AGC Biologics A/S

Sustainability Statement 2024

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Denmark

AGC Biologics
Your friendly CDMO expert

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AGC
Life Science Company

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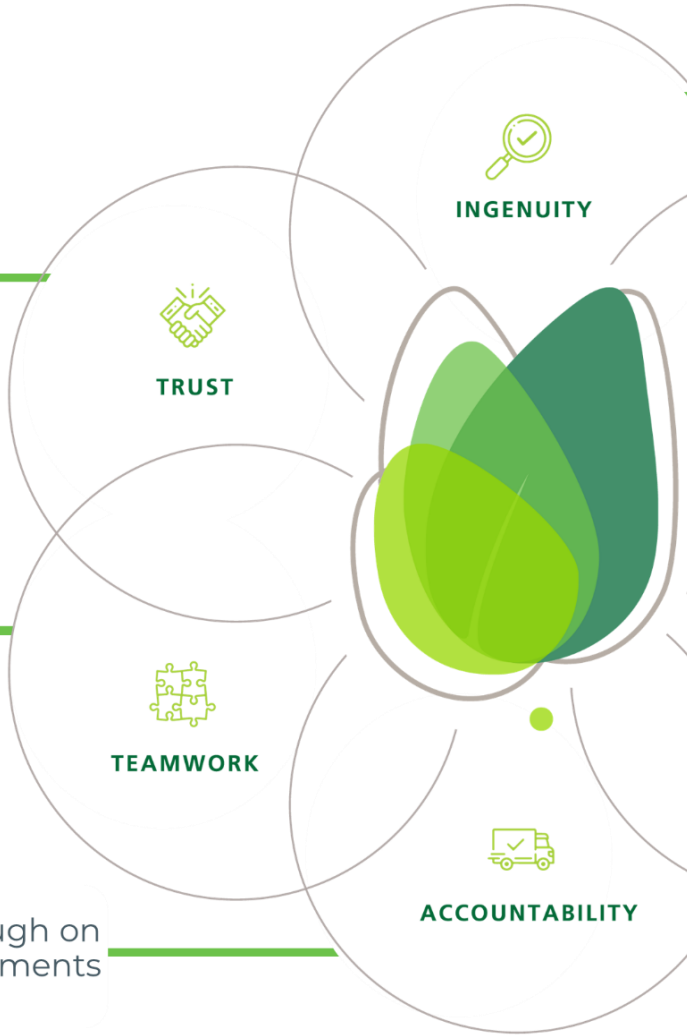
Our Core Values



We find creative solutions to difficult challenges

We create positive experiences that our customers can rely on

We strive for excellence in our people, products and services

We put the success of the team above our own personal goals

We possess strong scientific and technical expertise

We follow through on our commitments

General Information

Basis for Preparation

General Basis for Preparation

This sustainability statement has been prepared by AGC Biologics A/S in accordance with the requirements outlined in the Danish Financial Statement Act, specifically Section 99a. The Act mandates that large companies include sustainability reporting as a distinct section within their management commentary. As part of our ongoing commitment to transparency and responsible business practices, we have not only adhered to the required disclosures by the NFRD (Non-Financial Reporting Directive) and Section 99a but also increased the level of disclosure to align with the upcoming Corporate Sustainability Reporting Directive (CSRD) and the accompanying European Sustainability Reporting Standards (ESRS).

Consequently, in preparing this report, we have taken steps to ensure it is in accordance with the evolving regulatory landscape. As a result, we have included the ESRS reporting requirements wherever possible, as we work towards achieving compliance with the CSRD. The structure of this report now follows the framework mandated by the CSRD, reflecting our ongoing commitment to improving sustainability reporting and enhancing transparency for our stakeholders.

Identification of Relevant Information

To prepare this sustainability report a structured process to identify the information necessary for inclusion has been followed. This process involved collaboration between various internal departments, such as People & Culture, EHS, Engineering, Supply Chain, Quality, Finance, Legal, etc. A review of our operations, risks, opportunities, and stakeholder interests was conducted through a Double Materiality Assessment (DMA) to ensure that all relevant sustainability factors are properly addressed. In preparing for the CSRD, we have further refined this process to ensure that we capture all necessary data and considerations in line with the ESRS.

Alignment with Regulatory Requirements

In alignment with Section 99a of the Danish Financial Statement Act this report includes all necessary disclosures regarding the company's sustainability-related strategies, goals, and actions. It covers our business model, sustainability-related risks, and opportunities. In addition to these disclosures, we have integrated elements of the ESRS, where we are ready to report currently. This also ensures that we are aligned with the emerging CSRD requirements.

Reporting Scope

The sustainability information presented pertains to AGC Biologics Copenhagen Site activities. These activities were identified as a part of our DMA, where we conducted stakeholder and value chain mapping. Thus, the scope of the report spans across our value chain, including products, business relationships, and supply chain. The DMA considered the impact across all AGC Biologics seven sites globally. As part of our increased disclosure in preparation for the CSRD, this report now covers a broader range of sustainability issues, which ensures that stakeholders better understand our sustainability initiatives and their impact across the value chain.

External Standards

Where applicable, the information in this report aligns with recognized sustainability reporting standards, including those outlined by the European Parliament's and Council's directives. In addition to these standards, we have incorporated elements of the CSRD and ESRS, ensuring our report is consistent with European Union requirements. The aim is to provide stakeholders with a report that meets the highest standards of transparency and accountability.

This sustainability statement offers an overview of our sustainability performance, challenges, and future commitments. As we are preparing for the full implementation of the CSRD and ESRS, this report reflects our enhanced approach to sustainability reporting. By providing clear and detailed disclosures, we ensure that our stakeholders understand how sustainability factors influence our operations and long-term viability. AGC Biologics remains committed to continuous improvement and transparency, in line with both national and international regulatory frameworks.

Governance

Governance Structure

AGC Biologics A/S is part of the AGC Biologics Group, which has fully integrated process development and manufacturing operations in Copenhagen, Denmark; Seattle, Boulder, and Longmont, USA; Heidelberg, Germany; and Chiba, Japan. The Group also has cell and gene therapy facilities in Milan, Italy, and Longmont, Colorado. AGC Biologics A/S conducts all its activities from its Danish facility, ensuring high standards of quality and sustainability in its operations.

As a part of AGC Inc., we are committed to upholding the AGC Group Corporate Governance Basic Policy, which is designed to enhance our corporate governance and drive sustainable growth and long-term value. Additionally, the AGC Group Charter of Corporate Behavior serves as our guiding framework, emphasizing the principles of Integrity, Environmental and Safety Stewardship, Diversity, and Harmony with Society. We are fully accountable to these principles, ensuring that they guide our actions and decisions. At AGC Biologics, we strive to operate in a responsible and environmentally sustainable manner, prioritizing the health and safety of both our employees and the community. In pursuit of this goal, we continuously work to improve in these areas, aligned with our organizational mission, vision, and core values.

Statement on Due Diligence

AGC Biologics has established due diligence processes to identify, prevent, mitigate, and account for actual and potential negative impacts on the environment and people associated with our business activities. In accordance with Section 99 (a) of the Danish Financial Statements Act on due diligence, we disclose processes for identifying and containing risks. These processes are integral to our sustainability reporting and inform our materiality assessment, ensuring that we address significant risks and opportunities effectively. Our due diligence framework is supported by AGC Biologics Copenhagen's certifications under ISO 14001 (Environmental Management), ISO 50001 (Energy Management), and ISO 45001 (Occupational Health and Safety Management). These certifications ensure that we maintain rigorous standards in managing the environment, climate, and health and safety aspects of our operations. Key elements of our due diligence process include:

- **Identification of Significant Aspects:** We identify significant environmental, health and safety aspects, such as uncertain energy supply, increased energy costs, and hazardous substances. These aspects are regularly reviewed and updated to reflect current risks and opportunities.
- **Action Plans:** For each identified, rated, and prioritized aspect, we have action plans in place to address associated risks and opportunities, as obliged by ISO-standards. These plans are designed to mitigate negative impacts and enhance positive outcomes.
- **EHS Management System**: Our Environmental, Health, and Safety (EHS) management system, certified under ISO 14001, ISO 50001, and ISO 45001, allows us to focus on reducing risks such as hazardous substances, ensuring safe practices, and maintaining a healthy working environment.
- **Climate Change:** We actively work to reduce our impact on the environment and climate. This includes measures to enhance carbon efficiency and manage carbon emissions.
- **Employee Attraction & Retention:** To address the risk of attracting and retaining qualified personnel, we promote employee development through various training opportunities, enhance employee benefits, and continuously improve our working environment.
- **Supplier Code of Conduct:** We are actively working to ensure that our suppliers adhere to human rights, laws, and regulations through our Supplier Code of Conduct, which was updated FY2024. It is already being incorporated into key supplier agreements and an action plan to engage with suppliers has been made.
- **Whistleblower Mechanism:** We enforce strict compliance with antitrust laws and provide annual training on our Code of Conduct. Additionally, we offer an anonymous whistleblower reporting system for employees to report any activities that violate rules, allowing us to address risks promptly.

Strategy & Business Model

Business Model

AGC Biologics A/S operates as a Contract Development and Manufacturing Organization (CDMO), offering cGMP-compliant manufacturing and control services to the biopharmaceutical industry. We specialize in delivering customized solutions for pharmaceutical and biotech companies, focusing on the development and production of protein-based therapeutics. Our service offerings encompass a full spectrum of capabilities, including cell line development, bioprocess development, analytical testing, drug development, cell banking and storage, quality services, and scale-up, with expertise in both clinical and commercial manufacturing. All services are underpinned by regulatory support and a robust quality management system, ensuring compliance and operational excellence across all stages of product development and manufacturing.

The CDMO business model inherently contributes sustainability in the pharmaceutical industry by optimizing resource usage and minimizing environmental impact. By enabling pharmaceutical companies to scale their production up or down without the need to construct new facilities, we can reduce the environmental and climate burdens associated with such developments. CDMOs like AGC Biologics assist biopharmaceutical companies in bringing their products to market by offering specialized development and manufacturing services.

Value Chain

In the period between 2023 Q3 and 2024 Q1, AGC Biologics conducted a comprehensive mapping of its value chain across all seven sites within its global network as part of the DMA. This mapping focused primarily on downstream actors to evaluate the impacts, risks, and opportunities (IROs) associated with our operations. The visual representation of this mapping was instrumental in identifying key areas where AGC Biologics' impacts, risks, and opportunities manifest. While the assessment considered the IROs within AGC Biologics' own operations, it acknowledged a lack of visibility into the specific practices of upstream and downstream suppliers and partners. Consequently, the assessment was conducted qualitatively at a general level.

Own Operations

AGC Biologics specializes in the production of active pharmaceutical ingredients (APIs) and has successfully developed over 200 biological drug substances for use as active ingredients in pharmaceutical products. AGC Biologics is licensed to produce Active Pharmaceutical Ingredients (API) for both clinical trials (Phases I-III) and commercial production. The company also offers services such as cell culture development and process development. This enables us to manage projects across all phases of developing and manufacturing an active pharmaceutical ingredient. We are committed to excellence across all aspects of our operations. Our dedicated teams ensure that every phase of the process adheres to the highest standards of quality, operational efficiency, and environmental, health, and safety (EHS) practices. We provide robust quality services, including regulatory support, to ensure that our clients' products meet the regulatory pharmaceutical requirements throughout their lifecycle.

Upstream & Downstream Value Chain

As the lifecycle of the pharmaceutical products extends beyond our own operations, we rely on customer collaboration for both upstream and downstream activities. We ensure adherence to business ethics in upstream operations; however, we have limited control over the choice of specific materials and chemicals needed to produce the API. We handle projects across all phases, from development to commercial production. This means a new project could enter at a late development stage (e.g., clinical Phase II or III), where the manufacturing process is already fixed, limiting the potential for changes. However, in the earlier stages of development, more adjustments can be made. Downstream operations are not controlled by AGC Biologics, as the product lifecycle is managed by customers once the product (API) leaves AGC Biologics' facilities. Consequently, AGC Biologics does not have direct interaction with end-users and consumers, but we ensure that the materials and procurement processes align with high standards of business ethics and sustainability.

As the bar for sustainability continues to rise, AGC Biologics, as "your friendly CDMO expert", intend to explore the opportunity of advising our customers towards more sustainable practices in the upstream value chain. This includes working together to define requirements for raw materials and additional upstream procurement, ensuring that environmental footprints are minimized.

Interests & Views of Stakeholders

AGC Biologics recognize the importance of understanding and integrating the interests and views of our stakeholders into our strategy and business model. Stakeholder engagement is a continuous process of interaction and dialogue that allows us to hear, understand, and respond to the concerns and interests of those who are affected by or can affect our operations. This section outlines our approach to stakeholder engagement, the key stakeholders involved, and how their feedback influences our strategic decisions.

Our key stakeholders include both internal and external parties who have a significant impact on or are significantly impacted by our business activities. Thus, the purpose of our stakeholder engagement is to ensure that the interests and views of our stakeholders are considered in our strategic and operational decisions. This engagement is organized through various channels, including surveys, meetings, and collaborative discussions. The table summarizes the engagement methods used to interact with its key stakeholders, ensuring their interests and views are considered in the company's strategy and business model.

Through our stakeholder engagement activities, we've identified key interests related to our strategy and business model, including environmental sustainability, health and safety, and transparency. Based on feedback adjustments have been made such as enhanced focus on green technology, strengthened health and safety protocols, and increased engagement with municipality particularly concerning noise and environmental impacts.

Moving forward, we plan to improve communication channels, conduct regular reviews of our engagement activities, and make strategic adjustments to better align with stakeholder expectations. Stakeholder engagement is crucial to our strategic planning, and we are committed to fostering strong relationships and continuously improving our practices to ensure sustainable and informed business decisions.

Stakeholder	*Engagement*
Employees	Regular surveys, meetings, and workshops to gather feedback on health and safety, working conditions, and overall satisfaction.
Owners / corporate AGC	Regular updates and reports on financial performance, strategic initiatives, and compliance with management systems.
AGC biologics global	Coordination meetings and strategic alignment sessions to ensure global consistency in operations and compliance.
AGC inc.	Strategic discussions and reporting to align corporate objectives and ensure compliance with global standards.
Customers	Surveys, feedback sessions, and regular communication to understand their needs and ensure product and service quality.
Suppliers	Meetings and audits to ensure compliance with environmental and quality standards
Society	Building owners (landlords) are engaged through regular communication and meetings to address property-related issues and ensure compliance with lease agreements. Gladsaxe municipality is engaged through meetings and discussions to address local community concerns, regulatory compliance, and development plans. Private neighbors communicate through established channels to address complaints and concerns, ensuring minimal disruption from operations.
Regulators	Food and drug administration is engaged through compliance reporting and regular audits to ensure adherence to pharmaceutical legislation. Similarly, the environmental protection agency and the local municipality are engaged through regular audits, reporting, and compliance checks to meet environmental standards and regulations. Additionally, the Danish working environment authority conducts regular audits and compliance checks to ensure a safe and healthy working environment.
Associations	Participation in industry associations and forums to stay updated on best practices, regulatory changes, and to contribute to industry standards.

