Hyloris



ESG Report 2025

Environmental, Social, and Governance

Introduction

As the pharmaceuticals sector continues to evolve, the importance of Environmental, Social, and Governance considerations cannot go unnoticed. While recent developments in Europe have seen a slowdown in regulatory sustainability reporting requirements, the momentum for governance, transparency and accountability remains a critical focus for our industry.

At Hyloris, we recognize the pressing need to address environmental challenges, promote social responsibility, and uphold governance standards that reflect our company values. We believe that sustainability is not merely a compliance obligation but a way to create value.

Therefore, it remains our ambition to transparently share our sustainability journey based on best practices. In this way, we hope to build trust with our investors, partners, end-users, and the public, while we continue our push to improve the lives of patients facing unmet

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> Where others stop,
> we go that extra mile.
> To cover unmet pharma
> needs.With compliance
> as our backbone, we give
> existing medicines a second
> life through patient-centric,
> advanced innovation.
> We do so together with
> our partner network. Aiming
> for trustworthy collaboration
> and responsible growth.



Commitment to the Good Health and Well-Being of Society

Commitment to Environmental Sustainability

Commitment to Responsible Leadership & Governance

General Information

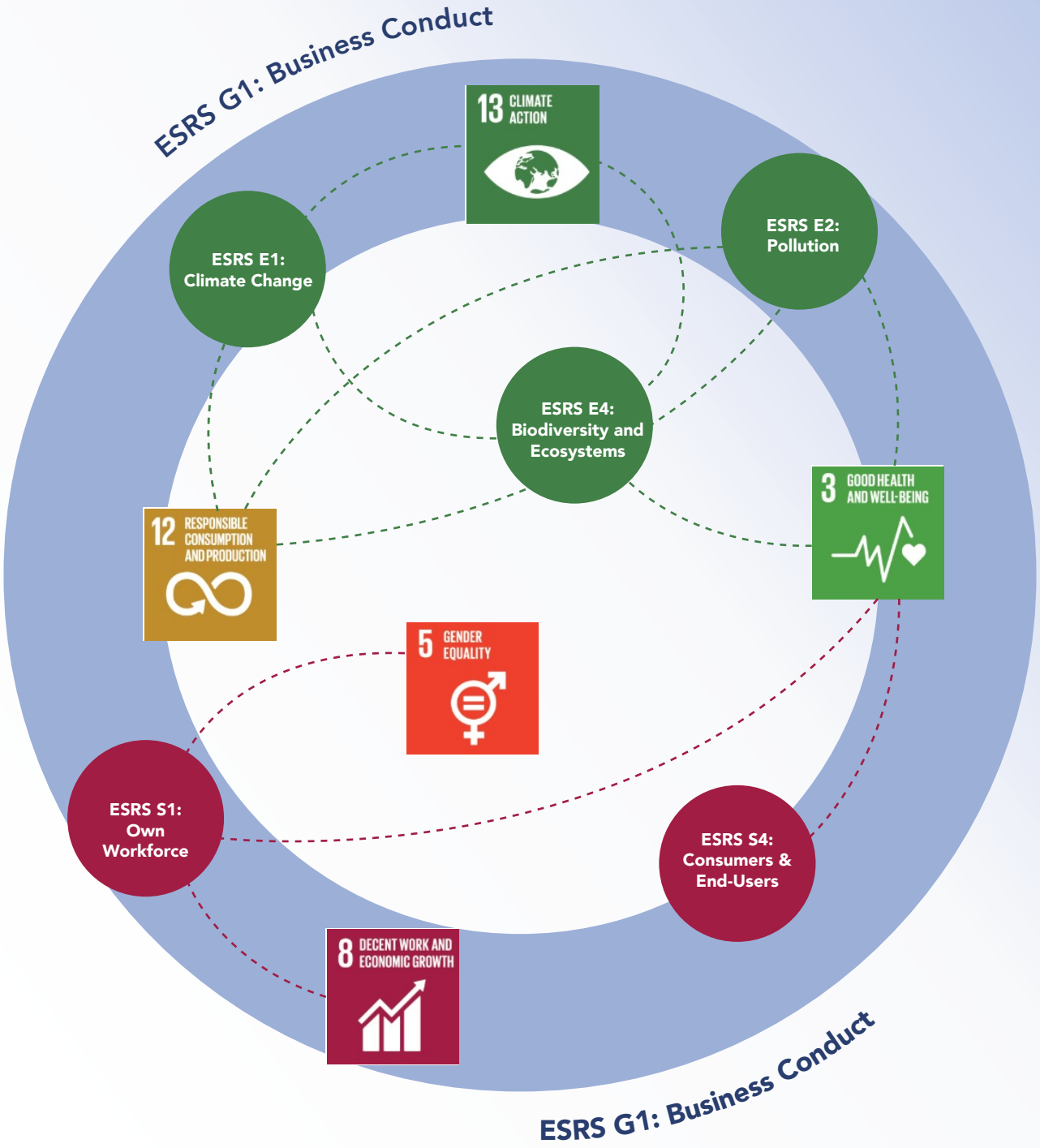
Our Approach to Sustainability

Since 2022, Hyloris concentrated its efforts on selected Sustainable Development Goals (SDGs). These SDGs guided us in identifying three strategic imperatives that align with our mission and values:

As Hyloris continues to grow, we remain committed to these goals as we recognize their importance in fostering a sustainable future. However, to strengthen our sustainability efforts and reporting, we have opted to streamline our strategy in alignment with the Corporate Sustainability Reporting Directive (CSRD) guidelines wherever feasible. As a result, this report will address, on a voluntary basis, most topics outlined by the CSRD's European Sustainability Reporting Standards (ESRS), allowing us to communicate our progress and impact in a more meaningful and transparent manner.

Hyloris has also carried out a Gap analysis with an external partner to identify areas for improvement and the data to be collected for the future sustainability report in accordance with the CSRD.

Enhancing our Initiatives through the integration of SDGs and ESRS





Environmental

The importance of Environmental considerations in Pharmaceuticals

The positive impact and beneficial effects of medicinal products on society are well known and acknowledged. However, as environmental issues are becoming more and more urgent, there is a need for additional focus of the sector in addressing the biggest risks for our climate and planet.

Some of the key challenges in our sector:

Pollution of Air, Water, and Soil

