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1. MESSAGE FROM THE CEO

BIAL is an innovative biopharmaceutical company celebrating its 100th anniversary this year. It's been 100 years of health, innovation and science. A journey inspired by the people we work for every day and by the future we aspire to build, which we want to be increasingly healthy, inclusive and sustainable.

It is with this in mind that we present our Sustainability Report, which reflects our commitment to social, environmental, governance and economic responsibility, as well as our desire to contribute to a more sustainable world.

Our main objective is to boost science and health with our innovative medicines, integrating environmental, social and governance (ESG) commitments into our daily activity. As CEO, I recognise the importance of leading by example. We want to be a competitive and profitable company that also promotes the well-being of the communities where we operate and society in general. We are committed to tackling the major challenges ahead of us, from climate change to access to healthcare, without neglecting equality and the promotion of a more inclusive world for all. We strive to have a positive impact on the planet we live on.

In this report, we highlight our achievements over the past year. From reducing water consumption and carbon emissions to promoting diversity and inclusion in the workplace. We're proud of the progress we've made. However, we also recognise the challenges we face, such as formalising some good practices we already have or implementing a methodology to address impacts, risks and opportunities.

Looking to the future, we want to invest in research and development of sustainable medicines, further reduce our carbon footprint, and strengthen our partnerships with organisations to improve access to healthcare. We value health, people and life and will continue to play our part in ensuring that we leave a better world for future generations.

I would like to thank all our employees, suppliers, partners and patients for their continued support. Together, we can make a difference.

I'm looking forward to the next chapter in our sustainable journey.

António Portela



2. MAIN HIGHLIGHTS

BIAL's mission is to discover, develop and provide therapeutic solutions in the healthcare sector.

We remain committed to innovation and health, and we are dedicated to empowering the

Looking ahead to the coming years, we continue to be inspired by health, science, and

We feel inspired by the future!

+ 20,000h of training

100% employees trained on the Code of Conduct

€ 57.6м Investment in R&D

342 suppliers evaluated

67,526t Greenhouse Gas Emissions

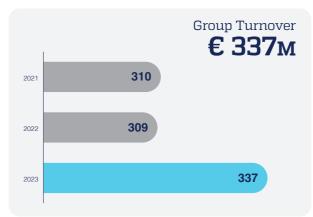
100% electricity 40% of women in management positions

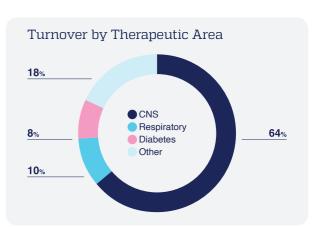
+4 million patients treated with products we market

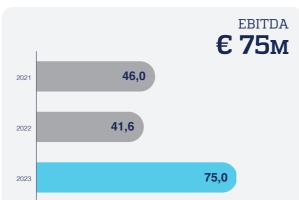
€ 4.6м of donations

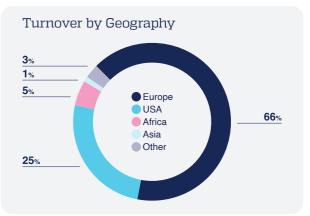
Inspired by the future

In 2023, financial performance was very positive, driven by the fulfilment of commercial objectives and control of operating costs. Turnover grew by more than 9% compared to the previous year, mainly due to sales of Aptiom, new products (Edistride, Ebymect) and some milestones. EBITDA grew by approximately 80% to € 75M. The 9% growth in turnover and no growth in operating costs contributed to this, along with the increase in gross margin.

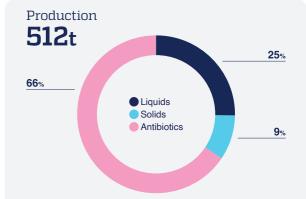












3. BIAL IDENTITY

1924

Constitution of BIAL Portela

1978

Licensing activities begin

1993

Start of R&D activities

1994

Establishment of the BIAL Foundation

1998

BIAL subsidiaries in Spain and Mozambique (Medimport)

2005

BIAL joins EFPIA

2008

BIAL subsidiaries in Ivory Coast, Panama, Angola and Switzerland

2009

EMA approves Eslicarbazepine Acetate

2010

BIAL subsidiary in Italy

2013

FDA approves Eslicarbazepine Acetate

2016

BIAL subsidiaries in the UK and Germany

EMA approves Opicapon

2020

FDA and regulatory authorities in Japan and Australia approve Opicapone BIAL subsidiary in the USA (BIAL Biotech Investments Inc.)

2021

BIAL obtains licence to promote and market Apomorphine sublingual in Europe

2023

I&D - Strategic expansion in the area of new modalities and rare diseases

3.1. PURPOSE

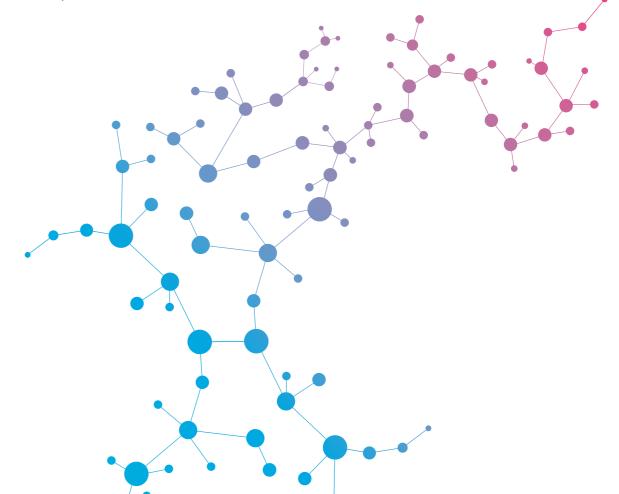
BIAL Portela is the central company of a group of companies all linked to the design, development, production, promotion and commercialisation of medicines, with both national and international distribution, 100% privately owned.

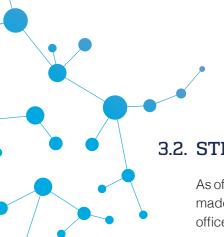
Our mission is to discover, develop and provide therapeutic solutions in the healthcare sector. Dedicated to the research, development, production and commercialisation of medicines, we are committed to helping improve the quality of life of people all over the world.

"Keeping Life in Mind" is our motto.

We are motivated by the Vision that inspires us: To be a company with an international dimension based on its own innovative medicines. We want to meet people's health needs by playing an active role in the global economy. We also want to contribute to building a knowledge-based, competitive, integrated and dynamic society, based on scientific development and innovation. The Values that guide us reflect our identity:

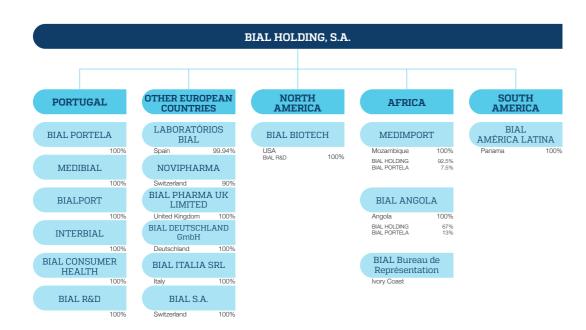
- At the service of health,
- · Commitment to quality and innovation,
- · Excellence in scientific research,
- · Integrity and high ethical standards,
- · Rigour, responsibility and teamwork,
- · Respect for Universal Values.





3.2. STRUCTURE

As of 31st December 2023, the BIAL Group, whose parent company is BIAL Holding SA, was made up of seventeen companies, ten of which are based abroad, and a representative office in Ivory Coast. In 2023 there was no change in its composition.



In Portugal, the holding company has a 100% share in six companies; in Spain, it has a direct 99.94% share in Laboratorios BIAL, S.A.; in Switzerland, it has a direct 90% share in Novipharma S.A. and 100% in BIAL S.A. Also in Europe, in the United Kingdom, Germany and Italy, BIAL Holding, SA has a direct 100% share in BIAL Pharma UK Limited, BIAL Deutschland GmbH and Italia, S.r.I., respectively.

On the African continent, in Mozambique, BIAL Holding, SA controls 100% of Medimport - Importação, Exportação e Distribuição, Lda., 92.5% directly and 7.5% indirectly through BIAL - Portela & C.ª, SA. In Angola, it has 100% control of BIAL Angola, S.A., 67% directly and 33% through BIAL Portela & C.ª, SA. In Ivory Coast, the BIAL Group has a representative office.