Strategy

By the end of 2024, under the leadership of our new CEO, Alberto Santagostino, a new and transformative vision was introduced: "Your Friendly CDMO Expert." This vision is

our promise to our customers, underscoring our expertise, authenticity, humility, and unwavering commitment to delivering life-changing solutions in every partnership. As Alberto emphasized, this position transcends words; it is a fundamental commitment to our customers and all stakeholders.

At AGC Biologics, we are dedicated to delivering hope by enabling life-changing therapies for patients around the world. Our mission is clear: to partner with our customers to bring life-saving products to the market while ensuring that we foster high customer satisfaction and actively engage our team members. This mission along with our vision serves as the foundation for our long-term strategy. To achieve our vision, we have identified three strategic priorities, each aimed at driving impactful, action-oriented results:

Talent Management
We are committed to equipping our managers with the tools and skills to develop people, foster a strong culture, and drive performance. This includes initiatives to attract and retain top talent by ensuring that our workforce feel valued, engaged, and empowered.

Digital Transformation
We aim to enhance operational efficiency and reliability through digitization and automation. By integrating advanced enterprise systems, we will optimize processes across our sites and increase automation, ensuring we consistently meet customer expectations.

Ways of Working
We strive to create a results-driven organization that is aligned with our AGC values, fostering a lean continuous improvement mindset and a strong compliance culture. Our focus is on implementing efficient, complaint, and customer-centric processes that enhance the overall customer experience.

As we move forward, these strategic priorities will guide our actions, ensuring that AGC Biologics continues to deliver on its promise to be a trusted partner in the pursuit of life-changing therapies and sustainable growth. Being a “Friendly CDMO” is not just about the way we interact; it’s about how we do business. It signifies treating all stakeholders with fairness, respect, and integrity. It also reflects our approach to supporting our customers' sustainability goals with empathy and understanding, leveraging our deep expertise to help them achieve their ambitions. We view sustainability targets not as challenges, but as opportunities to collaborate and grow together.

Commitment to Sustainability

As a Contract Development and Manufacturing Organization (CDMO), we recognize the importance of sustainability in our operations and the Life Science industry. We understand that our stakeholders expect us to assume accountability in the industry. Our proactive approach to CSRD compliance underscores our dedication to sustainable development. We are confident that these efforts will drive long-term value for all our stakeholders. For our customers, this means greater transparency and assurance that our practices meet high environmental, social, and governance standards. We believe that this will not only enhance our reputation but also strengthen the trust and loyalty of our customer base.

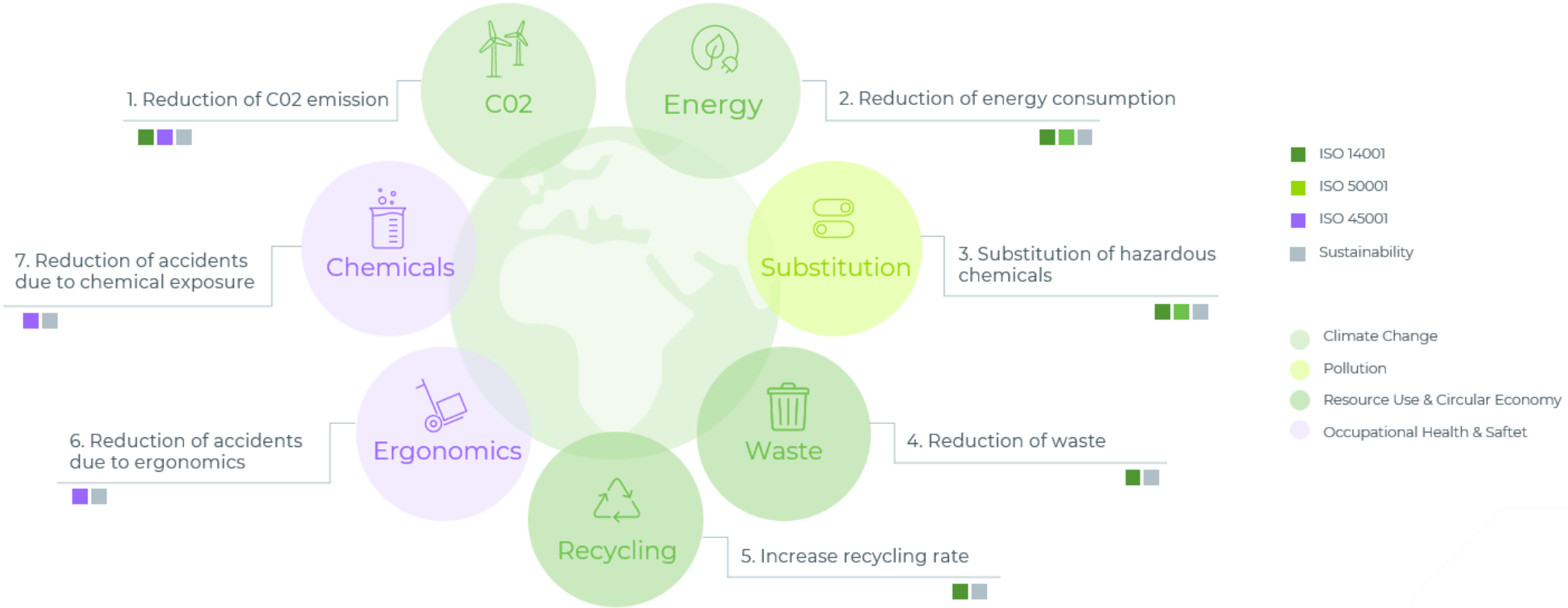
Our ambition is to lay a strong foundation for our long-term sustainability, with strategic goals to guide our future efforts. First, we will focus on our sustainability strategy and policies to ensure they are aligned with our DMA and best practices within the industry. Second, we will establish a robust sustainability management system, building upon the principles of our existing Environmental, Health, and Safety (EHS) management system, to monitor, manage, and report on our sustainability performance. Finally, we will work towards setting targets that will guide our sustainability initiatives and ensure continuous improvement and accountability. In addition to its future sustainability initiatives, AGC Biologics is already demonstrating its commitment to the sustainability journey through ISO certifications, an Eco Vadis rating, and ongoing ESG data reporting.

ISO-Certification

Compliance is embedded in our culture, involving everyone in the organization. This is also reflected in our ISO certifications, where AGC Biologics Copenhagen has been certified in ISO 14001 since 2018 and ISO 45001 & ISO 50001 since 2021. The certifications demonstrate our ongoing commitment to EHS and continuous improvement as part of our sustainability journey. We received recertification on all three ISO standards in Dec 2024. Regular internal and external audits, along with management reviews, ensure that the EHS management system meets the requirements in the three ISO standards. and it is suitable, adequate, and effective, and conforms with the strategic direction of AGC Biologics.

ISO certification serves as independent validation of our adherence to recognized standards, helping to build credibility and trust with our stakeholders. Achieving and maintaining ISO certification requires significant effort from the entire organization, as we develop processes that align with ISO requirements and ensure compliance with all relevant legal and customer obligations. By keeping our internal processes under control, we can take proactive measures and remain prepared to respond effectively in emergencies.

Environmental Health & Safety Objectives



Commitment from top management is crucial, and policies and targets need approval of the site EHS committee chaired by the site head (general manager). Hence, through the establishment of clear policies and targets, we continuously strive to improve our performance. The figure on the previous page outlines the current EHS objectives, which are continuously being pursued. The figure highlights the connection between each objective and the relevant ISO certification, as well as their alignment with the sustainability topics addressed in this report.

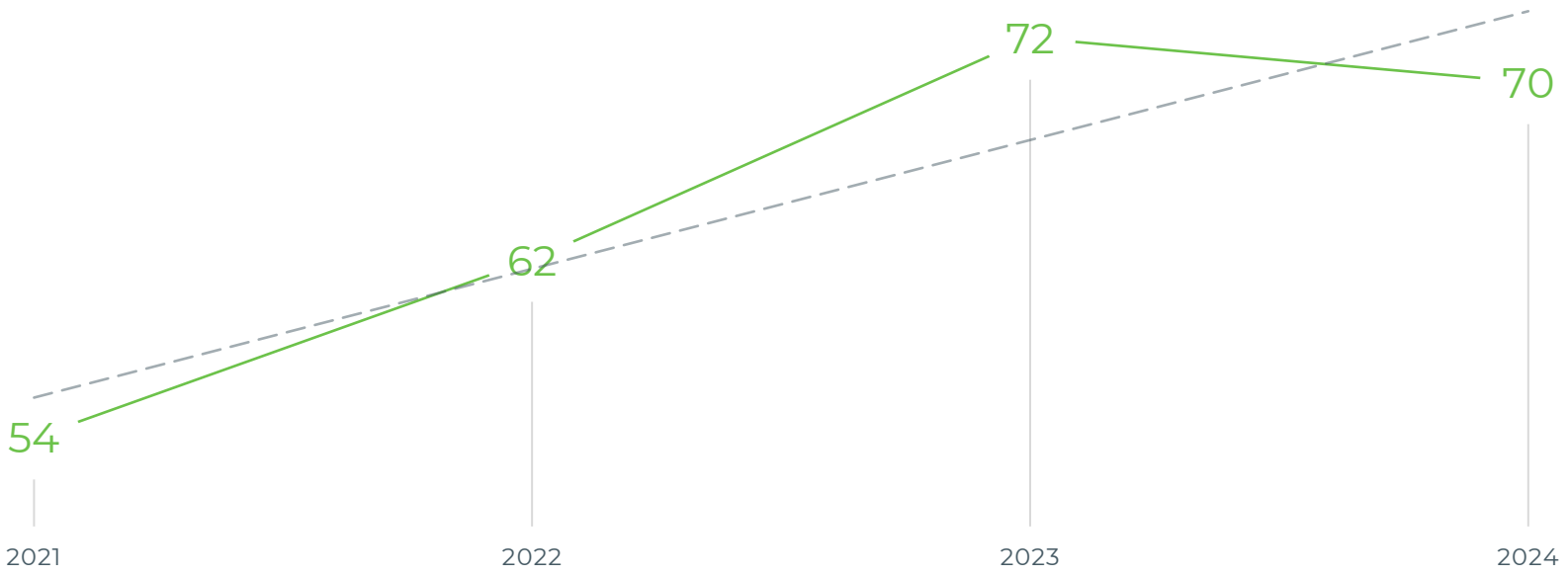
Eco Vadis Rating

Each year, AGC Biologics submits data to Eco Vadis for evaluation against their sustainability criteria. We are dedicated to continuously refining our data and processes to strengthen our Eco Vadis Sustainability Rating. After receiving our first rating in 2021, we have remained focused on driving improvement. Comparing our scores from 2021 to 2024, we've seen a notable increase, with our score rising from 54 to 70 out of 100. This progress highlights our ongoing commitment to sustainability, as evidenced by the continuous enhancements we've made over the past three years.

In 2023, we were proud to be awarded a Gold Medal for corporate social responsibility and business sustainability, with a rating of 72. This year, AGC Biologics received a Silver Medal, with a rating of 70, just 2 points lower than the previous year. The silver medal, rather than gold, despite our close score, may be attributed to changes in the Eco Vadis rating system. A new benchmark was established in 2024, along with adjustments to the criteria for awarding medals and scoring.

These changes can have a direct impact on the medal status. While the Eco Vadis score may not be affected, companies could lose their current medal or receive a lower-level medal in the reassessment starting in 2024. The changes include a shift in percentage thresholds, where medals will now be awarded to the top 35% of companies, compared to the previous top 50%. Additionally, medals will be awarded based on percentage, with dynamic thresholds for July 2024 set at 84 (Platinum), 73 (Gold), 66 (Silver), and 58 (Bronze). This may explain why our rating transitioned from Gold to Silver, despite a minimal score difference and improvement in efforts to withhold the high standards.

Eco Vadis Score



ESG Data

Since FY2021, AGC Biologics has aligned with the NFRD, reporting on key Environmental, Social, and Governance (ESG) topics. This year, we are expanding our ESG data collection to include additional requirements under the European Sustainability Reporting Standards (ESRS) in alignment with the CSRD, which will be incorporated into the relevant sections. The accompanied table showcase the data reported since 2021 in accordance with the NFRD. Methods used for quantitative data for this, as well as the following tables, are provided in the appendix.

The key figures on this page also align with the standardized ESG data as defined by the Danish Finance Society, FSR – Danish Auditors and Nasdaq Copenhagen. This enables us to provide data that is comparable and reliable for stakeholders, as well as benchmark our performance against other organizations. Additionally, as an integral part of AGC Inc., we provide annual input for the AGC Inc. "Sustainability Data Book" and are aligned with their SBTi targets to contribute to the larger context of sustainability.

Regarding the environment, AGC Biologics has been reporting on CO_2e emissions (Scopes 1 and 2), energy consumption, and the share of renewable energy used. This data offers insights into our environmental impact, trends, and areas where action is needed. Our environmental data aligns with Section 99(a) of the Danish Financial Statements Act on Environment and Climate and is supported by our ISO 14001 and ISO 50001 certifications. It should be noted that in 2023 and 2024 some consumption occurs in shared facilities, and due to limited access to the distribution key during the inventory, certain figures were estimated. Energy and water consumption are reported for the two manufacturing facilities, while other figures are based on estimates, representing only a small portion of the total consumption.

As AGC Biologics is also committed to fostering a diverse workplace, we have been reporting on gender diversity and pay ratios. Diversity, not only by gender but in all forms, is a core value for AGC Inc., and we ensure equal pay for equal work. Additionally, we track sickness absenteeism, as it provides valuable insights into employee well-being, an area of great importance to us.

Environmental data	*Unit*	*2021*	*2022*	*2023*	*2024*
GHG emissions, Scope 1[a]	Tons	1066	1031	1132	1409
GHG emissions, Scope 2, location-based	Tons	739	816	378	688
Energy Consumption	GJ	37953	40746	45234	75493
Renewable energy Share	%	34	40	46	57
Water Consumption	m3	37339	40007	37551[b]	53132
Social Data					
Full-Time Workforce	FTE	795	856	897	1135[c]
Gender Diversity	%	53	54	53	51[d]
Gender Diversity, Management	%	51	53	53	46[d]
Gender Pay Ratio	Times	1	1	1	1[de]
Sickness Absence per FTE	Days	2[f]	6,76	8,05	8,93
Governance Data					
Gender Diversity, Board	%	20	20	20	20

Notes:

[a] Scope 1 has historically not included emissions from coolant use. In our efforts to make a complete GHG inventory, this will be mapped and included from 2025. The contribution from coolants is expected to be minimal.

[b] It is important to note that the previously reported figure in the 2023 report of 36,749 was based on an estimate, and the figure has now been updated with the accurate number.

