RELATIONSHIPS,
93%
ARE FULL-TIME

OF EMPLOYMENT
RELATIONSHIPS,
100%
ARE NON-FIXED

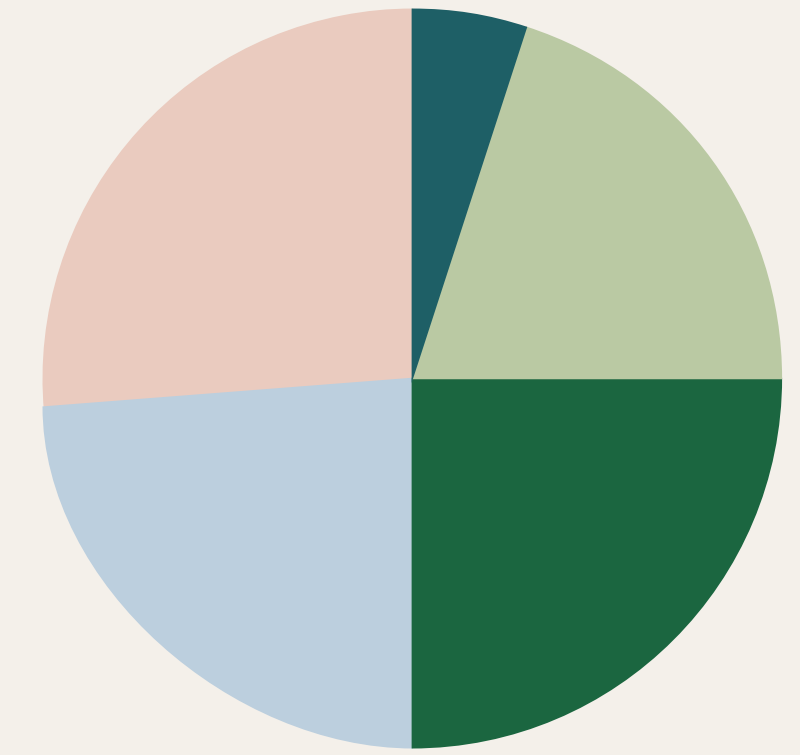
SICK LEAVE RATE IN 2024
4%
(2023: 6%)

DURATION OF
EMPLOYMENT



● 0-2 years 34%
● 3-5 years 22%
● 6-10 years 27%
● 11-20 years 13%
● Over 21 years 4%

