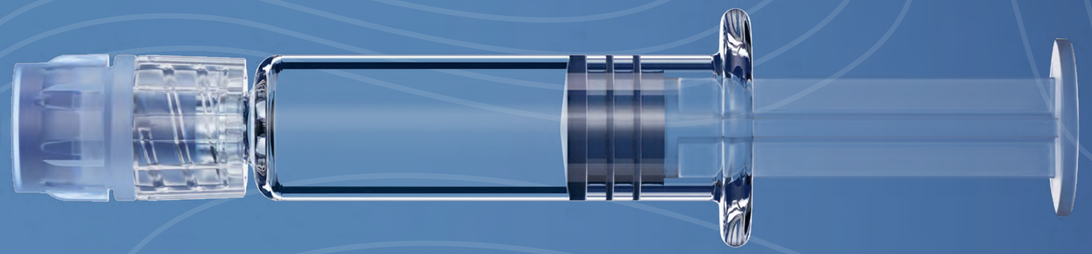
SCHOTT PHARMA

Sustainability Report 2023/2024

Sustainability at a glance

For us, sustainability is a cornerstone of our strategy and our corporate responsibility. We are committed to making a meaningful contribution to a viable economic, social and environmental development.



100%

sites certified for ISO 14001 (environmental management) and ISO 45001 (occupational health and safety management)

42%

share of women in our workforce

60+%

reduction in CO_2-eq Scope 1 and 2 emissions since 2019 (market-based)

65+

nationalities in our workforce

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We are committed to responsible business conduct and good governance.

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Andreas Reisse (CEO) Dr. Almuth Steinkühler (CFO)

Letter to the stakeholders

Dear readers,

GRI 2-22

Our mission is to develop solutions grounded in science, ensuring that medications are safe and easy to use for people around the world – because human health matters. We firmly believe that innovation can make a vital contribution to protecting and promoting health globally. After all, 25,000 injections per minute can be delivered worldwide thanks to our products.

Improving peoples' lives is a value instilled in our company by our founders and has been a vital element of our organisational culture until today. This is why we remain committed to playing our part in the fight for global health, also in times of unstable political and economic conditions. We are proud to say that, despite a challenging environment, we achieved a strong performance in the fiscal year 2024. On the one hand, we have been able to capitalise on pharma trends such as the rise of homecare applications and GLP-1 drugs used to treat diabetes or obesity and are ideally positioned to tap into this potential. On the other hand, we were able to further expand our global production network: We opened and successfully qualified a new state-of-the-art production site for prefillable glass syringes in Hungary and installed equipment and production lines at our new site in Serbia. At the same time, we have been relentless in our efforts to be a driver of sustainable transformation in our industry, together with our partners along the supply chain. In the spirit of SDG 17 ("Partnerships for the goals"), we are working with suppliers and customers to make meaningful change, jointly pursuing the continuous reduction of emissions and waste.

"At SCHOTT Pharma, sustainability is an essential part of our company history and culture. For us, financial success is inseparably linked to social and environmental responsibility – always being transparent about our actions and impacts."

Andreas Reisse

In the reporting period, we introduced the application of advanced pharmaceutical glass tubing called FIOLAX® Pro. This revolutionary borosilicate glass tubing was developed by SCHOTT Tubing and will be manufactured in the first climate-friendly electric melting tank. The switch from an oxy-fuel technology based on natural gas to an electric melting technology will enable us to significantly reduce our cradle-to-gate emissions. In combination with green electricity, this allows, for example, emissions for typical glass vials to be cut by approximately 50%.

We have also been relentless when it comes to our downstream supply chain. We introduced a new nest that holds 160 prefillable polymer syringes, marking an increase of 60 syringes per nest while keeping the same outer dimensions. This breakthrough underlines our strong engineering power and we have been able to ensure seamless integration with high-speed filling lines. The combination allows pharma companies to cut the Scope 3 emissions per syringe by 17% while increasing the speed of their filling lines, maintaining high quality and reducing waste at the same time.

Partnership innovation has also been the key ingredient of another major effort concerning emissions and waste reduction. Together with partners and customers, we successfully piloted closed-loop recycling of single-use trays for the supply of primary packaging goods. Our results show how trash containers filled with single-use plastic packaging can be transformed into future material sources, cutting greenhouse gas emissions per tray by up to 50% when using 70% recycled content compared to using single-use trays from virgin polymer.

Forming alliances for sustainable development also came into play in the truest sense of the word in another highlight we would like to point out. Together with our Alliance to Zero partners, we developed a new packaging concept for prefilled syringes that reduces plastic and packaging waste. This secondary packaging concept transfers the functionality of blister packaging to the syringe-label-cardboard box combination. Following this approach, it is feasible to increase pallet-packing density by up to 25% and reduce the CO_2 footprint of the secondary packaging by more than 50%.

These are a few selected highlights in our encompassing efforts to be a social and environmental responsibility leader in our industry and beyond. In the following report, we provide a much wider picture of what we have done and what we have achieved to drive sustainable development.

None of this would have been possible without our SCHOTT Pharma team. In a year of tremendous challenges, they never stopped innovating, creating and developing to deliver solutions promoting human health. We would like to thank them for their continuous commitment. By keeping people at the heart of every decision we make and every action we take, we aim to build a better future, together.

Sincerely,

Dr. Almuth Steinkühler (CFO)

Andreas Reisse (CEO)

“We aim to make a lasting positive impact on sustainable development. With our workforce and partners we strive to transform our operations and support change across our entire industry.”

Dr. Almuth Steinkühler

About this report

In this Sustainability Report, SCHOTT Pharma reports on its sustainability strategy, activities and progress in accordance with the GRI standards and a focus on its material topics. The report also contains information on how sustainability is firmly anchored in the company culture and organisation, reflected by the respective responsibilities, structures and processes.

GRI 2-2/-3

Reporting period and scope

The report covers the fiscal year 2024 which ranges from October 2023 to September 2024 and is available in English to ensure access for SCHOTT Pharma's global stakeholder community. Our non-financial declaration, as required by the respective legal provisions, is issued in German and English as part of the Annual Report. To ensure completeness and suitability of the information presented, this Sustainability report has been prepared in accordance with GRI Universal Standards 2021. Consistent with GRI provisions on boundary setting, the data in this report covers all of SCHOTT Pharma's entities[1] over which it has operational control. Sales offices are considered in scope with respect to employment-related disclosures. Regarding all other disclosures, they are excluded due to immateriality. Our joint ventures in Italy and India are considered out of scope since SCHOTT Pharma does not have operational control.

[1] These are: SCHOTT Pharma AG & Co. KGaA, SCHOTT Igar Glass, SCHOTT France Pharma Systems SAS, SCHOTT Pharma Brasil Ltda., SCHOTT Envases Farmaceuticos SAS, SCHOTT Pharma Schweiz AG, SCHOTT de Mexico, S.A. de C.V., SCHOTT Hungary Kft., SCHOTT Pharmaceutical Packaging OOO, SCHOTT Envases Argentina S.A., SCHOTT Pharmaceutical Packaging (Zhejiang) Co., Ltd., SCHOTT France Pharma SAS, SCHOTT Pharma USA, Inc.

Reporting principles and assurance

GRI 2-4/-5
GRI 3-1

The Board of Management of SCHOTT Pharma has tasked the sustainability team in collaboration with subject matter experts to conduct, guide and oversee the compilation of the information in this report to the best of their knowledge and free from material errors or omissions, as concerns the business activity itself, the process of gathering and selecting the information provided, the nature of the information as well as the measurement, calculation or estimation methods applied.

To determine which sustainability topics are material for SCHOTT Pharma and its stakeholders, the sustainability team, together with external support, performed a comprehensive materiality analysis in 2022, which has been thoroughly documented and is presented in the chapter on our sustainability strategy. In the opinion of SCHOTT Pharma, the information presented on this basis is balanced, appropriate and conclusive in relation to the material topics. For the fiscal year 2024, the SCHOTT Pharma Board of Management conducted a review of the materiality analysis. Together with the sustainability team, it was determined that the material topics identified still provide an accurate representation of the business reality this report seeks to illustrate.

SCHOTT Pharma also issues an Annual Report (separate document) for the fiscal year 2024. The Annual Report encompasses a non-financial declaration as required by the CSR Directive Implementation Act (CSR-Richtlinie-Umsetzungsgesetz, CSR-RUG). The non-financial declaration, as part of the separate Annual Report, was audited by EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft in a limited assurance engagement based on the “International Standard on Assurance Engagements 3000: Assurance Engagements Other than Audits or Reviews of Historical Financial Information” (ISAE 3000).

The following GRI disclosures were included in our separate non-financial-declaration within the Annual Report and thereby subject to audit: 302-1, 302-3, 303-3, 305-1, 305-2, 305-3, 306-3, 401-1, 403-9, 405-1. Reference to these GRI disclosures made in this report are based on audited contents of the separate non-financial declaration. However, this standalone report and all additional GRI disclosures not featured in the non-financial declaration were not subject to the audit performed on the non-financial declaration.

As SCHOTT Pharma seeks to provide transparency about its plans and objectives, this report contains forward-looking statements that reflect the management‘s current views with respect to future events. Such statements are subject to risks and uncertainties that are beyond SCHOTT Pharma’s control, including economic and market developments, political conditions as well as governmental action and regulation. Should these risks materialise, uncertainties arise, or if the assumptions underlying any statements prove to be incorrect, actual outcomes may differ from those expressed or implied in these statements.

The report is available as a PDF and can be accessed on SCHOTT Pharma’s website. To facilitate easier reading in accordance with GRI standards, the report includes a GRI Content Index at the end.

Point of contact

For questions on this report or SCHOTT Pharma’s sustainability activities, please contact: sustainability.pharma@schott.com

About SCHOTT Pharma

GRI 2-1/-6

For SCHOTT Pharma, creating value sustainably means combining economic success with social and environmental responsibility. Being a company with a tradition that goes back more than a hundred years, it is in our DNA to think and act in the long term. As a globally leading manufacturer of products that are essential for human health, responsibility for their quality, patient safety and availability is a paradigm for us. But responsibility means more to us than that. We are convinced that the sustainable success and future viability of our company not only depend on high quality and innovative products but also on fairness towards all our stakeholders and the protection of our natural environment.

Our value creation and portfolio

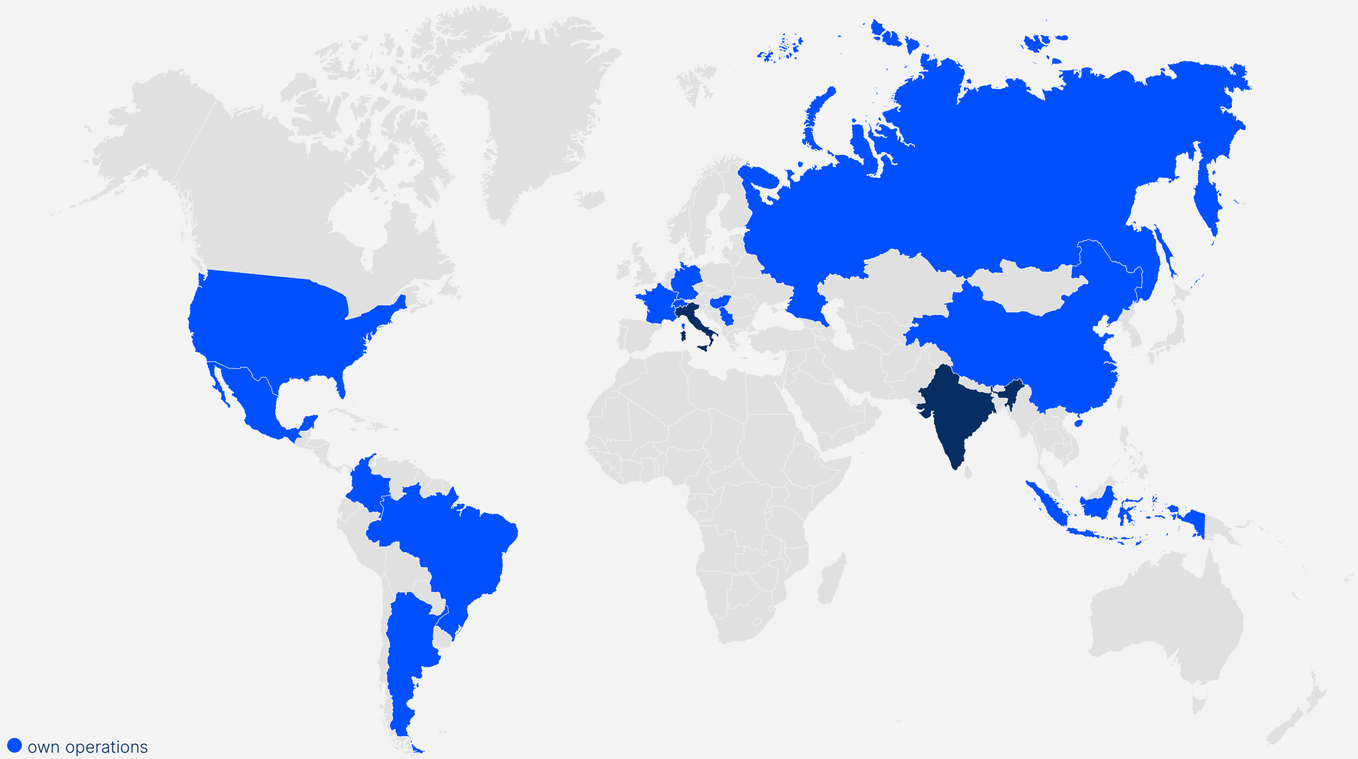
We are a global market leader in the development and production of a wide range of advanced drug containment solutions and delivery systems for injectable drugs supplied to the pharmaceutical and biotechnology industries. SCHOTT Pharma is the global number one for polymer syringes, ampoules and vials, the global number two for cartridges and the global number three for glass syringes.

Our pre-fillable syringes, cartridges, vials and ampoules are critical components in our customers' drug manufacturing and distribution processes as even the most advanced injectable drugs cannot reach patients if not packaged safely. For the safe storage and transport of injectable drugs, we supply our customers worldwide with drug containment solutions and delivery systems in pre-sterilised or non-sterilised form, depending on our customers' needs.

Our solutions have helped provide injectable drugs to patients around the world for more than a century and enable the delivery of over 25,000 injections per minute worldwide on average. Globally, more than 75% of new biologics (i.e. drugs produced from living organisms or containing components of living organisms) were stored in and delivered through our containment solutions and delivery systems during our previous fiscal year. Precision manufacturing methods and strict inspections ensure that our products are of high quality.

Our product portfolio is grouped into two reportable segments. The reportable segment "Drug Containment Solutions" (DCS) includes the operating segments "Bulk Solutions" and "Sterile Solutions". The reportable segment "Drug Delivery Systems" (DDS) includes the operating segments "Polymer Solutions" and "Glass Syringes". We also provide services and analytics for the pharmaceutical and biotechnology industries in drug containment and delivery. Our services range from developing novel

SCHOTT Pharma employs over 4,600 scientists, pioneers and problem solvers in North America, Europe, Asia and Latin America



solutions for drug containment and delivery systems to performing analytical tests and optimising fill-and-finish processes as well as providing sustainability and regulatory support.

Our DCS product portfolio offers customers a wide range of sterile and non-sterile standard and high-end solutions to store drugs safely. Glass vials provide safe storage of injectable drugs due to their high chemical resistance, which limits interactions between liquid drug formulations and containers. Glass cartridges dispense drugs in accurate doses for any medical situation, from treating emergency victims (e.g. natural disasters) to self-administration by diabetes patients and offer safe and simple drug delivery. Glass ampoules ensure the safe storage of a wide variety of essential drugs, including painkillers, inflammation inhibitors, emergency drugs and anaesthetics, and of essential drugs and diluents for lyophilised applications.

Our DDS products are characterised by enhanced functionality and provide our customers with systems for delivering drugs safely. The DDS portfolio comprises pre-washed and pre-sterilised syringes that are ready-to-use. The pre-sterilised syringes made of glass or polymer not only offer highly stable, long-term storage solutions for drugs but also safe and convenient delivery systems for healthcare professionals and patients. As the combination of a storage container and injection device in a single system requires fewer manual steps upon administration compared to conventional drug packaging, the risk of medical errors and infections is considerably reduced. This plays a vital role in the safety of healthcare professionals and patients while at the same time significantly reducing drug waste.

Since we try to be as close to our customers around the world as possible, we have operations in the following countries: Germany, Switzerland, Russia, Hungary, France, Serbia, USA, Mexico, Brazil, Colombia, Argentina, Indonesia and China. The site in Serbia was opened during fiscal year 2024 and will start commercial production within the next fiscal year.

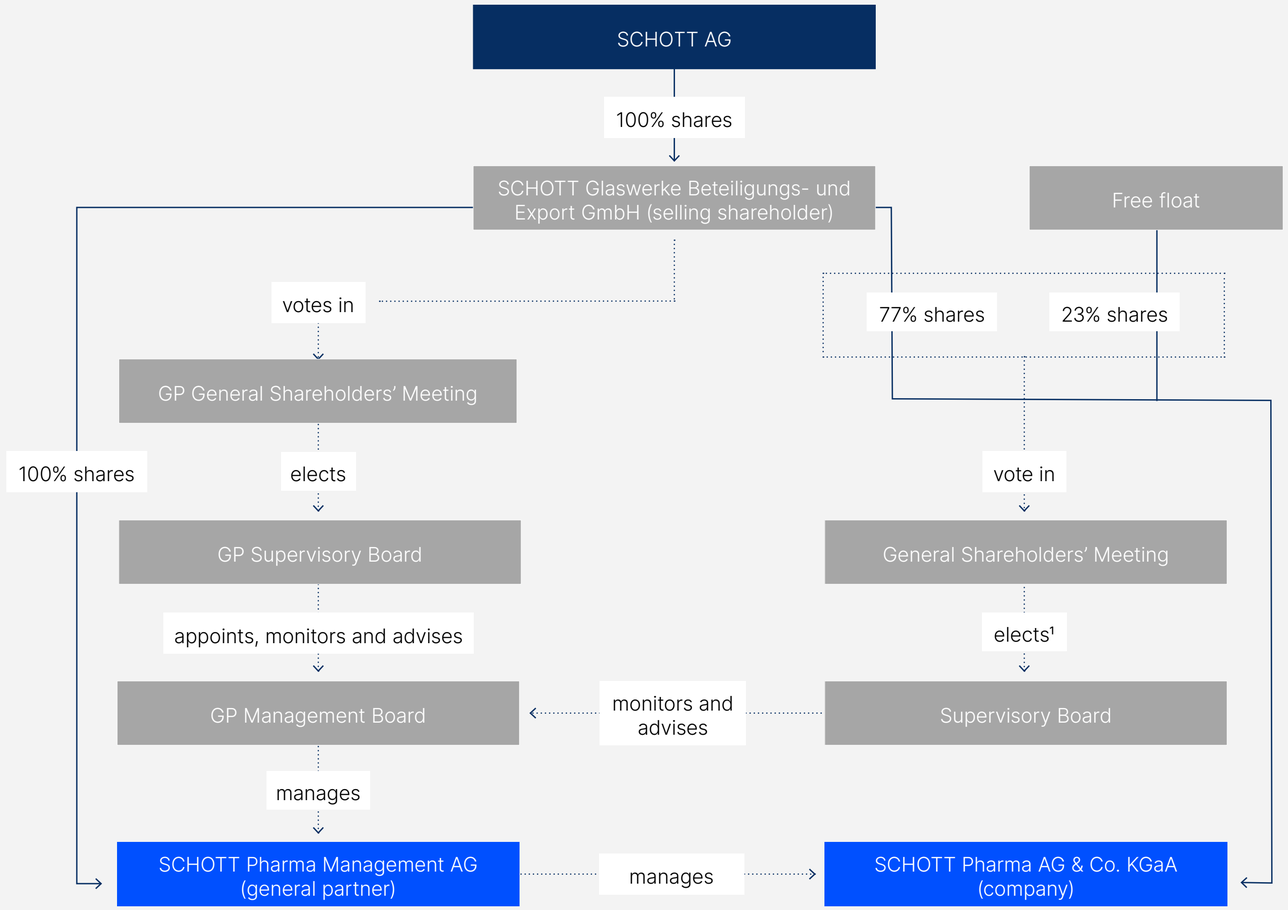
GRI 2-1/-9/-10/-11/-15

Our company structure and governance

SCHOTT Pharma is constituted as a KGaA with a German stock corporation as its sole General Partner. It is the parent company of SCHOTT Pharma Group. The company is governed by its Articles of Association (Satzung) and the general provisions of German corporate law, particularly the German Stock Corporation Act and the German Commercial Code.