Finally, on the American continent, the holding company has a direct 100% share in BIAL Latin America in Panama. In the USA, it has an indirect 100% share in BIAL - Biotech Investments Inc., which is 100% owned by BIAL - R&D Investments SA. The company, with offices in Cambridge, Boston, is dedicated to biotechnological research projects in the field of rare diseases and Parkinson's Disease, as well as other degenerative diseases of the central nervous system.





3.3. STRATEGY

Our strategic lines of development are Research and Development, Internationalisation and Sustainability.

We believe that to serve the interests and needs of all people, we should not limit ourselves to the production and supply of medicines: we should go further. This is why we have defined research into new therapeutic solutions as a strategic commitment for BIAL.

To contribute to the development of humanity, we feel the need to discover, innovate and actively contribute to the treatment of the various pathologies that affect human beings and their quality of life. This means living day-to-day in a spirit of creativity and evolution, within a highly professionalised business model, involving our employees, our shareholders, our customers and our suppliers in the BIAL project.

In 2009, BIAL put Portugal on the map of global therapeutic innovation by launching the first Portuguese patented research drug, an anti-epileptic, which is now available in several European countries and the USA. The second BIAL medicine, a drug for Parkinson's Disease, is also already commercialised in several European countries, the USA, Japan and South Korea, among others.

The commitment to research and development has enabled the internationalisation of BIAL and positioned it sustainably for a future that inspires us.

3.3.1. INNOVATION, RESEARCH AND DEVELOPMENT

Medicines approved by EMA & FDA

Over 1200 active patents in the portfolio

Since the 1990s, the BIAL Group has had an important and ambitious R&D project, prioritising the central nervous system, which has resulted in two new drugs in this area. In 2007, the financial return on investment in R&D began, with the signing of the first licensing contract for a new pharmaceutical molecule of Portuguese origin (an innovative anti-epileptic drug, the active ingredient of which is Eslicarbazepine Acetate, marketed under two brands worldwide) – Zebinix (Europe) and Aptiom (USA and Canada). This was followed in 2008 by a licence agreement for Europe for the same drug. In 2013, it is worth noting the first licensing of a new drug for Parkinson's Disease investigated by BIAL for Japan, of which the active ingredient is called Opicapone and is marketed under the ONgentys brand worldwide. This was followed by its licensing for the USA and its approval by the FDA (Food and Drug Administration), with commercialisation beginning in

that market in 2020. That same year it was also approved by the PMDA (Pharmaceuticals and Medical Drugs Administration) and began to be marketed in Japan. The USA and Japan are the two main markets for Parkinson's Disease.

Our R&D centre in Portugal is home to an international, highly qualified team dedicated to the search for new drugs, particularly in neurosciences and rare diseases. This team centralises the initial and structuring phases of the research process: chemistry, pharmacology and clinical research. We actively collaborate with researchers and scientists from universities, industry and research centres to deliver the best solutions to all healthcare professionals, patients and their families.

In 2023, Zebinix/Aptiom brought revenues of € 128M, making a decisive contribution to BIAL's current dimension, due to strong growth in sales to the USA and stabilisation in the other markets. ONgentys' turnover in 2023 was € 57M (-10% compared to 2022), explained by the reduction in sales in the USA (change of licensee, which affected commercial activity throughout the year) and an adjustment of stocks in Japan, decreases that were not fully offset by the growth in sales in Europe.

Turnover of BIAL development products

€ 185_M (Group turnover of 55%)

New approvals since 2019

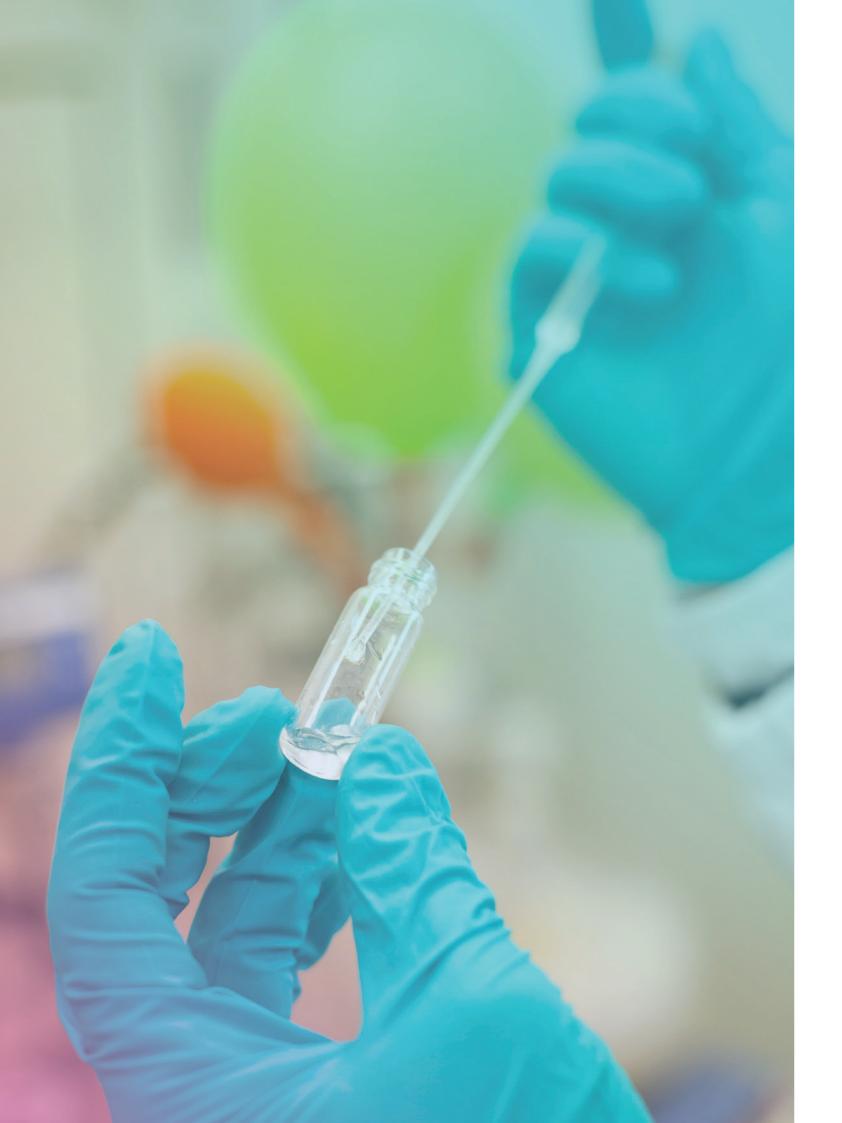
Biail

23

Research work on the BIA2 project, Zebinix/Aptiom, continues with the aim of gaining a better understanding of its clinical characteristics and boosting its use in the various profiles of epileptic patients. Thus, a number of clinical studies are underway to strengthen knowledge about the drug and facilitate its therapeutic use.

The BIA9 project on ONgentys (Opicapone) has a number of phase IV clinical trials underway in Europe. It aims to reinforce knowledge about the drug in current clinical practice, with different patient profiles, which will help strengthen its adoption by neurologists.

The BIA28 project consists of developing a molecule with an innovative mechanism of action for use in the treatment of Parkinson's Disease associated with the GBA1 gene. These mutations are the most frequent genetic risk factor for Parkinson's Disease and lead to a decrease in the activity of the GCase enzyme. This loss of activity may be associated with the accelerated progression of Parkinson's Disease. The compound BIA 28-6156 is a new allosteric activator of the GCase enzyme, binding to and activating the GCase protein produced from the mutated GBA1 allele and the wild-type allele. BIA 28 originated in August 2020, when a purchase agreement was signed with the American biotech company





Lysosomal Therapeutics Inc. for a set of intangible assets, including patents and other intellectual property rights, among which what is now known as BIA28. In 2023, 50 patients were randomised and the first patient was incorporated in May into the phase II clinical trial underway in the USA and several European countries.

The remaining projects are at the pre-clinical stage, so there is still a long work programme to implement and it is too early to assess their therapeutic potential.