STAFF AGE DISTRIBUTION



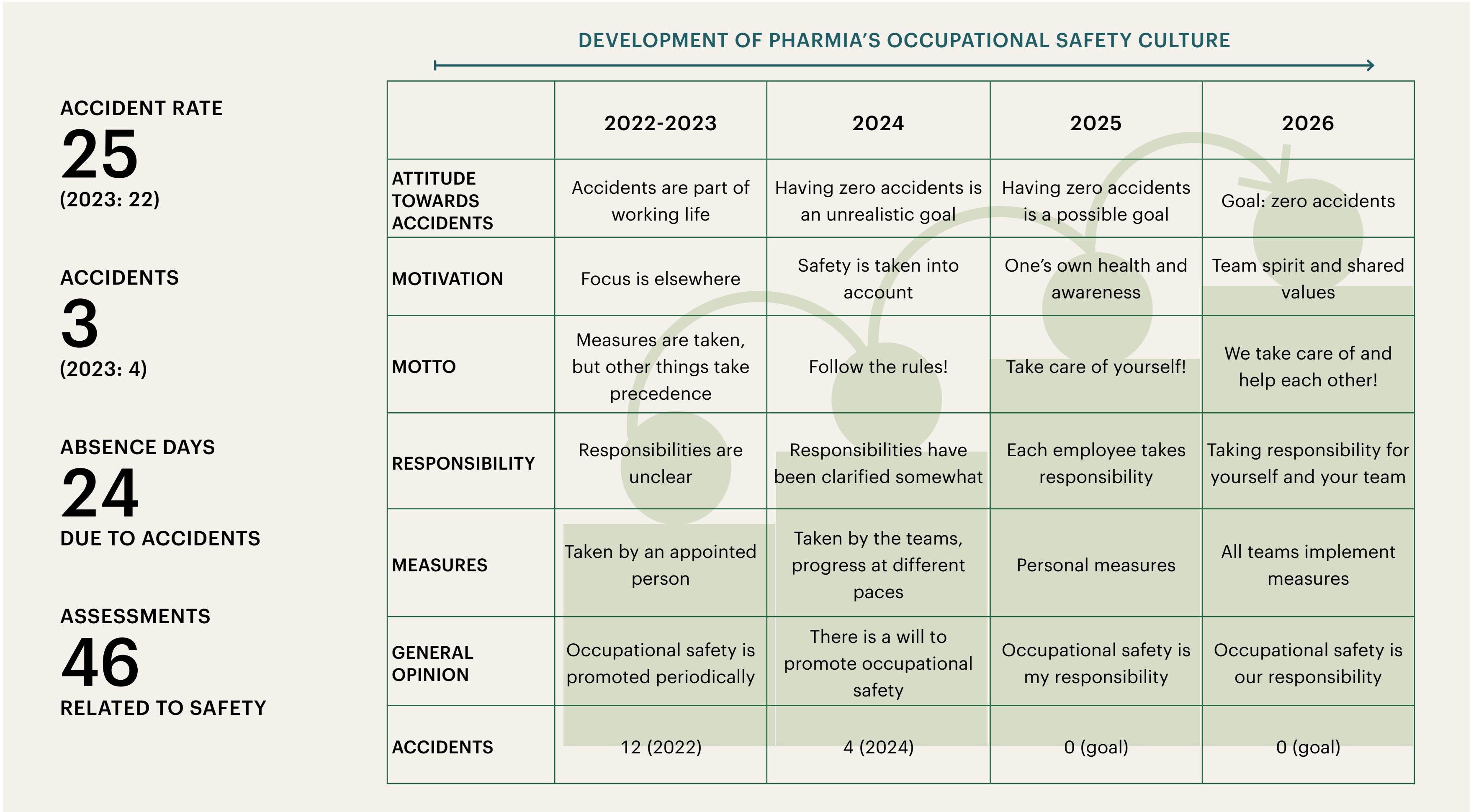
● 17-26 years 6%
● 27-36 years 19%
● 37-46 years 28%
● 47-56 years 26%
● Over 57 years 21%

Development of occupational safety culture

Taking care of the physical and mental health of our employees is a priority for us, both in terms of job satisfaction and quality assurance. In 2024, we continued to develop our occupational safety culture and related measures with determination.

We make sure that working conditions are safe and that workstations are designed to be ergonomic. We pay special attention to lighting, air quality, noise control and the use of necessary protective equipment. Our goal is to have zero accidents at work, and we are working in the long term to reach this goal.

The system for recording incidents helps us to monitor and address safety-related shortcomings effectively. We also organize regular safety assessments that include representatives from different staff groups. In 2024, we reviewed the machine safety measures together with an external expert to ensure the safe use of the machinery. We stepped up our internal auditing and assessed more than 400 product safety risk points. We conducted work ergonomics assessments both at the office and in production and corrected the shortcomings identified during the assessments.



The model is adapted from the Bradley curve, which describes the four stages of development of safety culture.



SUSTAINABILITY THEME 3

Joint efforts for the environment

Sustainability goals: Joint efforts for the environment

We aim to reduce our negative environmental impacts and systematically reduce our greenhouse gas emissions. To achieve our goal, we will focus on improving our energy efficiency, optimizing our procurement and waste management and using natural resources sustainably.

TOPIC	SDG	GOAL	PROGRESS IN 2024
CLIMATE WORK		We will reduce our greenhouse gas emissions (scope 1 and 2).*	Emissions decreased by 19% from 2023 (scopes 1, 2 and 3).
LOSS		We will reduce loss by at least 5% each year.	Loss decreased by 29% from 2023.
ENERGY, HEAT AND WATER CONSUMPTION		We will improve and optimize our energy and resource use.	Discussions about switching delivered energy to renewable energy have begun with the lessor.
RECYCLING OF WASTE		We will recycle all our waste by the year 2026.	Started recycling clear plastic film. Biowaste and glass are sorted as energy waste for the time being.
ENVIRONMENTAL IMPACT MANAGEMENT		We will be ISO 14001-compliant by the year 2027.	The work started in June 2024.

*We have updated our previous carbon neutrality target due to changes in the operating environment. In the future, we will focus on systematic and annual emission reductions instead of carbon neutrality in our own operations (scope 1 and 2). We regularly assess the achievement and progress of our goals as part of our continuous development work.