A KGaA's corporate bodies are its General Partner (Komplementärin), its Supervisory Board (Aufsichtsrat) and the General Shareholders' Meeting (Hauptversammlung). Unlike a German stock corporation in which the Supervisory Board appoints the Management Board, the Supervisory Board of a KGaA has no influence on the appointment of the managing body of the General Partner (and hence the management body of the KGaA) pursuant to statutory law. We currently have only one general partner, but a KGaA may have one or more general partners who conduct the business of the KGaA. The removal of a general partner from office is subject to very strict conditions and, under statutory law, does not fall within the competences of the KGaA's Supervisory Board. General partners may purchase shares of the KGaA or provide equity without being required to do so.

Our sole General Partner, SCHOTT Pharma Management AG, is indirectly wholly owned by SCHOTT AG and solely responsible for the management of the company. SCHOTT Pharma Management AG is a German stock corporation with a two-tier system. It consists of the Management Board and the Supervisory Board. Together with the General Partner's General Shareholders' Meeting, they form the corporate bodies of the General Partner.



¹General Shareholders' Meeting only elects shareholder representatives on the Supervisory Board

Their functions, rights and obligations are governed by the laws applicable to a German stock corporation, in particular the German Stock Corporation Act, the General Partner's articles of association and the rules of procedure of the Management Board, and the rules of procedure of the Supervisory Board. The Management Board is responsible for managing the company's day-to-day business while the Supervisory Board advises and supervises the Management Board.

After the successful IPO of SCHOTT Pharma in September 2023, SCHOTT AG continues to have indirect majority ownership of SCHOTT Pharma KGaA and indirect full ownership of the General Partner. This means that SCHOTT Pharma KGaA will continue to be part of SCHOTT Group – and that SCHOTT Pharma Group will be fully consolidated into any consolidated financial statements prepared by SCHOTT AG. Under German corporate law, SCHOTT AG as controlling shareholder is responsible for setting up a functioning organisation within SCHOTT Group as a whole (including SCHOTT AG and SCHOTT Pharma Group) to fulfil its duties arising from its role as SCHOTT's Group parent company, including its obligation to ensure compliance with applicable laws throughout SCHOTT Group.

The strong ties between SCHOTT Pharma and SCHOTT AG evolving from this relationship foster the use of synergies and economies of scale related to central services as well as an emphasis on long-term targets with a strong group partner ensuring business continuity. Moreover, the existing linkages and governance systems permit an efficient conflict resolution. Since the governance system of SCHOTT Pharma KGaA consists of a multi-tiered system, conflicts of interest of members of the highest governance bodies are mitigated by this structure, which prevents members of the Management Board from being on the Supervisory Board – and vice versa.

SCHOTT AG and SCHOTT Pharma KGaA, represented by their respective highest governance bodies, have executed a Relationship Agreement that coordinates the relationship between the parties involved. It ensures compliance with legal requirements as well as proper business and risk organisation for SCHOTT Pharma as part of SCHOTT Group.

In the Agreement, SCHOTT AG acknowledges that the Management Board manages the company in its own responsibility (Section 76 of the German Stock Corporation Act) and that the exercise of any influence is always subject to the governance framework of the German Stock Corporation Act, including Section 311 et seq. Moreover, the parties agree that any business relationships between SCHOTT Pharma Group on the one hand and SCHOTT AG or other members of SCHOTT Group on the other hand will always be at arm's length conditions.

The four members of the Supervisory Board representing the shareholders of SCHOTT Pharma KGaA were appointed by the General Shareholders' Meeting on 4 April 2023. The two members of the Supervisory Board representing the employees were appointed on 19 April 2023 after alignment with the employee representative bodies at the request and proposal of the company by resolution of the local court (Amtsgericht) of Mainz where our company is headquartered.

Management Board

- Andreas Reisse, 62, first appointed in July 2022 and until 31 July 2025, CEO
- Dr. Almuth Steinkühler, 42, first appointed July 2022 and until 31 July 2025, CFO

Supervisory Board of SCHOTT Pharma AG & Co. KGaA

- Peter Goldschmidt (chair, independent), 58, member since 2023, appointed until 2027, CEO of STADA Arzneimittel AG
- Dr. Wolfgang Wienand (independent), 51, member since 2023, appointed until 2027, CEO of Lonza AG
- Ann-Kristin Erkens (independent), 47, member since 2023, appointed until 2027, CFO at SIG AG
- Eva Kienle (independent), 55, member since 2023, appointed until 2027, CFO at KWS SE (General Partner of KWS Saat SE & Co. KGaA)
- Christine Wening (employee representative), 43, member since 2023, appointed until the next employee election, Head of Global Supply Chain Management at SCHOTT Pharma
- Mario Just (employee representative), 57, member since 2023, appointed until the next employee election, Chairman of the works council of the company in Müllheim, Germany)

Supervisory Board of the SCHOTT Pharma Management AG

- Dr. Frank Heinricht (chair), 61, member since 2022, appointed until 2027, CEO of SCHOTT AG
- Kai Olbricht, 52, member since 2024, appointed until 2027, Head of Business Unit Home Tech of SCHOTT AG
- Peter Goldschmidt (independent), 58, member since 2023, appointed until 2027, CEO of STADA Arzneimittel AG
- Dr. Wolfgang Wienand (independent), 51, member since 2023, appointed until 2027, CEO of Lonza AG

GRI 2-18/-19/-20

Fair and transparent evaluation and remuneration

Our elaborate system of corporate governance is in full alignment with the German Corporate Governance Code, which comprises essential statutory regulations for the management and supervision of German listed companies and contains, in the form of recommendations and suggestions, internationally and nationally acknowledged standards for good corporate governance.

In line with the Code, our Supervisory Boards oversee the work of our Management Board. As well as this, the Supervisory Boards formally approve certain transactions that require prior consent according to "standing orders" guidelines. In addition, the Supervisory Board determines specific objectives regarding its composition and prepares a profile of skills and expertise for the entire Board while taking diversity principles into account. The Supervisory Board's skill and competence profiles comprise expertise regarding our material sustainability topics. Proposals by the Supervisory Board to the General Meeting shall take these objectives into account while simultaneously aiming at fulfilling the overall profile of required skills and expertise of the Supervisory Board. The implementation status shall be disclosed in the form of a qualification matrix in the Corporate Governance Statement, ensuring transparency for all relevant stakeholders.

Being transparent is also of great importance to us when it comes to renumeration of our highest governance bodies. Moreover, we integrate both financial and sustainability targets regarding variable compensation to incentivise the pursuit of sustainability issues.

The members of the Management Board receive a fixed annual base salary. Additionally, they are entitled to a short-term incentive ("STI"), depending on the achievement of performance targets in the respective fiscal year. The STI depends on specific financial targets set by the Supervisory Board, which generally include increases in revenue (weighted at 40%), ROCE (30%), and EBITDA margin (30%).

The long-term incentive ("LTI") is intended to promote long-term commitment of the members of the Management Board to the company and its sustainable growth. Accordingly, the LTI covers a period of four years. The Supervisory Board sets performance targets pertaining to three different categories: (i) financial company targets (60%), (ii) ESG targets (30%) and (iii) (individual) strategic targets (10%). Target achievement is capped at 180%. In addition, each member of the Management Board is entitled to a fixed annual pension allowance and defined additional fringe benefits.

The members of the Supervisory Boards receive a fixed annual allowance, with the chairperson receiving a double allowance and the co-chair being entitled to an additional 50%. Expenditures for travel and other necessary tasks directly related to board membership are reimbursed.

Our sustainability management

GRI 2-9/-12/-13/-14/-17

At SCHOTT Pharma, we believe that it is our responsibility to contribute to the long-term viability of economic, social and environmental ecosystems. By acting sustainably, we create value for ourselves, our stakeholders and society at large. To live up to this responsibility, we have implemented a holistic sustainability management approach. It encompasses the tasks, structures and processes necessary to make a meaningful contribution to sustainable development.

Sustainability governance

The organisation-wide responsibility for our sustainability management and strategy rests with the members of the Management Board who also chair our Sustainability Board.

This steering body also comprises the Head of Sustainability, the Head of Human Resources, the Head of R&D, the Head of Legal and Compliance and the Heads of the two Business Segments to ensure cross-functional planning and implementation.

The Sustainability Board is responsible for maintaining a holistic overview of the ESG strategy and promoting sustainable business practice. It decides on the ESG roadmap, the release of targets and budget allocation, and meets quarterly to review progress as well as strategic opportunities and risks. It also serves as the central hub for sustainability-related topics and provides state-of-the-art insights about developments that are relevant for the identification and assessment of material impacts of SCHOTT Pharma.

On the working level, there is a dedicated ESG team. The ESG team reports to the CFO, ensuring alignment between operational and top management level. Furthermore, the sustainability programme appoints project teams staffed with topic-specific experts from across the organisation. The overall responsibility for the ESG team lies with the Head of Sustainability.

For additional advice and review, we involve the Supervisory Boards. The Supervisory Board of SCHOTT Pharma Management AG provides advice on the general direction of our sustainability strategy. It is also engaged in reviewing and approving our sustainability reporting. The Independent Supervisory Board of SCHOTT Pharma AG & KGaA is involved in reviewing and approving the sustainability reporting in accordance with the respective legal requirements and advises us on the strategic direction of our efforts.

Our governing bodies are also participating in the assessment of our impacts on people, the environment and the economy as part of our materiality analysis. Our Management Board reviews and approves the materiality assessment and is involved in setting its scope regarding the process and the stakeholders considered. Stakeholders included in the assessment also comprise the members of the Group Supervisory Board (SCHOTT Pharma Management AG) and senior executives of the Group. For future assessments, we will also engage the members of the Independent Supervisory Board.

GRI 2-23/ -24/-25 GRI 3-1

Risk and opportunity management

At SCHOTT Pharma, a systematic management of risks and opportunities plays an important role in our group-wide planning, auditing and reporting processes. It is an essential tool to support the pursuit and achievement of our strategic and operational goals and to create an awareness of risks as part of our organisational culture.

SCHOTT Pharma is exposed to a variety of financial and non-financial risks that result from external influences and have a potential impact on its business activities. In this context, we apply a broad understanding of risk that entails the actual or potential threats arising fromexternal developments, events or actions preventing our Group from pursuing and meeting its goals.

Our external analysis, however, is not limited to the identification and assessment of external risks, but also entails opportunities – of financial or non-financial nature – that can be exploited to safeguard or strengthen our competitive position and ensure the long-term success of our company.

When conducting this so-called “outside-in analysis” or “financial materiality analysis”, we systematically seek to identify and assess risks and opportunities at an early stage, taking into account political, economic, social, technological, environmental, and legal conditions and developments.

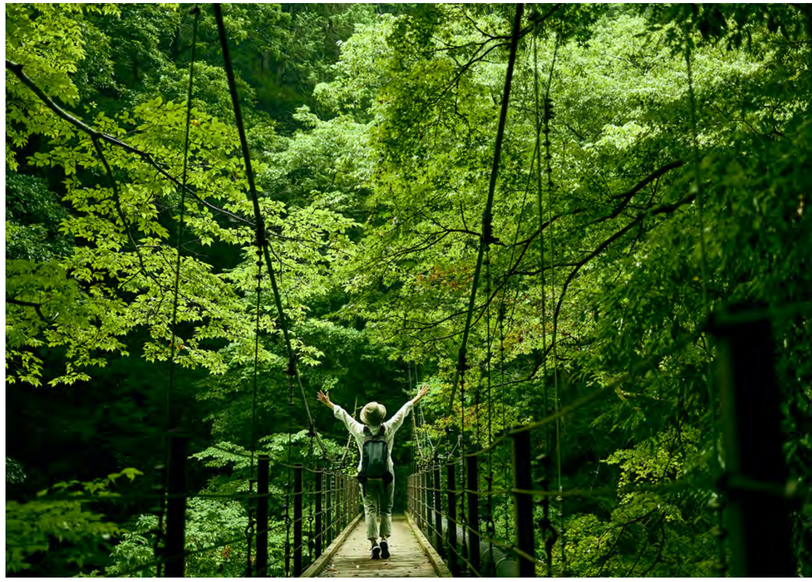
This provides the basis to continuously monitor and report on risks as well as to develop preventive or mitigating measures. Our assessments are based on the likelihood of occurrence and scope in the form of financial loss or reputational damage.

Our risk management approach consists of centralised and decentralised measures to make use of the specific experience and knowledge our experts have in their respective fields. It requires substantial expertise to identify and fully comprehend risks for business functions such as product safety, supply chain management and cyber security.

Identified material risks of strategic nature are reported to the relevant governance bodies on a regular basis to ensure they are accounted for in strategic planning, budget allocation and financial control. Risks of operational nature are reported to task forces and managers in charge of evaluation and ensuing handling.

A holistic risk management, however, does not only comprise the identification and assessment of financial and non-financial risks for our business model and bottom line, commonly referred to as “outside-in” dimension or “financial materiality”. We also evaluate the actual and potential risks emanating from our business model and operations, including our value chain, on economic, environmental and social aspects, commonly described as “inside-out analysis” or “impact materiality”. The resulting “double materiality analysis” is a key element in the identification and assessment of our material sustainability issues and thus integrated into our strategic process .

Our aforementioned risk analysis was performed in accordance with sections 315c, 289c of the “Handelsgesetzbuch” (German Commercial Code). This analysis – taking into account the measures we have taken to limit risks – did not reveal any material risks arising from our business activities, our business relationships or our products that are very likely to have a material negative effect on the non-financial aspects identified.



GRI 2-28/-29
GRI 3-1

Stakeholder engagement

In the process of determining material issues, we engaged a wide variety of stakeholders, including employees, customers and suppliers, capital market representatives, as well as representatives of academic institutions and non-governmental organisations. This engagement is reflective of our overall approach to stakeholder management. Due to the impacts our global operations and activities can have on groups, individuals and the environment in various contexts, we consider it our responsibility to hold an active dialogue with our stakeholders. We seek to understand their concerns and believe that such interaction is integral to a fair relationship. Moreover, conceiving the interests and expectations of our stakeholders is vital for our licence to operate and our business success.

Our stakeholder dialogue also helps us to identify or better understand trends and developments at an early stage and to become aware of potential conflicts that would be hard to resolve at a later stage, when positions have hardened. The engagement of our stakeholders thus also contributes to the identification and prioritisation of risks and opportunities mentioned in the previous section. The forms of dialogue we apply are as diverse as our stakeholders are. They range from direct exchanges with customers to electronic surveys of employees or suppliers, and from our participation in conferences to our active membership in scientific and industry associations. The latter allows us to interact with peers and experts from other organisations on a large variety of subjects such as new technologies, economic and political developments or regulatory issues. The dialogue also spurs ideas, innovation and collaboration on specific projects.

SCHOTT Pharma is actively involved in several associations, including:

- Drug, Chemical & Associated Technologies Association, Robbinsville/USA
- International Society for Pharmaceutical Engineering, North Bethesda/USA
- Parenteral Drug Association, Baltimore/USA
- Comité National des Conseillers du Commerce Extérieur de la France, Paris/France
- Alliance to Zero, Burgdorf/Schweiz
- Bundesarbeitgeberverband Glas und Solar e. V., München/Germany
- Bundesverband Glasindustrie e.V., Düsseldorf/Germany
- Wirtschaftsverband Industrieller Unternehmen Baden e. V., Freiburg/Germany

The systematic integration of stakeholders also contributes to the development of our materiality analysis, helping us to better understand three things: the issues they see as important for us to address, the effects of these issues on our business, and the impact of our actions on people, the environment and the economy. How we conducted this materiality analysis as a cornerstone of our sustainability strategy is described in the next chapter.

Our sustainability strategy

In 1884, Otto Schott, Ernst Abbe and Carl Zeiss founded the laboratory for technical glass works – the “Glastechnische Laboratorium Schott & Genossen”. To ensure long-term success, they built their company on two cornerstones. Regarding business development, they firmly focused on the scientific exploration of glass. A significant milestone was reached in 1887 with the invention of borosilicate glass, which remains the benchmark for safe drug containment until today. At the same time, they pioneered workers’ rights. As early as 1896, the statute of the Carl Zeiss Foundation included regulations on employee health, pension and survivors’ insurance, working hours, salary and the establishment of an independent workers’ committee to provide advice to the Executive Board.

At SCHOTT Pharma, we follow in the footsteps of our founders, remaining committed to innovative long-term thinking and social responsibility. Taking their legacy further, our holistic approach today also entails environmental sustainability as it provides the basis for economic success and social well-being.

GRI 2-22/-26/-29
GRI 201-2

Our strategic focus

In our sustainability strategy, we are setting a focus on:

- ensuring a global supply of medicines that are safe and easy to use
- striving for decarbonisation of our operations and products in line with science-based targets,
- pioneering circular packaging solutions
- and promoting equal opportunities to utilise the strengths of diverse teams.

We derived and validated our strategy from stakeholder interaction. Our priorities are in line with our commitment to the United Nations Sustainable Development Goals (SDGs) and the principles of the United Nations Global Compact (UNGC). With our products and services we are particularly contributing to the following SDGs:

SDG 3: Good health and well-being are at the core of our mission: we deliver solutions that ensure medicines are safe and easy to use for people around the world. Because of our products for drug containment and drug delivery about 25,000 injections per minute can be administered around the globe. We consider making this contribution to global health as our responsibility.

SDG 5: Gender equality resonates with our mindset, company culture and full commitment to equal opportunities. As a global organisation, we believe in the value and success of a diverse workforce, closely collaborating to generate the best ideas and solutions for the complex challenges we are facing, day by day. For us, the assurance of equal opportunities is unlocking our full potential as a preferred employer and a rewarding place to work and thrive in.

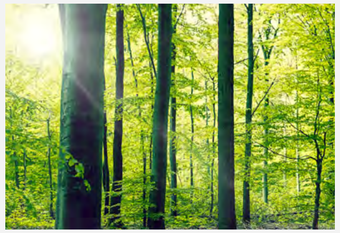
SDG 12: Responsible consumption and production is pursued by us through resource and energy efficiency along our value chain and in our products. Adhering to ecodesign guidelines is fully integrated in our product development. By doing so, we ensure that our products are designed in a way that makes them safe for the patient and friendly for the environment. Together with our suppliers, partners and customers, we take the initiative to develop and implement concepts that enable a higher degree of circularity related to our packaging materials and products in compliance with the regulatory framework of our industry. It is our joint aim to reduce waste and the demand for virgin materials.

SDG 13: Climate action is a number one priority on our agenda. This enormous threat to our ecosystems and long-term quality of life requires dedicated action by all stakeholders. We set a focus on developing solutions to reduce emissions from our production processes and to promote circular material use and packaging solutions along our value chain. Also from an economic perspective, this is the right thing to do for us, because it allows us to address customer expectations and secure future compatibility of our business operations with market requirements.

We ensure the administration of over 25,000 injections per minute

We promote equal opportunities and diverse teams

We pioneer sustainable and circular packaging solutions in the pharmaceutical industry



We decarbonise our operations and products in line with science-based targets

We are convinced that our sustainability initiatives can significantly contribute to long-term business success. As a result, our sustainability roadmap forms an integral part of our overall strategic planning, just like our product roadmaps do. This approach guarantees that our sustainability priorities are aligned with our broader business objectives.