In 2023, investments in research and development totalled € 58M, broken down by:

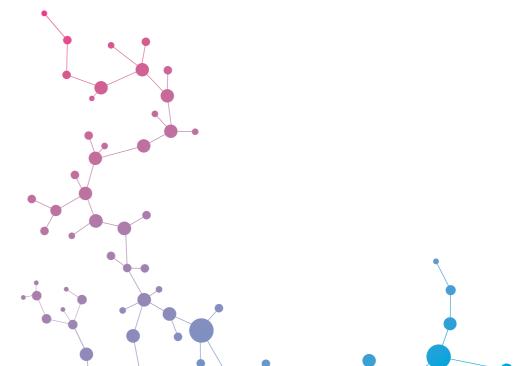
- € 48M, excluding amortisations, and
- Current operating expenditure of Acquisitions for intangible and tangible assets totalling € 10M.

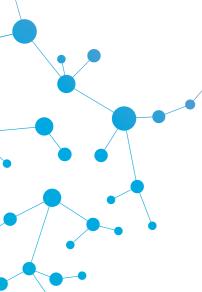
Pipeline

10

>15,000 New Molecules (1993-2023)

6 Clinical Trials





In 2023, the USA was the Group's main market, with a global turnover of € 87M, of which € 76M was from sales of Aptiom and ONgentys and € 11M from services provided under the ONgentys licence agreement.

Spain was the second largest market, with sales of € 80M in 2023. The Iberian Peninsula is one of the five largest markets in Europe and the ninth largest in the world, and BIAL is one of the largest companies in the outpatient sector. This will continue to be a strategic area for BIAL's development, with a wide and competitive range of medicines in both countries, both for general and family medicine and other medical specialities. Portugal and Spain account for 50% of the Group's turnover.

The focus of BIAL's organic growth is on its European subsidiaries (Germany, Italy, United Kingdom and Switzerland, as well as France, where we do not have a subsidiary but are present with a medical and commercial team). In these countries, we market and promote Zebinix and ONgentys, except in France where ONgentys is not marketed. In 2023, the turnover in the five countries was € 45M, an increase of 15% compared to 2022.

In other European countries, such as Sweden, Denmark, Norway, Finland, Czechia, Slovakia, Iceland and Greece, Zebinix and/or ONgentys are marketed through licence or distribution agreements. It is another step in the process of internationalisation and consolidation of the BIAL Group in Europe.

11Branches in 3 continents

In emerging countries, the turnover was similar to previous years at around € 20M. Mozambique, French West Africa and Angola are the main markets, representing € 17M of turnover in 2023.

Services provided totalled € 30M (+110% compared to 2022), of which € 18M are related to promotional services in Portugal (+25% year on year), which shows a strong dynamic in this area. External services totalling € 14M were provided, of which € 12M are milestones associated with licence agreements.



3.

3.3.3. SUSTAINABILITY

The corollary of our commitment to Sustainability is our 100 years of existence, which we intend to extend, at the service of the people we serve, helping to improve their quality of life

It was this commitment that, in 2004, led us to join the UN Global Compact, an international initiative that calls on companies to align their strategies and operations with ten universal principles relating to human rights, labour, the environment and the fight against corruption. The aim is to promote sustainable progress in the global economy by uniting companies, governments and civil society.

In 2023, our strategic vision of Sustainability took on a new shape with the creation of a dedicated Sustainability area with the purpose of not only managing BIAL's Corporate Sustainability Policy but also monitoring the creation of long-term value for stakeholders, integrating environmental, social and governance aspects into the definition and implementation of the Corporate Sustainability Strategy.

Following this step and aware of its role in mobilising the national business community, BIAL decided to bring forward the implementation of the CSRD (Corporate Sustainability Reporting Directive) by two years, publishing its first Sustainability Report in 2024, for the year 2023. With this step we want to voluntarily share our progress at the ESG level, demonstrating our commitment to transparency. In addition to this individual goal, we also want to lead by example.

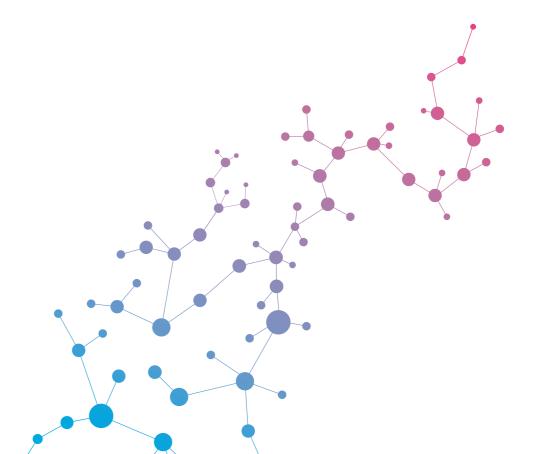
For BIAL, Sustainability means harnessing science and innovation to build a healthy future for people, society and the planet, leveraging our global reach. The role we play in providing access to healthcare and disease prevention is not enough, we want to use a science-based approach and ensure that we act with integrity and follow our Values, making a positive impact and creating value beyond the impact of our life-changing medicines, by incorporating sustainability into everything we do - from the laboratory to the patient.

A reflection of our ambition, the work that has been done and the opportunities for improvement that lie ahead, are the ratings obtained in 2023, which are briefly described below.



Institution Rating		Comments		
Caixa Geral de Good Depósitos (CGD)		CGD gave us a "Good" rating, on a scale from "Unrated" to "Strong". In 2022 our rating was "Unrated", and the sector average is on the border between "Good" and "Strong".		
Dun & Bradstreet (D&B)	1 - Very Good	D&B, in its risk analysis, scored us as 1 - Very Good, the highest score on the scale that goes from 1 - Very Good to 5 - Very Poor. For D&B the average is 1.44.		
Marsh	5.1 - Fair	In Marsh's ESG Risk Rating, our scorecard decreased compared to 2022 (Good - 6.7), but after analysing it, we found that this variation was due to an increase in our sensitivity to the issue. Analysing this variation, as well as pointing out the reason for it, has allowed us to conduct a gap analysis that is crucial for us to improve.		
Observatory of the SDGs in Portuguese Companies from Católica Lisbon of Business and Economics at UCP	6 + 2,6	This assessment is made up of various parameters, evaluated on a scale of 1 to 7. In our questionnaire, we scored 6 and in the Non-Financial Report, we scored 2.6. Here again, the questionnaire component showed a decrease compared to 2022 (6), but the component improved (2). It should be noted that the report analysed was the Social Responsibility report. Once again, this evaluation has allowed us to realise where we are and what actions we need to take to go further.		

Following the publication of this report, the next steps will be to complete Double Materiality, to unequivocally identify our material aspects and know our impacts, risks and opportunities, without which we will not be able to design appropriate action plans to pursue our sustainability strategy.

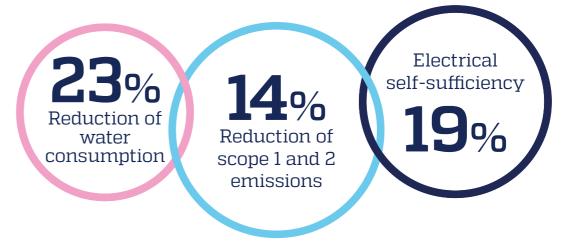






4. ENVIRONMENTAL PERFORMANCE

In 2001, BIAL enacted its first Environmental Policy, which was updated in 2023 to the Environmental Sustainability Policy, which applies to all of the Group's companies. The Environmental Management System has been certified to ISO 14001 since 2001, first by APCER and, since 2023, by Bureau Veritas, with a good performance validated for several years without findings.



4.1. RESOURCE CONSUMPTION

In this first point, although this report covers the BIAL Group, only the consumption of resources at the BIAL Campus is presented. The remainder, despite being marginal figures, should be included in future reports.

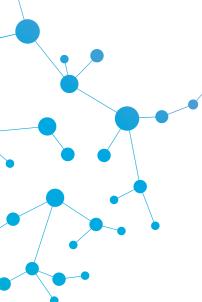
4.1.1. WATER

A gestão responsável da água é um pilar fundamental para a sustentabilidade corporativa. Responsible water management is a fundamental pillar of corporate sustainability. Even so, BIAL does not currently have formally established clear policies for managing water resources, although these have been a long-standing concern, which can be seen in the improvements that have been implemented in terms of the use of these resources, as well as wastewater management.