Consideration of environmental impacts

We aim to reduce our environmental impacts, loss and energy consumption. We have begun our journey towards ISO 14001 certification by identifying our key environmental impacts and developing processes to manage them.

ENERGY AND WATER CONSUMPTION

We focus on improving energy efficiency in our production processes by e.g. optimizing electricity consumption and by measuring the power supply of our production machinery. Things such as air conditioning and cooling consume the most energy, but they are also essential for the quality and conditions of our production. We are currently in discussions with the new property owner about switching to renewable energy, which would reduce our scope 2 emissions. Shutting down the Loviisa facility in June 2024 reduced Pharmia's energy and water consumption and waste volumes.

WASTE

Due to the nature of the ingredients, our production generates side streams that are classified as hazardous waste. Solid organic waste (12,525 kg) consisted of discarded mass and extractor dust from production, while liquid waste (1,030 kg) contained e.g. sesame oil.

In 2024, we expanded the collection of different waste categories and started recycling clear plastic, for example.

IMPACT OF THE VALUE CHAIN

We strive to ensure that appropriate sustainability standards are applied throughout the supply chain. For example, we favor recycled or certified materials and ingredients with a smaller environmental load. We strive to reduce transport emissions through an efficient degree of utilization, route optimization and by avoiding air freight. In addition, we favor online meetings and try to minimize unnecessary travel for work.

LOSS

Reducing loss is our constant goal. Loss may be generated at different stages of the production process. Loss includes, among other things, deviation batches, expired ingredients, process loss (e.g. encapsulation, bottling, production of mass), printed packaging materials, and material residues from discontinued products.

We are developing our production processes, batch order sizes and warehousing so that we can prevent loss of ingredients and finished products. We monitor expiring materials regularly and ensure the quality of the products before the packaging stage. We are also developing machine-specific loss tracking and preventing foreign objects by improving metal detection.

*In euros. See causes of loss.



LOSS REDUCED BY*
29%
FROM 2023

Pharmia's carbon footprint 2024

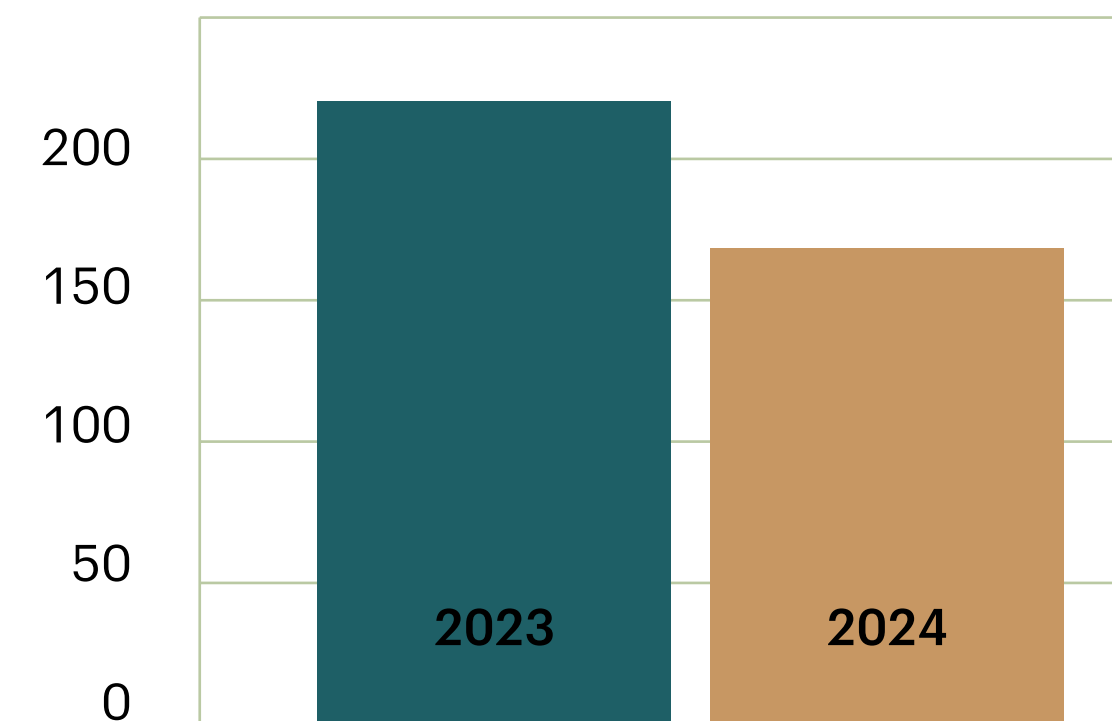
Carbon footprint tracking gives us a clear picture of the climate impacts of our activities and helps us identify opportunities to reduce emissions in different areas. The emissions of Pharmia Oy's own activities and the emissions of the value chain, where applicable, were included in the calculation for 2024.