Engaging our stakeholders, including those outside our value chain, is a key element of our strategic approach. We believe that considering their opinions is not only essential for fostering fair partnerships but also provides valuable insights that help refine our strategy and address the concerns of those impacted by our business activities. In this way, our stakeholders assist us in meeting social expectations, which we integrate into our long-term strategy for the success of our company, partners, employees and the communities we serve – fully in line with the spirit of our founders.

We are committed to business integration

We are committed to collaboration

Collaboration is an essential success factor in our sustainability strategy. To address climate change and develop sustainable products, it is necessary to join forces with other members of our ecosystem to propel change and generate acceptance of solutions. Therefore, we aim to implement our ideas in partnership with our suppliers, partners and customers whenever possible. This commitment is also reflected in our role as a founding member of the Alliance to Zero, a supply chain initiative focused on facilitating the net-zero transition for injection devices. Participating in this cross-company initiative allows us to better understand shared challenges and develop solutions from an ecosystem perspective. Furthermore, we strategically advocate for a more serious, action-oriented industry exchange on sustainability and push for an acceleration of the necessary transformation. This is why, for example, we are involved as host and co-organiser of the sustainability conference run at the Pharmapack Trade Fair.

We are committed to stakeholder engagement

Advocating for industry collaboration

At the Pharmapack Trade Fair in January 2024, SCHOTT Pharma acted as sponsor and co-organiser of the integrated sustainability conference. Guylaine Jacques-Sebastien, the Event Project Manager supporting and Dr. Arne Kloke, Head of Service and Sustainability Management, developed the agenda for the conference track, invited the speakers and hosted the event in cooperation with informa, the organiser of Pharmapack.

Why is collaboration so important to succeed on the sustainability agenda?
Arne: Collaboration is critical because most of the measures that can effectively reduce the environmental impact of our products are linked to other parties along the value chain. For instance, if we want to modify a component we purchase, we need our supplier to implement this change with us. However, the process doesn't end there – if our customers don't accept the outcome, the effort might be in vain. This means we must see ourselves not just as an isolated company but as part of a broader ecosystem. We are engaged in the Alliance to Zero to understand and rethink opportunities for products and services from a value chain perspective. And overall, new solutions require the understanding of all members in the value chain. This is why we also pay great attention to promoting industry exchange via presentations or conference co-organisation like at the last Pharmapack.

What sparked the idea to co-organise the sustainability conference and why is this engagement important?
Guylaine: As a premium partner of Pharmapack, we typically engage with our customers on the trade show floor by holding valuable discussions at our booth, showcasing our products and service innovations. Co-organising the sustainability conference track provided an additional opportunity to connect with our audience on a deeper level and in a different format. Moreover, we seized the opportunity to move beyond sustainability buzzwords, sharing insights and lessons that have been crucial in our own sustainability transition. More importantly, we aimed to foster meaningful, content-rich discussions, inspiring a wide audience and building momentum for further collaboration and change within our industry.

What has been on the agenda of the sustainability conference at Pharmapack?
Arne: We wanted to draw a red line in the agenda to deliver a comprehensive overview. We chose decarbonisation as the most pressing topic regarding sustainability and were searching for speakers from our network that would help us to explain and inspire. We invited Prof. J.C. Diehl of TU Delft to share some of his experience out of his relentless efforts to transform hospital operations to compliance with net-zero. We shared our own insights from SCHOTT Pharma and the Alliance to Zero on decarbonising primary packaging and the supply chain for injection devices. Further solutions for decarbonisation were discussed with their hurdles and enablers via presentations on device take-back, sustainable polymer solutions and changing regulation by experts from Novo Nordisk, Ineos and Anthesis. It was a great pleasure to bring this line-up together and discuss their insights.

"No company is strong enough to solve the net-zero challenge alone. But we all depend on it being solved. This is why we collaborate with others to foster a serious, content-focused industry exchange. Hence, we teamed up with informa to co-design sustainability conferences. We need to make and accelerate collective progress."

Dr. Almuth Steinkühler,
CFO at SCHOTT Pharma

And how did the event go? Were you happy with the outcome?
Guylaine: Oh yes, we were very happy. The conference room was full, most people stayed for two or more presentations. Outside the room there was a queue. Based on the feedback from participants, the event succeeded in conveying understanding and inspiration as we intended. With this event and other activities of ours, we wanted to advocate for an action-orientation in how companies encounter sustainability and we want to inject optimism: There are solutions that can be applied quickly and support meaningful emissions reductions. We left the event excited and proud, and then decided with informa, the organiser of Pharmapack and CPHI, to continue our cooperation and extend the jointly realised conference concept to a two-day conference at CPHI Milan.

Guylaine Jacques-Sebastien
serves as a Regional Marketing Manager at SCHOTT Pharma. In this role, she is responsible for designing and managing various event formats across the EMEA region that align with the company's communication strategy and establish key interaction points with customers throughout their journey with SCHOTT Pharma. Her specific interest is in building collaborative relationships with internal teams and external stakeholders, including vendors and sponsors, to ensure successful event organisation that strengthens brand awareness and effectively engages target audiences with the appropriate message.

Dr. Arne Kloke
leads SCHOTT Pharma's sustainability strategy since 2021 and is managing a dedicated team of sustainability professionals. As President of the Alliance to Zero, a non-profit association dedicated to the transition to a net-zero economy across the Pharma supply chain, Arne builds collaborative ecosystems that foster change. Under his leadership, SCHOTT Pharma has developed various strategic initiatives to successfully drive decarbonisation and pilot circular solutions for pharmaceutical packaging.

GRI 2-26/-29
GRI 3-1/-2/-3

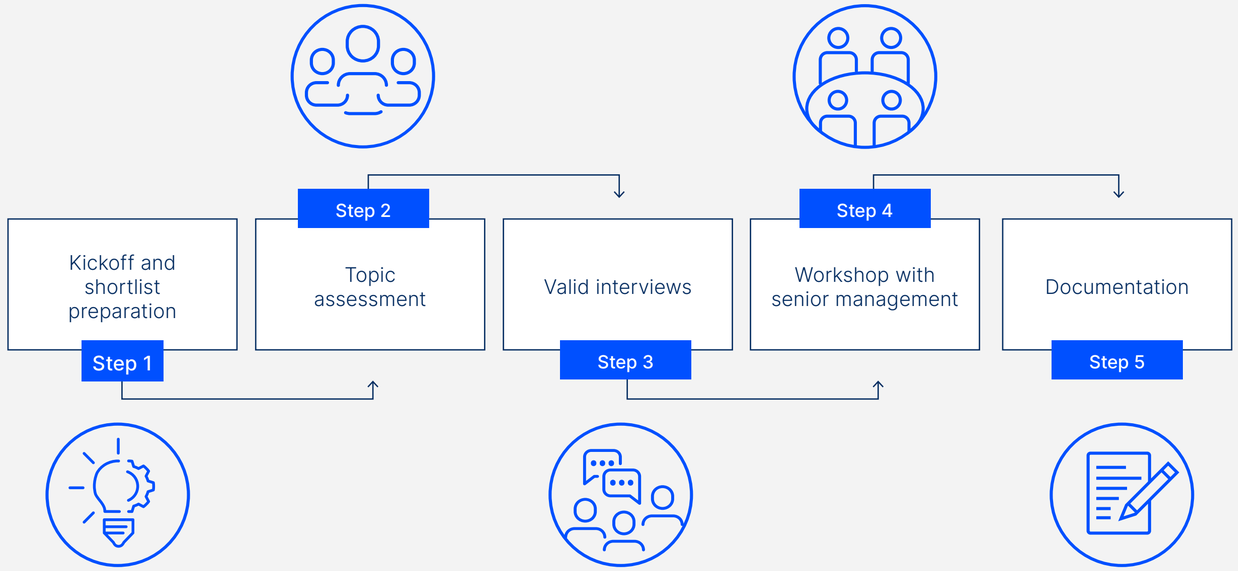
Materiality analysis

We carried out a holistic materiality analysis in 2022 in order to determine which sustainability topics are particularly relevant to our business and our stakeholders. This allows us to identify the most relevant areas of action and to address the issues that substantially affect our business or where we can make a significant contribution to sustainable development. The results of the materiality assessment were used to fine-tune the scope of our sustainability programme and sharpen its strategic priorities. Our materiality analysis was based on the principle of double materiality including two perspectives:

- Inside-out (also referred to as “impact materiality”) – the positive or negative impacts of SCHOTT Pharma on the economy, the environment and society.
- Outside-in (“financial materiality” or “business relevance”) – the impact of external conditions, events, developments and expectations on our business act vities, financial performance and future viability.

In the first step, we drew on industry standards, frameworks and insights from similar organisations and developed a longlist of potential material topics. These subjects were further reflected upon in a comprehensive kickoff workshop, resulting in a concise shortlist that included the most critical aspects related to SCHOTT Pharma’s business context. Throughout this process, we created descriptive titles and established a specific terminology to describe each issue as precisely as possible.

To ensure a systematic identification and assessment of material topics for our Group, we conducted a five-step process.



In the subsequent step, we deliberated on the preliminary shortlist with a group of experts from diverse business domains. Corresponding workshops utilised a dual perspective on potentially material topics, examining them both from the inside-out and outside-in perspective. The assembled experts carefully examined and outlined the implications of shortlisted issues in an initial evaluation regarding their significance for the company. This assessment encompassed not only immediate consequences but also their impact on the overarching business strategy.

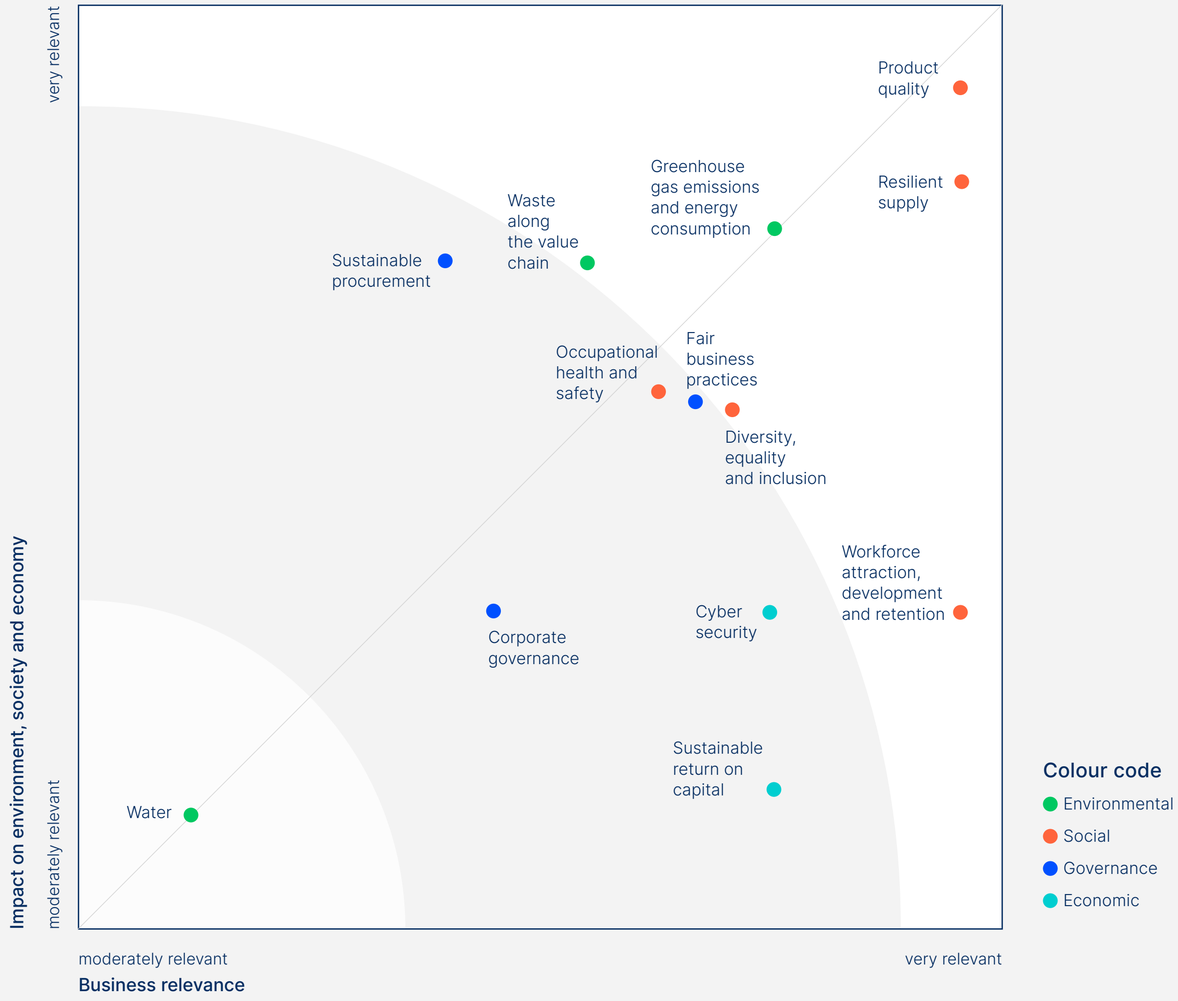
During the third step, 22 interviews with representatives of diverse stakeholder groups – including customers, employees, suppliers, investors, NGOs and local communities – were conducted by SCHOTT Pharma. The input helped us to better understand stakeholder expectations and the actual and potential impact of SCHOTT Pharma’s business activities. This collaborative approach ensured a broad spectrum of perspectives and insights. The interview partners not only ranked the material topics but also helped us to interpret the consolidated

shortlist topics from diverse viewpoints. Moreover, some topics beyond the consolidated shortlist were raised by the stakeholders interviewed, allowing us to rethink and validate the shortlist content and the specific responsibilities and expectations of SCHOTT Pharma.

The findings from the initial assessments and the validation interviews were synthesised into a preliminary materiality matrix, which was then presented to the Sustainability Board. The aim of this workshop with senior management was to critically review and fine-tune the evaluations. Moreover, top management's consent ensured commitment to the topics identified.

As a result, the initial 39 topics were iteratively narrowed down to the material 13 topics, which were then allocated in a materiality matrix, comprising an outside-in and inside-out dimension. The analysis was conducted in alignment with the requirements put forth by the Global Reporting Initiative (GRI), which stresses the inside-out dimension, the CSR Directive Implementation Act, which emphasises the outside-in dimension, as well as in anticipation of the Corporate Sustainability Reporting Directive (CSRD) calling for both perspectives to be incorporated.

Our materiality matrix



GRI 3-2/-3

Our material topics

The following list provides an overview of our material topics and their relevance for our sustainability programme.

Corporate governance – To ensure the good governance of our company, we operate based on established structures, rules, processes and practices that provide for effective management and control. The underlying principles we adhere to in the interest of our shareholders and stakeholders are transparency, accountability, sustainability, efficiency, avoidance of conflicts of interest, and control.

Fair business practices – We conduct business based on the principles of the United Nations Global Compact. We believe in fair and honest conduct, adhering to strict legal and ethical principles in everything we do. We refrain from using unfair trade practices and any form of bribery or corruption. Through fair competition in the market, we want to contribute to a sustainable social and economic development.

Sustainable procurement – We expect our suppliers to share the values we stand for. We are working closely with them to promote environmental, social and governance aspects. Respect for human rights is of the utmost importance to us in this regard.

Cyber security – In the 21st century, cyber crime has become a daily threat to almost any business. We consider it our responsibility to protect our IT systems against any form of attack to guarantee the integrity of our data and that of our employees, customers, suppliers and other business partners.

Diversity, equality and inclusion – As a global company, we embrace diversity as an enrichment of our organisational culture and a competitive strength. We promote a culture of equal opportunities for all, regardless of age, ethnic origin and nationality, gender and gender identity, physical and mental abilities, religion and ideology, sexual orientation and social background. Equality and inclusion are values we nurture and practise.

Workforce attraction, development and retention – The success of our business is grounded in our people. Being an attractive employer for new colleagues joining us on our mission and fostering the passion and loyalty of our existing workforce is of great importance to us. The complex and changing working environment is a challenge and a chance to create modern jobs at the same time. We continuously invest in the qualification and development of our employees and thus establish the foundation for their and our success alike.

> “The exchange with our stakeholders helped us to better understand our impacts from diverse viewpoints and enabled us to clearly prioritise our sustainability efforts.”
>
> Philipp Ludihuser, Sustainability Manager

Occupational health and safety – Pursuing the pioneering initiatives of our founders to protect workers and promote their welfare, comprehensive occupational health and safety measures are a priority for SCHOTT Pharma. This includes measures fostering the mental and physical well-being of all our people.

Product quality – We understand that our company is part of a complex value chain with one objective: the improvement of human health and patient safety. Flawless quality is not negotiable for us when it comes to products used for the containment of parenteral drugs. To continuously raise the bar for ourselves, we operate in an environment that promotes continuous improvement and entrepreneurial responsibility.

Resilient supply – Our central purpose is the supply of safe containment solutions and delivery systems for about 13 billion injections per year. To ensure the resilience of our product delivery and make sure that our products are available where they are needed, we need to protect our supply chain from (geo)political and economic shocks, natural disasters and supply shortages. By pursuing a regional supply concept, we can significantly reduce the respective risks.

Greenhouse gas emissions and energy consumption – As climate change is a major threat to the future of us all, it is our responsibility to reduce our carbon footprint. In our own operations and in our supply chain, we are taking measures to use alternative energies, reduce energy consumption and develop circular economy concepts to make our contribution to climate protection.

Waste along the value chain – SCHOTT Pharma is working to reduce waste along the value chain in alliance with stakeholders upstream and downstream. It is our aim to develop meaningful circular economy concepts in collaboration with our partners and to foster circularity along the value chain to protect natural resources.

Water management – We acknowledge that water is one of the most precious natural resources in the 21st century. Although water consumption does not play a major role in most of our manufacturing activities, we consider the responsible use of water a central aspect for all our employees and local communities. This is why we seek to systematically reduce our water consumption and increase the reuse of water from our operational processes through filtering and closed loop systems, keeping water in the circle instead of discharging it.

Sustainable return on capital – At SCHOTT Pharma, we secure profitability by making business decisions with the long-term perspective in mind. The fiduciary duty we have towards our financial stakeholders is met by providing adequate returns on capital, grounded in a sustainable business model.

Our material topics guide the structure of our Sustainability Report. In the following chapters, we provide information on our approaches to managing them, the respective measures we take and our performance. How we create a sustainable return on capital is described in the chapter “About SCHOTT Pharma”. In the same chapter, we also describe our overarching structures and mechanisms to ensure a good corporate governance. Our sustainability governance is covered in the chapter on “Our sustainability management”.

Doing business responsibly

At SCHOTT Pharma, our commitment to responsible business practices is a cornerstone of our tradition as part of SCHOTT Group and the Carl Zeiss Foundation.

"Respecting fundamental human rights is a core part of our Code of Conduct. We follow internationally recognised standards and expect the same from our suppliers. SCHOTT Pharma's competitive edge results from its performance, customer relationships, and the quality of its products and services, not from unlawful or unethical behaviour."

Christoph Dahl
Human Rights and Data Protection Officer

Being a trustworthy partner for all our stakeholders and acting fairly in the market are deeply rooted in our organisational culture. Our core values, "respect others" and "act responsibly", guide our daily actions in all that we do. We engage in sustainable and fair business practices, taking a clear stance in the fight against corruption and bribery. Ensuring fair and safe working conditions along our value chain and protecting our data and that of our business partners are essential to our company.