In terms of physical and transition risks related to water, the activity that requires the highest use of this resource is in an area of medium-high risk, according to Aqueduct. For this reason, it is crucial to monitor the use of water resources, which is why BIAL has meters and a water consumption monitoring system, from which it is possible to extract the partial consumption of the BIAL Campus buildings.

In 2023, 15,654 m³ of drinking water were consumed (Municipal Services), more than 1,563 m³ of water from a water catchment. Compared to 2022, there was a 23% reduction (16,103 m³ + 6,175 m³). To assess the evolution of water consumption, the volume of wa-

SUSTAINABILITYREPORT - **2023**

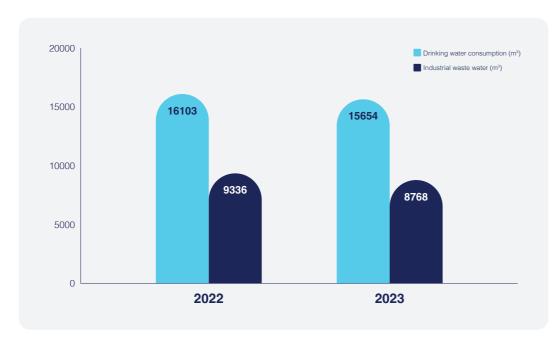


ter consumed per kg of medicines produced is determined, considering only water consumption in buildings, the use of which is affected by activities related to the production of medicines (A-Industrial Building, B-Offices and QC, C-Warehousing, Equipment and Sampling, D-Thermal Power Stations, E-Antibiotics). This gives a figure of 15L/kg, 23% lower than consumption in 2022 (20L/kg), considering 511,881kg produced in 2023 and 476,571kg in 2022.

The positive trend in water consumption is partly related to the consumption of water from water catchment, due to two measures implemented in 2022 that made it possible to reduce and recover/reuse purged water from the purified water production process. Changing the operating mode of the purified water system from a continuous regime to an alternating regime, as well as reintroducing water into the circuit.

It is also important to analyse industrial wastewater. In 2023, 8,768m3 were treated, 6% less than in 2022 (9,336 m³), which means 17L/kg (12% less than in 2022 - 20L/kg), i.e. the effluent treated per kg of medicines produced was more efficient (reflecting the recovery and reuse of purge water from the purified water production process). All the parameters defined in the discharge licence were complied with. About the plant's treatment efficiencies in 2023, reductions of 72% were achieved in BOD_5 (Biochemical Oxygen Demand at 5 days), 89% in TSS (Total Suspended Solids) and 57% in COD (Chemical Oxygen Demand), which represents a significant reduction in the pollutant load of the treated wastewater.

As for water intensity (total water consumption in its own operations in m3 per million euros of net revenue) in 2023 it was $51 \text{ m}^3/ \in M$ (in 2022 it was $72 \text{ m}^3/ \in M$), representing a decrease of 29%. This figure is mainly due to the 9% increase in net revenue, driven by the milestones achieved and the efficient use of water resources. This figure is explained by the 9% increase in turnover and the greater efficiency in the use of water resources.



Graph 1 - Drinking water and industrial wastewater consumption (2022 to 2023



> Opportunities

- Formalise a water use management policy per ESRS E3-1 Policies related to water and marine resources;
- Quantify the risks related to water use, identify actions to mitigate them and define an action plan;
- Implement a system to monitor water consumption beyond the BIAL Campus;
- Definition of alarm statistics associated with water consumption in the monitoring system;
- Determine the amount of water recovered and reused from the purge of the purified water production process and other processes where this occurs, as per ESRS E3-4, 28 c);
- Define an indicator (L/kg) with monthly monitoring, considering only water consumption for the production of medicines, which will allow anomalous situations to be identified as well as water efficiency measures.

4.1.2. ELECTRICAL ENERGY

Electricity is a fundamental element in the context of sustainability. The EU Sustainability Reporting Standard (ESRS) E1-5 establishes specific guidelines for reporting on energy and emissions - evaluating the energy consumption, sources of energy used and efforts to reduce greenhouse gas emissions. In addition, ESRS E1-5 encourages the transition to cleaner and more renewable energy sources, promoting decarbonisation and contributing to a more sustainable future. This approach is crucial for tackling climate challenges and ensuring the resilience of organisations. ESRS standards require scenario analyses to identify and quantify physical and transition risks in the short, medium and long term. For this report, electricity was considered, excluding other, much less significant energy sources such as gas and diesel.

In 2023, 4,014MWh of electricity purchased with certificates of origin were consumed, plus 945MWh of electricity from the SCPU (Self-Consumption Production Unit). Compared to 2022, there was an increase of 7% (3,942MWh + 679MWh). To better assess the evolution of electricity consumption, the energy per kg of medicines produced is determined, considering only electricity consumption in buildings used for activities related to the production of medicines (A-Industrial Building, B-Offices and QC, C-Warehousing, Equipment and Sampling, D-Thermal Power Stations, E-Antibiotics). This gives a figure of 4.2MWh/t, 11.4% higher than consumption in 2022 (3.7MWh/t). Electricity costs were 41% lower than in 2022, reflecting the energy crisis experienced during that period and the increase in energy production from the SCPU.

Despite the increase, this is a positive development, considering the growth of the BIAL Campus. This evolution was possible due to the energy efficiency measures implemented (optimisation of HVAC [Heating Ventilation and Air Conditioning] operating schedules and set points, replacement of conventional motors with more efficient models, changing the operating mode of purified water from a continuous regime to an alternating regime, among others).

It should be noted that during 2023, the expansion of the SCPU was completed with a further 72 photovoltaic panels. The final SCPU installation has an installed capacity of 780kWp, 1,744 photovoltaic panels and a footprint of $3,790 \, \text{m}^2$.

Table 2 - Energy consumption and combined electricity

E	nergy consumption and combined electricity	2019	2022	2023
1.	Consumption of fuel from coal and coal products (MWh)	933,46	27,60	28,09
2.	Fuel consumption from crude oil and oil products (MWh)	0,00	0,00	0,00
3.	Fuel consumption from natural gas (MWh)	975,51	1.837,25	1.870,31
4.	Fuel consumption from other fossil sources (MWh)	376,08	129,71	132,05
5.	Consumption of electricity, heat, steam and cooling purchased or acquired from fossil sources (MWh)	0,00	0,00	0,00
6.	Total fossil energy consumption (MWh) (calculated as the sum of rows 1 to 5)	2.282,06	1.994,56	2.030,45
Percentage of fossil sources in total energy consumption		47,3	43,2	41,0
7.	Consumption from nuclear sources (MWh)	0,00	272,43	277,34
Percentage of consumption from nuclear energy sources in total energy consumption		0,00	5,89	5,59
8.	Fuel consumption from renewable sources, including biomass (also including industrial and urban waste of biological origin, biogas, renewable hydrogen, etc.) (MWh)	2.539,53	1.675,60	1.705,76
9.	Consumption of electricity, heat, steam and cooling purchased or acquired from renewable sources (MWh)	0,00	0,00	0,00
10	. Renewable energy consumption not derived from inhouse generated fuels (MWh)	0,00	678,87	945,32
11	. Total renewable energy consumption (MWh) (calculated as the sum of rows 8 to 10)	2.539,53	2.354,47	2.651,08
	rcentage of rewable sources in total energy nsumption	52,7	51,0	53,5
CO	110 di li ptioli			

Energy intensity (total energy consumption in MWh per net revenue in monetary units) in 2023 was 14.7MWh/€ M (in 2022 it was 14.9MWh/€ M), representing a decrease of 1.6%. This figure is mainly due to the 9% increase in turnover.



> Opportunities

- Implement a system to monitor electricity consumption beyond the BIAL Campus;
- · Continue with the replacement of lighting with LED;
- · Continue implementing the energy monitoring system;
- · Interconnect cold storage centres in the existing factory and expansion;
- · Continue to replace water circulator pumps with more efficient models;
- Expand the SCPU to a further 1,200 kWp (peak), with an estimated selfconsumption of 44%, considering the current consumption profile;
- Define an indicator (kWh/PP) with monthly monitoring, considering only
 electricity consumption for the production of medicines, which will make it
 possible to identify anomalous situations as well as energy efficiency measures.