[c] The increase is partially due to the transition from P&C's old data system SAGE to Workday in FY24. In Workday the sum of FTE percentages of AGC Biologics own workforce is divided by 100, which is a new but more accurate methodology.

[d] The percentage represents the proportion of women compared to men. Employees who did not report their gender (in Workday) are excluded from the calculation, with 143 excluded at the workforce level and 9 at the management level.

[e] The salary data for 11 employees in Denmark couldn't be obtained due to their status as foreign nationals paid through external service providers, despite being employed in Denmark. Consequently, these employees were excluded from the gender pay ratio calculation.

[f] The 2021 figures were impacted by the introduction of a new time registration system, which was fully operational only in Q4. A more accurate sickness absenteeism rate for 2021 would be 5.89.

Impacts, Risks & Opportunities

For several years, AGC Biologics has implemented robust processes to identify and manage the environmental, climate, and health & safety aspects of our activities, products, and services. These processes effectively address both risks and opportunities and are integral to our ISO 14001, 50001, and 45001 certifications, ensuring their continued relevance in our sustainability efforts. Significant aspects identified include noise and vibrations, consumption of energy, raw materials, wastewater, waste, and consumption of auxiliary materials. To mitigate these risks and capitalize on opportunities, we have developed detailed action plans.

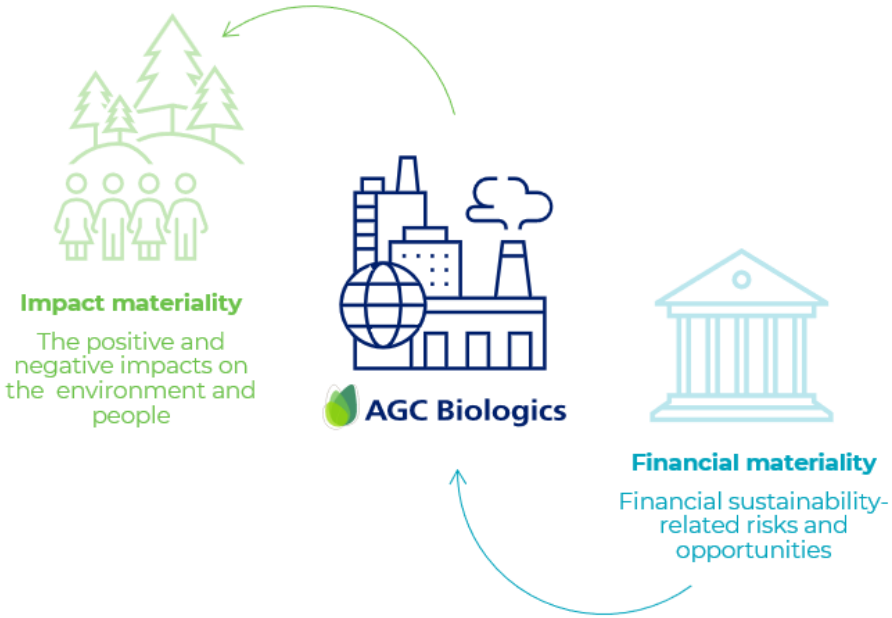
While ISO certification has significantly contributed to AGC Biologics' sustainability goals, the Corporate Sustainability Reporting Directive (CSRD) increases the rigor and scope of our reporting. It compels us to address materiality in both financial and impact terms, and to establish targets, policies, actions, and metrics to manage these effectively.

In the Annual Report 2023, it was stated that our focus for 2024 would be on establishing a robust sustainability management system, thus our efforts have primarily centered on preparing to report as per the CSRD. We successfully completed the DMA and an ESRS gap assessment, which were two significant milestones. Our efforts to finalize a sustainability policy and strategy with clear objectives and goals continue in 2025.

Double Materiality Assessment

From Q3 2023 to Q2 2024, AGC Biologics undertook a DMA to identify key environmental, social, and governance (ESG) topics critical to the entire organization's operations and stakeholders. The assessment evaluated AGC Biologics' impact- and financial materiality across all seven sites, i.e., how AGC Biologics' business activities affect society and the environment, as well as how sustainability issues influence the company's economic performance.

The process incorporated insights from internal stakeholders, including representatives from various business areas, site locations, and leadership teams, as well as external perspectives from suppliers and customers. Covering all sustainability topics outlined in the CSRD, the assessment considered both current and potential issues from short-, medium-, and long-term perspectives. Participants were requested to evaluate the severity of each material topic from both an inside-out and outside-in perspective, using a scale from 1 (mild) to 5 (severe).

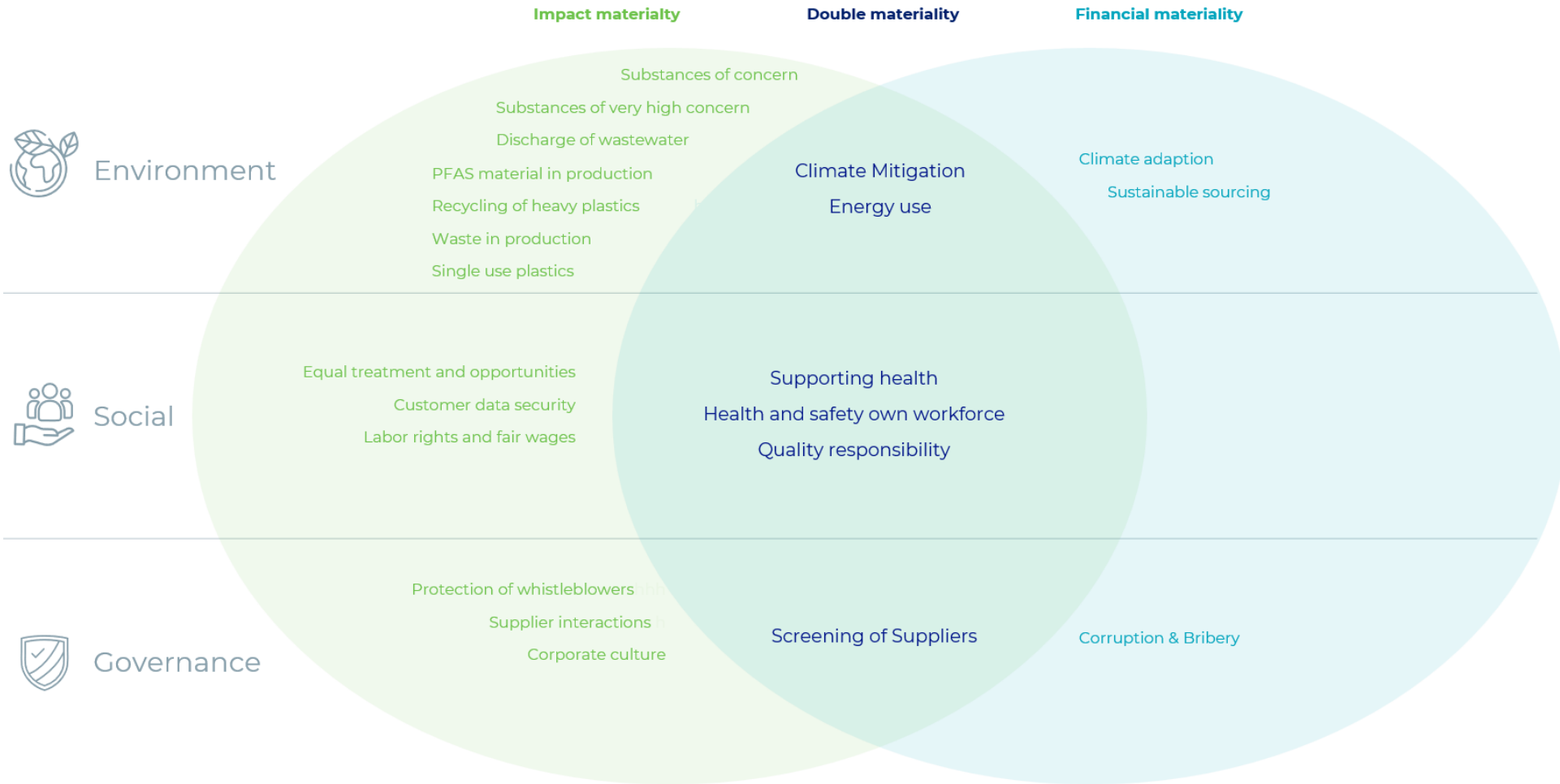


After this assessment, respondents were asked to identify priority areas concerning sustainability considerations. Subsequently, the survey concluded with an open-ended question, inviting participants to offer insights into potential opportunities for managing these topics or to suggest improvements to AGC Biologics' strategic approach. This systematic method aimed to determine not only the severity of material topics but also their importance from the stakeholders' viewpoint.

The identified sustainability priorities will guide the company's efforts when supporting customers in delivering social and environmental value while fostering trust through transparent and responsible sustainability initiatives. The aggregated findings, presented in the illustration, will guide the development of AGC Biologics' sustainability reporting and strategy. It showcases the identified IROs, along with their materiality.

The results of the DMA reflect AGC Biologics' strategic sustainability priorities. Social topics emphasize the company's role in supporting customers delivering life-saving treatments safely and effectively, improving patient outcomes, and strengthening healthcare systems. Workforce wellbeing, both within the organization and across its value chain, is recognized as essential for ensuring a safe, inclusive, attractive work environment while upholding respect for working conditions. Data security remains a critical focus, ensuring customer information is protected through robust IT systems.

On environmental matters, the assessment underscores AGC Biologics' commitment to mitigating negative impacts from its operations, including pollution and carbon emissions. This commitment is supported by AGC Biologics certifications in ISO 14001 Environmental Management System and ISO 50001 Energy Management System. Governance priorities include maintaining the highest ethical standards in business conduct, demonstrated through responsible supplier interactions and the implementation of a whistleblower mechanism. Through these efforts, AGC Biologics strives to be a trusted partner and a friendly collaborator.



Next Steps

Following the completion of the DMA step and its subsequent validation by internal stakeholders and final approval from leadership, a gap assessment was initiated. The DMA provided the foundation for this assessment, and the gap assessment of the ESRS disclosure requirements was conducted to identify actions required to ensure compliance and sustainable practices. The sustainability team first performed an internal assessment to filter out non-material data points not applicable to AGC Biologics. Next, relevant business areas reviewed the initial gap assessment and provided input. They were also asked to determine the level at which each disclosure requirement applied, whether at the corporate level (AGC Inc., the parent company), business level (AGC Biologics), or site level (Copenhagen site). This assessment pertained to the three EU sites and was completed in mid-Q4 2024.

In early 2025, meetings will be held for each ESRS standard to define roles and responsibilities for each disclosure requirement and to align on the level of relevance. With these data and findings, we can then proceed to define focus areas and begin the gap mitigation process. This will ensure more efficient deployment across all AGC Biologics sites, achieving an aligned approach and a more uniform and homogeneous output for all sites.

Our subsequent main priority is to establish a robust sustainability management system that is aligned with CSRD, as this directive will set the direction for corporate sustainability going forward. This will lay the foundation for future work on our sustainability strategy, including policies, actions, and targets. Our employees and customers are at the heart of this transformation. We believe that involving relevant business areas in the process and delegating responsibility to those with the knowledge to understand what is feasible is the most optimal strategy for developing an ambitious yet realistic sustainability strategy and targets. By fostering a culture of sustainability, we aim to contribute to a more engaging and responsible workplace.

Topics	*Sub-Topics*
Climate change	Climate change adaptation
	Climate change mitigation
	Energy
Pollution	Water pollution
	Substances of concern
	Substances of very high concern
Circular economy	Resource inflows including resource use.
	Resource outflows related to products and services.
	Waste
Own workforce	Working conditions
	Equal treatment and opportunities
Consumers & End -users	Information related impacts for consumers and end-users
	Personal safety of consumers and end-users
	Social inclusion of consumers and end-users
Business conduct	Corporate culture
	Protection of whistleblowers
	Supply chain management
	Corruption and bribery

Environmental Information

Climate Change

In the DMA, which was conducted and validated in 2024, three impacts were identified under the topic of climate change, respectively climate change mitigation, climate change adaptation and energy use. Climate-related issues, particularly concerning energy, are addressed through our ISO certifications, where we actively work to reduce our impact. The AGC Inc evaluates each business unit using carbon efficiency as an indicator, considering the risk of carbon costs.

Our current environmental metrics and targets, set in accordance with ISO 14001 and ISO 50001, support our sustainability objectives and are based on thorough mappings and impact assessments. Management approves our policies and objectives, as well as the annual review of progress (management review). Our policies in environment and energy are translated into action through comprehensive environmental and energy action plans. As part of our certified EHS Management System, it is mandatory to have policies and set targets for Environment and Energy ensuring continuous improvement in these areas.

Impact

Climate Change Mitigation

At AGC Biologics, we recognize the contribution our operations have to climate change through greenhouse gas (GHG) emissions across Scopes 1, 2, and 3. We emit greenhouse gasses as part of activities related to our production of Active Pharmaceutical Ingredients (APIs), processes which are dependent on various energy sources and use of fossil fuels, both in our own operations (Scope 1 and 2) and throughout our value chain (Scope 3). This indicates that the consequences of our activities are substantial and pervasive, with GHG emissions being released from multiple points within our operational framework. Acting on climate change is not only a moral imperative but also a strategic necessity for AGC Biologics.

Climate Change Adaption

AGC Biologics across its seven sites faces potential risks from extreme weather events such as floods, windstorms, and temperature extremes, which can cause building

damage, disrupt operations, and affect employee health or mobility. AGC operates in a variety of regions, some of which may face heightened risks due to extreme weather. The severity of these disruptions will depend on the intensity of the event and whether operations can be carried out remotely. While not all sites are in high-risk areas, the potential impact of such events is a global concern. Denmark in general is susceptible to flooding and windstorms associated with climate change, however AGC Biologics' sites in Denmark are not located in areas of high risk.

Energy Use

The pharmaceutical production process is inherently energy-intensive, and AGC Biologics is no exception. Energy consumption is particularly high in areas such as HVAC, process heating and cooling, and pressurized air systems. Additionally, APIs require refrigeration throughout the value chain, further contributing to overall energy demand. Energy efficiency measures, such as energy screenings, energy control (energy key figures) and operation control, play a critical role in optimizing energy use across our operations.

Energy consumption contributes to climate change through emissions from on-site fuel use (Scope 1), purchased electricity and district heating (Scope 2), and energy usage within the value chain (Scope 3). At AGC Biologics, energy consumption is significant, particularly in the production processes and producing the materials required. When energy is purchased through external electricity sources (Scope 2), the carbon intensity of that energy depends on the local grid mix, unless renewable energy is produced on-site. It is important to note that AGC Biologics do not own the unfinished or finished products. Therefor once they leave the premise, responsibility for refrigeration and other energy-consuming processes in the value chain lies with our customers.

