BePharBel Manufacturing

ESG REPORT 2025

Sustainability · Responsibility · Performance

Belgian pharmaceutical SME — Manufacturing, packaging & distribution
Compliant with the VSME standard (EFRAG)

FY2025 | Belgium | ~100 FTEs | €17.0M revenue

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Message from Management

First ESG report – A structured, progressive commitment



Vincent Stéphenne — CEO of BePharBel Manufacturing

Patient safety

Employee protection

Environmental stewardship

"BePharBel is committed to a sustainability approach that reconciles industrial performance, social responsibility and environmental impact management."

Company Profile

Belgian pharmaceutical SME — manufacturing, packaging & distribution activities

~130

Employees

102.46

Average FTEs

€17.0M

Revenue

€27.2M

Total balance sheet (assets)

Location

100% of operations in Belgium — consistent application of national and European legal, social and regulatory frameworks.

Sector

Highly regulated pharmaceutical industry (GMP, EHS). A culture of risk control and compliance.

ESG Approach

Voluntary, proportionate, based on measured data. VSME standard (EFRAG) — robust, credible reporting.

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ESG Reporting Framework & Governance

VSME (EFRAG) — a proportionate, credible approach for SMEs

VSME Standard

- Developed by EFRAG (European Financial Reporting Advisory Group)
- Designed for SMEs: a tailored, proportionate approach
- Consistent coverage of the E · S · G pillars
- Greater clarity for customers, partners & financial institutions
- Improved comparability across value chains

Reporting Governance

- Management — overall validation
- EHS — operational oversight
- HR / Quality / Finance — source data
- Annual collection & consolidation



Data Sources

- EHS & quality systems (safety, environmental indicators)
- HR data (headcount, training, working conditions)
- Energy data & 2025 Carbon Footprint

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02

Environment (E)

Energy · GHG Emissions · Water · Waste · Value Chain

Environmental Policy & Management

Integrated EHS organization — compliance, prevention and continuous improvement

Regulatory Compliance

Compliance with environmental permits and obligations specific to the pharmaceutical sector.

Risk Identification

Identification and prevention of environmental risks linked to manufacturing processes.

Hazardous Substances

Controlled, secure management of hazardous substances and prevention of accidental pollution.

Continuous Improvement

A continuous improvement approach grounded in measured data and performance indicators.

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Energy & Greenhouse Gas Emissions

2025 Carbon Footprint — Scopes 1, 2 & 3 (GHG Protocol)

4,239.4

total tCO_2e

Total Carbon Footprint 2025

249.4 tCO_2e / €M revenue

Carbon intensity (vs revenue)

Scope 1 – Direct emissions

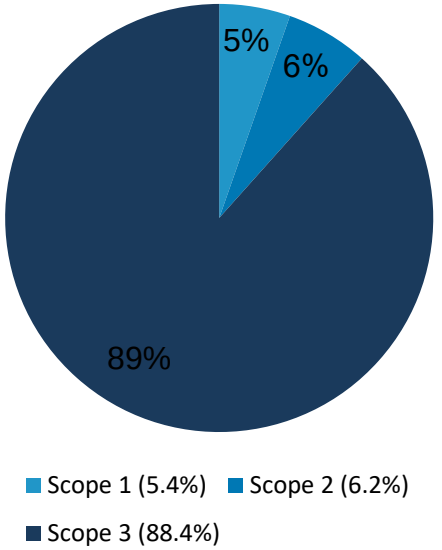
227.3 tCO_2e (5.4%)

Scope 2 – Purchased electricity

264.8 tCO_2e (6.2%)

Scope 3 – Value chain

3,747.3 tCO_2e (88.4%)