Figure 1 – Aerial view of BIAL's photovoltaic panels







4.2. GREENHOUSE GAS EMISSIONS

Climate change represents one of the greatest challenges of the 21st century, with far-reaching impacts on ecosystems, the economy, and people's health and well-being. The effects of climate change are already observable in several regions of the world and include more frequent and severe extreme weather phenomena such as heatwaves, droughts, floods, storms and rising sea levels. Greenhouse gases (GHG), especially carbon dioxide (CO₂), are the main drivers of climate change, making it imperative to reduce their emissions. In 2023 we calculated the GHG emissions related to our activity (scopes 1 and 2) and the indirect emissions associated with our value chain (scope 3). Scope 1 emissions fell by more than 7% compared to 2022, mainly due to SCPU's energy efficiency and production measures (2,033t CO_ae vs. 2,195t CO_ae). Scope 2 emissions (market-based) in 2023 were zero again, due to obtaining guarantees of origin in the grid's energy supply. In 2023, scope 1 and 2 emissions were approximately 4t CO₂e/t of product (almost less than 14% vs. 2022, which were approximately 5t CO_ae/t).

Scope 3 GHG emissions account for 97% of BIAL's total GHG emissions. These are the indirect emissions associated with the value chain (including transport, purchased goods and services, waste production, etc...). BIAL has worked in collaboration with an external company to develop a solid tool for determining scope 3 emissions according to the GHG protocol methodology. The calculation is based on a wide range of data, which generates a significant level of uncertainty. The collaboration with the external partner made it possible to internalise a calculation methodology to improve the quality of the data collected and refine its assumptions.

Table 3 – Significant scope 3 GHG emissions by category

Category	Emissions (t CO2e)
Goods and services purchased	63,490
2. Equipment	243
3. Fuels and energy (not included in scope 1 or 2)	26
4. Upstream transport and distribution	441
5. Waste produced in operations	22
6. Business travel	512
7. Daily journeys by workers between home and place of work	392
8. Downstream transport	326
9. End-of-life treatment for products sold	41
Total	65,493

The GHG intensity based on turnover (total energy consumption in MWh per net revenue in monetary units) in 2023 was 6t CO₂e/€ M (in 2022 it was 7t CO₂e/€ M), representing a 15% decrease for scopes 1 and 2. If we consider the total, we get a figure of 200t CO₀e/€ M.

Aware that climate change is a real problem that jeopardises current and future generations, we are signatories to Caring for Climate, a declaration by business associates of the UN Global Compact that aims to promote solutions to the climate problems affecting our planet. In this context, we took part in the Business Ambition for 1.5°C Campaign, which aimed to reduce emissions to prevent warming of more than 1.5°C. In 2022, with a view to a more sustainable future, BIAL joined the "Porto Climate Pact" initiative, which is a commitment towards carbon neutrality, under the auspices of Porto City Hall.

> Opportunities

- Implement a GHG determination system beyond the BIAL Campus;
- Deepen the calculation of scope 3 emissions, especially those in category 1;
- Invest in strategies to reduce GHG emissions across the board.

4.3. WASTE MANAGEMENT

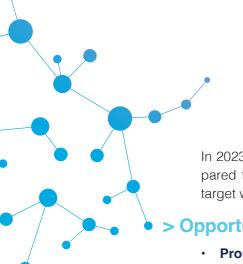
In 2023, 193t of waste were managed, 10% more than in 2022 (175t), corresponding to 377g of residue per kg of product. The total volume of waste generated has increased, partly due to the 13t of drug waste from the shared disposal of Zomarist. If we ruled out this unusual situation, we would have seen a 4% reduction in specific terms (2022: 366g/ kg), as a result of the work carried out in various areas towards the target of 8.5g of waste per package produced (PP - Package Produced), which led to the creation of working groups and the implementation of actions. It should be noted that of the 193t of waste, 111t are recyclable (58%):

- An increase of 131% in glass, mainly due to the full operation of the new antibiotics factory:
- An increase of 27% in plastic waste as a result of the measures implemented to boost recycling;
- 68% less wood and 48% less scrap, given that 2022 was a year of exception, involving several construction projects with the elimination of some of this waste, but also due to the decrease in the scrapping of equipment, which was forwarded for sale, as a circular economy action.

There was a 27% increase in non-recyclable waste (81t):

- 85% more medicines returned or expired as a result of the shared disposal of 13t of Zomarist, due to the discontinuation of its marketing and expiry date;
- A 62% increase in waste containing dangerous substances, the most representative of which is essentially contaminated production and laboratory packaging and consumables, as well as IPC and QC samples and investigational products - 25t (10t more than in 2022).





In 2023 we failed to reach the 8.5g waste/PP target, with the result being 8.8g/PP. Compared to the 2022 figure (9.2g/PP), there has been a 4.3% improvement, so the same target will be maintained for 2024.

> Opportunities

- · Promote circular economy actions;
- Establish partnerships with suppliers to reuse packaging.

5. CORPORATE SOCIAL RESPONSIBILITY

In this Sustainability Report we address the Social sphere, not only from an internal perspective, but also our engagement with the community and, of course, the people we serve. The Social sphere is central to our ESG policy. Corporate Social Responsibility is therefore a fundamental pillar of our commitment to society and the environment. In this chapter, we will explore how BIAL strives to make a positive contribution to the community and patients. As social actors, we recognise our responsibility to improve people's lives. We work to guarantee good living and working conditions, promoting fair and equitable coexistence.

The company is associated with various civil society and state initiatives, actively participating in their realisation, either through financial support or directly in their implementation. The natural highlight goes to the intervention of its various collaborators, namely the members of its governing bodies, who collaborate pro-bono in several public institutions (more than 20) whose aims and initiatives are in line with BIAL's values and principles.

5.1. THE PEOPLE WE SERVE

The people we serve are at the root of our purpose: contribute to improving the quality of life of people around the world. To this end, we have established partnerships with medical societies and patient organisations aimed at training, educating and raising awareness of various problems affecting the health of the population.

One of the initiatives in 2023 was the launch of the "Top of Mind" podcast, which promotes a series of simple and easily understandable conversations with doctors, carers, patients and specialists from different areas, addressing and demystifying some of the pathologies that most affect the Portuguese. Top of Mind aims to increase health literacy in Portugal and bring credible information, knowledge and shared experiences about different pathologies to ordinary citizens. It aims to be a benchmark in the national health podcast scene. Medical research and science will also be in the spotlight.



With two drugs on the market, researched by us, for Epilepsy and Parkinson's Disease, we continue to place special emphasis on providing information on these two diseases and breaking down the stigmas associated with them. In February, to mark International Epilepsy Day, we launched an Epilepsy Virtual Reality Gallery "The art of living with epilepsy".

Parkinson's Disease is also one of our priorities because we are aware of its impact on the lives of patients and their carers. We work for patients, and to minimise this impact, through our medicines, but also a whole range of support, education and awareness-raising initiatives and activities. But we are also attentive to everyone around them - particularly their carers. That is why we have launched a new campaign: Keep on Caring, with four videos focusing on daily activities to help carers support people with Parkinson's Disease. The videos offer practical tips and strategies for carers, intending to positively impact and facilitate their daily routines, and are available on the BIAL website Keep it On. We believe in our responsibility as a company and that together we really can make a significant difference in the lives of people affected by Parkinson's Disease, their carers and their families, which is extremely inspiring and rewarding. In August we attended MDS - the annual congress of the International Parkinson and Movement Disorder Society and shared our science and the latest news on ONgentys, Kynmobi and BIA-28, particularly with our satellite symposium "How are we really optimising levodopa? The role of the enzymatic inhibition" and through the presentation of posters and different interactions with relevant Key Opinion Leaders.

To reassert BIAL's investment in Parkinson's Disease, two more events should be mentioned. The 5th edition of the Moving ON Series took place in September under the theme "Interdisciplinarity in Parkinson's Disease". This event has been a joint meeting between the Portuguese Society of Neurology, the Portuguese Society of Movement Disorders and BIAL, and aims to contribute to the medical education and scientific updating of young neurologists in Portugal. The 2023 edition provided the opportunity to hear the perspective of a neurologist and several non-medical specialities (nursing, psychology, social work and palliative care), and to discuss how they contribute to the model of care for Parkinson's patients, in a round table entirely dedicated to Interdisciplinarity. The 3rd edition of the BIAL PD Summit was held in October to promote learning, high-quality medical education and the sharing of science.