Policies

Energy Policy

At AGC Biologics, we are committed to minimizing our environmental impact through a comprehensive global energy management approach that prioritizes reducing energy consumption and GHG emissions. We recognize our responsibility, and our global energy policy is designed to drive continuous improvement and ensure effective energy use across all aspects of our operations, regardless of location. This commitment is carried out through our energy management system, which includes the following key components:

- Energy Efficiency Plans to continuously seek ways to improve and reduce our energy consumption across all sites.
- Clear objectives and targets to demonstrate leadership in energy management practices.
- Responsible Energy Use across all facilities, prioritizing renewable energy sources over non-renewable options whenever feasible.
- Sustainable Equipment and Processes by investing in energy-efficient equipment and incorporate energy-saving designs into our processes and facilities.
- Compliance with global regulatory requirements, as well as any additional commitments AGC Biologics subscribes to concerning energy use, consumption, and efficiency.
- Collaborative Efforts: with our customers, suppliers, and regulatory authorities across all regions to address and advance energy-related issues.

Actions

Energy Management System

Acting on climate change is not only a moral imperative but also a strategic necessity for AGC Biologics. While carbon offsetting can help mitigate some of the impact, it does not provide a long-term solution. Fossil energy sources must be replaced by renewable energy sources wherever feasible. Furthermore, energy consumption can be reduced through efficiency measures, which remain a key area of focus for us.

We are dedicated to reducing GHG emissions across all scopes and aligning our climate goals with global standards. Therefore, AGC Biologics has implemented ISO 50001 (Energy Management System) certification, which helps us reduce energy consumption and GHG emissions, supporting our broader sustainability goals. It provides independent validation of our adherence to international standards, fostering trust among our stakeholders. By focusing on energy efficiency, sustainable procurement,

and transparent reporting, we aim to minimize our environmental impact, meet customer expectations, and comply with future regulations:

Reducing Scope 1 and Scope 2 Emissions

AGC Biologics has implemented an ISO-certified Energy Management System (ISO 50001) to continuously enhance our energy efficiency. This includes selecting energy-efficient equipment and designing energy-efficient processes and facilities. In 2024, the renewable energy share increased to 57%, largely driven by the high renewable electricity share in eastern Denmark and use of district heating derived from renewables. We aim to further expand this share by prioritizing renewable energy sources wherever it is feasible. Furthermore, the new mammalian production facility features energy-efficient designs that will significantly minimize our carbon footprint in the future.

Addressing Scope 3 Emissions

In 2025, we will initiate Scope 3 calculations as part of our continued commitment to sustainability and responsible business practices. This effort will enhance our understanding of indirect emissions throughout our value chain, enabling us to identify key areas for reduction and improve our overall climate impact. By incorporating Scope 3 emissions into our reporting, we aim to strengthen transparency and align with industry's best practices and regulatory expectations.

In 2024 a new Supplier Code of Conduct was implemented which seeks to ensure that our suppliers adhere to our sustainability requirements, including reducing their own greenhouse gas (GHG) emissions. We are committed to sourcing materials and services that have a lower environmental impact, reducing our Scope 3 emissions and supporting a more sustainable value chain. This code will be integrated into major supplier agreements and will eventually extend to all suppliers.

Transparency & Reporting

We annually contribute to the AGC Inc. "Sustainability Data Book," reporting on our environmental performance in line with the Danish Financial Statements Act 99a, and other relevant frameworks. We engage both internal and external experts to validate our progress and ensure our sustainability efforts are aligned with stakeholder expectations.

Metrics & Targets

AGC Biologics has been reporting on GHG emissions (Scopes 1 and 2), energy consumption, and renewable energy share since 2021. Our ISO-certified Environmental Management System ensures our environmental performance is consistently monitored. The data set illustrated below provides a general overview of our impact and development over the last four years.

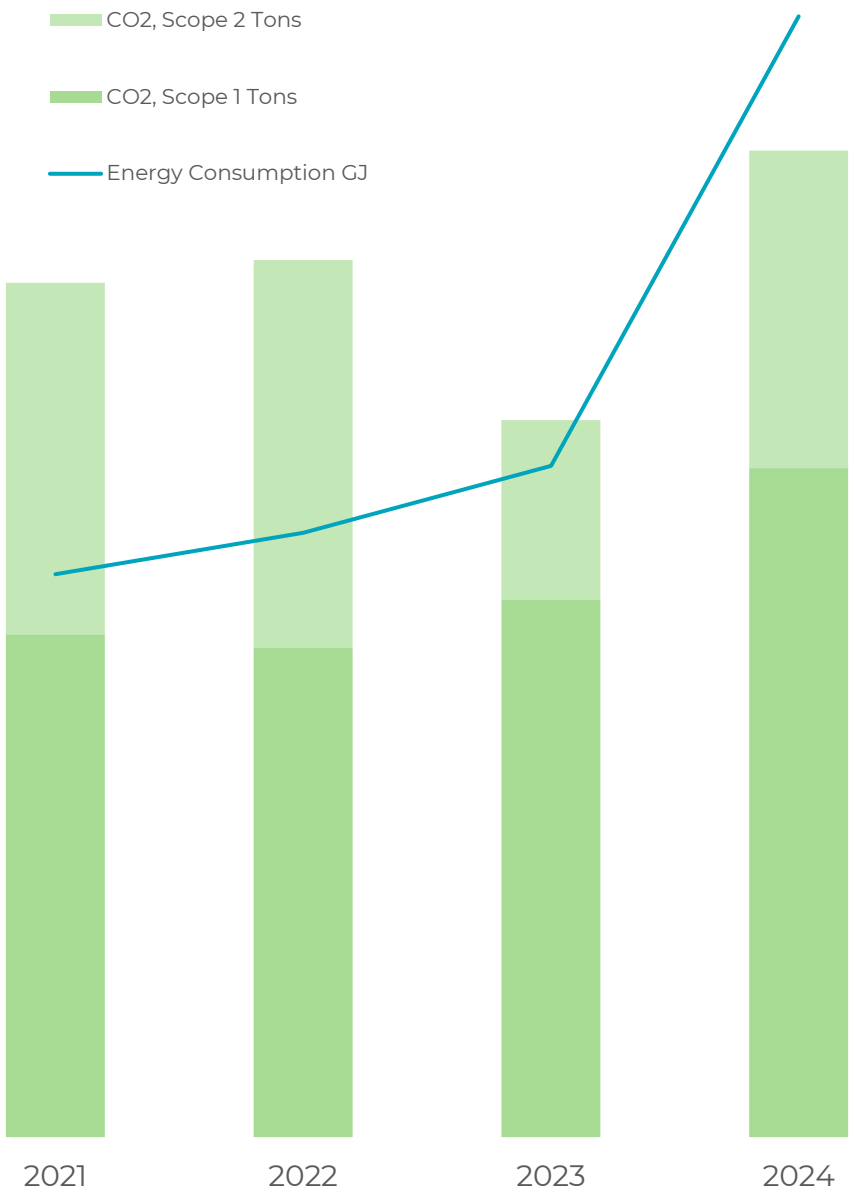
Environmental Data	*Unit*	*2021*	*2022*	*2023*	*2024*
GHG emissions, Scope 1[b]	Tons	1066	1031	1132[a]	1409[a]
GHG emissions, Scope 2, location based	Tons	739	816	378[a]	668[a]
Energy Consumption	GJ	37953	40746	45234[a]	75493[a]
Renewable Energy Share	%	34	40	46[a]	57[a]

Notes:

[a] Some consumption occurs in shared facilities, and due to limited access to the distribution key during the inventory, certain figures were estimated. Energy and water consumption are reported for the two manufacturing facilities, while other figures are based on estimates, representing only a small portion of the total consumption.

[b] Scope 1 has historically not included emissions from coolant use. In our efforts to make a complete GHG inventory, this will be mapped and included from 2025. The contribution from colleagues is expected to be minimal.

As the visualization on the next page demonstrates, there is a significant increase in Scope 2 location-based and market-based emissions. This is due to increased electricity and district heating consumption in 2024, explained by the opening of our new factory in 2024. This increase occurred despite a higher share of renewable energy in the grid in 2024. However, it is noteworthy that, while energy consumption has risen, the overall CO_2e emissions in relation to energy consumption have shown a positive trend compared to the previous year. Despite the increase in energy consumption, our CO_2e emissions per unit of energy consumed were significantly lower as the renewable energy share has increased over the years, reflecting a favorable trend. In addition to the increased share of renewable energy in the grid, this is also due to the implementation of district heating as an energy source for building heating in more of our buildings than in previous years.



Gross Scope 1 & 2 Emissions

To support our future adherence to the Corporate Sustainability Reporting Directive (CSRD), we have expanded the environmental data to include a more detailed overview of our impact on climate change. This ensures a more comprehensive and transparent account of our sustainability efforts and impact.

GHG emissions	*Unit*	*2024*
Scope 1 GHG emissions[a]		
Gross scope 1 GHG emissions	Tons	1409
Percentage of scope 1 GHG emissions from regulated emission trading schemes	%	0
Scope 2 GHG emissions		
Gross location-based scope 2 GHG emissions	Tons	668
Gross market-based scope 2 GHG emissions	Tons	5.456

[a] Scope 1 has historically not included emissions from coolant use. In our efforts to make a complete GHG inventory, this will be mapped and included from 2025. The contribution from coolants is expected to be minimal.

In 2024, our Scope 1 emissions were 1.409 tons CO_2e, an increase from 1.132 tons CO_2e in 2023, primarily driven by increased use of natural gas, as shown in the ESG data table on page 9. In 2023, our Scope 2 emissions were 378 tons CO_2e (location-based) and 2.775 tons CO_2e (market-based). In 2024, these figures rose to 668 tons CO_2e and 5.456 tons CO_2e, respectively. As AGC Biologics does not have a Power Purchase Agreement (PPA), our market-based emissions are calculated based on the residual electricity mix, after subtracting all renewable electricity from PPAs held by other companies.

Energy Consumption & Mix

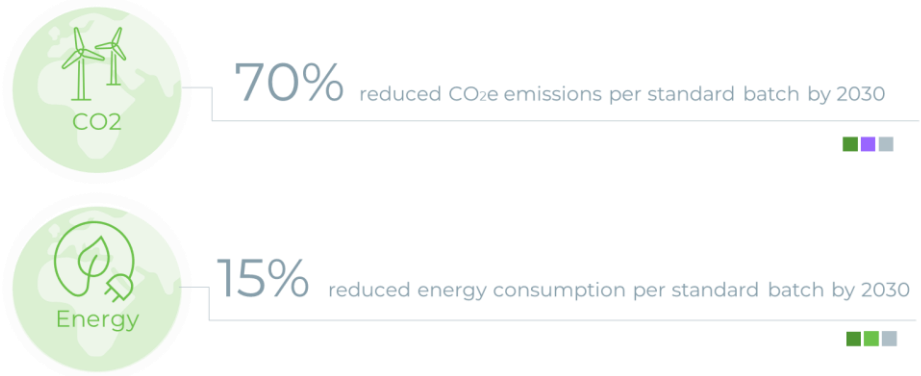
The table provides an overview of our total energy consumption and energy mix for 2024. It details the total energy consumption (measured in GJ) across different sources, including renewable and fossil energy. In this reporting year, our total energy consumption amounted to 75.493 GJ, a significant increase from 45.234 GJ in 2023. This rise is primarily due to the opening of our new manufacturing facility, which has led to higher energy demand. In 2024, renewable energy accounted for 42,938 GJ, resulting in a renewable energy share of 57 %.

Energy consumption and mix	*Unit*	*2024*
Total energy consumption	GJ	75.493
Total fossil energy consumption	GJ	32.555
Fuel consumption from coal and coal products	GJ	0
Fuel consumption from crude oil and petroleum products	GJ	52
Fuel consumption from natural gas	GJ	23.835
Fuel consumption from other fossil sources	GJ	0
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	GJ	6.888
Share of fossil sources in total energy consumption	%	43
Consumption from nuclear sources	GJ	4.233
Share of consumption from nuclear sources in total energy consumption	%	6
Total renewable energy consumption	GJ	42.938
Fuel consumption from renewable sources	GJ	0
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	GJ	42.938
Consumption of self-generated non-fuel renewable energy	GJ	0
Share of renewable sources in total energy consumption	%	57
Non-renewable energy production	GJ	0
Renewable energy production	GJ	0

Targets

Our EHS Management System guarantees continuous monitoring and improvement of our environmental performance. This includes assessing our current emissions and developing a roadmap for significant reductions. Through comprehensive studies and calculations, we have set clear targets to reduce CO_2e emissions and energy consumption. First, we aim to reduce energy consumption per standard batch by 15% by 2030, compared to 2022 levels. Second, we aim to reduce CO_2e emissions (location-based) per standard batch by 70% by 2030, compared to 2022 levels.

As of now, we are unable to disclose specific numbers regarding our targets due to the commencement of operations at our new facility in 2024. We have experienced an increase in energy consumption, while production only began in the second half of the year. We are in the process of developing an updated definition and methodology for a "standard batch". We plan to begin reporting on our goal achievement in the future. This timeline will allow us to gather sufficient data and establish accurate benchmarks before sharing detailed performance metrics.



Pollution

In our production facilities and laboratories, we handle substances that are essential for producing medicines and active pharmaceutical ingredients that benefit patients. These substances can sometimes be hazardous to health and/or the environment and improper handling of these substances can have a negative impact on the environment and our employees.

Impact

Discharge of Wastewater

There are environmental risks associated with the discharge of wastewater, that contains residues of raw materials used in production which can include harmful substances that potentially can harm surrounding ecosystems and reduce biodiversity. AGC Biologics ensures that wastewater discharges comply with legal limits. Based on the properties of raw materials and products (in connection with new customer projects), we continuously evaluate whether wastewater can be safely discharged for treatment at a municipal facility or if it needs to be collected and treated as hazardous waste.

PFAS in Materials Used in Production

AGC Biologics acknowledges that certain materials used in production may contain per- and polyfluoroalkyl substances (PFAS). PFAS have in general been detected in groundwater, surface water, and soil in Denmark. These chemicals, which are widely used across industries, have been increasingly recognized as environmental pollutants, with some linked to adverse human health effects. PFAS are commonly found in materials such as single-use plastics, filters, and gaskets, which are often used in our production and utility equipment. We will continue to ensure compliance with the regulatory landscape to mitigate any risks. Furthermore, we will explore the opportunity to map PFAS in raw materials and auxiliary substances, with the aim of substituting them where possible.

Substances of Concern and Substances of Very High Concern

AGC Biologics works with substances classified as substances of concern (SOCs) and substances of very high concern (SVHCs). SVCHs are regulated by the EU due to their potential risks to human health and the environment. SOCs refer to substances that are carcinogenic, mutagenic, reprotoxic, have endocrine-disrupting properties, are persistent and bio accumulative, are sensitizing, cause organ toxicity, or are hazardous to the environment and the ozone layer. Substances considered SVHCs are listed in any of the following lists: Substances restricted in Annex XVII to REACH, Authorization List in Annex XIV of REACH and Candidate List of substances of very high concern for Authorization.