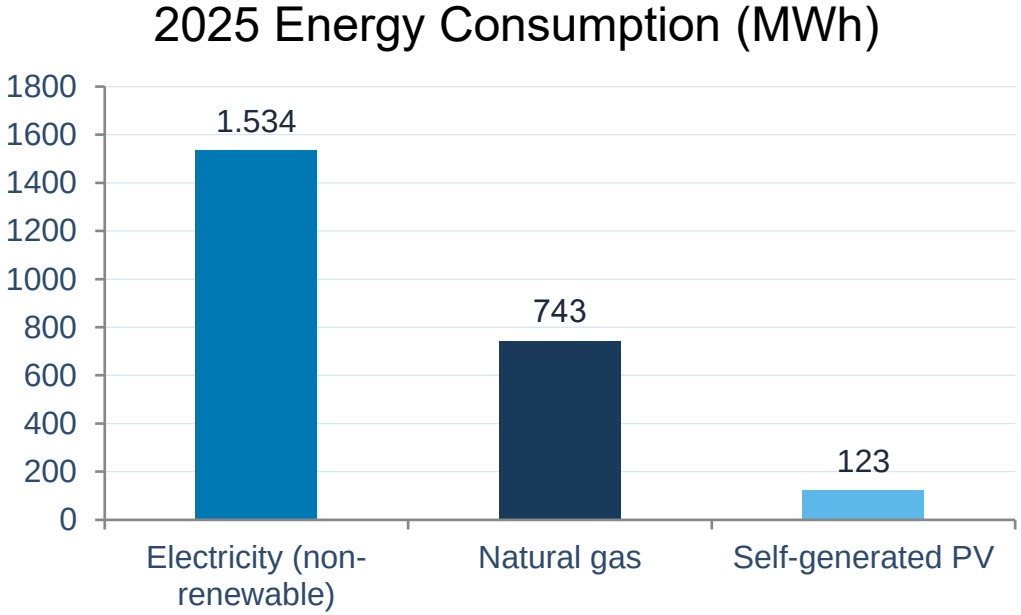


88.4% of emissions come from the value chain (Scope 3) — mainly pharmaceutical raw materials and packaging items.

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Energy Consumption & Photovoltaic Production

Electric transition — fleet moving to 100% electric vehicles



2,400 MWh

Total energy consumption

123 MWh

Self-generated photovoltaic electricity (low-carbon renewable energy)

2025 transition: company vehicle fleet moving to 100% electric → reducing direct emissions (Scope 1) and shifting exposure to Scope 2, which is easier to decarbonize.

Water & Discharges

Controlled resource use — regulatory compliance

7,030 m³

Annual water withdrawals

7,030 m³

Water discharged

pharmaceutical-grade water (WFI & PW) produced in-house, with no external purchase

Wastewater Management

Compliance with local obligations — treatment in line with applicable regulatory requirements.

Contamination Prevention

Active measures to prevent any accidental contamination of sewage networks.

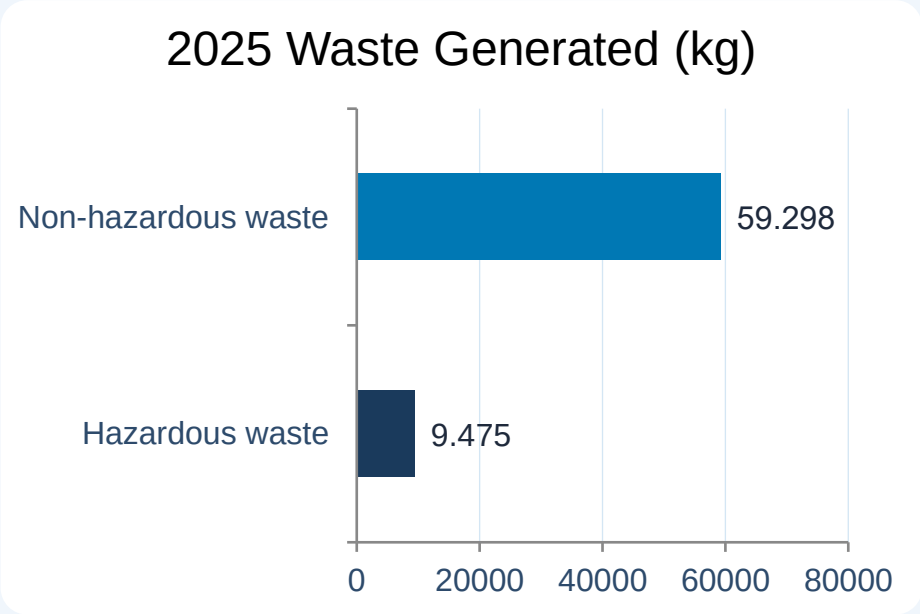
Discharge Control

Continuous monitoring of discharges and strict compliance with applicable environmental standards.

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Waste & Materials

Rigorous flow management — approved, traceable channels



68,773 kg

Total waste generated

90,642 kg

Annual material flows used

Management Principles

- Precise identification and classification of waste streams
- Secure on-site storage
- Use of approved, traceable treatment channels
- Strict compliance with regulatory requirements
- Waste minimization and recovery wherever possible

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Value Chain Carbon Footprint

Scope 3: 88.4% of the footprint — a key reduction lever

3,747.3 tCO_2e — Scope 3



Raw Materials

Active ingredients & excipients — energy-intensive upstream processes

~55%

Technical Consumables

Equipment, laboratory and production consumables

~20%

Packaging Items

Glass, cardboard, technical plastics

~25%

Identified Action Levers

- Gradual integration of carbon criteria into purchasing decisions
- Supplier collaboration to reduce upstream emissions
- Optimization of packaging and packaging materials