The contamination of water bodies and soils with pharmaceutical residues has emerged as a significant environmental concern.

Pharmaceutical compounds, along with their metabolites and conjugates, primarily enter the environment through human excretion. These substances make their way into sewage treatment systems, where they may undergo degradation, become adsorbed to sewage sludge, or ultimately be released into surface water.

Increasingly, traces of various medicinal products, including antibiotics, are detected in surface water, groundwater, and soil, posing risks to human health, wildlife, and overall biodiversity.

Climate Change and Greenhouse Gas Emissions

Climate change has become one of the most urgent challenges of our time, impacting the environment, economies, and societies around the globe. The Earth's average temperature is steadily rising due to the accumulation of greenhouse gases, particularly carbon dioxide (CO2), in the atmosphere. This increase in temperature is not merely a statistic; it manifests in more frequent and severe weather events, rising sea levels, and disruptions to ecosystems. In this context, it is essential for governments, organizations, and individuals to make more conscious decisions to minimize their carbon footprints and contribute to a sustainable future.

How Hyloris is addressing these Environmental challenges

Environmental Risk Assessments

At Hyloris, we understand the potential negative impacts pharmaceuticals can have on the environment. Therefore, we diligently perform environmental risk assessments (ERAs) for all new medicines in accordance with regulatory requirements to estimate the exposure of the environment to the new drug substance and assess the potential effects. In this way, we make sure to protect our planet and ecosystems from potential harm.



Reducing our CO_2 Footprint

The Hyloris headquarters is located in LégiaPark, Liège, in a BREEAM-certified building that has achieved an "Excellent" performance rating. BREEAM, which stands for the Building Research Establishment Environmental Assessment Method, is a widely recognized standard for measuring the sustainability and environmental performance of buildings. Receiving an "Excellent" rating reflects a strong commitment to sustainability, including efficient use of utilities such as water and energy, as well as the use of sustainable materials. Additionally, this rating highlights the focus on providing a comfortable and healthy indoor environment, featuring good air quality and plenty of natural light, which contributes to the well-being of our employees and visitors.

In further efforts to reduce our carbon footprint, we have made significant progress in our transition to a sustainable vehicle fleet. As part of our ongoing efforts to completely move away from combustion engines, we have switched to using only few hybrid and mainly fully electrical vehicles. By investing in cleaner transportation options, we are taking yet another important step to address our direct emissions and promote a greener future for our employees and the communities we serve.