Total emissions in 2024 amounted to 3,200.96 tCO₂e. Our emission reduction measures have clearly been effective, as our carbon footprint was 3,966.35 tCO₂e in 2023. This means that our total emissions decreased by around 19% over the course of the year.

The emissions of the product chain (scope 3) made up 93% of all our emissions, with the largest single source of emissions being purchased ingredients, packaging materials and services, which accounted for 91% of total emissions. Emissions in this category also decreased by 17% compared to the previous year. We increased our stocks of packaging materials during the COVID-19 period to ensure availability. The stock levels were normalized in 2024, reducing our purchase volume and lowering the carbon footprint for packaging materials.

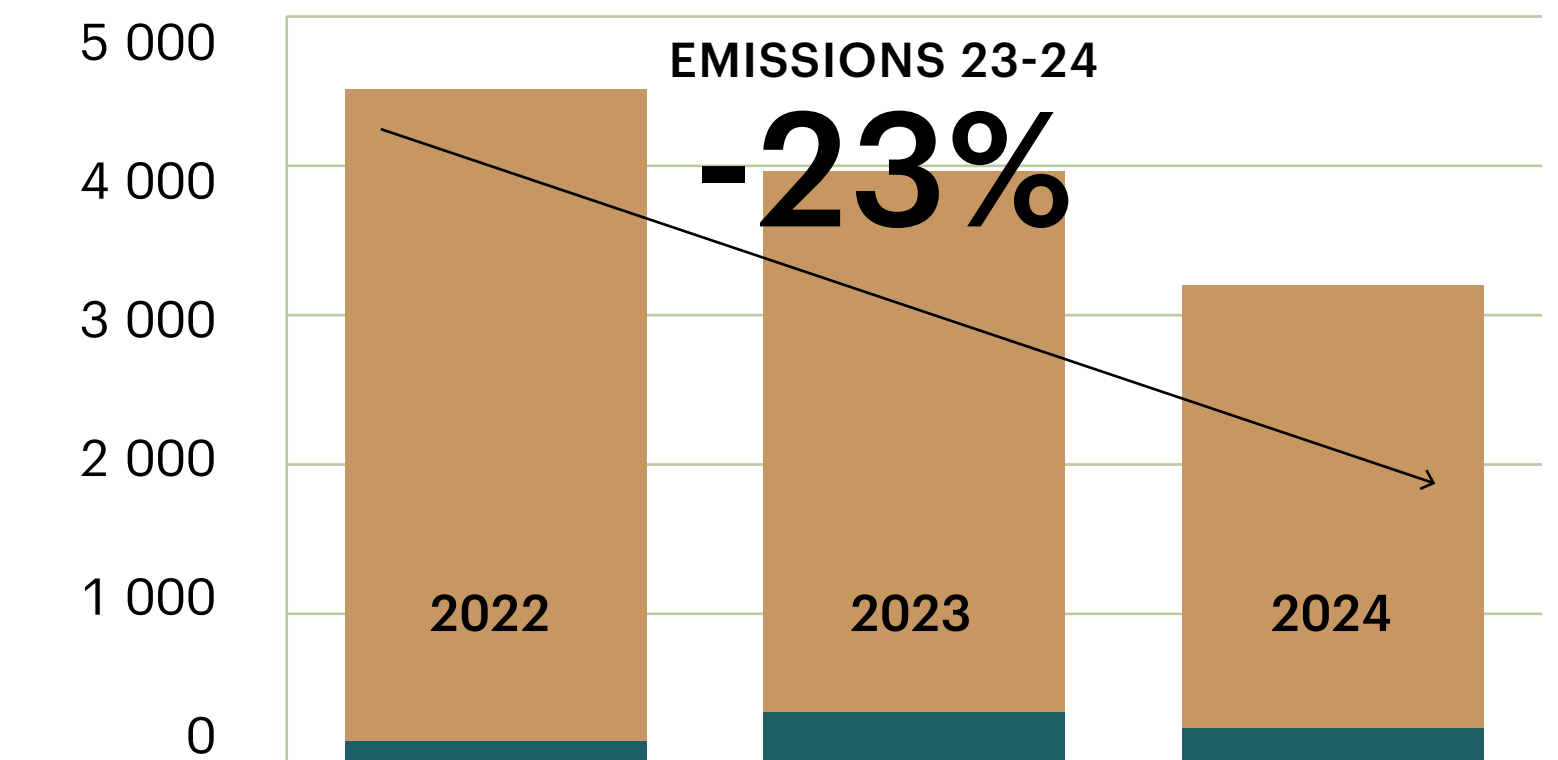
Although both our turnover and our production volume increased, we were still able to reduce our total emissions. We reduced our total emissions by approximately 23% between 2022 and 2024. This encourages us to continue our efforts to reduce emissions also in the coming years.