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Sites & Biodiversity

Land management — nature-oriented areas and sensitive zones

2,000 m²

Area in sensitive biodiversity zone

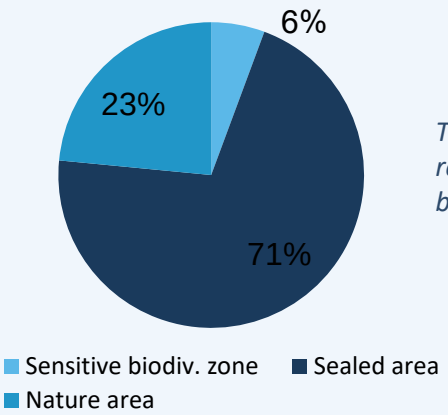
25,044 m²

Sealed site area (buildings & roads)

8,295 m²

Nature-oriented area on site





The nature-oriented area (8,295 m²) represents a concrete commitment to local biodiversity and helps offset soil sealing.

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Environmental Outlook & Levers

01

Energy Optimization

Improving the efficiency of on-site facilities and equipment

02

Electrification of Uses

Continuing the transition to 100% electric vehicles and decarbonized equipment

03

Low-Carbon Electricity

Sourcing certified renewable electricity

04

Responsible Procurement

Gradual integration of carbon criteria into purchasing decisions and supplier selection

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03

Social (S)

Workforce · Safety · Training · Equality & Human Rights

Workforce & Organization

FY2025 — 100% of employees based in Belgium

102.46 FTEs

Average annual headcount

98.10 FTEs

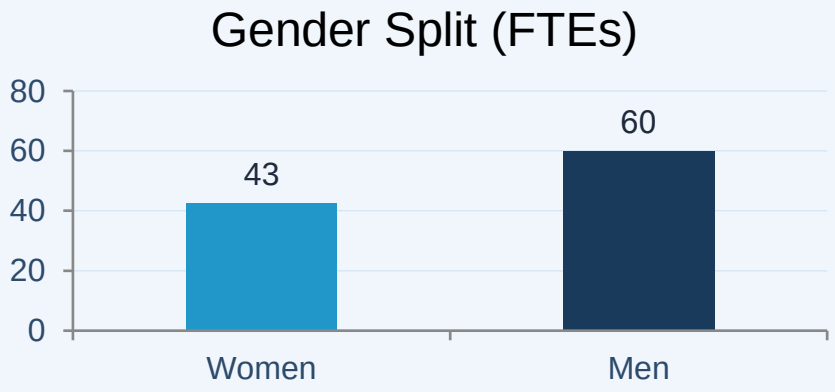
Permanent contracts

4.36 FTEs

Temporary contracts

23.7%

Staff turnover rate



Key Takeaways

- Large majority of employees on permanent contracts → job stability and skills retention
- Significant female presence in technical and production roles
- 23.7% turnover rate — reflecting tight conditions in the pharmaceutical industrial labor market
- Regular monitoring to identify levers for attractiveness and retention

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Manufacturing

Health, Safety & Wellbeing at Work

Top priority — structured EHS organization, integrated with GMP requirements

2

Recordable workplace accidents (0 severe)

1.95

Accident frequency rate

Risk Identification

Regular assessment involving all staff

Technical Measures

Technical and organizational actions tailored to identified risks

0

Work-related fatalities

204,920 h

Total hours worked

Training & Awareness

Ongoing safety training for all employees

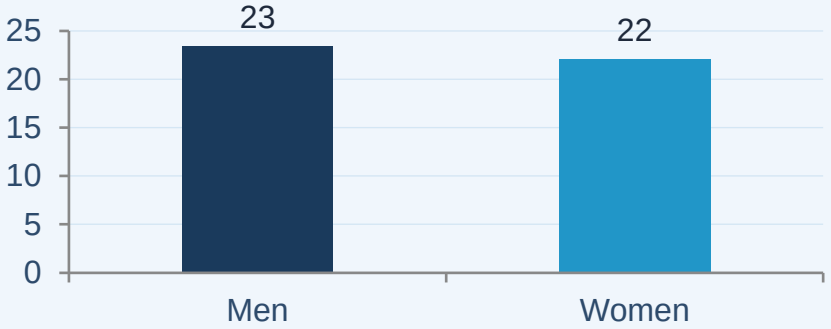
Lessons Learned

Systematic analysis of incidents and near-misses

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Compensation, Social Dialogue & Training

Fairness, transparency and skills development



5.7%

Gender pay gap

97.8%

Employees covered by a collective bargaining agreement

18.25 h

Average training hours per employee per year

Training Areas

- GMP requirements (Good Manufacturing Practice)
- Occupational Health & Safety
- Development of technical and cross-functional skills

Equality, Diversity & Human Rights

Respect, inclusion and non-discrimination — grounded in the Belgian and European legal framework

Non-discrimination

Application of Belgian and European labor law — equal opportunity and protection of dignity.