AGC Biologics utilizes a small number of SVHCs which include boric acid used in low concentrations in the manufacturing processes. Other SVHCs are inherently present in low concentrations in laboratory buffers and test kits used in small volumes. Despite the use of protective measures, these substances come with inherent risks. We are committed to managing these substances responsibly, ensuring compliance with all regulatory requirements, and continuously evaluating safer alternatives to minimize potential negative impacts on health and the environment.

Policies

Environmental Policy

At AGC Biologics, our commitment to sustainability is built on a foundation of pollution prevention, full compliance with environmental laws and regulations, and a life-cycle approach to environmental stewardship. We recognize our responsibility to not only our stakeholders but also the local communities where we operate. This responsibility drives our focus on environmental performance excellence, which we achieve through the implementation of a comprehensive environmental management system. This system is designed to:

- Proactively plan for pollution prevention and reduction, ensuring we minimize our environmental impact.
- Set clear objectives and targets that demonstrate leadership in environmental management practices.
- Maintain robust procedures, training, self-assessments, and monitoring systems to ensure ongoing compliance with both current and future regulations.

- Foster effective internal and external communication to raise awareness of our environmental policies and ensure a timely response to environmental inquiries or concerns.

Actions

Our EHS management system, certified under ISO 14001, ISO 50001, enables us to focus on reducing the risk of negatively impacting the environment through pollution and ensure compliance with all applicable laws and regulations. By setting annual objectives the EHS system contributes to the overarching goal of reducing the negative impact on wastewater. Specifically, for pollution, the objective for 2024 was to conduct a study investigating the feasibility of substituting hazardous chemicals in the early stages of customer projects. This project is ongoing, and efforts will continue into 2025.

As a CDMO, AGC Biologics recognizes that our customers are the owners of the products and determines the substances used in the manufacturing process. As a result, our ability to take independent action is limited, as we are dependent on our customers' needs and the specific requirements for each API. Therefore, our efforts will focus on collaborating with our customers to explore potential solutions, leveraging our expertise as “your friendly CDMO expert”.

Metrics

In 2024, alongside investigating the substitution of hazardous chemicals, we initiated data collection as per the ESRS disclosure requirements. As of now, we can report on the substances of concern and substances of very high concern used in our operation.

The table provides an overview of the amounts of substances of concern (SOC) and substances of very high concern (SVHC) identified in our operations based on our raw material inventory. In 2024, we identified 102 items with hazard classifications making them substances of concern, and 16 items containing substances of very high concern in our production. All substances are emitted either to wastewater post neutralization or collected and disposed of as hazardous waste.

Out of the 39 kg used, 31 kg were expired materials of 4-(1,1,3,3-tetramethylbutyl)phenol, ethoxylated (Triton X-100), that have not been used in productions since 2021, as of why leftovers were discarded as hazardous waste for incineration. However, AGC Biologics is granted authorization under Regulation (EC) No 1907/2006 of the European Parliament for certain uses of this substance.

Substances of concern and very high concern (in kg)	*Hazard Class A 2024*
Total amount of substances of concern that are generated or used during production or that are procured	8976
Total amount of substances of concern that leave facilities as emissions, as products, or as part of products or services	8976
• Leave facilities as emissions	8976
• Leave facilities as products	0
• Leave facilities as part of products	0
• Leave facilities as services	0
Total amount of substances of very high concern that are generated or used during production or that are procured	39
Total amount of substances of very high concern that leave facilities as emissions, as products, or as part of products or services	39
• Leave facilities as emissions	39
• Leave facilities as products	0
• Leave facilities as part of products	0
• Leave facilities as services	0

Where applicable, we are actively working to assess alternatives, reduce usage, assess treatment type, and ensure compliance with evolving regulations. Our commitment remains focused on minimizing potential environmental and health impacts while maintaining transparency in our material disclosures. As of 2025 the SOCs and SVHCs will be divided into their main hazard classes.

Resource Use & Circular Economy

Impact

Waste in Production

There is a risk of environmental impact through the generation of both hazardous and non-hazardous waste during production processes. Addressing this risk is crucial for minimizing harm to the environment. As AGC Biologics generates various types of waste, including plastic waste, it is essential to consider the environmental impact of materials procured for operations, such as glass, metals, and plastics. A significant concern is plastic waste, which often ends up being incinerated, contributing to GHG emissions, and exacerbating global warming and climate change. The waste generated includes both hazardous and non-hazardous materials, with some waste streams reaching considerable volumes.

Recycling of Heavy Plastics

Addressing the environmental impact of single-use plastics is becoming an increasingly important priority. As public concern over plastic waste grows and regulations around plastic use tighten globally, there is a significant opportunity to reduce our CO_2e impact and contribute to a circular economy. Given the rise in plastic regulations across Europe and worldwide, the urgency of addressing this issue will only increase in the medium term. The likelihood of establishing a recycling system is high, particularly as regulations become more stringent. Implementing a recycling program would have a substantial positive impact, both from an environmental perspective and within the context of our value chain. One key area of focus is exploring the potential for recycling a greater proportion of the heavy plastics used in our operations. By exploring recycling options, including the potential use of a larger proportion of plastic products made from recycled plastic.

Sustainable Sourcing of Raw Materials:

There is a significant opportunity to establish criteria for suppliers that focus on high-impact resource types as a key strategy. This includes prioritizing certified biological products, utilizing waste and side streams as material inputs, and sourcing low CO_2e products, with an emphasis on conducting life cycle assessments (LCAs). As regulations continue to tighten, this will become increasingly important for suppliers and customers alike. The benefits of such a strategy include improvements in waste management, reductions in carbon footprint, and positive reputational implications.

Single-Use Plastics (Usage and Incineration)

While single-use plastics are essential for health and safety reasons, they pose a growing environmental challenge, particularly for the pharmaceutical industry, which has limited alternatives. Incinerating single-use plastics leads to CO_2e emissions, underscoring the inefficiency of resource use due to their disposable nature. As public awareness of this issue increases, the long-term environmental risks make it critical for us to explore solutions that can transform our operations and move towards a more sustainable future.

Policies

We are currently in the process of developing policies to address the identified impacts, risks, and opportunities related to the circular economy and resource use. Based on our recent DMA, we have recognized key areas that require attention and action to minimize environmental harm and enhance sustainability within our operations. These areas are being evaluated for the potential development of policies aimed at mitigating risks and leveraging opportunities to improve resource efficiency, reduce environmental impact, and promote sustainable practices- As part of this process, we are working towards integrating these considerations into a comprehensive sustainability strategy.

Actions

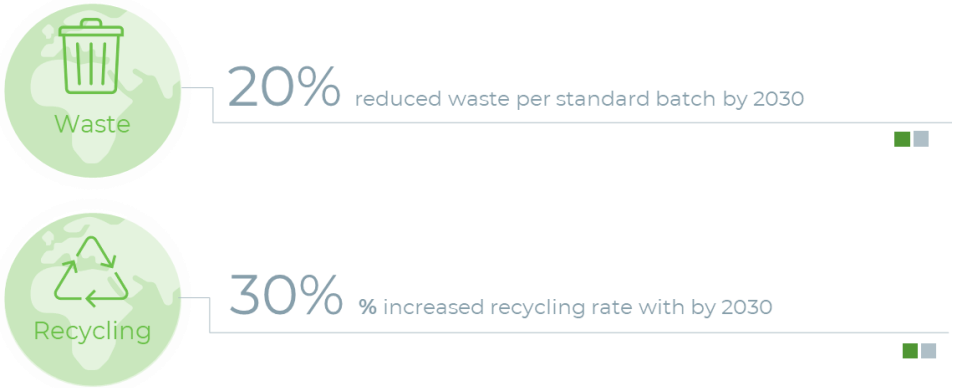
The EHS Management System ensures that AGC Biologics' impact on resource use and circular economy is continuously monitored and assessed. For 2024, the EHS system established two objectives related to waste, both of which have been successfully achieved. These included a pre-study to determine the waste reduction target for 2030 and a pre-study to assess the recycling rate target for 2030. Both objectives were met and will be further detailed in the metrics and target section. Additionally, as we prepare for CSRD compliance, we will explore opportunities for the sustainable sourcing of raw materials and evaluate the usage and incineration of single-use plastics.

Metrics & Targets

Resource outflows	*2024*	*Unit*
Waste generated	465	ton
Hazardous waste diverted from disposal	2	ton
Hazardous waste diverted from disposal due to preparation for reuse	0	ton
Hazardous waste diverted from disposal due to recycling	2	ton
Hazardous waste diverted from disposal due to other recovery operations	0	ton
Non-hazardous waste diverted from disposal	109	ton
Non-hazardous waste diverted from disposal due to preparation for reuse	1	ton
Non-hazardous waste diverted from disposal due to recycling	103	ton
Non-hazardous waste diverted from disposal due to other recovery operations	5	ton
Hazardous waste directed to disposal	171	ton
Hazardous waste directed to disposal by incineration	171	ton
Hazardous waste directed to disposal by landfilling	0	ton
Hazardous waste directed to disposal by other disposal operations	0	ton
Non-hazardous waste directed to disposal	184	ton
Non-hazardous waste directed to disposal by incineration	184	ton
Non-hazardous waste directed to disposal by landfilling	0	ton
Non-hazardous waste directed to disposal by other disposal operations	0	ton
Non-recycled waste	355	ton
Percentage of non-recycled waste	76	%

The table provides an overview of AGC Biologics' resource outflows as per ESRS disclosure requirements. The waste generated is managed by local waste handling companies, who collect our waste. All waste subcategories are split between hazardous and non-hazardous waste, defined in accordance with the EU Waste Framework Directive. 2008/98/EC. The table shows a total waste of 465 tons where 171 is hazardous. The overall recycling rate is 24%.

In 2024, the EHS system set two waste-related targets for AGC Biologics Copenhagen. The first target is to reduce waste per standard batch by 20% by 2030, compared to 2022 levels. This target ensures that our performance can be accurately tracked, regardless of fluctuations in production activity. The second target is to increase the recycling rate by 30% by 2030, compared to 2022 levels. We are in the process of developing an updated definition and methodology for a "standard batch" and plan to begin reporting on our goal achievement by FY2025. This timeline will allow us to gather sufficient data and establish accurate benchmarks before sharing detailed performance metrics.



Social Information

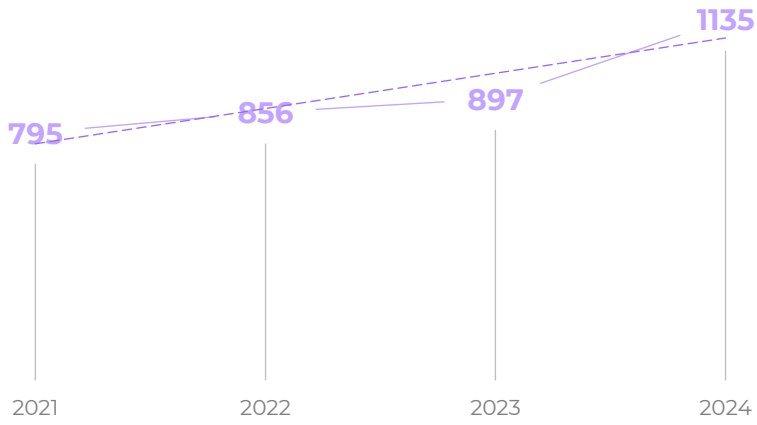
Own Workforce

At AGC Biologics, our commitment to social responsibility starts with our employees. We strive to ensure that our workforce is aligned with our vision of being a trusted partner in the biopharmaceutical industry. This includes prioritizing occupational health and safety, upholding labor rights, offering fair wages, and providing equal treatment and opportunities for all employees. We are dedicated to equipping our managers with the necessary tools and skills to nurture talent, cultivate a strong organizational culture, and drive high performance. We seek to focus on attracting and retaining top talent by fostering an environment where employees feel valued, engaged, and empowered. Additionally, we continually improve our working environment to mitigate the risks of attracting and retaining qualified personnel, ensuring that our workplace remains dynamic, inclusive, and conducive to long-term success.

Characteristics of Own Workforce

Since 2021, AGC Biologics has experienced significant growth, a trend that is also reflected in the increase in our number of full-time equivalents (FTEs). This expansion underscores our commitment to scaling operations and enhancing our workforce to meet the growing demands of our business.

Employee growth (FTE)



In addition to the ESG data table, the two tables below, in accordance with ESRS requirements, provide a detailed overview of AGC Biologics' workforce measured in headcount. The first shows the self-declared gender distribution by headcount and the second reflects the gender distribution across employment types.

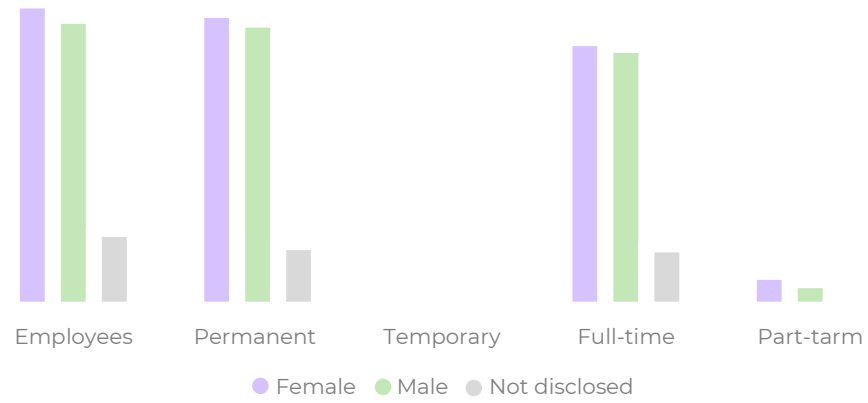
Gender composition of own workforce (Headcount)	*2024*
Female	548
Male	521
Other	0
Not reported	143
Total	1212

Notes:
The not-reported gender data appears to be due to the absence of a gender field in our previous system, Sage. As a result, some team members whose profiles were transferred from the old HRIS to Workday (WD) lack this information, and it has not been updated since.

The total employee headcount of AGC Biologics' active workforce was 1212 as of December 31, 2024. The own workforce consists of regular employees, students, interns, and temporary employees. The gender was determined based on the gender field indicated in Workday, with 'Not Reported' encompassing both entries marked as 'Not declared' and any blank fields. Currently, AGC Biologics does not include "other" as a gender option, but we are committed to exploring the integration of this option in the future to ensure greater inclusivity and representation. The 'Not Reported' encompassing both entries marked as 'Not declared' and any blank fields. As the tables indicate, AGC Biologics have close to equal gender distribution across employment types.