The BIAL universe is not limited to the Central Nervous System (CNS), which is why in April the cardiovascular area invited Scott Solomon, director of research in the Cardiology Division and professor at Harvard Medical School Cardiovascular Medicine, to come to Portugal and give two Masterclasses, in Porto and Lisbon, also broadcasted via streaming. With these initiatives, we were able to reach more than 250 healthcare professionals in the Cardiology and Internal Medicine specialities and also engage the main Key Opinion Leaders in the area. Another milestone in our journey to provide our stakeholders with the best possible training. In June, we held the HF 360° on our premises, focused on Heart Failure (HF, which gave the event its name), which brought together leading specialists (cardiologists and internists) in a 360° environment to discuss the different dimensions of HF - from treatment to heart transplantation. This event unveiled a little of what the future will hold in this area, with presentations on electrophysiology, cardiac intervention, surgery and artificial intelligence that are changing and will change the day-to-day lives of doctors and patients. Another event in which BIAL's commitment to the area and HF patients was evident.





5.2. ENGAGEMENT WITH THE COMMUNITY

BIAL's Social Responsibility policy is an integral part of the company's management practices and is present in its relationship with its various stakeholders, covering areas such as people management, quality and environmental protection policies, various initiatives to promote/support scientific research and association with humanitarian causes and social organisations around the world.

We are not alone in this mission. Over the last few years, BIAL has teamed up with various institutions and organisations that share our vision of collaborating to build a more responsible and sustainable planet.

5.2.1. EDUCATION AND RESEARCH

In recent years, as part of its commitment to quality training, BIAL has developed agreements and partnerships with various institutions that recognise the fundamental role of education. In this context, the company's role in the General Councils of the schools in the community where they operate stands out.

BIAL also collaborates with institutions that provide social support to young university students, namely by awarding scholarships, thus playing a role in tackling school dropouts, developing key competencies and promoting youth employability. We would highlight our participation in the EPIS (Entrepreneurs for Social Inclusion) Association, set up in 2006 and focused on education, in particular tackling school failure and dropout, and the Stand4Good Association, an association to support university students who, despite living in a situation of proven economic deprivation and having applied for Social Action Grants, they didn't get them by the slightest margin. We have collaborated with this initiative since its inception by awarding University Scholarships.

Since 2021, BIAL has been associated with the Ser Pro (Being Pro) Programme, an agreement promoted by Teresa and Alexandre Soares dos Santos - Iniciativa Educação. This project aims to improve the quality of education and training in Portugal by promoting and integrating young people into schools and reducing the shortage of specialised technicians in companies. Gondomar Secondary School, one of the beneficiaries of this agreement, has its Pharmacy Technician Course supported by BIAL, as a specialist in the Pharmaceutical Industry.

Recognising the fundamental role of education in the sustained development of a more competitive and dynamic society, BIAL has joined forces with Junior Achievement Portugal (JAP). This is a pioneering and unprecedented educational programme in Portugal, which has emerged as a response to the need for greater participation by civil society in the life of schools. In this programme, BIAL supports a group of schools in Greater Porto in various ways. As part of the Porto de Futuro (Future's Porto) programme, promoted by the Porto City Hall, every year BIAL employees give training to students on topics such as Family and Community, Citizenship and Economy, among others. The second dimension is Braço Direito (Right Arm), a project in which students are welcomed onto our premises with the main aim of spending a working day being the right-hand man of a BIAL employee and accompanying them in all their tasks and activities.

We pay extra attention to the community where we are based, supporting schools in the municipalities of Porto, Trofa and Maia. For example, the Viso School receives donations of furniture and other materials from BIAL facilities. In addition, every year we reward the merit of the school's students, by awarding prize vouchers to the best pupils.

This section on Engagement with the Community, more specifically concerning Education and Research, would not be complete without highlighting our role as a founding member of the BIAL Foundation, a non-profit organisation and public utility entity created in 1994, together with the Council of Rectors of Portuguese Universities, with the mission of promoting and encouraging the scientific study of the human being, both from a physical and spiritual point of view. Over the years, the BIAL Foundation has recognised and fostered scientific research by awarding prizes and support and by collaborating with the scientific community around the world. The main activities include organising symposia, awarding research grants and scientific prizes. The BIAL Foundation awarded the BIAL Award in Biomedicine, the BIAL Award in Clinical Medicine and the Maria de Sousa Award, the latter in honour of the doctor and great immunologist Maria de Sousa, to support up to five young Portuguese researchers, aged 35 or under, in scientific projects in the area of Health Sciences, which must include an internship in an international centre of excellence.

In 2023 the BIAL Award in Biomedicine 2023 took place, with a value of € 300,000, and the Maria de Sousa Prize 2023, in partnership with the Portuguese Medical Association, worth up to € 150,000. The ceremonies for the BIAL Award in Clinical Medicine 2022 and the Maria de Sousa Award 2023 were also organised, chaired respectively by the President of the Republic and the Minister of Science, Technology and Higher Education, who together awarded prizes totalling € 270,000. Since they have been set up, more than 850 projects by over 1,700 researchers from more than 29 countries have benefited.

It should be noted that two of the scientists who won the 2021 edition of the BIAL Award in Biomedicine, Katalin Karikó and Drew Weissman, were awarded the 2023 Nobel Prize in Physiology or Medicine for their discoveries that enabled the development of effective vaccines based on mRNA technology to prevent COVID-19.

5.2.2. SOCIAL CAUSES

In 2023, BIAL continued to participate in numerous charitable organisations aimed at building a more responsible, fairer society with a focus on people's quality of life, culture, the environment and sustainable development.

Concerning solidarity fundraising, in collaboration with Ajudaris, a solidarity book sale has been organised to raise funds each year for children in fragile social situations. In partnership with the Portuguese Aphasia Institute (IPA), we also organised a sale of solidary jars of jam to support people diagnosed with aphasia and their carers. A food collection campaign was also organised in partnership with the Portuguese League Against Hunger, where more than 50 meals were collected and distributed with the contributions of our employees.

With regard to animal welfare, the Animal Friends Club, created in 2021, brings together employees who share a passion for animals. The Club aims to be a facilitator of communication and information-sharing on initiatives and actions that each member is already

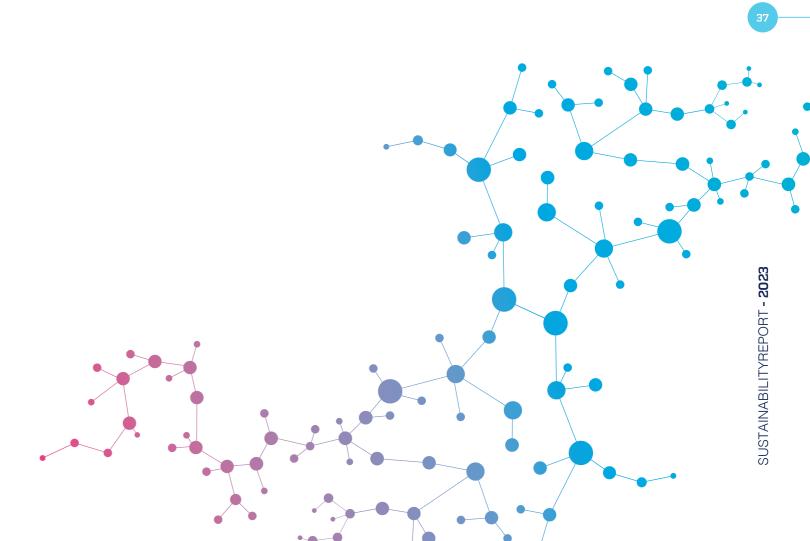
carrying out or is aware of. In 2023, following World Animal Day, we organised a campaign to collect products for animal welfare (food, cleaning materials, blankets, old clothes), in partnership with the Porto Society for the Protection of Animals (SPAP).

In collaboration with the Portuguese Blood and Transplantation Institute (IPST) in Porto, two blood and bone marrow donation campaigns were organised at the BIAL facilities.

Also in 2023, during European Waste Week, we collected X-rays, which raised 2kg to donate to AMI. Through the extraction of silver resulting from their recycling, AMI obtains a significant source of revenue for its social work in Portugal. Considering the success of this initiative, we decided to keep it going indefinitely.