Prohibition of Forced Labor

Respect for fundamental rights — prohibition of forced labor and child labor.

Sheltered Employment Enterprises (ETA)

Voluntary use of sheltered employment enterprises (ETA) for logistics and green-space activities — supporting the inclusion of people with disabilities.

Responsible Procurement

Integration of social considerations into the value chain — local partnerships with positive impact.

A formal code of conduct is being considered to strengthen the clarity of commitments — in line with the company's size and ESG maturity.

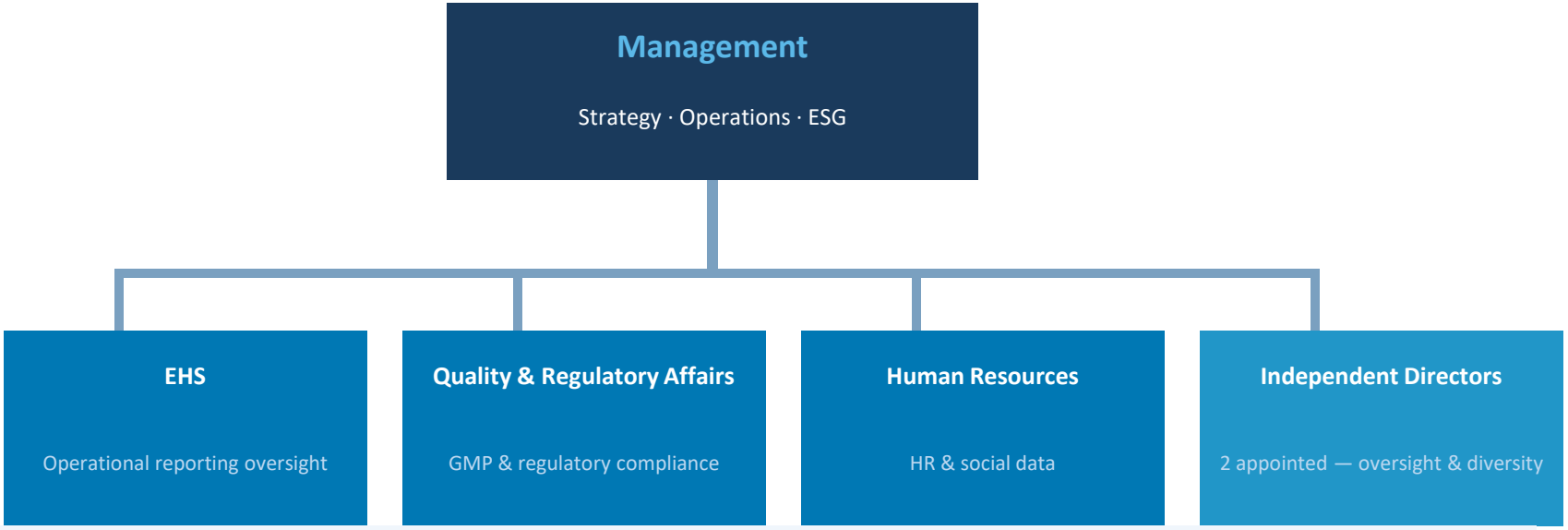
04

Governance (G)

Organization · Ethics · Risk Management · Internal Control

Governance Organization

A model suited to an industrial SME — efficient decision-making & strong oversight



Sustainability, safety and ethics considerations are embedded in existing processes — without separate parallel structures, in keeping with a principle of proportionality and operational efficiency.

✦ **KEY STRENGTH**

Advanced Governance

Audit Committee

Directors + CFO — oversees statutory auditors and financial internal control

Nomination & Remuneration Committee

Directors + CFO — salary budget, CCT90 (sector wage agreement), bonuses, appointment of the executive committee

Board Sub-Committees

Structured governance beyond legal requirements — rare among Belgian SMEs

✦ Unusual Practice for an SME

The vast majority of Belgian SMEs operate with a single Board of Directors (the Board). BePharBel has established two specialized sub-committees, reflecting a level of governance rigor more typical of large listed companies.