Fair business practices

GRI 3-1/-3

At SCHOTT Pharma, we are committed to fostering fair business practices by complying with laws, regulations and international standards of business behaviour. As a participant of the United Nations (UN) Global Compact, the world's largest initiative for promoting responsible business, we reject all forms of corruption, including bribery and extortion. We rely on the quality of our products and their innovative character to ensure our edge in the market. We promote fair competition and take a stand against unethical relationships with business partners, governments, local municipalities and regulatory bodies. We are convinced that sustainable success can only be achieved when companies operate with integrity and comply with the law at all the locations where they operate.

Materiality and impact

Ensuring fair business practices is a cornerstone of our reputation and essential for the trust that our stakeholders place in us. The risks for SCHOTT Pharma resulting from possible violations include jeopardising business relationships with public and private partners, loss of reputation as well as civil and criminal liability. To retain the trust of our stakeholders, we need to act as role models – on an individual as well as on a corporate level.

Corruption and bribery lead to a distortion of competition and market inefficiencies. In the societies affected, they lead to a loss of trust in institutions, they increase income inequality and at the same time reduce equal opportunities. The same applies to any restriction of competition through cartels or other anti-competitive measures.

As we are doing business in regions that are subject to higher levels of corruption, as indicated by Transparency International's "Corruption Perceptions Index", we face potential risks of corruption. Thus, it is essential to us to train our employees to increase their sensitivity for situations in which corruption may be involved and to familiarise them with internal and external requirements. We want to make sure that each individual employee and our organisation as a whole always act in accordance with our compliance framework as well as all external laws and regulations.

GRI 2-23/-24/ -27
GRI 3-3

Management approach

At SCHOTT Pharma, we manage all compliance-related issues under the SCHOTT Group Compliance Management System. This not only provides a consistent approach across our entire Group, it also ensures continuous improvement based on mutual exchange and shared experiences.

For us, responsible business conduct means acting ethically and with integrity. In today's dynamic and complex business environment, it's impossible to have a rule for every potential situation. This is why integrity is essential to our mission. Our core values serve as a compass, particularly in instances where regulations are absent. We regard this moral framework not as a limitation but as a valuable asset that enhances our relationships with stakeholders and cultivates their trust in us.

We always strive for competitive advantage through the quality of our products and the satisfaction of our customers within our moral framework. Based on this performance-driven approach, we are committed to fair competition and strongly reject any form of market-restricting behaviour or undue influence.

Our approach is manifested in our Code of Conduct, which reflects our commitment to the UN Global Compact and the fight against corruption. Building on that, our Anti-Corruption Guideline, as the key policy document on this topic

- prohibits all forms of active or passive corruption and bribery,
- contains clear guidelines on the acceptance of invitations, gifts and other benefits,
- establishes rules on dealing with sales agents and dealers, and
- specifies how to handle donations and sponsoring activities.

The Code of Conduct also contains clear provisions against any form of behaviour restricting free and fair competition. On this basis, the SCHOTT Compliance Management System

- lays down guidelines regarding appropriate competitive behaviour,
- puts forth rules for legitimate meetings with competitors that are not targeted at collusion or similar behaviour, and
- makes it mandatory to document memberships in associations.

Additionally, the SCHOTT Code of Conduct includes the clear policy that we only conduct business activities with reputable and previously vetted business partners who comply with anti-money laundering and anti-terrorist financing laws and regulations and obtain their resources from legitimate sources.

Any policy can only be successful if the people it addresses know how to apply it to their daily business. This is why extensive communication and training are other important elements in our approach. Since we operate globally, our employees work in a variety of legal frameworks and value systems, which is why we also sensitise them them also to these cross-cultural aspects when necessary. Our managers play a key role in all compliance matters. They bear a special responsibility to act as role models for their staff, which is why our employees are required to participate in trainings on compliance and ethical standards. Because of the transnational scope of our operations just mentioned, we regularly assess our locations of operation for country-related risks of bribery and corruption or other anti-competitive behaviour. This enables us to design new policies and measures or adapt existing ones if necessary.

GRI 205-1/-2/-3
GRI 206-1
GRI 2-16/-26

Measures and measurement

Our Compliance & Security department conducts regular risk assessments of the SCHOTT Pharma sites using country and market risk indicators to determine whether there is a heightened risk regarding corruption and bribery. This systematic analysis provides us with the basis for classifying SCHOTT Pharma sites into risk categories and additional compliance measures can be taken if necessary. For high-risk sites, these include additional training and further assessments to identify whether risks are properly managed at the respective sites.

Corruption risk assessment and related incidents	Results of most recent assessment in previous fiscal year (FY23)
Operations assessed for risks related to corruption	**12**
Total number of operations assessed for risks related to corruption	12
Percentage of operations assessed for risks related to corruption	92%
Confirmed incidents of corruption and actions taken	**0**
Total number of confirmed incidents of corruption	0
Total number of confirmed incidents in which employees were dismissed or disciplined for corruption	0
Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption	0
Public legal cases regarding corruption brought against the organisation or its employees during the reporting period	0

Our Compliance Management System on Bribery and Anti-Corruption has also been successfully audited by SCHOTT's Internal Audit department, which audits the Compliance Management System for one particular compliance topic identified each year. In addition, the Compliance & Security department uses regular self-assessments to determine whether the preventive measures are recognised and understood within the group. Results and, if necessary, further compliance measures are then agreed upon with local compliance representatives.

Through online and classroom training, Compliance & Security raises awareness among our employees and introduces them to the rules and preventive measures defined for every compliance topic identified – including those contained in our Bribery and Anti-Corruption Guideline. Employees are selected for these types of training according to their positions and functions. For every employee holding a management position, participation is mandatory. Employees working in areas with a higher risk of compliance violations have to complete the training regardless of the position they hold. For Bribery and Anti-Corruption, for instance, this is true for all employees working in sales or purchasing.

Selected employees must complete online training every two years on each Compliance Topic relevant for them. In addition to the online training, Compliance & Security started their regular on-site compliance workshops again at various locationsin the 2022/2023 fiscal year and will continue to hold the corresponding training courses in the fiscal year 2023/2024. This round of onsite training is set to be completed in the fiscal year 2024/2025 and is scheduled to be repeated every five years.

They also have to participate in on-site training on compliance topics, including anti-corruption and fair competitive behaviour.

All governance body members are provided with anti-corruption policies and procedures through our reporting. They receive the same information as all other employees to ensure they are familiar with the contents and current state of affairs.

In addition to the mandatory training, Compliance & Security initiates various communication measures to maintain awareness of anti-corruption and bribery. These include the Compliance@SCHOTT Newsletter, short voluntary training sessions on individual compliance questions, and short videos, e.g. on specific topics like giving and receiving gifts during the holiday season. The training sessions also address appropriate conduct during meetings with industry associations and other interactions with competitors to prevent any potential involvement in collusion or actions that may be perceived as detrimental to fair competition. In the reporting period, SCHOTT Pharma was not confronted with any legal action regarding anti-competitive behaviour or violation of anti-trust and monopoly legislation.

To reduce risk regarding business partners of SCHOTT Pharma, we make sure that we only work with reliable partners for the sale of our products. Our Compliance & Security department has established an integrity check for sales agents, consultants and dealers as well as contractual partners from countries with a high risk of money laundering. The check is managed through the SAP master data workflow, while it is carried out in a compliance database. The data is compared through LexisNexis using lists on sanctions as well as onwatch and PEPlists, biographies, company databases and legal rulings, including negative news. Only those business partners who pass the check conducted on compliance risk databases can receive goods or payments for their services from SCHOTT Pharma.

We also encourage our employees to speak up when identifying potential corrupt or/and anti-competitive behaviour inside or outside of our organisation. Transparency and openness as building blocks in our corporate culture thus also support our commitment to a strong corporate compliance on both a local and a global level. That is why we have a long-established whistleblowing system – the SCHOTT Integrity Helpline. It offers various channels for SCHOTT Pharma employees, business partners and other third parties wishing to report potential misconduct by SCHOTT Pharma employees or violations of laws or the SCHOTT Code of Conduct. To protect the integrity of whistleblowers, we make it possible to report anonymously via a web-based tool. Our Compliance Office ensures that any whistleblowers who report in good faith do not have to fear negative consequences for providing information via any of the various channels.

Plausible reports are fully investigated internally. In addition to the reporting on all such cases of critical concern to the respective governance bodies and their investigation within the Compliance Committee, the Compliance Office annually reports to the Audit Committee of the Supervisory Board. During the reporting period, one critical concern was brought to the managements attention and was resolved following our compliance processes.

Communication and training about anti-corruption policies and procedures	
Total number of governance body members that the organisation's anti-corruption policies and procedures have been communicated to	2
Percentage of governance body members that the organisation's anti-corruption policies and procedures have been communicated to	100%
Total number of employees that the organisation's anti-corruption policies and procedures have been communicated to	4,690
Percentage of employees that the organisation's anti-corruption policies and procedures have been communicated to	100%
Total number of business partners that the organisation's anti-corruption policies and procedures have been communicated to	876
Percentage of business partners that the organisation's anti-corruption policies and procedures have been communicated to	15%
Total number of governance body members that have received training on anti-corruption	2
Percentage of governance body members that have received training on anti-corruption	100%
Total number of employees that have received training on anti-corruption	668
Percentage of employees that have received training on anti-corruption	14

Building Success Through a Strong Compliance Culture

Compliance is a fundamental cornerstone of our business success and helps to position our company as a trustworthy partner. Lars Steineck, Head of Compliance and Security, offers detailed insights into how compliance is put into practice at SCHOTT and SCHOTT Pharma.

Why is compliance essential for success and how does it help?
Our customers see compliance as a prerequisite for stable supply chains, expecting us to adhere to laws and shared values. Compliance management is therefore crucial to our business success, ensuring we operate within legal and ethical boundaries and building trust with our customers, suppliers, employees and other stakeholders. It helps prevent costly legal issues and reputational risks that can undermine profitability and stability. With our Compliance Management System (CMS), we create awareness for our expectations, values and key legislative aspects as well as fostering a culture of accountability across the organisation and our supply chains.

How do you ensure that the company consistently adheres to its values and the Code of Conduct?
Our CMS is designed to address relevant compliance issues from the outset. This approach is supported by a strong commitment from leadership, known as the “tone from the top”, which promotes a culture of integrity. Monitoring mechanisms include regular compliance, self and risk assessments, and the Integrity Helpline for whistleblowers. Compliance and self-assessments typically involve detailed questionnaires along with in-person risk assessments at select sites to ensure comprehensive oversight. The frequency and focus of audits are guided by risk analyses of the individual compliance topics, ensuring that locations with greater potential risks are prioritised for more frequent assessments.

How do you ensure that employees are aware of the company’s perspective on compliance and the related benefits and duties?
To create awareness among our employees, we conduct extensive training programmes. For compliance topics we provide mandatory e-learning courses with flexible access and reminder functions. The platform tracks course completion, and content is updated regularly. Face-to-face sessions focus on specific topics, with training tailored to specific employee groups to enhance relevance. For certain departments, the individual compliance topics have a higher relevance, such as Anti-Corruption for Purchasing, Sales and Finance, or Data Protection for HR, IT and Marketing, which is taken into account when planning training. Managers above a certain level must complete all online training courses. Training materials are created internally, and participant feedback helps refine the content and tailor it to the context of our business activities and current priorities. We also conduct regular surveys to evaluate participants’ needs, satisfaction with and understanding of the materials used, ensuring that the training remains relevant and effective.

“Compliance management is crucial to our business success, ensuring that we operate within legal and ethical boundaries and building trust with our customers, suppliers, employees and other stakeholders.”

Lars Steineck
Head of Compliance and Security

Lars Steineck
leads the Compliance & Security Department at SCHOTT since 2010, overseeing the central Compliance Office as well as the Export Control and Data Protection Departments. His team manages compliance topics such as anti-corruption, antitrust law, data and information protection, human rights, export control and anti-money laundering. Lars Steineck lives in Frankfurt, is married, and has two sons and a dog.

Sustainable Procurement

GRI 3-1/-3

At SCHOTT Pharma, we assume social and environmental responsibility beyond our factory gates. This is why we are committed to contributing to sustainable development in our value chain. To this end, we regard our suppliers as partners and work with them on increasing product sustainability and driving circular economy concepts. We also strive to ensure their compliance with ESG standards – holding them to the same high expectations we are setting for ourselves. As a company dedicated to support human health, respecting human rights and maintaining fair and safe working conditions are non-negotiable for us. Pursuing a holistic approach, we also demand environmental protection and adherence to principles of good governance and compliance from our suppliers.

Materiality and impact

Our dedication to social and environmental responsibility as well as ethical behaviour is an integral element of our corporate culture and a key factor in our business success. It strengthens our reputation and builds trust among our stakeholders. It is crucial for our customers and investors to understand that they are engaging with a partner who recognises non-financial risks and implements comprehensive measures to uphold legal and ethical standards throughout its supply chain.

Moreover, an ESG-conscious approach allows us to identify risks but also opportunities at an early stage. We are aware that unethical behaviour in our supply chain poses a risk to us, potentially leading to a loss of reputation, a loss of customers and a ban from bidding in tenders as well as civil and criminal charges against our company. The latter is especially important in connection with the German Supply Chain Due Diligence Act (“Lieferkettensorgfaltspflichtengesetz”) that focuses on preventing human rights violations in the supply chain.

It stipulates

- the prohibition of child, forced and slave labour,
- the observance of workers’ rights including occupational health and safety,
- workers’ rights to organise and form trade unions,
- the prohibition of discrimination and unequal treatment,
- compliance with environmental standards and other environmental rights insofar as environmental damage may affect human rights such as human health.

The forthcoming EU Corporate Sustainability Due Diligence Directive (CSDDD), which we expect to enter into force as national legislation by July 2026, will extend environmental protection beyond human rights-related aspects, and increase criminal and civil liabilities.

By strengthening workers’ rights and promoting environmental protection among our suppliers, we can make a substantial contribution to sustainable development and address potential grievances – particularly when considering the global scope of our supplier network. Simultaneously, we are strengthening our position as a preferred supplier and employer, as well as increasing our attractiveness to investors. Another positive impact of our ESG efforts in the supply chain we see is the deepening of our supplier relationships – leading to more mutual confidence and trust. By helping them improve their ESG performance, we also contribute to an enhancement of their market position as more and more customers actively seek suppliers with a solid ESG record.

GRI 2-23/-24
GRI 3-1/-3

Management approach

Our management approach is grounded in the understanding that assuming social and environmental responsibility as well as acting ethically is not an administrative burden but a competitive advantage – also in collaboration with our suppliers.

One focus area of our approach is increasing the environmental sustainability of our products. Drawing from strong research and development, we develop solutions for reducing emissions and waste by increasing energy and resource efficiency and the circularity of materials and products. To be effective and to create a meaningful impact, we need to collaborate with our suppliers, particularly when it comes to circular economy concepts.

In that regard, we apply circular economy criteria to assess the environmental performance of our products. Carbon footprint assessments of materials and packaging density are already integrated into the early development stage of our products. Regarding material composition, usage of recycled materials and packaging design, we collaborate with our suppliers to find the most effective and efficient solutions.

At the same time, we make specific demands of our suppliers concerning the materials they use and the processes they apply to reduce environmental impacts. This reflects another focus of our approach to sustainable procurement: assuring our suppliers' adherence to ESG standards and improving their sustainability performance. In doing so, we integrate ESG considerations within the responsibilities of our procurement organisation.

Our procurement organisation is responsible for purchasing tubular glass, raw materials, packaging and semi-finished components, equipment and machinery as well as sterilisation services. Our procurement is managed by a central lead who oversees and coordinates planning and equipment for our products and services, as well as the raw materials and components we require. The procurement function is split into strategic, operational and investment teams with different procurement responsibilities.

The strategic aspects are handled by our global category managers. They develop our global supplier strategy, negotiate prices and framework agreements, realise savings, evaluate suppliers' performance, manage risks, introduce new suppliers, and monitor market and technology trends. In contrast, our operational team manages the daily call-offs of direct and indirect materials (e.g. gowning) as well as all other services needed on-site from a procurement perspective, ensuring availability of spare parts and answering to maintenance, repair and operations demands. Our investment team in turn is responsible for procuring equipment and machinery.

This refined organisation enables us to address sustainable procurement matters on point at different levels, since we not only strive for operational efficiency but also a clear strategy for supplier selection and assessment as well as the procurement of energy- and resource-efficient machines.

The development and integration of internal and external policies characterise the policy dimension of our approach. Our internal Purchasing Guidelines, which are mandatory for everyone in procurement, require that considerations of longevity, environmental protection and responsible resource use be incorporated into the supplier selection process. In the same way, we expect our suppliers to provide equal and fair treatment to their employees, which is a key consideration in our decision-making.

Our requirements on adherence to ESG principles are laid down in our Supplier Code of Conduct, based on the United Nations (UN) Guiding Principles on Business and Human Rights, fundamental labour and social standards of the International Labour Organisation (ILO), the Guiding Principles of the Organisation for Economic Co-operation and Development (OECD), and the principles of the UN Global Compact. The Code sets out the minimum standards that our contractual partners are required to meet to conduct business with us, including the prohibition of any form of child or forced labour.

To ensure consistency, we emphasise ESG matters in the Supplier Code of Conduct that are also an integral part of our own Code of Conduct. Concerning the ecological dimension, the protection of our climate is of crucial importance to us, which is why we expect our partners along the supply chain to save energy and use raw materials responsibly.

Regarding the social dimension, we demand the full recognition of internationally applicable human rights to ensure decent working conditions. This includes a complete ban on child and forced labour. We also consider other forms of compulsory labour as well as any practices of coercion to be unacceptable. We expect that equal treatment and equal opportunities are ensured and that our suppliers take an active stand against any form of discrimination. They must ensure the right of workers to form unions and bargain collectively. Fair pay and adequate occupational health and safety must be provided. As far as good governance is concerned, fair business practices are non-negotiable for us. We require our suppliers to have policies on anti-corruption and bribery as well as money laundering, complying with antitrust law and respecting intellectual property rights. The protection of personal and business data must also be ensured.

GRI 308-1/-2
GRI 407-1
GRI 408-1
GRI 409-1
GRI 414-1/-2

Measures and measurement

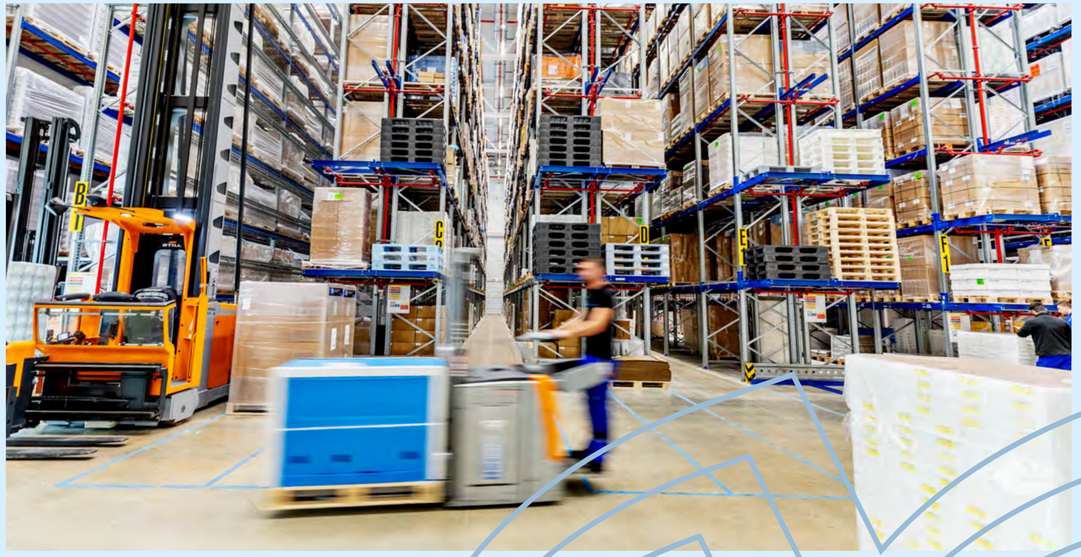
To ensure the consistent implementation of our management approach covering the topics just indicated, we take a variety of measures on sustainable procurement and follow a clear process. Potential new suppliers are screened by a cross-functional team from different units (Procurement, Quality, Technology, R&D and Supplier Development) to perform a holistic assessment. To qualify as suppliers, they must fulfil certain criteria, including considerations related to ESG factors. This approach helps us reduce the risk of entering into business relationships with companies that do not adhere to ESG standards.