> Opportunities

- Describe the policies adopted to manage our impacts on affected communities, as well as the associated material risks and opportunities;
- Train young people on how to conduct a job interview.



SUSTAINABILITYREPORT - 2023

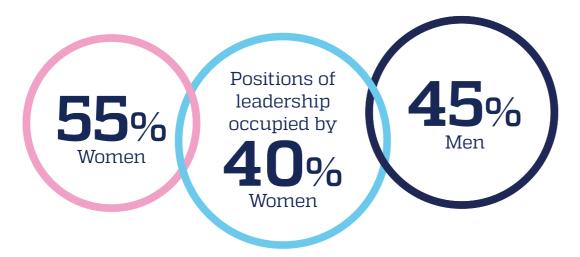
5.3. DIVERSITY. INCLUSION AND TALENT RETENTION

Our strategy is focused towards the future, safeguarding the basic principles of the development of our activity, which are aimed at sustained growth, combined with respect for society and human beings.



At BIAL we have a proactive policy of evolving our people, based on talent management programmes, training and development activities, as well as various opportunities for internal and international mobility.

The BIAL Group does not use any discriminatory practices in its recruitment process, particularly regarding disability, gender, religious, political and sexual orientations, marital status, nationality, ethnic origin and trade union membership, and since 2020 it has had a Human Resources Policy, promulgated by the CEO, which refers to salary equity and adequacy. For example, of our 834 employees, 55% are female and 40% of them hold management positions. Aware that there is still a long way to go, there has been an effort to reduce some inequalities, both internally and externally. One of these initiatives is that our subsidiary in Spain has joined Mujeres en Farma, a community that seeks to empower female talent in the pharmaceutical industry, a sector that is a reference in terms of equity and inclusion. Ana Alvarez Urricelqui, our Vice President at BIAL Spain & Global Epilepsy, joined an initiative between Farmaindustria and Mujeres en Farma to share inspiring stories as a leader.



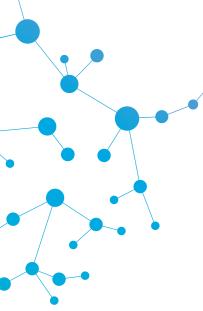
As far as age is concerned, there is no age discrimination, with the average age being around 43 and a homogeneous distribution:



Also related to non-age discrimination, in 2023 BIAL became one of the signatories of the "More and Better Jobs for Young People Pact", promoted by the José Neves Foundation and the Portuguese Government, which also has the High Patronage of His Excellency, the President of the Portuguese Republic. This Pact aims to bring about a real change in the current context associated with youth employment, uniting companies and public bodies to tackle the vulnerability of even the most qualified professionals, who tend to be more exposed to unemployment and low wages. With this Pact, there is a commitment to, by 2026 and through a set of established goals, strengthen the focus on hiring and retaining young workers, as well as guaranteeing them employment, training and development. With the signing of this pact, BIAL has taken an assertive step to help mitigate a reality that the country has been facing for years: the vulnerability of employment for young people, particularly the most qualified ones.

BIAL aims to develop best practices concerning management and relationships with people, and labour relations are no exception. As part of APIFARMA, one of BIAL's main responsibilities is to follow the guidelines and rules of the Collective Labour Agreement of the Pharmaceutical Industry, an agreement between the industries belonging to the Association, which regulates the sector's activities in the field of Labour Law, the Constitution of the Employment Relationship, Professional Training, Safety, Hygiene, Prevention and Health, among others. The same goes for all the subsidiaries in the various countries.

It should also be noted that at BIAL we favour job security and stability and we are proud that around 95% of our employment contracts are permanent. We favour the internal rotation of our employees, and almost all opportunities within the Group are publicised internally, enabling our people to take on new roles, in different departments and countries. For example, in 2023, the rate of recruitment processes completed with internal employees was 17%. As part of job security and stability, all employees are covered by social protection.



Intending to generate high levels of motivation and performance, as well as retain talent, BIAL develops programmes that focus on individual development. In 2023, more than 20,000 hours of training were given, which is proof of our commitment to the qualification and professional development of our people. Here are some examples of training projects that have been implemented:

- Integration Training Defined and aimed at all employees who start to work at our
- Executive Mentoring Carried out annually with a group of employees, with the main aim of empowering them with key competencies for the performance of their duties;
- Leadership Training Through partnerships established with renowned institutions, leadership training is provided to BIAL leaders every year. "myTEAM" and "BIAL Tools" are examples of the programmes developed;
- Curricular Enrichment BIAL annually subsidises or finances bachelor's degrees, master's degrees, doctorates and/or MBAs that can add value to the business and that its employees would want to attend;
- Language Training Held annually so that, gradually, all employees can improve these skills to streamline, optimise and accelerate the internationalisation process that we have defined for the Group;
- In-house Training Every year, all employees are given various courses on updating processes, procedures or equipment. It is important to note that every time an employee is hired, they have access to training according to our Code of Ethics and Conduct. Once again proving its commitment to training, BIAL also has an in-house e-learning platform.

The opinion of our employees is a key tool for BIAL's global growth. Every two years an Internal Satisfaction Questionnaire is conducted, which is an opportunity for all employees to express their opinion on a wide range of issues related to their work. In the last edition, in 2023, the overall level of employee satisfaction was 79%. This tool made it possible to collect a range of information that led to an investment to increase employee benefits, most of which were aimed at improving work-life balance without neglecting well-being.

Finally, an important part of the BIAL community's commitment is communication. As a result of our internationalisation, internal communication is the key to a good organisational climate. Amongst other initiatives, we would like to highlight one that is dear to our hearts and which this year is even more important - the BIAL anniversary. The Group holds an annual anniversary event where the Chairman and CEO share information about the present and future. In addition, international meetings are held annually with all the Directors and Executives to share information and define/adjust the company's strategy, with around 130 employees taking part. By prioritising internal motivation and maintaining an environment of cooperation and collaboration, BIAL has been building a circle of permanent and open dialogue, and is proud of the high satisfaction of the Group's employees, which is recognised both internally and externally. In addition to this corporate event, every year we organise several team-building activities to promote cooperation, communication and other interpersonal skills. In addition, informal get-togethers are organised in some of our offices to bring our people together and give them a chance to socialise with their colleagues outside of working hours. We cannot conclude without highlighting the 5 MyCompany sessions, in which employees introduce themselves and to their team, with an average audience of 200 people.

> Opportunities

- Implement a monitoring system that fulfils disclosure requirement S1-6 Characteristics of the company's paid employees;
- To have more than 50% of those enrolled in mentoring programmes be female, to increase the pool of female employees capable of taking on higher challenges in the group's hierarchy;
- Put in place a tool to quickly fulfil requirement S1-16 Remuneration metrics.

5.4. OCCUPATIONAL HEALTH AND SAFETY

Health and safety are a constant priority, and we endeavour to comply with all legal and regulatory requirements associated with health and the prevention of harm to our employees. BIAL has set up "Zero Accidents", an internal project that defines corrective actions to reduce the number of accidents at work. In 2023 there were 15 accidents at work, 40% fewer than in 2022 (25 accidents), only two of which involved an absence of more than 30 days. The total number of days of absence due to accidents at work was 155 days, 40% of which occurred in the industrial area.

As part of promoting a healthy and safe working environment, where the necessary measures are taken to prevent accidents that may occur during work and minimise or eliminate risks where possible, various awareness-raising activities were carried out, both in a classroom and in the workplace, mainly:

- Psychotherapy programme and emotional support sessions to improve employees' quality of life and well-being;
- Publication of the Health, Safety and Welfare Newsletter;
- · Evacuation exercise to assess the operability of evacuation procedures, the ability of the security team to act and communication between the parties concerned;
- Yoga classes;
- Promotion of sports (running, paddle, etc.);
- Well-being and Safety at Work Weeks, with various initiatives in our offices;
- Mental Health Day with a workshop on addressing stress in the workplace.

As far as health is concerned, in addition to the usual complementary diagnostic tests, which support the medical fitness assessment appointments, there are also two additional periodic campaigns: audiometric tests and optometric tests.

> Opportunities

- Increase the follow-up of production activities;
- Repeat training and awareness-raising activities regularly to maintain the reduction in accidents at work.