EMISSION INTENSITY 2023-2024



2023: 220.35 tCO₂/million euro turnover
2024: 168.36 tCO₂/million euro turnover

DEVELOPMENT OF GREENHOUSE GAS EMISSIONS 2022-2024



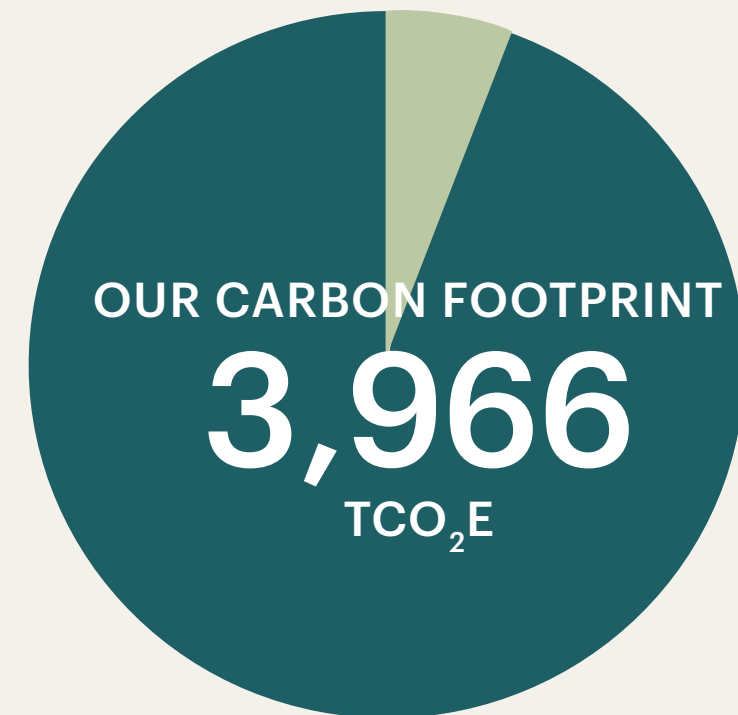
● Scope 2
● Scope 3

2022: Scope 2: 147, Scope 3: 4 369
2023: Scope 2: 340, Scope 3: 3 625
2024: Scope 2: 235, Scope 3: 2 966

SCOPE 3 DOWNSTREAM TOT. 91.35%

SCOPE 2 TOT. 7.34%

SCOPE 3 UPSTREAM TOT. 1.31%



- Scope 1: 0 tCO₂e
- Scope 2: 235 tCO₂e
- Scope 3: 2,966 tCO₂e

SCOPE 3 DOWNSTREAM EMISSION SOURCES:

- Purchased products and services 2,924 tCO₂e: 91.35%

OF THE EMISSIONS,
91%
CAME FROM
PROCUREMENT

SCOPE 2 EMISSION SOURCES:

- Electricity 188.2 tCO₂e: 5.88%
- District heating 46.87 tCO₂e: 1.46%

SCOPE 3 UPSTREAM EMISSION SOURCES:

- Property rented to the organization 1.08 tCO₂e: 0.03%
- Capital goods (e.g. equipment, machinery) 34.54 tCO₂e: 1.08%
- Transportation between external warehouse and Pharmia factory 3.76 tCO₂e: 0.12%
- Waste transport and treatment 0.66 tCO₂e: 0.02 %
- Business travel 1.85 tCO₂e: 0.06 %

Sustainability prospects for 2025

Sustainability is taking on a bigger role every year at Pharmia, and we have made progress in our work in accordance with our sustainability program. In 2025, we will continue our work on this path that has proven to be successful.