During the onboarding process for new suppliers, we emphasise the importance of social and environmental responsibility as well as ethical conduct. We clearly communicate our expectation that they comply with established international standards such as the UN Global Compact. At the very beginning, we want to clearly convey that we conceive making a contribution to a sustainable development an essential part of our business relationship. To continuously monitor risks in our supply chain, we conduct encompassing ESG risk assessments to manage related risks systematically and continuously monitor publicly available information in cases of high-risk suppliers. We also perform a Vendor Risk Management (VRM) twice a year to identify critical single sources. Based on the result of the risk assessment, mitigation measures are defined if necessary. Supplier surveys on ESG matters are one of the sources upon which our VRM is built. They enable us to assess and rank the respective supplier's ESG performance, identify major gaps and derive potential opportunities for improvement – also based on a collaboration with us. To ensure a holistic application, 100% of our suppliers were screened for risks regarding human rights violations and environmental risks based on the requirements of the German Supply Chain Due Diligence Act. Subsequently, they were subject to a multistage risk and engagement process based on their initial risk score. Moreover, a criticality assessment on all suppliers is executed with respect to industry- and country-specific KPIs once a year.

This assessment is based on four data sources:

- Transparency International's Corruption Perceptions Index
- ITUC Global Rights Index
- FIRST for Sustainability industry factsheets
- German Federal Ministry of Labour and Social Affairs' report on the "Protection of human rights along global value chains" ("Die Achtung von Menschenrechten entlang globaler Wertschöpfungsketten")

Moreover, high-risk suppliers are uploaded into third-party monitoring software, which refines the risk analysis using additional data, including industry benchmarks and specific information collected from a questionnaire sent to the respective suppliers. Additional real-time news monitoring of high-risk suppliers regarding ESG-related topics marks incidents that are reported on in publicly available media. In the case of high-risk suppliers, there is a detailed exchange with the responsible procurement function to initiate specific follow-up measures. Suppliers identified as high-risk suppliers regarding the aggregated risk score have to sign our Supplier Code of Conduct and by doing so make their commitment to adhere to recognised ESG standards contractually binding. In our last assessment, 19.7% of our suppliers received an overall high-risk score. Over 50% of them are located in Brazil, Indonesia and Mexico, acting as local suppliers for our production sites in these countries. All high-risk suppliers from these three countries combined are responsible for less than 7% of our overall spend and less than 6% of our direct spend. In cases where a supplier refuses to sign the Supplier Code of Conduct or does not take effective measures to remedy the identified shortcomings even after our request, or if recurring systematic violations are recognisable, we reserve the right to end our relationship and terminate existing contracts. This step, however, is only the last possible option for us. Instead, it is our aim to work in partnership with our suppliers and help them develop to jointly strengthen environmental protection, respect human and labour rights and adhere to principles of fair competition.



Prioritising sustainability in supplier performance

SCHOTT Pharma's sustainability ambitions are closely tied to fostering strong partnerships within the supply chain and engaging suppliers effectively. With the recent validation of the Science-Based Targets initiative (SBTi) goals, the company has established clear targets to drive its sustainability efforts. Jürgen Blacha, Head of Purchasing Pharma, and Yaju Zhang, Global Category Manager, discuss the significance of these expectations for suppliers and how SCHOTT Pharma incorporates them into its operational processes and procurement practices.

How do you see the SBTi targets shaping future partnerships with suppliers?
Jürgen: The Science-Based Targets initiative (SBTi) is set to influence how we partner with our suppliers in the future. Across the SCHOTT Group, we are committed to being proactive in our sustainability efforts. Rather than waiting for regulations or customer pressure, we are taking responsibility to transform our supply chain to compliance with the 1.5 degree target of the Paris Agreement. As per our SBTi target, we are committed to engage our suppliers to develop their own Science-Based Targets. We believe joining forces for decarbonisation can cultivate strong, long-lasting partnerships. This collaborative approach not only ensures that we meet sustainability standards but also creates shared value for both SCHOTT Pharma and our suppliers. Together, we can foster growth and innovation, paving the way for a more sustainable future.

How does the sustainability performance of your suppliers, particularly in relation to your Science-Based Targets (SBTi) goals, influence your decision-making and collaboration?
Yaju: We prioritise partnerships with suppliers demonstrating a strong commitment to sustainability. Suppliers who set their own Science-Based Targets (SBTs) or align closely with SBTi goals gain a competitive edge with us. This approach not only promotes responsible sourcing and reduces environmental impact but also encourages innovative solutions, like enhanced recyclability, that support a circular economy. SBTi goals are integral to our selection criteria, and we encourage suppliers to bring forward new sustainability ideas. By supporting their sustainability efforts, we create a collaborative impact that strengthens our partnership.

What key performance indicators (KPIs) do you use to assess supplier sustainability performance?
Jürgen: We assess supplier sustainability with KPIs such as commitment to Science-Based Targets (SBT) and the product carbon footprint (PCF). While SBT commitment is already part of our sourcing council review for supplier selections, we are currently collecting PCF data to compare CO_2 emissions across similar product offerings, making this a core criterion in our future sourcing decisions.

What are the key actions SCHOTT Pharma takes to enhance sustainability across its supply chain, and how does green energy fit into these efforts?
Jürgen: SCHOTT Pharma actively enhances supply chain sustainability by involving suppliers early in product design to embed sustainable practices, using 100% green electricity to reduce emissions, and encouraging green energy adoption among our suppliers. We further support these efforts by encouraging suppliers to measure their product carbon footprints (PCF) and offering incentives for those committed to sustainability. Programmes like Energize and SBTi engagement foster collaborative progress and help guide our supply chain toward a sustainable future.

Can you elaborate on the Energize Program and how it benefits your suppliers?
Yaju: The Energize Program by Schneider Electric provides our suppliers with free access to professional training on green electricity procurement and potential support for affordable green electricity contracts. This program empowers suppliers with the knowledge and resources they need to navigate the green energy market, demonstrating our commitment to sustainability while helping them transition to renewable energy sources.

How does SCHOTT Pharma foster collaboration along its supply chain?
Yaju: We employ a multi-faceted approach that includes engaging in industry alliances, such as the Alliance to Zero, to promote shared learning and collective action on sustainability challenges. We also initiate co-developed pilot projects with suppliers and customers, ensuring they are backed by solid data for a smooth rollout. By emphasising sustainability in our strategic supplier relationships, we encourage investment in sustainable product solutions.

What additional measures do you think are necessary to further integrate sustainability into supplier relationships?
Yaju: For a deeper integration of sustainability in supplier relationships, we need to adopt a more rigorous evaluation process that prioritises suppliers committed to sustainable practices. This includes deepening the collaboration through regular workshops, joint initiatives, and open communication to collectively explore strategies for decarbonising our products and aligning with our sustainability goals.

Jürgen Blacha
oversees all purchasing activities in his role as Head of Purchasing at SCHOTT Pharma, including strategic purchasing on a global level as well as local operational purchasing including procurement of machines and equipment. Additionally, he supports the team's sustainable purchasing practices which have become a crucial aspect in the field of purchasing overall. Outside of work, Jürgen enjoys spending time with his family and plays the drums in a marching band. During winter, skiing in the Alps takes up a significant share of his spare time.

Yaju Zhang Zheng
manages supplier relationships, contract negotiations, sourcing of packaging materials and sterilisation services. As the Global Category Manager in the Strategic Purchasing team, she actively supports Scope 3 emissions reduction initiatives across the supply chain, working closely with the sustainable procurement team to foster supplier collaboration and engagement in this area. In her private life, Yaju enjoys hiking in the Swiss mountains, relaxing in the lakes, and cooking diverse cuisines with fresh, local ingredients, sharing meals with family and friends.

Cyber security

GRI 3-1/-3

For SCHOTT Pharma, responsibility also has a digital dimension. We are committed to protecting the data and intellectual properties of all stakeholders involved in our business – from suppliers to customers, and investors to employees. We strive to prevent disruptions to our IT-supported processes, ensuring seamless operations across all our locations. This is crucial not only for the success of our company but also for ensuring the timely delivery of medicines. Since cyber incidents might lead to disruptions in our manufacturing facilities and in logistics and endanger the medical treatment of people around the globe, we consider cyber security to be a fundamental pillar of our business responsibility.

Materiality and impact

As a company driven by science and technology, we work with a large variety of data. SCHOTT Pharma is committed to handling data responsibly and in full compliance with regulations, particularly when it involves sensitive information. We are determined to protect the integrity of individuals and organisations whose data we process, ensuring the security of information, such as intellectual property and critical technologies.

Due to technological progress, digitalisation and networking are increasingly entering our manufacturing facilities, which drives process innovation and effectiveness, but also increases the risk of cyber attacks. A similar development occurs with regard to the transformation of work organisation. Accelerated by the Covid-19 pandemic, working remotely from diverse locations and even across borders has increased the risk of data breaches. For our stakeholders, such a loss of sensitive information could entail serious negative effects, such as identify theft, potential access to financial information by third parties and intrusion into their IT systems. If our processes are affected, the safety of our employees could be endangered if protective measures are disabled. Equally important, we might not be able to supply our customers from the medical sector with much-needed products. From a business perspective, theft of data might lead to a loss of knowledge and copying or counterfeiting of our products. We may also have to incur costs from recovering data or systems and might be blackmailed and asked for ransom payments. A loss or misuse of personal or a disruption in business processes can result in claims for damages by third parties and severe penalties, particularly against the background of tightening legislation, such as the EU General Data Protection Regulation and the EU NIS 2 directive. Another financial risk pertaining to cybercrime lies in us not being able to meet contractual obligations because of a standstill of our operations and resulting contractual penalties. A serious non-financial risk that could also have financial consequences is a loss of reputation – our most important business asset. We want to make sure that, in the digital world, we are also the reliable business partner that we have been for more than a century.

GRI 2-23/-24
GRI 3-3
GRI 418-1

Management approach

Our approach is aiming at the best possible protection of our IT systems, data and electronic communication channels against illegal or unwanted activities. These range from unauthorised access and leakage of information to organised cybercrime or espionage, entailing demands for ransom and the destruction of data as well as insider threats. We operate our IT systems and data infrastructure under the premise of always keeping information secure. Regardless of where we operate, we fully comply with all legal requirements on data protection.

Our policies and guidelines set the framework for our risk-based cyber security approach and define necessary processes and requirements. SCHOTT Pharma is running a comprehensive cyber security programme in alignment with ISO 27001, also making use of the NIST cyber security framework. The building blocks of our cyber security programme are policies, people, architecture and assessments addressing prevention and detection of cyber incidents as well as appropriate responses. Our cyber security architecture is based on state-of-the-art instruments and is supported by a cyber defence centre that is operated 24/7. We have developed plans for incident management, emergencies and disaster recovery that are tested regularly. To avoid incidents in the first place, risks to the security of our IT are systematically identified, assessed and addressed. This includes potential risks arising from interaction with customers, suppliers, investors and other third parties. To analyse the effectiveness of our approach, we regularly conduct reviews and make modifications if necessary.

Measures and measurement

Due to the wide array of measures we take, there were no substantiated incidents concerning breaches of customer privacy and losses of customer data in the reporting period. Our cyber security team continuously works on increasing awareness among our employees of potential risks. In line with national regulations and our global approach to information security, we offer online training courses on cyber security for our employees on a regular basis. In addition, we provide information material on how to protect against attacks and strive to increase data security by working with “real-life examples”, such as simulations of phishing emails. We want to enable our employees to detect and report potential attempts to infiltrate our systems at an early stage. Such measures not only sensitise our employees to an ever-increasing risk, but also help us to identify potential weaknesses in our approach. We regularly challenge our systems, policies, processes and measures through audits and penetration tests. This is of particular relevance when considering that tactics and methods applied by cyber criminals develop as fast as the technology itself.

Responsibility for our employees

At SCHOTT Pharma, we are aware that our employees make a vital contribution to the sustainable development of our company.

Their dedication and commitment are essential in producing safe drug packaging solutions and making a significant contribution to global healthcare. Every minute more than 25,000 people on average around the world can receive an injection from a SCHOTT Pharma packaging solution. Our employees' expertise and experience are the key to our innovative strength and future viability. Fostering continuous personal and professional development as well as good working conditions is essential for us. In a competitive market for qualified specialists, we provide an environment in which individual performance and diversity are encouraged. Because only with skilled and motivated employees from different backgrounds can we master the manifold challenges and ensure the long-term success of our company.

"Contributing to global health gives us a higher purpose in our work and provides extra motivation to our entire team."

Dr. Arne Kloke
Head of Service and Sustainability Management

Diversity, equality and inclusion

GRI 3-1/-3

With over 4,600 employees representing more than 65 nationalities across 13 countries, SCHOTT Pharma is a large international employer. Diversity, equality and inclusion form an integral part of our organisational culture and are deeply engrained in our corporate values. “Respect others” is a key value that highlights our dedication to fostering a culture where equality and inclusion allow us to harness the full strength of our diverse perspectives, enabling us to “create value” and “drive innovation”. Mutual respect, tolerance and openness are essential in living up to our core value of “acting responsibly”, both within our organisation and in our relationships with external stakeholders. Overall, we regard diversity, equality and inclusion as part of an appreciative corporate culture and an important success factor in a globalised world.

Materiality and impact

At SCHOTT Pharma, we appreciate the variety of individuals from different cultural and social backgrounds, geographic locations, languages, talents, experiences and perspectives as a valuable foundation for driving creativity and innovation. Different backgrounds, perspectives and ways of thinking strengthen our ability to meet the needs of diverse stakeholders and markets that are changing dynamically. Our culture of diversity, equality and inclusion increases the attractiveness of SCHOTT Pharma for potential and existing customers, investors, employees and society overall.

Neglecting these topics could not only hamper the development of our business, it could also severely tarnish our reputation. Disrespecting equal opportunities and inclusion could result in labour and human rights violations in the workplace – leading to fluctuation, an unhealthy work environment as well as a loss of customers, investors and of our licence to operate.

Our aim to build a diverse and inclusive culture in which employees feel appreciated and empowered goes way beyond compliance with existing laws and regulations. Building on our company values as well as SCHOTT Group’s commitment to the United Nations (UN) Global Compact, the Universal Declaration of Human Rights and the Luxembourg Declaration, we are dedicated to making a meaningful contribution to a world with reduced inequalities in which people can develop and utilise their abilities regardless of their backgrounds.

The aspiration to promote diversity, equality and inclusion also extends to our supply chain. We aim to mitigate potential discrimination risks for stakeholders – especially employees – by working closely with our suppliers and service providers.

13	65+	4,690
countries	nationalities	employees

GRI 2-23/-24
GRI 3-3

Management approach

Our management approach is characterised by the close integration of diversity, human resources and corporate development. The creation of a diverse organisation at SCHOTT Pharma is based on our values and belief that only together we can achieve great things and provide a meaningful contribution to human health. A carefully designed recruiting process helps us to not only hire the right experts but also to strengthen our diverse global community. Our goals are finding the best members for our teams and utilising the skills and strengths of our employees, while creating a working environment that is inclusive and free from any form of discrimination and ensures that everyone feels respected and valued. Through this approach, we strive for equal opportunities for everyone to develop and progress. Fostering the success of our people – individually and with their teams – is the key to the success of our entire organisation. We work to identify and remove barriers that might restrict our employees' development and personal growth, always encouraging our people to do the same.

Our approach is rooted in our Code of Conduct, which makes the principles of diversity, equality and inclusion binding for all units and employees of our company. We want to create a respectful working environment for everyone – regardless of age, ethnic origin and nationality, gender and gender identity, physical and mental abilities, religion and ideology, sexual orientation and social background. Moreover, the entire SCHOTT Group is a signatory to the "Charta der Vielfalt" (Diversity Charter), a corporate initiative that promotes the recognition and integration of diversity in business culture.

A key role in our approach falls to our leaders on all levels. We expect them to be unprejudiced and open in how they attract, retain and promote their people. It is their responsibility to create teams in which all members feel appreciated and valued. We expect all our people to be ambassadors in the promotion of diversity, equality and inclusion – within our organisation and beyond. Particularly in our upstream value chain, we seek to establish these principles in close cooperation with our suppliers.

GRI 2-7/-8
GRI 2-30
GRI 401-1/-2/-3
GRI 402-1
GRI 405-1/-2
GRI 406-1

Measures and measurement

Diversity at SCHOTT Pharma has different dimensions, with age, gender and regional composition being of particular importance to us. However, we also track working relationship types to monitor and better manage the composition of our workforce.

Workforce composition[1,2] (FY 2024)

Employees	Total	Permanent	Temporary	Full-time	Part-time
	4,690	**4,121**	**569**	**4,517**	**173**
By gender					
Male	2,737	2,432	305	2,678	59
Female	1,953	1,689	264	1,839	114
By region					
Asia-Pacific	960	481	479	960	0
Europe and Middle East	2,615	2,527	88	2,443	172
Americas	1,115	1,113	2	1,114	1
Workers who are not employees (FTE)					
Agency workers	108.7 FTE	–	–	–	–
Interns	49	–	–	–	–

Overall, more than 40% of our workforce worldwide is female. For exempt management positions, we have set ourselves the target of increasing the proportion of women from an average 23.6% to 30% by 2030.

To achieve this ambitious target, the promotion of female colleagues as well as the increase of female hirings are cornerstones in our HR policy. To actively shape diversity through recruitment, we also track the composition of new hires and turnover according to gender but also other criteria. The proportion of women on our Management Board is already 50%. This also applies to the Supervisory Board of SCHOTT Pharma KGaA.

New hires and turnover (FY 2024)

	New hires	Turnover
Total	**895**	**14.0%**
By age group		
under 30 years	464	23.6%
30 – 50 years	374	12.4%
above 50 years	57	8.1%
By gender		
Male	447	12.6%
Female	448	15.9%
By region		
Asia-Pacific	214	9.4%
Europe and Middle East	595	12.6%
Americas	86	20.5%

In order to provide equal opportunities to all employee groups alike, we support our employees in taking parental leave and reintegrate them once they return to work.

Parental leave[3] (FY 2024)

	Number
Total number of employees entitled to parental leave by gender	
Male	2737
Female	1953
Total number of employees taking parental leave by gender	
Male	184
Female	116
Total number of employees returning to work in the reporting period after parental leave ended	
Male	169
Female	71

[1] Our personnel headcount includes the following types of employees: All full-time employees as well as part-time employees; employees in the active phase of partial retirement; expatriates, the reporting of whom depends on the duration of the assignment: short-term delegations (temporary reassignments, 4 to 18 months) are reported at the home entity, long-term delegations (permanent transfer, 18 months to 5 years) are reported at the host entity; temporary employees with fixed-term contracts, including KAPOVAZ and holiday staff (KAPOVAZ = "capacity-oriented variable working hours", i.e. employees who are available to the company as part-time employees with fixed-term contracts (e.g. to cover seasonal peak loads); short-time workers; permanently ill employees (it depends on local legal requirements during which period an employee counts as permanently ill and has to be reported); apprentices and graduates; working students

[2] We distinguish between agency workers and external service providers: Agency workers are people who are usually hired through an agency to cover peaks or to replace people on an interim basis and who do not have a legal employment relationship with SCHOTT. These people are subordinated to SCHOTT organisational units and are guided and led by SCHOTT employees/managers; external service providers have their own organisational structure and have been given a set of tasks by SCHOTT. Their employees are guided and led by the service provider rather than SCHOTT employees/managers. The figures reported refer to the average of full-time-equivalent agency workers.