Workforce in statistics:

55 people	*of wich*	**30** men	**25** women
12 countries		**13** nationalities	**4** continents

Social

Our People

At Hyloris, we recognize that our people are our greatest asset. Our workforce is the driving force behind our innovation, creativity, and commitment to improving healthcare outcomes for our patients.

As we continue to grow and evolve, we remain committed to attracting and retaining top talent around the world by fostering a supportive, transparent, and inclusive work environment based on our core values.

Employees

Hyloris utilizes a flexible structure to leverage expertise around the world. Under this structure, a significant majority of our workforce is operating as self-employed professionals. This model allows us to bring in specialists with unique skills and experiences that can enhance project outcomes and drive innovation. Regardless of employment status, we remain committed to equal treatment and inclusivity of our team members. Since we are one team, the next social topics in this section will dive a bit deeper into our team dynamics, exploring how our diverse backgrounds and experiences contribute to a collaborative environment.

A diverse pool of talent

Irrespective of gender, ethnicity, or nationality, Hyloris wants to attract the best people where possible. Our dedication to global expertise focuses on bringing together individuals with different viewpoints and experiences, ultimately aimed at creating a dynamic team that is better equipped to tackle the complex challenges in the pharmaceutical industry.

56%
Male Representation

44%
Female Representation

We are proud of our balanced gender ratio across the organization. This balance is a testament to our dedication to creating an inclusive workplace, regardless of gender.

Even our female representation at the top level went into the right direction and matches our ambition to align with our overall diversity.

Currently, only 2 out of our 7 Directors on the Board is a woman in compliance with the quota. And one woman is member of our five-member Executive Committee, highlighting an area where we are seeking further improvement. We are committed to enhancing diversity at all levels of our organization and are focused on attracting women with valuable experience to contribute to our highest decision-making body.

Fair Pay for All

We are committed to ensuring that our employees receive adequate wages that reflect their contributions and comply with local legislation. We understand the importance of fair compensation in promoting employee satisfaction and retention, and we strive to create a transparent and equitable pay structure.

In addition to adhering to legal requirements, we conduct an annual review process that evaluates people performance against pre-defined targets and goals. This process is designed to recognize and reward the hard work of all employees, entitling them to bonuses and salary increases based on their achievements. By linking compensation to performance, we hope to foster a culture of accountability and motivation, encouraging our team members to strive for excellence in their roles.





Transparency in Remuneration

Transparency is key at Hyloris, and we believe that open communication about our remuneration practices is essential to building trust with our employees and stakeholders. To this end, we share an extensive Remuneration Report as part of the Corporate governance chapter, providing detailed insights into our compensation structure and practices. We have also established a comprehensive remuneration policy designed to attract, motivate, and retain expert individuals who are critical to our success. A core principle of our remuneration policy is to ensure consistency between the remuneration of executives and that of all staff members. We recognize that every role within Hyloris contributes to our mission, and we strive to create a balanced approach to compensation that reflects this value.

Social Protection

We prioritize the well-being of our employees by ensuring comprehensive social protection coverage in alignment with local legislation across the various countries where we operate. Our commitment to social protection encompasses safeguarding our employees against loss of income due to significant life events, including sickness, unemployment, employment injury and acquired disability, parental leave, and retirement.

Work-Life Balance

In our efforts to promote a sustainable work-life balance, we offer a flexible workspace that accommodates the diverse needs of our employees. Our hybrid working model allows team members to blend remote and in-person work, promoting flexibility and enhancing productivity. Additionally, we provide hotel accommodation for employees who need to bridge in-person workdays, ensuring that they can maintain a healthy balance between their professional and personal lives.

Health, Safety & Well Being

Our safe and healthy work environment is embedded in a comprehensive 5 year workplace safety plan that establishes clear procedures, mandatory training, and regular medical check ups for our laboratory personnel.

To reinforce our safety culture, we ensure that key roles are continually prepared to respond effectively in critical situations. We have two certified first aid responders, each of whom completes mandatory refresher training every year to maintain their readiness. In addition, our appointed Prevention Officer follows an annual update program to ensure full compliance with evolving safety regulations and best practices.

In collaboration with our host we participated in a fire drill readiness exercises, enabling employees to practice evacuation procedures, understand emergency roles, and react efficiently in the event of an incident.