Audit Committee

Composition: Board directors + CFO

MISSION

- Oversees the work of the statutory auditors
- Verifies the reliability of financial information
- Reviews the adequacy of internal control procedures
- Structured interface between the Board and external auditors

IMPACT

Strengthens BePharBel's financial credibility with partners, banks and customers subject to due diligence requirements.

Nomination & Remuneration Committee

Composition: Board directors + CFO

MISSION

- Determines the overall salary budget
- Appoints and composes the executive committee
- Sets bonus and variable remuneration policies

IMPACT

Ensures fairness, strategic consistency and independence of HR decisions from day-to-day operational management.

Standard SME	Audit Committee	Standard SME	Nom. & Rem. Committee	BePharBel	Both committees
✗		✗		✓	

Business Ethics & Regulatory Compliance

Zero convictions — integrity at the core of operations

0

Convictions for corruption or bribery

€0

Fines related to corruption

€0

Revenue from activities excluded from European benchmarks

GMP Compliance

- Strict Good Manufacturing Practice requirements
- Regular internal audits and regulatory inspections
- Compliance procedures embedded at every operational level

Principles Communicated

- Internal procedures
- Mandatory training
- Regular internal and external audits

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Risk Management

Identification, assessment and regular monitoring — embedded in the management system

Employee Health & Safety

Identification and prevention of occupational risks — proportionate prevention plans.

Quality & GMP Compliance

Control of product quality and compliance with GMP regulatory requirements.

Environmental Protection

Prevention of environmental incidents, management of hazardous substances.

Business Continuity

Supply security and operational continuity management.

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Internal Controls & Continuous Improvement

Proven mechanisms for early detection and corrective action

Periodic Internal Audits

Regular reviews of processes, procedures and management systems.

Regulatory Inspections

Inspections by competent authorities — confirming GMP and EHS compliance.

Performance Indicators

Tracking of ESG, quality and compliance indicators — regularly reviewed by management.

Management Reviews

Periodic review of results, risks and improvement actions to be implemented.

These mechanisms enable early detection of deviations, the implementation of corrective and preventive actions, and support continuous improvement.

05

Key Figures & Outlook

2025 ESG KPIs — Summary View and Improvement Areas

Key Figures — Environment

FY2025 — Full Carbon Footprint & Measured Data

4,239.4 tCO_2e

Total carbon footprint (Scopes 1+2+3)

492.1 tCO_2e

Scope 1 & 2 emissions (direct operations)

2,400 MWh

Total energy consumption

123 MWh

Renewable photovoltaic production

7,030 m^3

Water withdrawals and consumption

68,773 kg

Waste generated (including 9,475 kg hazardous)

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Key Figures — Social

FY2025 — HR, safety and training indicators

102.46 FTEs

Average annual headcount

23.7%

Staff turnover rate

2

Recordable workplace accidents (0 severe)

1.95

Accident frequency rate

18.25 h

Training hours per employee/year

97.8%

Collective bargaining coverage

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Key Figures — Governance & Economic

FY2025 — integrity, performance and financial strength

0

Convictions for corruption

€0

Fines related to corruption

5.7%

Gender pay gap

€17.0M

2025 Revenue

€27.2M

Total balance sheet (assets)

2

Independent directors appointed

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2025 ESG Dashboard — Summary View

Environment

- 4,239 tCO_2e total
- Scope 3: 88.4%
- 2,400 MWh energy
- 123 MWh renewable PV
- 7,030 m^3 water
- 68,773 kg waste





Social

- 102.46 average FTEs
- 23.7% turnover
- 2 accidents (0 severe)
- FR 1.95
- 18.25 h training/yr
- 97.8% collective agreement

Governance

- 0 conviction
- €0 fine
- 2 independent directors
- GMP — 0 non-conformance
- 5.7% gender pay gap tracked
- VSME EFRAG compliant



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Conclusion & Outlook

First ESG report — a structured foundation for continuous improvement

Formalization of Practices

This report structures and formalizes practices already in place, making visible the efforts undertaken over several years.

Meeting Stakeholder Expectations

Enhanced transparency toward customers, partners and financial institutions facing growing ESG requirements.

Identified Areas for Improvement

The 2025 Carbon Footprint and social data provide a solid foundation for driving future progress.

Next Steps

- Annual update of VSME data
- Strengthening ESG integration in procurement
- Formalization of a code of conduct
- Continued electrification (fleet & equipment)
- Formalized carbon reduction targets
- Extension of ESG criteria to key suppliers

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Thank You

ESG Report 2025 — BePharBel

A Belgian pharmaceutical SME committed to sustainability
VSME framework (EFRAG) — Measured and verifiable data