6. SUSTAINABLE GOVERNANCE

Sustainable Governance is currently an essential pillar of management, covering issues related to business conduct, risk management and internal control. In this chapter, we aim to demonstrate our commitment to sustainability and our contribution to the transition to a fully sustainable and inclusive economic and financial system. For us, Sustainable Governance not only strengthens stakeholder confidence but also drives the identification and management of opportunities, optimising the visibility of organisational performance.

6.1. POLICIES AND PROCEDURES

BIAL's mission is to develop, find and supply therapeutic solutions in the healthcare sector, thus improving Human Health and contributing to the construction of a competitive and dynamic knowledge-based society, based on scientific development and innovation. Among the most important values that reflect our identity are integrity, rigour and high ethical standards. We are convinced that BIAL has internal policies and guidelines in line with the demands and expectations of regulators and our partners. We want to be at the forefront of what is best in this industry and we want to be recognised for our quality, conduct and transparency. To this end, the development and implementation of the Corporate Compliance programme began in 2015. Working according to high ethical standards has always been part of BIAL's DNA. This is the only way to win the trust and respect of health professionals, patients and society in general, based on the quality, safety and efficacy of the products we commercialise.

We have a "Code of Ethics and Conduct" which sets out the principles governing the company's activity and relations with all our partners. Because BIAL's image and success depend on every one of its employees and because its solidity, integrity and ethics live in and through its daily activities, BIAL will continue to work responsibly, endeavouring to make a difference and providing everyone with a better quality of life. BIAL conducts its business with integrity and under the highest ethical standards reflected in its Code of Ethics and Conduct. In this regard, we are committed to complying with all national, international or regional laws, directives, regulations, standards or rules, association codes, policies, procedures and ethical, deontological and moral standards applicable to our activity in all the countries where we operate. On a regular and ongoing basis, BIAL organises global and local training and awareness-raising activities. All the actions reinforce the duties of transparency, ethics and integrity that are expected from employees when carrying out their respective activities, as well as the fundamental role of hierarchies in promoting a culture of ethics at BIAL. All new employees joining the company, regardless of their position, are trained in the Code of Ethics and Conduct.

Aware of how imperative sustainable governance is for an organisation's sustainability, BIAL has had an "Anti-Bribery and Anti-Corruption Policy" available on the internet and intranet since 2016. Bribery and corruption run counter to BIAL's fundamental values, are not ethically acceptable and contribute to inequalities. We defend and promote the fight against bribery and corruption in all its forms. BIAL has a zero-tolerance policy about

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bribery and corruption practices. As part of our commitment to integrity and high ethical standards, any employee or any person acting on behalf of BIAL is strictly prohibited from offering, giving, soliciting, accepting or receiving any goods, services or sums of money, even in an attempted form, to obtain illegitimate economic or commercial benefits or advantages. Failure to comply with BIAL's values or non-compliance with laws, regulations, association codes, policies, procedures and ethical standards may result in the application of (administrative, civil and criminal) sanctions for its employees, or even the initiation of disciplinary proceedings with a view to the application of legally admissible sanctions.

BIAL has internal and external communication mechanisms for reporting any irregularities or behaviour that are not in line with the values established in the Code of Ethics and Conduct, the Speak-Up Channel, which aims to monitor the application by all BIAL employees of the principles of ethics and conduct set out therein, and BIAL undertakes to treat all reports received confidentially, with respect and discretion. Any acts of retaliation against anyone who reports misconduct or provides information during an investigation are strictly forbidden and will not be tolerated. Internal investigations at BIAL are conducted independently, fairly and impartially.

With regard to animal welfare, BIAL is one of the signatories of the Transparency Agreement on Animal Research in Portugal. This initiative is supported by the scientific community in collaboration with EARA - the European Animal Research Association - to promote openness and transparency about the use of animals in biomedical research throughout the country. Animal research plays an essential role in understanding the biological mechanisms involved in diseases and in developing treatments and new therapies where there are no suitable alternatives. We aim to minimise the use of living beings by exploring all alternative forms.

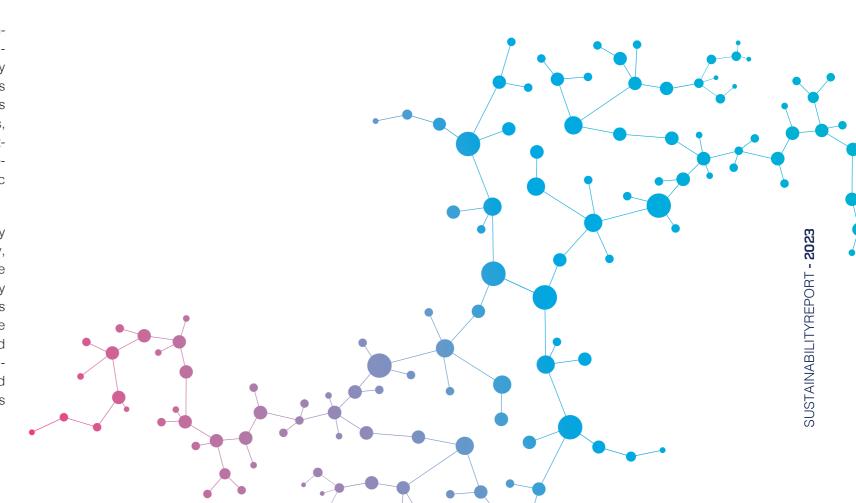
In terms of managing relations with suppliers, environmental and social aspects are considered during the selection process. For this reason, unsustainable practices that negatively impact the Environment, Society and therefore Governance are not accepted by suppliers. We endeavour to do business with suppliers, distributors and other business partners (collectively, "Third Parties") who share our commitment to high ethical standards and operate responsibly. Finally, there is no discrimination in the treatment of suppliers, especially concerning payments, considering their size, and there is fair and equal treatment. It should be noted that we give due consideration to local suppliers in our procurement activities to promote local economic development as well as avoid any economic dependency.

Our suppliers are treated with honesty, fairness and respect and are selected impartially according to predefined, explicit and transparent criteria: quality, service, technology, price and the environmental and social impact of the products and services offered. We respect the confidentiality of the technical and business information communicated by our suppliers, as well as their property and intellectual rights. For us, the supply chain is BIAL's extended family, so we build long-term relationships with our suppliers and we are committed to working together to raise standards when their performance falls short and identify mutual benefits for sustainable development. At the end of 2023, we hired a digital service provider that will assess the performance of our suppliers in terms of ESG and will allow us to manage and monitor their performance, ensuring alignment with BIAL's strategy.

To conclude this analysis, we shall address point G1-5, political influence and lobbying activities. We have procedures for governing Interaction with Government Officials. BIAL is a member of several interest groups, and we are a member of the European Federation of Pharmaceutical Industries and Associations (EFPIA), an organisation that promotes high standards of ethics and transparency with its members through its code of ethics.

> Opportunities

- Formalise the description of the process for identifying and assessing material impacts, risks and opportunities;
- · Reinforce the integration of ESG criteria in the supplier selection process;
- · Write a Charter of Principles for Suppliers;
- Draw up a procedure describing the absence of discrimination against suppliers.



7. CONCLUSION

In 1924, in the city of Porto, BIAL - Portela & C.^a was created, a significant milestone for the Group, which is now celebrating its 100th anniversary. It is therefore with special satisfaction and confidence in the future that we present our first Sustainability Report, thus demonstrating our commitment to future generations.

BIAL is an innovative pharmaceutical company dedicated to discovering, developing and offering new therapeutic solutions. With a solid economic and financial structure, ongoing projects and strategic objectives defined by BIAL Vision 2030, the company is well-placed to guarantee its sustainability as it enters its second century of activity.

With unrivalled enthusiasm and commitment, we will continue to make our medicines available in dozens of countries, meeting the needs of millions of patients around the world who use BIAL medicines.

Throughout this report, we have listed some of our commitments and actions for the future. Looking at this financial year, it is clear that there is still some way to go, especially in terms of non-financial reporting, but we are pleased to share for the first time the results of our intervention in the environment and society, always pursuing good governance practices.

THE BOARD OF DIRECTORS

ANTÓNIO HORTA OSÓRIO | Chairman
ANTÓNIO PORTELA | CEO
RICHARD PILNIK | Board Member
MELANIE LEE | Board Member
JOSÉ REDONDO | Board Member
MIGUEL PORTELA | Board Member
JOERG HOLENZ | Board Member