Our proactive and structured approach to workplace safety has resulted in zero work related accidents, confirming our commitment to strengthening prevention practices, enhancing safety training, and ensuring that every employee feels protected, supported, and confident in maintaining a safe and healthy work environment.

Training and Development

As talent and expertise remain essential in our sector, we continue to foster professional growth, strengthen both individual capabilities and organizational performance and motivate our team members to pursue initiatives that bridge between their individual needs and company strategy.

This includes not only job specific and role based learning, but also broader development opportunities that reinforce long term professional growth.

At our annual 'International Week', during which all colleagues convene in Liège, comprehensive team sessions provide a better understanding on the company's strategy, targets, major projects, regulatory landscape, intellectual property practices, and cross departmental priorities. This interactive format ensures full alignment, encourages collaboration across teams, and strengthens our shared culture and personal soft skills.

Also at Hyloris, 2025 dawned the AI-era. We have implemented a complete company wide AI policy to guide responsible and secure use of emerging technologies. To support this transition, we organized general AI awareness sessions as well as focused workshops on specific tools, enabling employees to develop practical skills while ensuring compliance with internal and external requirements.

In the coming years, we will continue to enhance our training program by establishing an increasingly consistent framework and ensuring regular follow up on employees' training hours. This ongoing commitment not only supports their professional development but also reinforces the collective strength, agility, and resilience of our organization.



Our Patients

We add value through reinventing existing medicines for unmet patient needs worldwide

In that respect, Hyloris aims to bring positive impacts to patients and healthcare professionals by aligning with the highest standards and regulatory requirements in terms of quality, safety, and data collection. More specifically, we focus on the 505(b)(2) regulatory pathway in the U.S. and similar pathways in other countries, which is designed for existing pharmaceuticals where safety is already established. In this way, we can speed up the development process, leading to faster product launches and quicker access to innovative treatments for those patients who need them most.

Unmet medical needs

Quality Pharmaceuticals

Quicker Access

Established Safety

Innovative Treatments

Affordable Medicines

Providing a solution for the Opioid Crisis

The global fight against drug abuse is increasingly adopting a health-centered approach, as highlighted by the United Nations' Sustainable Development Agenda. This is crucial given the alarming impact of drugs, which the World Health Organization (WHO) reports claim over half a million lives annually, with opioids responsible for 70% of these deaths. The rise in opioid overdoses is linked to their use for post-operative pain relief and the emergence of potent illicit opioids.

The opioid crisis in the U.S. remains a major public health challenge, with chronic opioid use after surgery representing one of the most common post-operative complications. In 2024, opioid overdoses claimed approximately 81,700 lives and contributed to nearly USD 11 billion in hospital costs. By offering effective, opioid-free pain relief, Maxigesic® IV represents an important alternative in this critical area of care.

Approved in the U.S. in 2023, Maxigesic® IV provides a vital alternative to traditional opioids, which have significantly contributed to the opioid epidemic. The U.S. has experienced more than double the opioid-related deaths compared to other countries, underscoring the urgent need for effective non-opioid solutions.

Maxigesic® IV has been licensed to partners in over 100 countries, is approved in more than 50, and launched across 30 markets worldwide (and recently also in Japan), including low- and middle-income countries (LMICs). This expansion reflects our commitment to addressing the global opioid crisis and aligns with our Environmental, Social, and Governance (ESG) goals. By offering healthcare professionals a safe and effective alternative for pain management, we aim to reduce reliance on opioids and enhance patient outcomes.

The leading cause of death: Cardiovascular Diseases

Cardiovascular diseases (CVDs) represent a pressing global health crisis, claiming millions of lives annually. In 2019 alone, the World Health Organization (WHO) reported that CVDs were responsible for a staggering 17.9 million deaths, accounting for over a third of all global fatalities. Heart attacks and strokes are particularly devastating, comprising 85% of these tragic outcomes.

In response to this critical public health challenge, Hyloris is committed to making a significant impact by dedicating one-third of our product development pipeline to addressing cardiovascular diseases. Our pioneering product, Sotalol IV, specifically targets atrial fibrillation, emphasizing both patient safety and cost-effectiveness.

Sotalol IV is a patented intravenous formulation of sotalol, developed for the U.S. market to treat atrial fibrillation and life-threatening ventricular arrhythmias. It is designed to reduce the duration of hospital stays, lower overall healthcare costs, and improve outcomes for patients initiating Sotalol therapy.