[3] At all our sites, both female and male employees are entitled to parental leave based on national law and/or company policy.

Equal pay is another key aspect of gender equity for us. At SCHOTT Pharma AG & Co. KGaA in Germany, we have a collective bargaining agreement in place for all employees (aside of company Grades 1 – 5) as well as a gender-neutral job evaluation system that promotes equal pay. For the employees that do not fall under this agreement, we see a base compensation ratio between women and men of 97.9%.

However, not only with regard to gender but also any other diversity attributes, we strive to ensure that all employees are paid fairly and according to their individual contribution to the success of our group. This practice aligns with our company values regarding equal treatment and our shared mission to cultivate and enhance a diverse workforce.

This mission is supported by our “Best Teams” programme through which we form interdisciplinary and intercultural success teams, bolstering the competitiveness of our company and employee retention. We are convinced that the consideration of different individual skills, knowledge, perspectives and experiences is an important basis for short- and long-term team success. The programme empowers individual employees to contribute their respective qualities and strengths and to develop in the best possible way.

Diversity can only flourish in an environment that is free from discrimination and harassment. One key activity here is the rollout of a global recruiting policy, accompanied by mandatory training for all hiring managers and recruiters worldwide. In this manner, we aim to ensure that every applicant is assessed fairly based on their suitability for the job requirements. In addition to our recruitment efforts, we actively promote a safe and inclusive workplace by encouraging employees to report any incidents of discrimination and harassment anonymously. In the current reporting period, no incidents of discrimination were reported at any of our locations. We aim to enhance awareness of various forms of harassment, appropriate responses and the tools we have implemented within our company.

In collaboration with all employees and stakeholders, we foster a culture of zero tolerance for harassment and discrimination, which demands each individual’s courage to recognise and respond to potential issues.

We also regard it as our responsibility to support employees in need because of private or job-related reasons, such as health, stress, care for senior relatives, financial issues or addiction. For every employee, we are assessing a case-specific solution, comprising external or internal support, i.e. through our Employee Assistance Programme.

[1] Collective bargaining agreements are also in place at our locations in France, Hungary, China, Indonesia, Argentina, Brazil and Mexico.

“Our aim is to foster a discrimination-free, diverse and inclusive work environment where individual strengths and skills are valued and supported.”

Thomas Strasser, Global HR Partner

Fostering a culture of diversity to build the best teams

At SCHOTT Pharma, we are striving for an environment where all employees can thrive, empowering individuals to reach their full potential and contribute meaningfully to our collective success. With Mirco Jahn, HR Partner at SCHOTT Pharma, and Nargise Schwarz, Manager of Culture & Diversity, we discuss how SCHOTT Pharma promotes its commitment within its workforce.

Looking back on the last year, what have been the highlights of SCHOTT Pharma's diversity programme?
Mirco: One of the achievements has been the formalisation of our commitment to fostering a diverse workforce. We implemented a comprehensive recruitment policy aimed at promoting inclusivity and ensuring equal opportunities. Additionally, we introduced anti-bias training for all staff, which has been instrumental in raising awareness and actively working towards eliminating unconscious biases in the workplace. These initiatives have laid a strong foundation for our ongoing efforts to build a more inclusive and equitable organisation.

In what ways does our recruitment policy promote diversity and inclusion?
Mirco: It fosters diversity and inclusion by creating a consistent framework across our sites worldwide and emphasises a global commitment to shared values, ensuring that diversity is prioritised despite cultural differences. The systematic recruitment process supports us in attracting qualified and diverse candidates. Additionally, the policy allows for adapting to local markets while maintaining a global standard as a basis.

Has SCHOTT Pharma established a goal to enhance the representation of women in management roles?
Mirco: Yes, the goal to increase female representation in management is part of our commitment to diversity in line with SCHOTT's "Best Teams" programme. Although over 40% of our workforce is female, this is not yet equally reflected in management positions. Recognising that meaningful change requires leadership to authentically represent diversity, we aim to address gender imbalances. By increasing the number of women in management, the company seeks to eliminate gender bias and foster an inclusive environment.

How is our success measured, especially regarding gender diversity in management?
Mirco: SCHOTT Pharma evaluates the success of its recruitment policy through specific targets and regular assessments. The target is to achieve at least 30% female representation in exempt leadership positions in 2030. Monthly analyses of workforce demographics help identify areas requiring more effort towards diversity goals and highlight successful practices. This data-driven approach allows best practice sharing among sites, improving recruitment practices and advancing gender diversity in management.

Why do we provide anti-bias training, and what specific aspects does it target?
Nargise: Our anti-bias training programme is designed to address both conscious and unconscious biases in the recruitment process. The 60-minute webinar emphasises the importance of recognising biases in three main hiring stages: the screening of applicants, the interviews and finally the decision in favour of the candidate. Together with the participants, we reflect on the question of where biases arise and how they influence our actions. By promoting a neutral evaluation approach, the training aims to ensure fair assessments of all candidates and to foster a more equitable recruitment process.

What opportunities has the training brought to our organisation?
Nargise: The initiative has created valuable opportunities. Participants have shared that they found it valuable to highlight this important topic and engage in open discussions about biases. Starting the training at the management level has set a tone of prioritising unconscious bias awareness. Additionally, hiring managers are becoming more proactive in diversifying their hiring panels, recognising that different perspectives lead to more objective decision-making.

How does our organisation ensure that the anti-bias training remains relevant and effective over time?
Nargise: We maintain relevance and effectiveness by engaging continuously with employees. Regular check-ins assess learning needs and interests for future training sessions. Our Diversity and Inclusion experts stay updated on emerging issues, integrating relevant insights into training programmes.

"SCHOTT Pharma's recruitment policy fosters global diversity while allowing local adaptations to attract diverse talent, with a focus on shared values and inclusivity."

Mirco Jahn
HR Partner

How does the anti-bias training foster allyship among employees?
Nargise: We prioritise building an interactive environment where every voice is heard and appreciated. Participants are invited to share their experiences, promoting deeper understanding and empathy among everyone. This open dialogue allows employees to recognise the challenges faced by their colleagues, motivating them to champion equal opportunities. By fostering personal connections, our training establishes a strong foundation for enduring allyship and a culture of belonging.

In what ways does the training encourage an inclusive workplace culture that supports diversity?
Nargise: Managers significantly shape how employees perceive their workplace through their daily appearance and behaviour. When employees feel recognised and valued, they are more motivated and willing to commit fully. Simple actions like greeting team members, showing genuine interest and providing feedback can have a profound impact. We refer to this as micro-behaviour, which is an important topic covered in our training.

> **“Our anti-bias training fosters an environment where every voice is heard. Through open dialogue, participants recognise the challenges faced by colleagues and are motivated to become active allies for equal opportunity.”**
>
> **Nargise Schwarz**
> Manager for Culture and Diversity at SCHOTT AG

Mirco Jahn
is HR Partner at SCHOTT Pharma and oversees central human resources functions for both the headquarters and the global organisation. He is also at the helm of exciting sub-projects aimed at expanding SCHOTT Pharma’s international reach. Interestingly, while Mirco has Danish roots, he also has a passion for the Spanish language. He has enjoyed multiple trips to Spanish-speaking countries, where he has studied and immersed himself in the culture.

Nargise Schwarz
is the Manager for Culture and Diversity at SCHOTT AG, focused on creating an inclusive workplace where everyone feels valued. She designs programmes that support diversity and collaborates with teams to achieve DEI goals through training, workshops and strategy development. Living in Frankfurt with her husband and son, Nargise loves the city’s rich diversity and enjoys connecting with people from different backgrounds, drawing from her own immigrant experience.

Workforce attraction, development and retention

GRI 3-1/-3

As a company driven by innovation, we build on the commitment, creativity and capability of our people. We seek to attract talented employees who can make a vital contribution to our success and the future viability of SCHOTT Pharma. To help our employees achieve their full potential, we promote their knowledge and skills. We regard them as partners in a common endeavour and seek to establish a lasting partnership built on mutual trust.

Materiality and impact

In our highly dynamic business environment, rapid technological change has become the norm rather than the exception. The fast pace and complexity have a strong impact on structures, processes and work contents, leading to changing employee requirements and individual life situations. Agility and flexibility have become paradigms in the organisation of work, be it on the individual, team or corporate level.

At the same time, we operate in markets that are characterised by strict regulatory frameworks and high customer expectations. Meeting regulatory demands and complying with restrictions that vary considerably across countries requires flawless processes and thorough action. Deviances and deficiencies can endanger the usability and effectiveness of pharmaceutical products and at the same time result in legal procedures against our company.

In order to successfully master the associated and diverging challenges, it is essential for us to recruit employees with a wide range of skill profiles that we need now and in the future.

To a varying degree across our countries of operation, successful recruitment is impacted by demographic change and an increasing shortage of skilled workers – both in the commercial and technical fields. One associated potential risk is that our manufacturing processes may be hampered if the necessary workforce is not available, particularly at specific locations. This in turn entails the risk of a reduction in the security of supply of system-relevant and vital medicines if important components from SCHOTT Pharma cannot be provided.

Due to increasing internationalisation and digitalisation, working environments and operations are also in constant transformation. Systematic training and continuing education are required to remain successful in highly competitive markets. The wide range of opportunities we offer to our employees for their personal and professional development also increases our attractiveness as an employer and strengthens our ability to retain people with experience and expertise.

By providing stable employment relationships at all our locations, we also have a considerable positive impact on the livelihood of individuals, their families and local communities. We regard this as part of our responsibility as a good corporate citizen. To contribute to the well-being of our employees and the socio-economic development of the communities where they live is a commitment that was already made by the founders of our company. In their spirit, we pursue this ambition until today.

GRI 3-1/-3
GRI 2-23/-24

Management approach

SCHOTT Pharma's approach to attract and develop skilled and dedicated employees and to retain them for our company is built on the understanding that these elements cannot be treated in isolation from each other. We regard the management of human resources as a consecutive approach that requires interlinking the different stages of the process and planning them in unison.

At the same time, we are aware that we need people with very different skill sets due to the nature of our business and our global business activity. Taking a one-size-fits-all approach is inevitably bound to fail. Therefore, we design employee development to be as individual as possible, taking into account the experience, skills and ambitions of each employee as well as the needs of our company.

Our approach is aligned to our overarching aim to attract and develop qualified employees and retain them over the long term. We are convinced that, in addition to well-established entry options such as direct entry, vocational training and a trainee programme tailored to specific areas are an effective way of hiring talented people and providing them with career opportunities that best match their respective capabilities and goals. For us, this is an effective way of meeting our current and future demand for qualified professionals. To ensure the success of our recruitment efforts across all target groups, we take changing demographics and the value sets and expectations of all generations into account.

To support our employees in their professional and personal development, which is essential for our business success, we offer a diverse learning and training portfolio, customised to specific areas and functions. It is essential to our approach to encourage and empower our people to actively seek and use development opportunities themselves. We are convinced that knowledge and skills are enhanced best when there is an intrinsic motivation to do so.

Offering opportunities and individually designed career paths in combination with an inspiring and appreciative working environment is the best approach to retain qualified and motivated people from our point of view. An attractive compensation, additional financial and non-financial benefits paired with a flexible work organisation that caters to the different needs of our people make SCHOTT Pharma not only an employer of choice when it comes to recruiting, but also when it comes to staying.

GRI 404-1/-2/-3

Measures and measurement

To pursue our approach to manage human resources holistically and build a strong employer brand, we have incorporated a recruiting guideline that includes various measures to identify and attract new employees with different backgrounds, qualifications and skill sets. We strategically apply different channels, from traditional print to social media, to reach our respective target audiences. We also regard our employees as brand ambassadors and encourage them to recommend candidates that could be assets to our company.

At SCHOTT Pharma, we manage various programmes to develop our employees both professionally and personally. Our approach involves a combination of face-to-face and online measures in order to reap the benefits of both methods. We are making easy-to-access digital training formats an integral part of the SCHOTT learning landscape. Our employees are provided with frequent webinar trainings to help them transition to state-of-the-art tools like Office M365 and MS Teams.

Every employee can access the internal learning platform “MyLearning” to enrol in training programmes and enhance their skills. During the last financial year, more than 1,000 different types of e-learning content were available, enjoying great popularity among our employees, with over 700 training dates were offered through the platform. Employees can start learning a language at any time through our language training programme by Rosetta Stone, which is also available to family members. In addition to our offers, employees can request to participate in external training.

We continuously evaluate our programmes and measures to systematically improve our portfolio. To track the participation and successful completion of courses by our employees, we work with an SAP learning platform, which enables us to make individual offers tailored to different areas of expertise and management levels. As our tracking shows, our employees have completed an average of 8.4 hours of training per year, with men (10 hours) undergoing slightly more training than women (6 hours). Another important part of our human resource development is differentiated career paths. We distinguish between careers in management, project management and as experts. This differentiation accounts for the individual competencies and development goals of our employees, providing the foundation for high performance and motivation. Regarding the advancement of key talents at SCHOTT Pharma, we provide training to prepare them for the next step in their careers. Depending on seniority and the individual profiles of our employees, we have specially tailored development programmes in place for different position levels (Horizon 1 – 3) and offer extensive leadership training.

“At SCHOTT Pharma, we are dedicated to fostering a culture of continuous leadership development, ensuring that our employees are well prepared to lead with confidence and competence at every stage of their careers.”

Thomas Strasser
Head of HR SCHOTT Pharma

The Horizon programme: Advancing future leaders

The Horizon programme develops our future leaders and prepares them to take on the next levels of responsibility, driving the ongoing success of SCHOTT Pharma

Horizon 1
Development Programme for Early Career Talents

Horizon 1 is tailored for Non-company Grade (CG) and CG I employees, focusing on personal and business growth. Participants, nominated and approved by their Business Unit (BU) or Corporate Function (CF) Head and HR Business Partner, benefit from cross-BU networking and from personalised development planning, coaching and mentoring. The programme integrates online and face-to-face sessions, using individual development centres to evaluate strengths and areas to grow.

Horizon 2
Middle Management Development Programme

Horizon 2 is designed for company Grade II employees with aspirations for management roles. Participants gain international business insights and cross-BU networking opportunities. The programme combines online and in-person learning – including an international component – and uses diagnostic tools to assess participants’ strengths and development needs. Coaching and mentoring further enhance their leadership capabilities.

Horizon 3
Top Management Development Programme

Horizon 3 prepares company Grade III employees for senior management positions, focusing on leadership development, global business insights and individual assessments. Participants engage in executive training, receive personalised coaching and benefit from mentoring to ensure readiness for top leadership roles.

Our culture of openness, transparency and trust is reflected in our regular performance and career development reviews. For all our employees, we have review processes in place that account for different professions and career levels as well as national labour laws. Through regular appraisals by line managers, employees get feedback on individual performance and development opportunities. The respective meetings also serve to determine performance-related salary components and potential career paths. Overall, more than 95.5% of our global workforce participate in at least one structured performance review every year.

In addition to this regular review process, we encourage all our managers and employees to proactively ask for feedback and to be willing to share their own perspective. By doing so, we support continuous development and the provision of feedback in specific situations.

To complete our efforts, we conduct biannual employee surveys at all our locations to determine employee satisfaction and commitment. Our biannual employee survey is flanked by smaller annual surveys (“pulse checks”) as well as specific surveys in individual sites or departments throughout the fiscal year. The data obtained is analysed and discussed in teams and with line managers, and presented in aggregated form to our Executive Board. The results are used to jointly derive measures that enable us to continuously and systematically develop our working environments and further strengthen employee recruitment, development and retention.

As part of a variety of local awards and recognitions, SCHOTT Group has been recognised for its commitment to training young talent, with SCHOTT Pharma highlighted as a key contributor. We were ranked among the top companies in Germany for apprenticeship by FocusMoney, underscoring our dedication to employee development from the very beginning of their careers. Additionally, in an independent employer brand study conducted by Randstad, we achieved a top 10 ranking as one of the most attractive companies to work for.

“By jointly shaping a positive environment, we empower our people to shape our culture and contribute to the company’s success.”

Allex Qian
HR Site Manager, Jinyun, China

We care – to build a great place to work

Employee satisfaction is a key criterion for business success. With a continuous commitment to enhancing employee satisfaction, SCHOTT Pharma's team in Jinyun, China, collaboratively developed their working environment into a great place to work. HR Manager Allex Qian, EHS Engineer Daniel Wang and Production Supervisor Scott Chen share insights into how they fostered a culture of health and well-being to impact team spirit and employee satisfaction.

How did you establish a culture for health and well-being?
Allex: Following the slogan “We care”, we established a health management programme focused on preventive measures that encourage healthy lifestyles and sustainable habits. The programme includes routine health check-ups with detailed explanations of the results. Additionally, we provide information on healthy nutrition and emotional well-being through posters and workshops, and we support the organisation of courses and activities. To ensure the programme’s success, we prioritise employee engagement and active participation by allocating budgets based on employee feedback, gathering personal preferences, and conducting regular programme reviews. This approach ensures that the initiative aligns with employees’ interests, fostering a supportive work environment and empowering individuals to take charge of their health while enhancing our company culture. Over the past few years, employee survey results have consistently shown top ratings for our site in China in terms of employee satisfaction. This success has contributed to maintaining high productivity levels at the site.

What kind of workshops or courses are offered to promote employees’ well-being?
Daniel: To support emotional well-being, we offer both in-person and recorded workshops where employees receive personalised evaluations to identify areas that need attention. This allows them to develop and track their emotional intelligence and resilience. Another element of our programme is yoga classes. Every Wednesday, we host after-work yoga sessions led by a professional instructor. These classes are open to all employees, providing an opportunity to achieve inner balance and enhance overall health. For those who require more action, we also support sports activities, including our cycling club, offering a dynamic way to stay fit and connected.

A company cycling club? Scott, please let us know more!
Scott: The cycling club organises rides after work or on weekends, creating opportunities to spend “Golden Times” together. SCHOTT Pharma actively supports the cycling club by providing amenities such as dedicated parking and branded cycling outfits. Cycling aligns perfectly with the goals of our “We care” programme, promoting health and well-being. We have observed positive health outcomes among colleagues, ranging from improved cardiovascular fitness to weight loss. Over time, more and more employees joined the initiative, discovering a passion for sports and cycling. These shared activities and interests have fostered connections and team spirit across departments. When you embark on a 25km ride after work, colleagues often become friends. In this way, the cycling club not only promotes a healthier lifestyle but also strengthens a sense of community within the company. Even after leaving SCHOTT Pharma, many former employees continue to ride together, benefiting from the friendships and strong connections formed through the club.

Allex Qian
brings over 20 years of HR management experience, including 4.5 years at SCHOTT Pharma, where she has focused on developing people-centric HR strategies aligned with business goals. Her motto, “Stay hungry, stay young”, reflects her commitment to growth and her belief that “we”, the people, drive success. Outside of work, Allex enjoys playing guitar, photography, reading and staying active, while also cherishing her role as a wife and mother to her daughter.

Daniel Wang
leads Environmental, Health and Safety (EHS) activities at the facility in Jinyun. With a Master’s in Safety Engineering and experience in the automotive industry, he is dedicated to sustainable development. Daniel’s work focuses on ensuring workplace safety, reducing environmental risks and impacts, and implementing energy-saving initiatives to lower carbon emissions, aligning with SCHOTT Pharma’s climate goals.

Scott Chen
is a dedicated Production Supervisor at SCHOTT Pharma’s facility in Jinyun, bringing 12 years of experience and commitment. Known for his focus on efficiency and teamwork, Scott plays a key role in driving high production standards. Outside of work, Scott is a family man, happily married and has two sons. As a keen cyclist and runner, he enjoys exploring beautiful landscapes on his routes and finding both adventure and relaxation in the process.