Employment types across genders	*Female*	*Male*	*Other*	*Not disclosed*	*Total*
Number of employees	548	521	0	143	1212
Number of permanent employees	531	514	0	120	1165
Number of temporary employees	17	7	0	23	47
Number of non-guaranteed hours employees	0	0	0	0	0
Number of full-time employees	481	469	0	116	1066
Number of part-time employees	67	52	0	27	146

Employment type across genders



Characteristics of Non-employees

AGC Biologics recognizes the important role that these non-employees play in supporting our operations and will continue to ensure that they align with our conduct. The characteristics of non-employees within AGC Biologics' workforce, as defined by EFRAG's terminology, are outlined in the table below. Our non-employee workforce consists of consultants, contractors, and outsourced service providers (OSPs).

Characteristics of non-employees	*2024*
Total number of non-employee workers in own workforce	289
Total number of consultants	118
Total number of contractors	85
Total number of outsourced service providers	86
Number of non-employees in own workforce during period	132
Number of consultants during period	47
Number of contractors during period	42
Number of outsourced service providers during period	43

Consultants

provide specialized professional services or expertise that guide, inform, or support AGC Biologics. They often bring unique skills or knowledge that may not be filled by regular employees. Consultants typically work in highly skilled or professional roles on a project-based basis, with defined terms outlined in a statement of work or contractual agreement. Prior to providing services, consultants are required to have a written contract with AGC Biologics.

Contractors

They provide services or perform tasks for AGC Biologics and are often employed through agencies, paid through vendors, or engaged as independent contractors. Contractors temporarily fill roles that could be occupied by regular AGC Biologics employees. Prior to providing services, contractors are required to have a written contract with AGC Biologics.

Outsourced Service Providers (OSPs)

Third-party vendors contracted to deliver services that do not directly contribute to the production or output of AGC Biologics' products or deliverables. These services generally cover areas that would not typically be handled by regular employees. Examples include security & canteen services, facility and lawn maintenance, janitorial services, and GMP cleaning personnel. OSPs are compensated based on the work performed rather than the hours spent completing it. A written contract with AGC Biologics is required before these services are provided.

Occupational Health & Safety

Policies

OHS Policy

AGC Biologics is dedicated to fulfilling the needs of its employees, customers, and the community by operating responsibly. To support this commitment, AGC Biologics continuously improves its Occupational Health and Safety Management System in alignment with the organization's mission, vision, and values. As a company, we strive to achieve the highest standards in occupational health and safety across all our operations. We aim to foster a safe work culture through active employee involvement and participation in safety processes. We adhere to all relevant laws, regulations, and standards, and we adopt and implement practices that reflect our commitment to excellence.

Absenteeism Policy

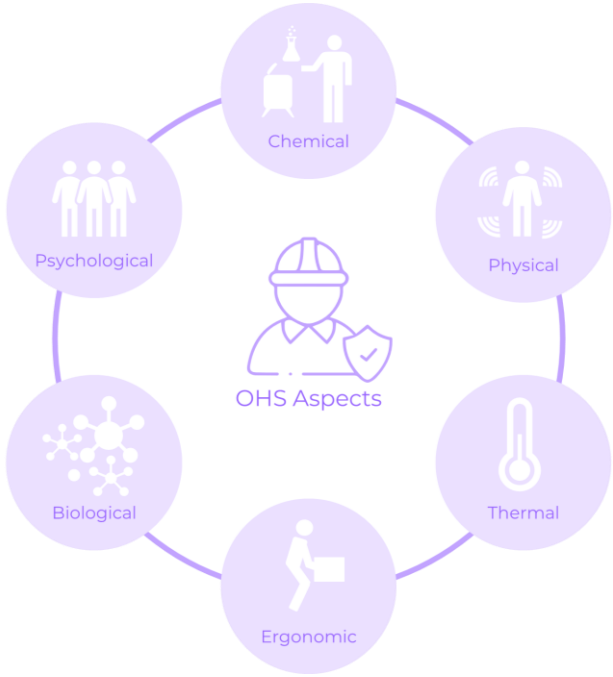
In addition to ensuring a healthy and safe workplace, the Absenteeism Policy aims to reduce absenteeism and promote a seamless return to work. AGC Biologics is committed to fostering a workplace that prioritizes employee job satisfaction, quality of life, and overall wellbeing. The Absenteeism Policy was updated in 2023 and is aligned with current legal standards and incorporates valuable insights from the Cooperation Committee. The policy focuses on several key objectives: reducing absenteeism, improving employee motivation and satisfaction, providing support during illness, ensuring transparent and respectful absence management, and facilitating a smooth transition for employees returning to work after an absence.

The policy is designed to promote a seamless return to work, maintain positive relationships between AGC Biologics and its employees during periods of absence, and clearly define the mutual responsibilities and impacts related to absenteeism. By continuing to adopt and refine the attendance and leave policies, along with clear procedures for reporting sick leave, AGC Biologics aims to cultivate a supportive, respectful, and efficient environment for all team members.

Actions

EHS Management System

AGC Biologics recognizes its critical responsibility to maintain a safe and healthy environment for its employees, visitors, and contractors, which is achieved through the EHS Management System. The system provides clear objectives, actively promotes employee participation, and continuously measures and improves safety efforts. The occupational health and safety assessment considers both physical and psychological factors, ensuring comprehensive protection for our employees. Employee safety is prioritized through the design of safe working environments, implementation of controls, procedures, training, and the provision of personal protective equipment (PPE). In the event of injury or illness, the necessary treatment and rehabilitation is provided, and root cause analysis is conducted to avoid nonconformities. Effective communication is central to our safety culture, ensuring ongoing awareness and responsiveness to any concerns.



To ensure health and safety, it is essential to continuously identify and reassess potential negative impacts. ISO 45001 mandates that the company identifies and evaluates the aspects of the working environment, as well as the hazards associated with its activities, products, and services. The accompanying figure illustrates the aspects that are assessed. Each identified aspect is scored, and based on these scores, priorities are set, and action plans are developed to mitigate potential impacts.

Based on the assessments and prioritization two key objectives have been defined: to reduce the number of accidents related to ergonomics and chemical exposure. To achieve the first goal, a comprehensive mapping of ergonomic risks has been conducted in 2024 to identify areas for improvement in reducing ergonomic-related accidents. Additionally, a risk assessment has been initiated across all relevant unit operations in production to evaluate potential chemical hazards, incorporating insights from previous accidents to better mitigate future risks.

Health Insurance & Well-Being support

At AGC Biologics, we aim to provide our employees with the best working conditions, which include ensuring their health and well-being both at work and beyond. We believe that a supportive working environment goes together with comprehensive care, which is why our insurance benefits cover a wide range of health and mental health services. Our insurance plan includes treatment at private hospitals and clinics, such as preliminary examinations, surgeries, and aftercare. Employees also have access to specialized care, including consultations with physiotherapists, psychologists, osteopaths, chiropractors, acupuncturists, reflexologists, and dietitians.

Professional guidance and support to manage both personal and work-related challenges is available, offering employees the tools to maintain a healthy balance between their private and professional lives. Through social counseling employees can get help with navigating life crises or illnesses. These services ensure that employees have immediate access to the support they need.

Metrics & Targets

Since 2021, AGC Biologics has been tracking absenteeism as part of our sustainability efforts. Tracking and reporting absenteeism is a critical aspect of fostering a healthy and safe workplace. By identifying patterns and trends in attendance, organizations can address underlying issues such as employee well-being, ergonomic issues, physical environment etc. Understanding absenteeism allows us to implement proactive strategies, which contribute to a healthier, more engaged workforce. In 2023, we observed a notable increase in absenteeism, rising from 6.76 to 8.05. This shift was largely due to the introduction of the new time registration system, which has greatly enhanced the accuracy of our reporting. For 2024, absenteeism rose again from 8.05 to 8.93, which will be taken into consideration in future assessments to identify potential actions that could help mitigate that trend.

Furthermore, in 2024, the objective was to conduct two pre-studies to establish the reduction targets for ergonomics and chemical exposure by 2030. The result of these studies led to the following targets:

Equal Treatment & Opportunities

Policies

Anti-Harassment Policy

At AGC Biologics, we are dedicated to maintaining a safe, respectful, and inclusive work environment where every individual is valued. Harassment, in any form—whether physical, verbal, or emotional—undermines our commitment to a positive workplace culture and will not be tolerated. This includes, but is not limited to:

Verbal, written, or electronic threats or aggressive communication.

Physical aggression or violence, including threats or intimidation.

Any behavior that creates a hostile, unsafe, or uncomfortable work environment.

Sexual harassment, including unwelcome advances or inappropriate behavior.

Possession of weapons or intentional damage to company property.

We encourage all employees to report harassment or unethical behavior immediately. Reports can be made confidentially through supervisors, People and Culture representatives, or compliance officers. We are committed to investigating all concerns and taking appropriate action to ensure the well-being of all team members.

Ethical Behavior & Conduct Policy

AGC Biologics is dedicated to fostering diversity, equity, and inclusion across all facets of our business, as outlined in our Policy for Ethical Behavior and Conduct established on December 2, 2018. This foundational policy, along with our unwavering commitment to Equal Employment Opportunity (EEO) standards, ensures that we operate as an equal opportunity employer. All employment-related decisions, from hiring to training, are based on merit and business necessity, without regard to race, color, sex, religion, age, disability, sexual orientation, or any other protected characteristic. Our zero-tolerance stance on discrimination is a core aspect of our culture.

While the Policy for Ethical Behavior and Conduct has remained unchanged since its inception in 2018, its principles are enduring and effectively encompass our stance on DEI (diversity, equity, and inclusion) matters. The Code of Conduct, revised and renewed in 2023, further highlights the diversity within our workforce, celebrating the range of experiences, backgrounds, and perspectives that our employees bring to the AGC Group. This approach aligns with one of our four shared values, “Diversity,” as depicted in our AGC Group Vision "Look Beyond."

AGC Biologics' policies and procedures are designed to embody and promote DEI across all hiring and training processes. Our vision for diversity is not only enshrined in policy but is also lived daily within our corporate culture, ensuring that every individual can thrive in an environment that values their unique contributions. We strive to create a workplace that embodies respect and equitable treatment, which are the cornerstones of our comprehensive EEO policy. Every member of our workforce is expected to uphold these values, contributing to a discrimination-free environment.

Actions

Diversity, Equity, Inclusion & Belonging

At AGC Biologics, we are dedicated to fostering a workplace that celebrates diversity, equity, inclusion, and belonging. We encourage the expression of individuals, authenticity, and being one’s true self in the workplace. By embracing diverse perspectives, we create a culture where all employees feel valued and respected. The DEI&B Global Council actively engages with our employees and communities to create an environment where every individual can thrive: These actions include but are not limited to:

DEI&B Education and Awareness

Our global DEI&B council actively supports education and awareness through various channels, such as webinars, DEI&B survey, and communications to AGC Biologics. For example, the quarterly DEI&B Webinar series, which in 2024 covered topics such as 1) Psychological Safety, 2) Unconscious Bias, 3) Inclusive Communication and 4) Allyship and Advocacy. In 2025, the following webinars are planned: 1) Neurodiversity, 2) Mental Health, 3) Dimensions of Diversity, 4) Culture fit vs Culture Add.

Employee Resource Groups (ERGs)

Building an inclusive environment is a collaborative effort. That's why we've supported the establishment of local Employee Resource Groups (ERGs), site-specific DEI councils and clubs that are open to all employees. These groups come together to shape our company culture, uplift communities, share common experiences, engage in activities together and empower individuals by providing a platform for diverse voices.

Cultural Celebrations

We recognize and celebrate the cultural diversity of our workforce. By offering flexibility, when possible, we give our employees the flexibility to observe the holidays that are meaningful to them. As a company, we celebrate/acknowledge cultural holidays and marked dates and encourage individuals to foster learnings and connect with one another. This fosters an inclusive environment, contributing to the sense of belonging at AGC Biologics.

Community Engagement

We are committed to engaging with the wider community in meaningful ways. We partner with universities, external organizations, and events. These partnerships allow us to learn, share knowledge/experiences with external community.

Gender Diversity

The latest amendment to The Companies Act section 139 (c), implemented in 2023, mandates the establishment of targets and reporting mechanisms concerning gender diversity, particularly of the underrepresented gender, if the company has not already achieved equal gender diversity. AGC Biologics has performed well in terms of gender diversity at management levels other than the board level, making it unnecessary to

set additional targets for those levels, as we can already document equal gender diversity. This equal gender diversity has been achieved by focusing on competencies when hiring. AGC Biologics aims for a gender ratio close to 50:50, with a minimum of 40% representation of the underrepresented gender at all management levels, including the Management Team.

Recruitment and Onboarding

AGC Biologics is dedicated to fostering a respectful, diverse, and sustainable recruitment process, while ensuring dignity for individuals during their exit from the company. While we do not have a single consolidated policy, our approach is supported by a variety of documents and programs designed to streamline the hiring and onboarding experience. These include a Welcome Guide that facilitates a smooth transition for both managers and new employees, as well as a regularly updated New Employee Welcome (New) Program. Additionally, we offer a Technical and Leadership Onboarding Program, which is further supported by a Leaders' Resource Portal.

To align new hires with the company's values and objectives, we conduct a comprehensive New Employee Welcome Session, focusing on company goals and individual responsibilities. Furthermore, our Technical Onboarding Academy, which has received high satisfaction ratings from new employees, provides specialized training to ensure seamless integration into AGC Biologics.

Metrics & Targets

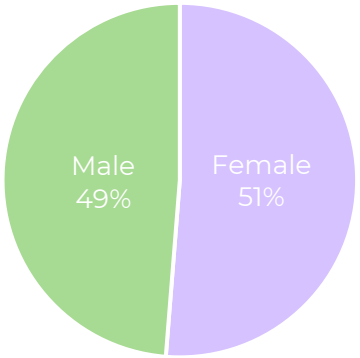
Gender Composition

As AGC Biologics is committed to achieving gender diversity across all management levels. This focus on gender diversity aligns with the latest amendment to Section 139(c) of The Companies Act, which was implemented in 2023. The amendment mandates the establishment of targets and reports mechanisms for gender diversity if gender equality has not yet been achieved. AGC Biologics is aligned with these requirements and continues to take proactive steps to ensure gender diversity and inclusivity at all levels of the organization. Currently, AGC Biologics does not include "other" as a gender option, but we want to explore the implementation of this option in the future.

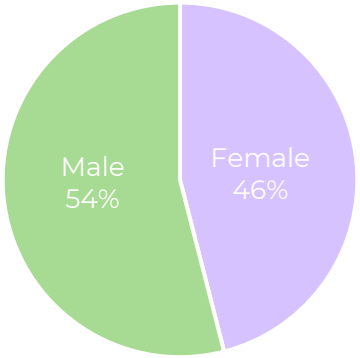
Over the past years, we have made progress in this area, particularly by focusing on competencies during the hiring process. As a result, we continue to maintain an almost equal gender distribution in our own workforce and at the management level. However, there is progress to be made in terms of the gender ratio at the top management level and in the Board of Directors.