Our goal is to continue the work we started last year towards ISO 14001 compliance. We are in discussions with the new property owner about improving energy efficiency and switching to renewable energy. We will also continue to reduce loss and improve the recycling of waste. We are introducing PET plastic as packaging material, which supports our long-term goal of switching to recycled materials (e.g. rPET).

We intend to continue to improve occupational safety by increasing personal protection, enhancing safety training and upgrading equipment. We are also updating the Supplier Code of Conduct and finalizing our internal Code of Conduct, i.e. the ground rules for personnel, together with the Pharmers.

We intend to familiarize ourselves with VSME reporting and to map out our most significant sustainability themes through materiality analysis. This means that we will continue our commitment to sustainability work to ensure that our products will remain safe and of high quality and meet our customers' expectations.

APPENDICES

WASTE, KG 23-24	TUUSULA 2024	LOVIISA 2024	TUUSULA 2023	LOVIISA 2023
Energy waste	34,320	0	34,020	0
Mixed waste	16,812	9,700	9,976	9,800
Hazardous waste (solid organic waste)	12,525	0	8,393	0
Hazardous waste (solvent waste, non-halogenated liquid)	1,030	0	300	0
Biowaste	190	0	0	0
Plastic	573	400	0	750
Cardboard	23,150	1,600	18,500	3,600
Paper	539	300	244	50
Metal	3,190	2,000	4,500	150
Secure disposal	500		7,660	150
Wood waste	0	0	5,000	1,000
Construction waste	0	0	1,000	0

ENERGY AND WATER CONSUMPTION 23-24	TUUSULA 2024	LOVIISA 2024	TUUSULA 2023	LOVIISA 2023
Electricity, kWh	313,779	103,869	415,409	172,646
District heating, mWh	551	0	548	0
Cold service water, liters	453,000	121,000	541,000	120,000
Warm service water, liters	779,000	-	750,000	-

PHARMIA'S CARBON FOOTPRINT 2024		TCO ₂ E	% SHARE	SCOPE %
Scope 1: Own emission sources	Fuel for energy production	0	0%	0%
	Fuel for vehicles	0	0%	
Scope 2: Delivered energy emission sources	Electricity	188.2	5.88%	7.3%
	District heating	46.9	1.46%	
Scope 3: Value chain emission sources	Purchased products and services	2,924	91.35%	92.7%
	Property rented to the organization	1	0.03%	
	Transportation to factory or warehouse	3.7	0.12%	
	Waste transport and treatment	0.7	0.02%	
	Business travel	1.85	0.06%	
Total		3,200.96		

CALCULATION PRINCIPLES

- Pharmia's carbon footprint calculation is based on the GHG Protocol method.
- Electricity and district heating are calculated based on actual consumption.
- Scope 3 emissions are calculated based on consumption using industry average emission factors.
- In 2024, we carried out the consumption-based categorization according to the category ledger instead of the previously used supplier categorization. This adjustment increased emissions slightly, but improved the accuracy of calculations.

THE CALCULATION INCLUDES

- Ingredients, packaging and other materials used in production
- Other purchased products and services
- Production waste
- Business travel
- Transportation between the external warehouse and Pharmia factory

THE CALCULATION DOES NOT INCLUDE

- Transportation of products to customers as a whole
- Employee commuting
- Machinery and equipment used in production
- Transportation of ingredients to the factory

NOT ESSENTIAL

- Processing of sold products
- Use of sold products
- End-of-life treatment of sold products
- Downstream leased assets, franchises and investments.

	2023 TCO ₂ E	2023 %	2023 TCO ₂ E	2023 %	2022 TCO ₂ E	2022 %
Scope 1	0	0%	0	0%	0	0%
Scope 2	235.07	7.34%	340	8.5%	147	3.3%
Scope 3	2,965.891	92.66%	3,625	91.4%	4,369	96.7%
Total:	3,201	100%	3,966	10%	4,153	100%



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