Occupational health and safety

At SCHOTT Pharma, we provide our employees with exceptional training and development opportunities, while also ensuring a safe and healthy work environment. Protecting both the physical and mental health of our team members is of the utmost importance to us. We are committed to preventing health risks and maintaining health over the long term, benefiting both our employees and our company.

GRI 3-1/-3

Materiality and impact

As a company dedicated to making a significant contribution to human health, it is our responsibility to protect the well-being of our own employees. Given that the majority of our workforce is involved in manufacturing, the connected physical risks are greater compared to those in management and administrative roles. Ensuring compliance with comprehensive occupational health and safety (OHS) measures is particularly critical in countries with less stringent legal regulations. Failure to do so would pose health and safety risks to our employees and legal risks to our company. Equally important for us is addressing mental health matters, which may affect all employees regardless of their role. Any impairment of physical or mental health impacts both individual and company performance. Inadequate OHS practices can lead to increased absenteeism, lower productivity and, over time, decreased employee motivation, retention and the attractiveness of our company as an employer.

Due to our global operations, we navigate a diverse range of occupational OHS frameworks, each with its own set of laws, regulations and guidelines for maintaining a safe and healthy work environment. Failure to adhere to these requirements could result in legal charges, damage to our reputation, and potentially jeopardise our licence to operate.

GRI 2-23/24
GRI 3-3
GRI 403-1/-2/-4

Management approach

At SCHOTT Pharma, our approach to supporting the health of our employees is rooted in a culture that values physical, mental and emotional well-being. Through comprehensive programmes and initiatives, we aim to empower employees to maintain balanced lives. Our philosophy emphasises proactive measures to prevent illness and injury, while also promoting healthy habits. We are dedicated to creating a supportive work environment that strengthens mental resilience and offers resources for managing stress and achieving work-life balance.

Our OHS approach is built on several key pillars. Due to the differing legal and regulatory requirements in our countries of operation, we take a localised approach to ensure full compliance with each region's specific laws. At the same time, we have developed a set of internal standards that apply to all our locations, creating a universal OHS framework that goes beyond legal requirements. This system allows us to maintain a healthy and safe working environment no matter where we operate. Additionally, we actively promote collaboration among our OHS officers, encouraging them to share experiences and best practices related to the causes, prevention and treatment of workplace accidents and injuries. Our culture of continuous learning across divisions and regions supports this ongoing dialogue.

To enhance the global dimension of our approach, all our manufacturing sites operate a comprehensive OHS management system in accordance with ISO 45001, the world's leading standard for reducing occupational injuries and diseases. The requirements for ISO certification are integrated into our Environment, Health and Safety (EHS) Guideline and implemented locally through site-specific processes. Our guideline explicitly mandates the establishment of a local process, enabling us to effectively merge our local initiatives with global objectives. Compliance with the EHS Guideline is routinely verified through internal and external EHS audits.

The active participation of our employees significantly enhances the effectiveness of our local measures. We encourage them to engage in identifying risks, analysing accidents and developing appropriate solutions. This involvement not only generates valuable insights from those directly involved in operational processes but also fosters greater awareness and sensitivity to critical issues.

Alongside this involvement, we emphasise prevention. Our goal is to identify risks and hazards as early as possible and address them with effective preventive measures rather than merely reacting after an accident occurs. In accordance with ISO 45001 requirements, we have established an employee safety board that meets regularly to discuss potential actions with management. The board actively participates in risk assessments and investigates accidents and work-related health issues, as well as planning processes and safety inspections within our factories.

GRI 403-1/-2/-3/-4/-5/-6/-7/-8/-9/-10

Measures and measurement

To ensure that our approach is integrated into daily operations, we provide ongoing training for our employees on OHS topics. In most regions, we go beyond the legal requirement of one training session per year, offering a variety of programmes focused on workplace safety procedures, maintaining and promoting health, accident response and other relevant issues. We believe it is essential for all employees, regardless of their role or position, to be aware of potential safety and health threats and to respond appropriately when necessary.

The inclusion and protection of all people working for SCHOTT Pharma are of the utmost importance to us, explicitly covering also those who are not directly employed by us. During the reporting period, 4,568 employees and non-employees were covered by our OHS management system, representing 96.2% of individuals working at our company. The only exceptions were our staff in sales offices in France and China, where occupational risks are minimal due to the nature of their work.

Thanks to the comprehensive scope and effectiveness of our systems and measures, we have recorded only a small number of work-related injuries and maintained low Lost Time Injury Frequency Rates (LTIFR) for both employees and non-employees. The most common types of injuries involve hand and finger injuries, followed by sprains, crush injuries and bruises. In response, we have launched the “Global Hand Campaign” across our factories to raise awareness and reduce the incidence of hand-related injuries.

Injuries in the workplace (FY 2024)

Employees	Work-related injuries	Fatalities	Hours worked	LTIFR
Employees	45	0	8,592,550	5.23
Workers who are not employees[1]	2	0	233,612.5	8.56
Total	**47**	**0**	**8826,162.5**	**5.32**

[1] Regarding accidents of workers who are not employees, all accidents with more than 30 minutes’ time off work are included.

Our management information system (MIK) enables us to monitor relevant data and utilise it as a foundation for follow-up at the plant level. To ensure continuity in our actions, we conduct monthly investigations into the origins and nature of accidents to gain a deeper understanding of causes and effects. Additionally, we regularly review, define and discuss results along with corresponding actions to continuously enhance our performance and minimise injury rates. Our top management participates through annual reviews, and we also engage with external partners, such as the Employers’ Liability Insurance Association in St. Gallen, Switzerland, to expand our perspective and seek practical and scientific guidance.

Despite the low number of injuries resulting from our diverse efforts, every accident is one too many from our perspective. Our “Zero Accident Programme” is based on the conviction that every employee should return from work as healthy as when coming in.

This is why we offer comprehensive health services to our employees alongside our safety measures. They include health assessments, medical evaluations for specific risks (such as blood tests for heavy metals), medical treatment, and support for the reintegration of employees who are ill or disabled. Additionally, we provide consultations for work-related health issues, travel advice including necessary vaccinations, guidance on pregnancy-related matters, and assistance on mental and psychological challenges.

To ensure professional services at all our locations, we either employ occupational doctors and nurses or maintain contracts with private doctors and clinics. Regardless of the arrangement, all health services provided by SCHOTT Pharma adhere to strict confidentiality provisions regarding employees’ personal health information. All data is kept entirely separate from other management systems, and there is no connection with external data sources, such as those of private doctors.

To complement our efforts, we have launched “Health Days” to provide information on various topics and promote healthy behaviour related to daily activities like eating and exercising. These activities not only enhance the well-being of our employees but also foster team spirit and collaboration within our group.

Driving continuous improvement for safety at work

In his role as Global EHS (Environment, Health and Safety) Manager for SCHOTT Pharma, Tobias Wagner drives continuous improvement in workplace safety. Over the past year, he has coordinated a dedicated campaign across all sites to enhance awareness of safety practices and encourage their integration into daily work.

How do you drive continuous improvement for workplace safety at SCHOTT Pharma?
At SCHOTT Pharma, we implement various programmes to enhance workplace safety. Our Global Health Management initiative includes health weeks, sports challenges and an updated healthcare programme. This year, we also organised the SCHOTT Olympic Games, an internal competition encouraging employees to engage in sports activities. All our sites are ISO 45001-certified for occupational health and safety. To further strengthen our safety culture, a global workshop with EHS advisors utilised the Bradley Curve model to assess and improve safety practices. Employees actively contribute through the SIM (SCHOTT Idea Management) programme by submitting ideas and feedback to drive safety enhancements.

What training programmes does SCHOTT Pharma offer to employees regarding workplace safety and hand protection?
SCHOTT Pharma offers a range of safety training programmes tailored to specific roles and site requirements. These training activities are governed by a centralised EHS training standard that sets minimum requirements for both managers and employees. New hires undergo a comprehensive onboarding programme, including training on safety protocols and machinery risks. All employees are required to complete annual safety training, with the frequency and content adapted to their job's risk level. EHS personnel receive continuous education to stay updated on the latest advancements and meet the company's qualification standards, ensuring they are well prepared for their safety responsibilities.

What specific activities were included in SCHOTT Pharma's Global Health Campaign?
We developed several initiatives and communication materials, such as posters, short video sequences and banners, highlighting common hazardous situations that often lead to hand injuries in production areas. We offered quizzes and crosswords to address safety deviations and encouraged sites to incorporate gamification into their approach. One creative activity involved employees building structures, like the "Spaghetti Tower", with marshmallows, while wearing gloves that restricted finger movement to simulate the challenges of working with impaired hand function.

Additionally, some sites came up with their own ideas, such as the "Wall of Hands", where employees displayed handprints as a visual reminder of safety. This initiative was particularly popular in Mexico, the US and China.

What kind of feedback did you receive from our employees?
We received very positive feedback, reflecting high enthusiasm and successful execution! Many teams shared their achievements and how they implemented the campaign. We also collected a lot of great photos showcasing the participation.

What are your expectations from this campaign?
We focus on actively involving employees in safety and health initiatives, rather than simply delivering information. To engage people more effectively, we incorporated emotional elements such as videos and gamification, including contests and idea submissions, to foster ownership and responsibility. For example, in a recent campaign, employees submitted over 70 ideas to improve workplace safety, enhancing both safety behaviour and engagement. The campaign was designed as a continuous effort over 2-3 months to create lasting behavioural change and sustain team involvement.

"SCHOTT Pharma offers a range of safety training programs tailored to specific roles and site requirements."

Tobias Wagner
Global EHS (Environment, Health, and Safety) Manager

Tobias Wagner
plays a crucial role in bridging the global connection between SCHOTT AG and its production sites. As a dedicated employee in Environment, Health and Safety (EHS), he promotes continuous improvement in all EHS-related activities. He is passionate about implementing EHS measures across every level of the company, ensuring that both employees and management are engaged in creating safer, healthier workplaces. Outside of work, Tobias enjoys spending quality time with his 3-year-old daughter. To unwind after a busy day, he finds balance in jogging or practising yoga, both of which helps him stay mentally and physically refreshed.

Social responsibility

We support more than

25,000

safe injections per minute
to people around the world

At SCHOTT Pharma, we are committed to making a positive social impact. Every day, we are assuming a wide array of social responsibilities – in our core business and beyond.

We are an active corporate citizen that supports the communities at the locations where we operate. In the spirit of our founders – Otto Schott, Carl Zeiss and Ernst Abbe – SCHOTT Group, our majority shareholder, passes on dividends received to the Carl Zeiss Foundation, which in turn promotes educational projects and awards research scholarships.

The biggest social impact we make is through our core business, however. Thanks to our products, more than 25,000 injections can be administered to people around the world every minute, promoting their health and well-being. We are dedicated to making a vital contribution to the United Nation's sustainable development goal on good health and well-being (SDG 3) – because human health matters.

Product quality

GRI 3-1/-3

Materiality and impact

At SCHOTT Pharma, we recognise that our organisation is part of a network of interconnected activities aimed at a single goal: improving human health and ensuring patient safety. The quality standards we adhere to are particularly rigorous for products involved in the containment and delivery of parenteral medications.

Our pre-fillable syringes, cartridges, vials and ampoules play a vital role in the pharmaceutical supply chain. Their absence would jeopardise the safe storage and transport of injectable medications as well as their easy application. This could pose a serious risk to the availability and effectiveness of medical treatment of individuals worldwide.

Furthermore, inadequate quality may pose risks to healthcare professionals using our containment solutions, potentially resulting in injuries from glass breakage and splinters. As a result, our customers from the pharmaceutical industry could face complaints, diminished market acceptance, or even legal action. In the event of subpar quality being supplied, these claims could also impact us directly. This might harm our current customer relationships, negatively influence our financial performance, and damage our reputation.

GRI 2-23/-24
GRI 3-3

Management approach

We acknowledge that enhancing effectiveness and quality allows us to consistently meet and surpass customer requirements as well as the expectations of our stakeholders in general. To achieve this goal, we run our units in accordance with good manufacturing practices, fostering an environment that encourages continuous improvement and entrepreneurial thinking.

Our management approach is based on a “zero defects” culture, which means we do not accept any avoidable defects in our products. We expect every employee to be fully committed to ensuring that all operations in the production process are conducted with the highest level of care. This commitment extends to our suppliers and all other third parties in our value chain. To achieve exceptional quality, we depend on flawless input materials and emphasise effective supplier management. In terms of our downstream supply chain, we strive to ensure that our products are delivered to customers safely and on time. Our approach and our objectives are rooted in our Quality Policy. It outlines our strategy for increasing our global market share in parenteral packaging systems and enhancing our reputation as a trusted supplier known for quality and service.

The pharmaceutical industry considers us a leading producer of high-quality solutions. Our Quality Policy is aligned with the strategic goals of SCHOTT Pharma, which we achieve through our dedication to effective quality management at all organisational levels. We operate our quality management system (QMS) in compliance with ISO 9001, ISO 15378 and ISO 13485 standards. ISO 9001 is the most widely adopted quality management standard globally, outlining the necessary requirements for a QMS to fulfil customer expectations and other product or service requirements. Its consistent application across all relevant areas of our company enhances process transparency, lowers error rates and production rejects, identifies and mitigates risks, and ultimately boosts customer satisfaction.

ISO 15378, a specific standard for primary packaging materials used in medicinal products, is built upon the ISO 9001. A key requirement of this standard is the traceability of individual batches, which supports systematic and ongoing improvement. Additionally, it mandates comprehensive risk management and the capacity to operate in controlled environmental conditions. Additionally, it encompasses all the principles of Good Manufacturing Practice (GMP) mandated by legal regulations in the pharmaceutical and medical device sectors at an international level. This includes, among others, the US Code of Federal Regulations (CFR), European directives and Indian regulations.

At SCHOTT Pharma, GMP is complemented by Good Documentation Practice (GDP). Careful adherence to GDP is essential to ensure the attributability, legibility, originality, reliability and accuracy of the data we use to inform our decisions in development, production and quality release. These documentation guidelines support us in achieving our primary goal of consistently providing safe and effective drug containment and delivery solutions every single day.

Our quality mission

- We nurture a zero defects culture
- We are guided by a strong GMP mindset
- We continuously improve our systems and processes
- We know what we are working for: Because human health matters!

GRI 416-1/-2

Measures and measurement

At SCHOTT Pharma, quality is the shared responsibility of all employees, making awareness and effective training essential to our mission. We foster a culture of “100% Responsibility” throughout our organisation, highlighting the accountability of every team member in achieving our goal of ensuring patient safety. We ensure that all employees are familiar with our Quality Policy and the specific procedures and work practices relevant to their roles within the organisation.

To ensure organisation-wide governance on a global scale, our global quality department, led by the Director of Global Quality Management, develops and coordinates policies and measures across all units. Each manufacturing site has a Quality Site Manager responsible for overseeing all aspects of local quality management and operational integration. This structure provides a complementary balance between centralised and decentralised approaches, allowing us to establish uniform standards that ensure consistently high quality across all manufacturing facilities. Additionally, it enables us to accommodate location-specific requirements stemming from national regulation or customer demands. An essential measure regarding the effectiveness of our QMS are regular checks at all our sites by conducting internal system and technical audits.

We consistently evaluate our processes and perform quality inspections of our products in accordance with the principles set forth by GMP and other relevant standards. Regular communication with our customers is also a vital component of our QMS to ensure the quality and performance of our products. In addition to offering guidance, our experts are available to address any inquiries related to product usage, material behaviour and safety concerns. Ongoing training ensures that our teams are able to provide optimal solutions for our customers. Furthermore, customer feedback facilitates the continuous improvement of our products. Together with our internal evaluations, this process allows us to routinely assess the quality of all major products in our portfolio, particularly concerning patient safety. During the reporting period, SCHOTT Pharma has neither been notified of any incidents regarding the health and safety of its products by external parties nor has it identified any critical incidents during its audits.

Supporting visions for better lives

Nine years ago, a university professor from Boston reached out to SCHOTT Pharma, seeking support for a revolutionary approach to diabetes management. Since then, a team around Dominique Bauert, Head of Sterile Solutions, and Arthur Hackbart, Project Manager for Drug Containment Solutions, has been actively involved in supporting this concept's journey, which ultimately became the FDA-approved artificial pancreas device, iLet Bionic Pancreas by Beta Bionics.

When was the idea of developing an artificial pancreas born?
Dominique: The initial spark for developing an artificial pancreas was ignited nine years ago, born out of a personal need. Ed Damiano, the father of an 11-month-old son developing type I diabetes, envisioned a device that would enable him to lead an independent and carefree life in the future. For families of such young patients, the disease is an enormous cognitive and emotional burden, as every incorrect dosage can be life-threatening. Each night, as a father, he felt a deep sense of uncertainty about the risk of a life-threatening event as he laid his child down to sleep.

What is so special and innovative about the bionic pancreas?
Arthur: Managing diabetes usually requires regular blood sugar monitoring, carbohydrate counting, and insulin dosage adjustments by the patient based on activity levels. The iLet Bionic Pancreas device removes this burden from the patient. The device is a pump system with a computing unit. The system receives information about the status of the insulin levels through a glucose sensor, such as the ones placed on the upper arm. The algorithms then decide if the patient is hypoglycaemic and needs insulin or is starting to become hypoglycaemic and requires glucagon. The actual innovation lies in the closed-loop algorithms: the device independently evaluates the measured values, considers the daily course, calculates the insulin or glucagon dose automatically, and administers it without the patient having to intervene.

How did the first contact to your later customer look like?
Dominique: Ed Damiano, Professor of Biomedical Engineering at Boston University and the later founder of BetaBionics, approached us asking for prototypes of cartridges to store insulin and glucagon for his pioneering innovation. We supported him throughout his entire journey until today – from his initial idea to market maturity to reaching the commercial milestone of 10,000 patients using iLet in the US in August this year. We were fascinated by the concept from the beginning. Being part of bringing this breakthrough approach to life is electrifying and a great motivation for our work.

What was the challenge for SCHOTT Pharma?
Arthur: Customisation regarding design and size was one challenge, the configuration “ready to stow lite” the other. Specific production setup was needed to wash, siliconise and crimp the small cartridges designed to fit a handy pump device. In particular, a sophisticated silicone surface had to be developed to meet the sensitive break loose and gliding force specifications, enabling the precise microdosing via the plunger movement. We are proud to be part of this pioneering innovation that provides patients with a more carefree life.

Dominique Bauert
leads SCHOTT Pharma’s Strategic Business Field, Sterile Solutions, which focuses on sterile, ready-to-use vials and cartridges. Dominique is dedicated to developing innovative solutions that deliver added value for customers. Prior to joining SCHOTT, he lived in Singapore for 3 years, where he developed a love for fine Asian cuisine. Alongside his work at SCHOTT Pharma, Dominique is also a licenced pilot and enjoys family life by Lake Constance.

Arthur Hackbart
is a Project Manager for drug containment solutions at SCHOTT Pharma. Since he joined the company in 2021, he has led product developments on sterile, ready-to-use drug containment solutions with a focus on the catriQ® portfolio and has contributed to several manufacturing technology projects. In his free time, he enjoys traveling and is passionate about cooking.

We offer high-quality drug containment solutions and drug delivery systems for more than

13 billion

injections annually.

Resilient supply

Our core purpose is providing customers with cutting-edge products that ensure medicines are safe and easy to use for individuals worldwide. To achieve this goal, we offer high-quality drug containment solutions and drug delivery systems for more than 13 billion injections annually. This remarkable figure comes with the responsibility for ensuring the stability and reliability of our supply, safeguarding the pharmaceutical supply chain. We recognise our vital role in healthcare systems globally as a facilitator of access to medicine for millions of people. We are dedicated to fulfilling this responsibility by proactively implementing various precautionary measures, making sure that we deliver what is necessary to support global health.

GRI 3-1/-3

Materiality and impact

The Covid-19 pandemic has shown the fragility of supply chains, creating the necessity to make business decisions under volatile and uncertain conditions. Growing complexity and ambiguity present further challenges for both strategic and operational planning, making it increasingly difficult to identify the impact of individual developments that may potentially endanger the security of our supplies.