In 2023, the Board consisted of five members with a gender ratio of 1:5, favoring men. AGC Biologics is committed to achieving a more balanced gender representation on the Board and aims for a 2:5 ratio (40% female representation) by the end of 2025. As part of this commitment, we will prioritize recruiting qualified female candidates during future board member replacements.

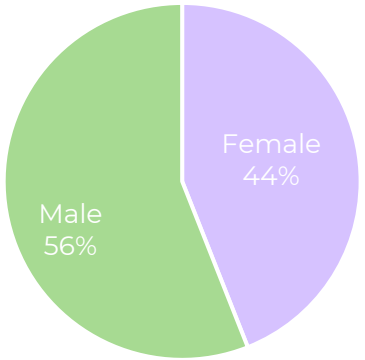
Own Workforce



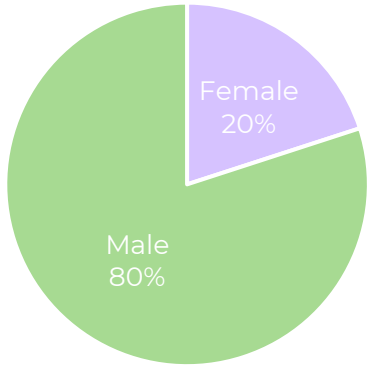
Management



Top Management



Board of Directors



Gender composition: Board of Directors	*2023*	*2024*
Total number of members	5	5
Underrepresented gender in %	20	20
Target figure in %	40	40

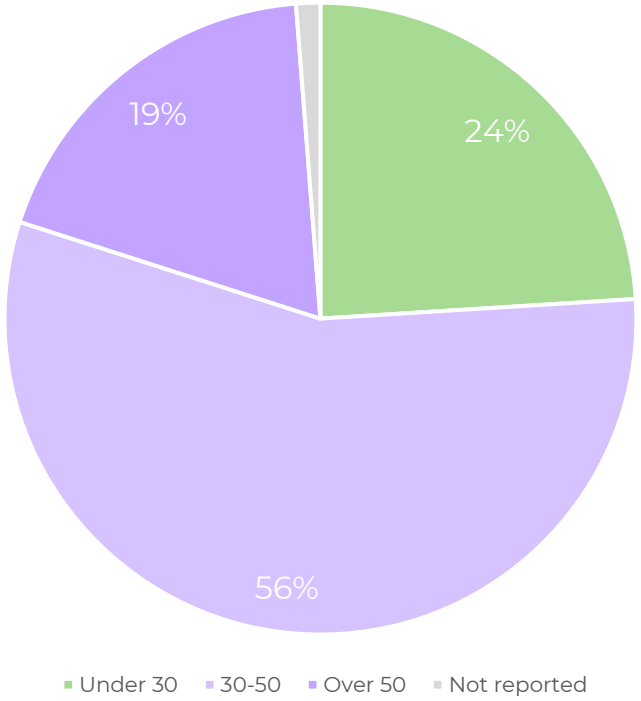
Additionally, we disclose gender diversity in accordance with EFRAG's terminology. In this context, the top management is the Site Leadership Team. Our goal is to maintain a gender ratio close to 50:50, with a minimum of 40% representation of the underrepresented gender at all management levels, including the Management Team.

Gender Composition: Top Management (Copenhagen Site Leadership Team)	*2024*
Female	4
% of total at top management level	44.4%
Male	5
% of total at top management level	56.6%
Other gender	0
% of total at top management level	0%
Not reported	0
% of total at top management level	0.0%
Total	9

Age Composition

AGC Biologics is committed to promoting diversity, including a focus on age distribution. In alignment with ESRS requirements, the table below presents an overview of age diversity within AGC Biologics' workforce. As AGC Biologics does not request employees' ages during the recruitment process to uphold our commitment to diversity, equity, and inclusion (DEI), we rely on CPR numbers to determine age. However, for employees working abroad or those not residing in Copenhagen, this data may not be available.

Age Composition



Age Composition	*2024*
Under 30 years old	291
Percentage of employees under 30 years old	24.0%
Between 30 and 50 years old	678
Percentage of employees 30 and 50 years old	55.9%
Over 50 years old	228
Percentage of employees over 50 years old	18.8%
Not reported	15
Percentage of not reported	1.2%

Labor Rights & Fair Wages

Policies

Human Rights Policy

Like AGC Inc, we are deeply committed to respecting and upholding human rights throughout our operations, aligning with our broader responsibility to create a safe and equitable environment for all employees. The AGC Inc. Human Rights Policy, established in December 2023 and revised in January 2025, prioritizes the protection of labor rights across our operations and value chain. This includes ensuring safe and healthy working conditions, eliminating discrimination and harassment, and preventing forced and child labor. By adhering to internationally recognized human rights frameworks, such as the UN Guiding Principles on Business and Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work, we strive to create workplaces that promote fairness and dignity for every individual.

We are focused on addressing issues of fair wages, adequate working hours, and the rights of all workers to ensure they are compensated fairly for their work in accordance with local laws and international standards. We recognize that our responsibility extends beyond compliance, actively promoting an environment where workers are empowered and treated with respect. This is accomplished through ongoing training and education for our employees and stakeholders to foster a deep understanding of the policy.

AGC Inc. is dedicated to transparency, regularly reporting on our progress, and ensuring that our business practices contribute to a sustainable and fair society. Through continuous human rights due diligence, training, and transparent reporting, AGC Inc. is committed to ensuring that working conditions and labor rights are at the forefront of our operations, fostering a culture of fairness and equity that benefits both our employees and the communities in which we operate.

Payment Policy

In line with our commitment to EEO, AGC Biologics actively works to ensure pay equity and eliminate gender-based pay disparities, reflecting our core values of fairness and equality. AGC is committed to respecting and upholding common labor rights and to grant its employees fair wages and benefits. These efforts are embedded within our ethical and operational practices, driving our ongoing mission to cultivate a fair, equitable, and inclusive workplace. To support gender, pay equity, AGC Biologics conducts pay equity analyses and maintains a transparent pay policy.

Working Hours Policy

The policy was last updated in April 2023 and details our adherence to legislative requirements regarding working conditions. The policy contains the following:

- The 11-Hours Rule: Mandatory rest period between shifts.
- The 7-Days Rule: Minimum continuous rest period within a seven-day span.
- The 48-Hours Rule: Maximum average working hours per week.

Additionally, we honor local labor agreements that stipulate working and resting hours, along with fair and lawful compensation for our employees. These measures are a testament to our dedication to fostering a workplace that prioritizes the growth, contentment, and overall well-being of our team members.

Actions

Job Architecture & Fair Remuneration

In FY 2024 a new Job Architecture taxonomy has been implemented. This structured framework ensures clear career paths and fair remuneration across all roles and teams, promoting transparency, equity, and the opportunity for career advancement. By defining job roles based on tasks, responsibilities, skills, and competencies, the new architecture aligns roles within a unified structure, fostering consistency and fairness in our organization.

The previous job levels for Scientists, Technicians, and Specialists have now been expanded to better reflect the diversity of roles and responsibilities within our teams. This change introduces five distinct levels across various job tracks, ensuring that team members are recognized for their experience and contributions in a fair and systematic manner. This new framework ensures a clearer progression path, allowing team members to grow in their careers with greater clarity and fairness. The leadership track remains unchanged, as it was already in line with market standards, ensuring that our leadership positions continue to be competitive and well-defined.

Through this new job architecture, we aim to foster an environment of equity, growth, and opportunity, where every team member has the chance to thrive in a well-defined, fair, and supportive career path. This also ensures that remuneration is consistent and aligned with market benchmarks, supporting the sustainability of both individual careers and our broader organizational goals.

Metrics & Targets

Remuneration

The new job architecture is a significant step toward achieving pay transparency and equitable remuneration across genders. This initiative aligns with the Corporate Sustainability Reporting Directive (CSRD), which mandates the future disclosure of the male-female pay gap. Following the implementation of the new job architecture, we will focus on establishing reliable data collection and verification processes to ensure accurate reporting and set meaningful targets for improvement.

Consumers & End-users

At AGC Biologics, consumers and end-users - meaning both our customers and patients - are at the core of our existence. Our mission is to “Bring Hope to Life.” As a Contract Development and Manufacturing Organization (CDMO), we do not have direct contact with consumers or end-users. However, our products ultimately impact them, and we bear a significant responsibility for delivering high-quality solutions. This responsibility presents an opportunity to contribute positively to public health, ensuring the well-being of the individuals who benefit from our work. Furthermore, we are committed to safeguarding customer data and ensuring security across all operations.

Quality Responsibility

Quality is involved in nearly everything that we do at AGC Biologics, from receiving raw materials to testing and releasing the final drug substance. Our purpose is to ensure quality throughout the value chain including equipment and facilities. We work closely with our stakeholders to find solutions to bring safe medicines to patients. AGC Biologics has a mature Quality Management System that ensures robust execution and continuous improvement based on cGMP.

AGC Biologics holds a profound quality responsibility toward the end-users being the patients of our products. As a provider of unfinished pharmaceutical products, we are accountable for supplying biological drug substances used for essential therapies. We understand that the companies we partner with depend on AGC Biologics to deliver biopharmaceutical products that are of the highest quality and reliability. Our commitment to ethical practices, transparency, and continuous improvement ensures we meet and exceed customer expectations, providing them with the trust and confidence they need in our solutions.

Supporting the Health of End-Users

The impact of high-quality products on patients’ lives is profound and life changing. AGC Biologics is privileged to play a role in enabling these positive outcomes for patients who rely on the therapies we help bring to the market. One of our greatest social responsibilities lies in supporting the health of patients who benefit from the biopharmaceutical products we assist in developing. Our core values—integrity, innovation, and excellence—drive us to uphold the highest standards of patient safety and product efficacy. We are committed to ensuring that every treatment we contribute to meets rigorous quality standards, ultimately improving the lives of those who rely on these therapies. Our mission to "Bring Hope to Life" is not just a statement but a commitment that is reflected in the way we work. We offer continuous training, career development opportunities, and foster a culture of innovation to be at the forefront of our industry.

Customer Data Security

AGC Biologics recognizes the critical importance of data security in today’s digital landscape. As a part of AGC Life Sciences, we acknowledge the risks associated with potential data breaches, including the exposure of sensitive project information. Such leaks could cause economic harm to our customers, such as the loss of intellectual property, or, in the worst case, compromise public health through the release of hazardous biological materials.

To mitigate these risks, we prioritize the privacy and security of personal and confidential information. AGC Biologics adheres to the Danish Financial Statements Act, Section 99(d), and has implemented robust data protection policies to uphold the highest standards of data ethics. As part of our strategic initiatives under Digital Transformation, we are enhancing operational reliability through digitization and automation. The integration of a new ERP system (see governance information) will further optimize our data security, ensuring that our processes remain secure and compliant.

Governance Information

Positive & Efficient Corporate Culture

AGC Biologics strives to cultivate and sustain a positive and efficient corporate culture to reduce risks such as operational disruptions, high employee turnover, or potential reputational damage.

Code of Conduct

AGC Biologics is covered by AGC Inc.'s current Code of Conduct, which outlines key ethical principles and compliance requirements that guide employees in Europe. The code of conduct ensures that employees are well-versed in the regulations to avoid anti-competitive behavior, which can have severe legal and financial consequences. It also stresses the need for adherence to international and national law, highlighting AGC Inc.'s commitment to human rights, trade control as well as product and work-place safety. The protection of company assets and confidential information is another priority, with policies in place to safeguard sensitive data and management of information security. Furthermore, AGC Inc.'s commitment to environmental sustainability is clearly defined, with strategic goals to integrate sustainability into business operations. The code contains three pledges:

We are **fair and honest** in our business

Fair Competition and Antitrust
International Trade Controls
Gifts and Entertainment
Conflicts of Interest

We ensure a **safe and helpful** workplace

Quality and Safety of Products
Environment
Relations with Government Officials and Politicians
Insider Trading

We **care** for our communities

Workplace Health and Safety
Diversity and Inclusion
Reports and Records
Protection of Assets and Confidential Information

AGC Inc. conducts annual training, monitored by the site legal department, to ensure that all AGC Biologics employees and consultants complete the required sessions. Training in anti-corruption and bribery is an integral part of our overall Code of Conduct compliance training. All employees undergo this training upon joining the company and then participate in an annual refresher course to update and reinforce their knowledge. The most recent refresher course took place in October 2024. This ensures compliance and up-to-date knowledge across the organization. Overall, the Code of Conduct is designed to ensure that AGC Biologics employees act responsibly, ethically, and in full compliance with legal requirements, fostering a culture of integrity and respect for human rights.

Data Ethics

Protecting the privacy and security of personal and confidential information is paramount at AGC Biologics. This commitment is reflected in our compliance with the Danish Financial Statements Act, section 99 (d). AGC Biologics has established several policies to ensure robust data ethics across all operations. The Employee Privacy Policy ensures compliance with GDPR regulations, detailing the measures we take to protect personal data. Additionally, our IT Usage and IT Security policies govern the handling of data collected through internal platforms or external partners, the sharing of work files, password protection, and the appropriate use of social media. All employees handling data are required to complete an e-learning course on IT Security, ensuring they are well-versed in best practices and current regulations. Decisions regarding data ethics and new system development are anchored within our corporate management, reflecting our commitment to maintaining the highest standards of data protection.

Furthermore, the updated Supplier Code of Conduct, effective February 2024, requires our suppliers to implement robust processes to safeguard AGC Biologics' and stakeholders' data. Suppliers must ensure compliance with all relevant laws and regulations, including designing and maintaining processes that provide appropriate protection for personal information. This ensures that data is used, accessed, and disclosed only as permitted by agreement and in compliance with applicable laws.

We constantly monitor potential cyber risks related to data collection. If any risks are identified, Management is promptly notified, and relevant and sufficient actions are implemented to mitigate these risks. This proactive approach underscores our dedication to safeguarding data and maintaining the trust of our stakeholders.

ERP System

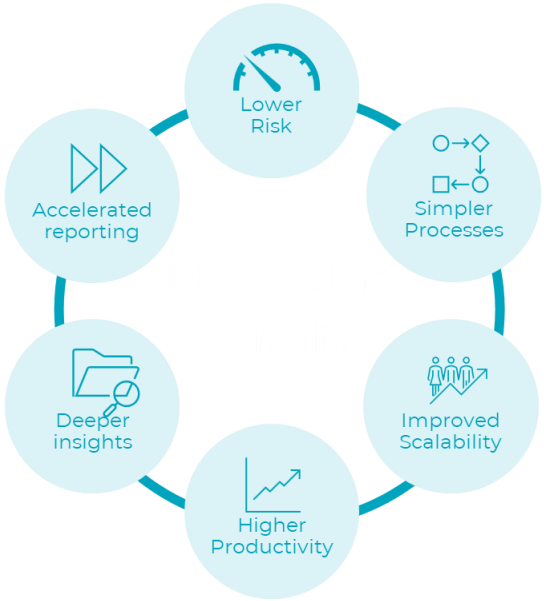
To enhance operational efficiency and ensure robust governance AGC Biologics is currently working on Project Phoenix. The cornerstone of this project is the implementation of Microsoft Dynamics 365 (D365), a comprehensive, cloud-based ERP system that is vital to supporting the company and increasing productivity. D365 is integral to AGC Group Global IT's mid-term plan of implementing a new, global ERP system, as well as a key focus for both AGC Group and AGC Life Science Company, as it aims to ensure data reliability, system stability, compliance, and cybersecurity across the organization.