Sotalol IV is designed to significantly reduce hospital stays (from an average of three days to just one) especially in the U.S. market, where overnight hospital costs can be prohibitively high. This reduction not only enhances patient outcomes but also alleviates the financial burden on healthcare systems. By prioritizing innovative solutions like Sotalol IV, Hyloris is actively contributing to the fight against cardiovascular diseases, improving lives while promoting sustainable healthcare practices.



Hyloris is committed to Good Governance Standards, today and in the future

Governance

Hyloris Code of Conduct

At Hyloris, we adhere to the highest possible ethical standards in all we do. This includes integrity, fairness, and respect for human rights. As part of this commitment, all our people are required to follow our **Code of Conduct** including comprehensive **ethical guidelines** addressing core principles such as personal conduct, conflict of interest, confidentiality, influence, and competition as well as a **Whistleblower** procedure.

This Code of Conduct specifies and helps the continued implementation of Hyloris corporate and social values by establishing certain non-negotiable minimum standards of behavior in key areas.

The nature of this Code is not meant to cover all possible situations that may occur. It is designed to provide a frame of reference against which any activities can be measured. When in doubt, employees and service providers should seek guidance about the proper course of action in a given situation, as it is the ultimate responsibility of each employee to "do the right thing", a responsibility that cannot be delegated.

People should always be guided by the following basic principles:

- Avoid any conduct that could damage or risk Hyloris or its reputation.
- Put the Company's interests ahead of personal or other interests.
- Always act legally and honestly.

Employees, consultants, service providers, or third parties are requested to report any practices or actions believed to be inappropriate under this Code of Conduct or even illegal.

Ethics Line can be reached by sending an email to EthicsLine@hyloris.com. Where appropriate, complaints may be made on an anonymous basis.

As a Belgian listed company, Hyloris is also subject to the 2020 Belgian Code on Corporate Governance. More information in our updated **Corporate Governance Charter** which can be found on our website and in the dedicated chapter.

In addition to this, we have a dedicated **Dealing Code** to ensure compliance with market regulations and to promote transparency and integrity in trading. These policies are designed specifically to prevent insider trading and ensure all investors have access to the same information and can make informed decisions based on publicly available data.

Good Governance as a strength

Hyloris has engaged in 2025 an external expert to carry out an in-depth review of its corporate governance. This assessment confirmed that good governance foundations were already in place at the time of review, including key policies such as the Communications Policy as announced by the company mid-2024, controls, and strategic oversight mechanisms. A significant amount of these expert recommendations has already been put in practice, and building further on this foundation, Hyloris is now formalizing and implementing the remaining measures to further reinforce its governance and internal control framework. Such includes the roll-out of comprehensive written compliance policies, approval flow for external written as well as oral regulated communication by the Board, its Chairman, and CLO or CFO, clarification of reporting structures, as well as enhancements to the Executive Committee, Board of Directors, Audit Committee, and the creation of a formal Product Selection Committee.

Hyloris wants to ensure that its overall good governance framework, transparency, external communication and accountability across the organization, is fully aligned with best practices for a listed company and well positioned for its next stage of strategic growth in the interest of the company and its stakeholders.

Quality and Ethics in Clinical Trials

While clinical trials involving human subjects are a limited aspect of the development and registration process for our new drugs, Hyloris is fully committed to upholding internationally recognized standards of quality and patient safety whenever such trials are conducted. We prioritize the well-being of participants and ensure that all clinical research adheres to the highest ethical and scientific principles. By following these rigorous standards, we aim to generate reliable data that supports the safety and efficacy of our products.

Limited Animal Testing

The protection and welfare of animals is very important for Hyloris. By leveraging the 505(b)(2) development pathway in the U.S. and similar pathways in other countries, Hyloris reduces the need for extensive early-stage research compared to traditional 505(b)(1) approaches for new drugs. This streamlined process allows us to focus our efforts on developing valuable medicines while minimizing the use of animal testing.

We remain committed to implementing alternatives to animal testing, such as in-vitro techniques, wherever possible, ensuring that our research and development practices align with our ethical standards and sustainability goals. Whenever there is no alternative solution, and studies need to be carried out on animals, we ensure compliance with specific animal welfare regulations along with the oversight of an ethics committee.