This system will integrate the main functions of core business processes across the entire business portfolio, providing a single, integrated platform to manage these processes efficiently. The adoption of D365 will enable:

1. Improved processes and reporting capabilities across functions.
2. Integration of systems to enhance transparency, standardization, and optimization.
3. Desired behaviors driven through the automation of processes.

The successful adoption of a new system requires more than just installation; it involves a comprehensive change management process, ADKAR methodology, to guide individuals through this journey. ADKAR stands for Awareness, Desire, Knowledge, Ability, and Reinforcement—five outcomes necessary for successful change. Throughout 2024, Project Phoenix has actively engaged the organization in the progress of the D365 implementation. This engagement has included seven newsletters, presentations at two town halls, superuser community meetings, the activation of a SharePoint page, and over 30 testing sessions with superusers.

The implementation of D365, under Project Phoenix, will significantly impact on many critical business processes. This solution will provide a reliable and compliant platform, building a stronger data foundation that allows team members to focus on their primary mission: working side-by-side with customers to develop and produce medicine for patients in need. Project Phoenix will empower the harmonization of processes across the organization, paving the way for growth, optimization, and efficiency gains. For stakeholders and shareholders, the successful implementation of D365 means a more efficient, secure, and compliant organization. This will not only enhance operational capabilities but also position AGC Biologics for sustainable growth and increased value creation.



There is potential for a positive impact on the supply chain through the implementation of practices and policies that govern interactions with suppliers. AGC Life Science Company stands to benefit from increased transparency within its supply chain, potentially mitigating the risks of negative impacts related to human rights, corruption, and other scandals along its value chain. Conversely, there are risks for AGC Life Science Company regarding negative sustainability related impacts in the value chain if suppliers are not adequately screened or if governance processes are insufficient.

Social risks include concerns around poor labor conditions, such as child labor, within the supply chain. Additionally, there is the potential for negative effects on biodiversity due to the direct exploitation of nature, particularly in the procurement of raw materials from industries such as mining, agriculture, and fossil fuels. Materials from wild animals, including enzymes and peptides, are occasionally sourced, such as snake venom for specific products. If these materials are not responsibly sourced, it could pose risks to ecosystems, wildlife, and plant species.

Consequently, AGC Biologics is dedicated to promoting sustainable and responsible business practices across our supply chain. This commitment is guided by our Supplier Code of Conduct and the AGC Group Purchasing Policy, which together establish a foundation for sustainable supply chain management. By adhering to these principles, we aim to cultivate long-term, mutually beneficial partnerships with our suppliers.

Supplier Code of Conduct

Our Supplier Code of Conduct, updated in February 2024, outlines the principles and expectations we uphold in our interactions with suppliers, ensuring that our operations align with high standards of ethics, human rights, environmental stewardship, and health and safety. The supplier code of conduct addresses the following key areas:

Ethical Business Practices

We prioritize ethical business conduct and compliance with all applicable laws and regulations. Our suppliers are required to conduct their business ethically, maintain healthy relationships with stakeholders, and avoid any form of bribery, unfair competition, or abuse of superior bargaining positions. They must safeguard proprietary information, comply with privacy and data protection laws, and inform AGC Biologics of any conflicts of interest or potential conflicts. By adhering to these principles, our suppliers help us build and enhance a trusting relationship, which is fundamental to our mutual success.

Human Rights & Labor Standards

AGC Biologics respects the dignity and human rights of all individuals. We expect our suppliers to prohibit forced labor, child labor, and discrimination, while ensuring fair

wages and safe working conditions. Suppliers must respect employees' rights to freedom of association and engage in fair labor practices. They are also required to conduct due diligence to prevent modern slavery within their supply chains. This includes engaging human rights specialists to perform validation audits of high-risk suppliers on an intermittent basis, ensuring that our supply chain is free from human rights abuses.

Environmental Responsibility

Our suppliers are expected to comply with all environmental laws and regulations, obtain necessary permits, and manage resources responsibly. This includes reducing waste, emissions, and energy consumption, as well as promoting the use of renewable energy and responsible mineral procurement. By aligning with these environmental standards, our suppliers contribute to our shared goal of sustainable development and environmental stewardship.

Health & Safety

The conduct requires our suppliers to comply with occupational health and safety laws, provide safe working conditions, and engage employees in safety processes. Suppliers must continuously improve their safety measures, manage workplace risks, and ensure effective communication and training on health and safety policies. This commitment to health and safety ensures that all individuals involved in our supply chain can work in a secure and supportive environment.

Data Privacy & Security

Our suppliers must implement robust processes to safeguard AGC Biologics' and stakeholders' data, ensuring compliance with all relevant laws and regulations. This includes designing and maintaining processes to provide appropriate protection for personal information and ensuring that it is used, accessed, and disclosed only as permitted by agreement and in compliance with applicable laws.

Compliance & Accountability

To ensure adherence to these principles, AGC Biologics conducts regular training, awareness programs, audits, and surveys. We expect our suppliers to inform us of any nonconformance and take appropriate remedial action. In cases of material breaches or failure to implement corrective measures, AGC Biologics may terminate the business relationship. Regular training sessions and awareness programs are established for employees and business relationships at the supplier, focusing on reporting potential or actual breaches. Such initiatives include comprehensive information on relevant whistleblower mechanisms, ensuring that stakeholders are well-informed and capable of reporting any concerns.

By upholding these standards, AGC Biologics demonstrates its commitment to sustainability and responsible business practices, ensuring that our supply chain contributes positively to society and the environment.

Purchasing Policy

As a part of AGC Group, we are guided by the Group Philosophy, “Look Beyond,” and the principles outlined in the "AGC Group Charter of Corporate Behavior." These values inform and shape our approach to procurement, ensuring that our purchasing activities are conducted in a way that is consistent with AGC Groups commitment to sustainability, fairness, and responsibility. The purchasing policy is designed to uphold these principles and to promote responsible and ethical business practices across our supply chain.

AGC Biologics follow the basic **purchasing principles**, which are:

In selecting suppliers, AGC evaluates potential business partners based on several key criteria. These include sound management practices, the ability to ensure a steady supply, and flexibility in meeting fluctuating demand. We also consider a commitment to product quality, competitive pricing, punctual delivery, and adherence to safety and environmental standards. Additionally, we assess efforts to align with AGC Group's sustainability objectives, including compliance with the "Request for Cooperation in Sustainable Procurement."

Request for Cooperation in Sustainable Procurement

As AGC Group strives to be a company that actively contributes to a sustainable society while continuously evolving, we at AGC Biologics are committed to advancing these efforts in collaboration with our supply chain. To fulfill our social responsibility, we seek to work together with our business partners in promoting sustainability. In this regard, we kindly request our partners' compliance with and support for the following key principles and appreciate their understanding and cooperation. This includes:

- Legal Compliance and Integrity
- Environmental, Safety, and Quality Standards
- Human Rights and Labor Standards
- Risk and Intellectual Property Management

Through adherence to these guidelines, we aim to create a transparent, sustainable, and ethical procurement process that not only supports our business objectives but also contributes to the well-being of society and the environment.

Protection of Whistleblowers

At AGC Biologics, we are deeply committed to upholding the highest standards of integrity, transparency, and accountability in all our operations. As part of our ongoing efforts to foster a culture of ethical conduct, we have established a Whistleblower Reporting system that allows employees, partners, suppliers, and other stakeholders to confidentially raise concerns about potential violations of laws, regulations, or AGC Group Rules.

Reports can be submitted in several ways, e.g., by contacting the Legal Compliance Function directly, submitting an anonymous report through the AGC Biologics Quick Link on the SharePoint site or reporting an incident through the AGC Group of Companies' internal Helpline. The AGC Whistleblower Reporting system complies with the EU Directive on whistleblowing as implemented in Danish law and is designed to address serious issues that may affect the integrity and legal compliance of our operations. Concerns can be raised in the following areas:

- Money laundering
- IT security
- Corruption
- Competition law
- Foreign trade controls
- Data privacy
- Retaliation
- Threats to health, safety, and the environment
- Insider trading
- Sexual harassment or discrimination

We understand the importance of confidentiality in protecting those who report concerns. Any report made through the system will be kept fully confidential while ensuring a thorough investigation. Equally important is the protection of whistleblowers against retaliation, which is also safeguarded by the Whistleblower Reporting system.

Appendices

Acronyms

Acronyms	*Definition*
ERP	Enterprise Resource Planning
A/S	Aktieselskab (Danish for “stock company”
AGC	Asahi Glass Company
CDMO	Contract Development
CSRD	Corporate Social Responsibility Directive
DMA	Double Materiality Assessment
EFRAG	European Financial Reporting Advisory Group
EHS	Environmental, Health & Safety
ESG	Environment Social Governance
ESRS	European Sustainability Reporting Standards
FTE	Full-Time Equivalent
GHG	Green House Gas
GJ	Gigajoule
IRO	Impact, Risks & Opportunities
ISO	International Standard for Standardization
OSP	Outsourced Service Providers
PPE	Personal Protective Equipment
SOP	Standard Operating Procedure
SVHC	Substances of very high concern

Glossary of Terms

Defined term	*Definition*
Adequate wage	A wage that provides for the satisfaction of the needs of the worker and his / her family in the light of national economic and social conditions.
Actions	Actions refer to (i) actions and action plans (including transition plans) that are undertaken to ensure that the undertaking delivers against targets set and through which the undertaking seeks to address material impacts, risks, and opportunities; and (ii) decisions to support these with financial, human or technological resources.
Business Model	The undertaking’s system of transforming inputs through its business activities into outputs and outcomes that aims to fulfil the undertaking’s strategic purposes and create value over the short-, medium- and long-term time horizons.
Circular economy	An economic system whereby the value of products, materials and other resources in the economy is maintained for as long as possible, enhancing their efficient use in production and consumption, thereby reducing the environmental

	impact of their use, minimizing waste and the release of hazardous substances at all stages of their life cycle, including through the application of the waste hierarchy.
Double materiality	Double materiality has two dimensions: impact materiality and financial materiality. A sustainability matter meets the criterion of double materiality if it is material from the impact perspective or the financial perspective or both.
Financial materiality	A sustainability matter is material from a financial perspective if it triggers or may trigger material financial effects on the undertaking.
Impact materiality	A sustainability matter is material from an impact perspective when it pertains to the undertaking's material actual or potential, positive, or negative impacts on people or the environment over the short-, medium- and long-term time horizons. A material sustainability matter from an impact perspective includes impacts caused or contributed to by the undertaking and impacts which are directly linked to the undertaking's operations, products, and services through its business relationships.
ESRS	European Sustainability Reporting Standards
GHG emissions (Scope 1)	GHG emissions from sources owned or controlled by the undertaking.
GHG emissions (Scope 2)	Indirect GHG emissions are a consequence of the operations of the undertaking but occur at sources owned or controlled by another company. Scope 2 GHG emissions are indirect emissions from the generation of purchased or acquired electricity, steam, heat, or cooling consumed by the undertaking.
GHG emissions (Scope 3)	Indirect GHG emissions are a consequence of the operations of the undertaking but occur at sources owned or controlled by another company. Scope 3 GHG emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions. Scope 3 GHG emissions are considered as estimated emissions in comparison with Scope 1 and 2 as their calculation is based on a combination of methods and primary and secondary data ranging from precise figures (supplier
Metrics	Qualitative and quantitative indicators that the undertaking uses to measure and report on the effectiveness of the delivery of its sustainability-related policies and against its targets over time. Metrics also support the measurement of the undertaking's results in respect of affected people, the environment, and the undertaking.
Full-Time Equivalent (FTE)	A unit that indicates the workload of an employed person in a way that makes workloads comparable across various contexts.
European Sustainability Reporting Standards (ESRS)	Standards developed to guide companies in reporting their sustainability practices and impacts.
Eco Vadis Rating	A sustainability rating system that evaluates companies based on their environmental, social, and governance (ESG) performance.

Methods

Figure	*Methods*
CO_2e Scope 1	Scope 1 GHG emissions are calculated for each combusted fuel type and for consumed gas: CO_2e = ∑ (combusted fuel type * CO_2e emission factor per fuel type) + consumed CO_2 gas (t) The CO_2e emission factors are applied from 3rd party: The Danish Energy Agency (Standard factors)
CO_2e Scope 2	Scope 2 GHG emissions are calculated per used electricity and district heating.: CO_2e = ∑ (used MWh for each energy source * CO_2e emission factor per energy source). The CO_2e emission factors are applied from 3rd parties: The district heating supplier and Energinet (electricity declaration for marked based and environmental declaration for location based)
Energy Consumption	Sum of used natural gas, electricity, and district heating in GJ incl. renewable energy in electricity and district heating production).
Renewable Energy Share %	Renewable Energy Share = (Renewable Energy (electricity and district heating)/Total Energy) * 100.
Water Consumption	Sum of all gross water consumed
Amount of SVHCs	∑ (amount of each material containing a SVCH substance used (kg) * concentration of the SVCH)
Amount of SOCs	Sum of each material used classified as a SOC (based on CLP classification) (kg)
Waste generation	Waste fractions are collected by approved waste transport companies, who provide reports with breakdowns based on the treatment method: incineration, recycling, landfilling, or preparation for reuse. Based on the transporters' categorization, the waste fractions are split into hazardous and non-hazardous waste, in accordance with the EU's Waste Framework Directive. Non-recycled waste is calculated as the sum of waste for incineration, landfilling and other disposal operations. Waste from rented office buildings is not included.
Full-Time Workforce	(Sum of FTE percentage / 100)
Permanent Employee	The sum of regular employees and students as indicated in Workday
Temporary Employee	The sum of interns and temporary as indicated in Workday
Full-time workforce (headcount)	The sum of Full-time employees as indicated in Workday
Part-time workforce (headcount)	The sum of Part-time employees as indicated in Workday
Management	All employees indicated as a manager in Workday
Top Management	Leadership Team Members for Copenhagen site
Gender Diversity %	(Number of Female / Number of Female and Male)
Gender Diversity, Management %	(Number of Female in Management / Number of Female and Male in Management)
Gender Diversity, Top Management %	(Number of Female in Top Management / Number of Female and Male in Top Management)
Gender Diversity Board of Directors	(Number of Female in Board of Directors / Number of Female and Male in Board of Directors)
Gender Pay Ratio Times	(Median Male Salary / Median Female Salary)
Sickness Absence Days per FTE	(Number of sick days for all FTEs for the period) / (Total FTEs)