Geopolitical disruptions caused by armed conflicts and terrorism can negatively impact the availability of raw materials and logistics. Additionally, global competition for natural resources and national export restrictions may exacerbate shortages of raw materials. Climate change-induced extreme weather events can disrupt transportation routes on land, at sea and in the air. Economic threats can also be observed at both macro and micro levels. At the macro level, fluctuations in prices and demand in global or regional markets may lead to shortages of essential materials for manufacturing. At the micro level, if individual suppliers are unable to deliver the necessary quantities on time, it can disrupt our manufacturing processes and our deliveries. This lack of product availability can affect our customers' offerings and jeopardise adequate medical treatment for millions worldwide. As a result, our customers may face legal challenges and suffer losses in revenue, business partnerships and trust.

For SCHOTT Pharma, the risks are the same. Given that we are a supplier recognised for our strong reliability, the potential reputational damage could be immense.

GRI 2-23/-24
GRI 3-3

Management approach

Our strategy for preventing potential disruptions in our upstream and downstream supply chain is preventive in nature. We aim to identify risks at the earliest possible stage to implement effective mitigation measures. However, if disruptions to our production do occur, we have developed a range of instruments to ensure business continuity.

The initial phase of our due diligence process involves identifying critical raw materials. For all materials classified as such in a systematic assessment process, we have appointed Global Category Managers. Their responsibility is to search for qualified suppliers, assess them based on reliability, capacity and financial stability to mitigate supply chain disruptions. Following this assessment, the Category Managers establish suitable risk reduction strategies and create the corresponding Supplier Framework Agreements.

Of particular relevance in this context are bottleneck suppliers who provide high-risk items, such as specialised or rare products, on which SCHOTT Pharma is dependent – creating a high vulnerability to supply disruptions. To identify these critical single sources, we conduct a Vendor Risk Assessment twice a year. For suppliers deemed critical, we establish long-term contracts to strengthen the supplier relationship and protect against supply shortages that may arise from the abrupt termination of contracts. Additionally, we have agreed on safety stock levels with some of these suppliers, with inventory stored both on our premises and theirs, depending on economic and logistics considerations. To address potential manufacturing challenges, we have implemented a tool designed to detect demand peaks and capacity constraints at an early stage, allowing us to take countermeasures. This approach enables us to effectively coordinate our global production and partner network to explore various scenarios. Ultimately, this strategy helps us prevent interruptions in our manufacturing process and make optimal use of all the options existing in our network.

To diversify our manufacturing operations and decrease reliance on a single facility, we are enhancing our capacity to produce specific product types across various locations. Vials, ampoules and cartridges for drug containment solutions are already being manufactured in all major regions, often at multiple plants within each region. This strategy enables us to utilise alternative facilities regionally or globally in the event of disruptions at a specific site. Currently, syringes for drug delivery systems are produced at two locations in Germany and Switzerland and we have begun production at our facility in Hungary as well. For further expansion of the global footprint for syringes, we have started a project to build an additional presence in the US at Wilson, North Carolina.

Measures and measurement

In relation to our upstream supply chain, our Vendor Risk Assessment allows us to determine the most effective strategies, such as supplier diversification, contingency planning, safety stocks, and alternative sourcing, to mitigate risks and ensure continuity.

To diversify our supplier network, we are not only looking for new suppliers that meet our existing criteria, but also focus on developing suppliers to fulfil our requirements, including our ambition for emission reduction. By developing suppliers and materials, we reinforce our dual or even multiple sourcing strategy, particularly for critical materials.

In this context, we initiated the additional qualification of tubing sites to minimise transportation times whenever feasible. We also monitor and evaluate our suppliers' delivery performance to identify potential vulnerabilities in our supply chain and implement corrective actions as needed.

When communicating with our suppliers, we share forecasts that help them adjust their types and volumes produced to our needs, fostering mutual growth. As our focus extends beyond just monitoring the performance of our suppliers, we also evaluate our own. To this aim, we have implemented various Service Key Performance Indicators (KPIs), such as delivery capability (How effectively do we meet customer demands?) and delivery reliability (Do we fulfil our commitments to customers?). These KPIs are assessed monthly, enabling us to identify and address any area for improvement.

In the event of actual disruptions to our manufacturing operations and downstream supply chain, we have established a process that allows us to deploy rapid, cross-functional task forces. These teams investigate causes from various perspectives and develop holistic solutions in situations characterised by time pressure. We continuously engage with our stakeholders, regardless of whether they are involved in upstream or downstream processes, to identify shortcomings, collaboratively develop solutions and make ongoing progress. The fragility of the pharmaceutical supply chain renders isolated approaches and measures ineffective. Instead, collaboration throughout the entire value chain is essential to ensure that medicines reach patients in need safely and reliably.

From bone marrow donation to cross-cultural learning

Taking responsibility and opportunity as a graduate

Caroline Brandão is a chemical engineer and graduate at SCHOTT Pharma. With her colleagues at SCHOTT Pharma's Brazilian site in Itupeva (São Paulo) she organised participation in a bone marrow donation initiative. She also took the opportunity as a graduate to work at another site of SCHOTT Pharma. Her time in Müllheim, Germany, offered her valuable insights into cross-cultural collaboration and knowledge-sharing.

What is the Bone Marrow Project at the Bonhoff Institute, and how did SCHOTT Pharma's involvement contribute to its success?
The Bone Marrow Project, organised by the Bonhoff Institute, raises awareness about bone marrow donation and expands the donor registry for patients with blood disorders. SCHOTT Pharma supported this initiative by inviting a representative from the Institute to raise awareness among employees, resulting in twelve employees signing up as donors. The initiative not only informed employees but also inspired many to become registered donors, directly supporting the project's mission.

What motivated you and your colleagues to participate in the Bone Marrow Project, and what aspects made the decision easier?
The primary motivation for my colleagues and me was the desire to save lives, knowing that donating bone marrow could make a significant difference for someone in need. Easy access to information and the donation process through SCHOTT Pharma supported the decision. This combination of purpose and feasibility inspired us to register as potential donors.

What were your main objectives during your departmental rotation in Müllheim, and how did the experience differ from your work in Brazil?
During my departmental rotation in Müllheim, my primary objective was to deepen my understanding of the company's diverse processes and operations while working on practical improvement projects. This experience highlighted a strong emphasis on open knowledge-sharing and continuous improvement, which complemented my work in Brazil. I not only learned about new processes but also shared experiences regarding improvements we made at our location in Brazil, benefiting both teams through the exchange of ideas. This collaboration has been invaluable, showing me the importance of embracing different cultures and experiences for personal and professional growth.

What were your key learnings from working with your German colleagues?
I realised how important effective communication is, especially when addressing challenging questions in projects to encourage diverse perspectives. Daily interactions helped foster open dialogue and collaboration. I also gained insights into managing projects, resolving issues, and creating a supportive environment for discussing challenges, ultimately improving how I engage with colleagues.

> "The primary motivation for my colleagues and me was the desire to save lives, knowing that donating bone marrow could make a significant difference for someone in need."
>
> **Caroline Brandão**
> Chemical engineer and graduate

Caroline Brandão
Graduated with a degree in Chemical Engineering from the State University of Campinas in December 2023 and joined the Graduate Programme at the Itupeva unit in March 2024. The programme involves job rotations across various departments, enhancing professional growth including a five week stay at SCHOTT Pharma's unit in Mülheim, Germany. In her free time, Caroline enjoys exploring vegetarian and vegan restaurants, as she is a vegetarian who loves discovering new dining spots.

Environmental responsibility

At SCHOTT Pharma, the protection of our environment and our climate is an essential responsibility to us.

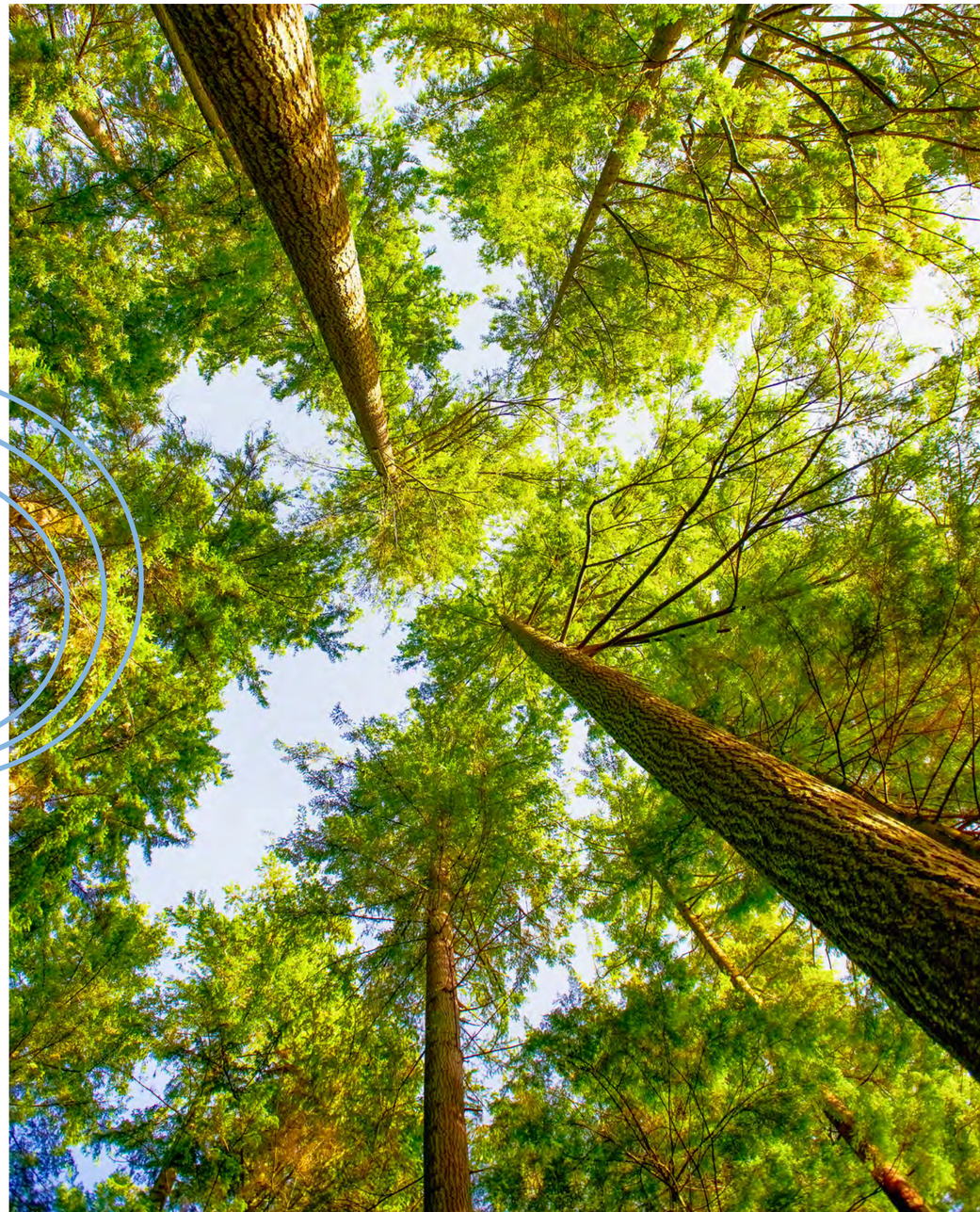
The accelerating change of our climate, the growing scarcity of natural resources and worsening pollution of different kinds are among the greatest global challenges of the 21st century. Whether it is temperature increase, a growing number of regions suffering from water stress and air pollution, they all have detrimental effects on our core purpose – the protection of human health. That is why protecting the environment and climate is also a matter of social responsibility to us.

As a manufacturing company with a global presence, we have identified three key areas where we can make a substantial contribution to a sustainable development and at the same time advance our business:

- the reduction of greenhouse gas emissions and energy consumption,
- responsible handling of waste along the value chain and promotion of circular economy concepts
- sustainable water management.

"Safe for the patient, sustainable for the planet: This is what's guiding our engagement."

Dr. Arne Kloke
Head of Service and Sustainability Management



In a groundbreaking initiative, an alternative, electric approach to power the melting process for pharmaceutical borosilicate glass was developed at SCHOTT. This new technology helps to significantly reduce of the emission footprint of glass-based primary packaging as pointed out by Florence Buscke, Global Product Management Leader, and Claudia Heinl, Senior Product Manager.

Leading the change with FIOLAX® Pro

What makes FIOLAX® Pro unique, and how does it differ from other products?
Claudia: FIOLAX® Pro stands out for its eco-friendliness by compatibility with our new melting. Unlike conventional glass manufacturing, which relies on fossil fuels, the melting of FIOLAX® Pro can be powered by green electricity, cutting carbon emissions by up to 80%. It meets high safety and sustainability standards. Its high chemical resistance makes it ideal for sensitive contents. By 2026 our first tank will start commercial supply. This will include Product Carbon Footprint (PCF) data, supporting more informed, eco-conscious choices. FIOLAX® Pro offers an innovative, future-proof solution for the packaging industry.

What are the key milestones and timeline for implementing FIOLAX® Pro?
Florence: The implementation of FIOLAX® Pro follows a structured timeline to ensure a successful launch. After launching FIOLAX® Pro and showcasing our new, emission-reduced melting technology, we entered a seeding phase where selected customers provide feedback. Since January 2024, containers are available for testing and assessing drug-container compatibility and drug stability. We expect FIOLAX® Pro to be fully available by 2026, offering a high-quality, eco-friendly packaging solution.

What factors motivate customers to invest in sustainable packaging solutions, and how do you support them in this process?
Florence: Customers are motivated to invest in sustainable packaging solutions by a combination of their commitment to sustainability and the growing pressure to achieve net-zero emissions. Many companies are aligning their goals with the Science-Based Targets initiative (SBTi), which drives them to reduce carbon emissions throughout their supply chains. To support their sustainability journeys, we offer innovative, eco-friendly solutions for our vials, cartridges, etc., and their surrounding packaging solutions tailored to the ambition of our customers. This requires fulfilling sustainability ambitions at the same time as quality and business requirements. By collaborating closely with our customers and accommodating special requests for customised sustainability strategies, we empower them to enhance their product appeal while making a positive environmental impact.

Florence Buscke
leads Global Product Management for Drug Containment Solutions (DCS), contributing extensive experience from various business units at SCHOTT. With a strong background in Marketing Management, Sales and Key Account Management, she has successfully launched innovative vial surfaces, including EVERIC® pure and coatings like TopLyo® and EVERIC® care. Florence holds diplomas in Economics and Business Administration from Johannes Gutenberg Universität, Mainz, and Université Paris X, showcasing her solid academic foundation and dedication to advancing the industry.

Dr. Claudia Heinl
has a background in chemistry and works as Senior Product Manager in the field of Pharmaceutical Tubing at Schott AG, where she has been able to refine her specialist knowledge in the past eight years. Throughout her career journey, she has become a well-known go-to person for scientific support about glass and had the privilege of sharing her knowledge at nearly 60 events.

The new dress code for prefilled syringes: secure and blister-free

In April 2024, SCHOTT Pharma introduced new packaging concept for supplying prefilled syringes together with its Alliance to Zero partners, Schreiner and Körber Pharma. Today, blisters are typically applied to ship syringes to realise functionality like first opening indication or mechanical protection. The new concept transfers this functionality to a system combination of syringe, label and the surrounding cardboard box. Christoph Zauner, Head of Product Management for Polymer Solutions, has been part of this co-innovation and assessing the advantages of the concept up to and including use in hospitals.

What role did the informal conversation play and how did such a simple observation lead to a potential solution?
Informal conversations with peers in the Alliance to Zero were crucial in identifying this challenge. About two years ago, discussions on sustainability and reducing CO_2 footprints crossed with discussions on reasons for project delays. One of those reasons observed by several companies was that the parallel blister project of the pharmaceutical customer is delayed. This sparked informal discussions with partners, like Schreiner and Körber, where we brainstormed ideas for secure syringe packaging without the need for a blister.

How did the Alliance to Zero support the innovation process in addressing the blister issue?
The Alliance to Zero played a crucial role in fostering collaboration among partners to address the blister packaging issue by providing a structured framework for co-innovation. While our individual partners had already developed ideas around their business scope – i.e. syringes, labels and cardboard boxes – the Alliance facilitated a collaborative environment that helped integrate these components into a unified solution. This approach encouraged system-wide reimagining, enabling us to eliminate the blister packaging rather than making isolated improvements. By promoting cooperation and aligning different innovations, we harnessed the collective expertise of all partners, resulting in a more effective and cohesive solution to the blister issue. The Alliance to Zero expands our focus beyond primary packaging to a full-system perspective. This collaboration highlighted the need for components like syringes, labels and packaging to work together. The Alliance promotes a more innovative and holistic approach than traditional internal development.

How will your customers benefit from the new design combining the syringe, label and cardboard box?
The new design offers several benefits compared to blister-based syringe supply, especially in hospitals. It avoids the environmental impact of the blister and its sealing foil components. But moreover, requiring no blister facilitates many other steps along the value chain, starting from a higher number of CMOs capable of offering filling-packaging, to higher packaging density for shipping and warehousing, easier handling for personnel wearing gloves and acting in areas of limited handling space up to consuming less space in the waste bins. Additionally, the tamper-evident cap ensures safety by showing when a syringe has been opened, reducing the need to waste drugs when being unclear about previous usage. Hence, the concept supports benefits along the entire value chain up to the user.

> “The Alliance to Zero expands our focus beyond primary packaging to a full system perspective. This collaboration highlighted the need for components like syringes, labels, and packaging to work together.”
>
> **Christoph Zauner**
> Head of Product Management for Polymer Solutions

Christoph Zauner
is SCHOTT Pharma’s Head of Product Management for Polymer Solutions. He has a personal history in solving blister issues and developing prefilled syringe products for e.g. hospital applications ranging back to even before joining SCHOTT Pharma. Since then, he continued efforts to develop syringe systems with functional packaging features like first opening indication or oxygen and light protection. Christoph lives in Graz, Austria, and is an avid downhill mountain biker and snowboarder who has a deep passion for mountains and freedom.

Alliance to Zero
Enabling Net Zero Pharma Products

Greenhouse gas emissions and energy consumption

At SCHOTT Pharma, we fully support the Paris Agreement and want to make a meaningful contribution to limiting global temperature rise. We pursue the goal of achieving climate neutrality in Scopes 1 and 2 of our greenhouse gas emissions by 2030. This ambition aligns with our vision of ensuring that our business activities do not contribute to global warming.

GRI 3-1/-3

Materiality and impact

We consider climate change to be one of the greatest ecological, social and economic challenges of the 21st century. In our manufacturing processes, energy is of central importance, as fossil fuels are used to convert glass tubes into containers for primary pharmaceutical packaging. To process the containers further, electrical energy is used, e.g. for process automation and the operation of clean rooms. Energy is also required for the production of pre-fillable plastic syringes, which are manufactured by injection moulding. Further emissions in the supply chain are generated during the production and transportation of glass tubes, packaging materials and components we purchase. The glass tubes used are manufactured by our parent company SCHOTT, which develops glass-melting technology based on higher electrification and the use of green hydrogen to lower emissions. These innovative solutions also create opportunities for us to lower emissions within our supply chain. In terms of packaging materials, the primary source of emissions is the production of single-use polymer packaging. We are collaborating with suppliers and customers to minimise our environmental impact in this area.

By switching to renewable energy sources such as green electricity, we support the energy transition globally and contribute to action against climate change. More and more customers from both the private and public sector increasingly consider transparency on emissions and climate protection efforts in the bidding process.

Climate change, however, brings a range of risks that impact our business model and strategy. For SCHOTT Pharma, the key risks we have identified include increasing energy and commodity prices, along with insecure material availability. The fragility of supply chains is increasing due to climate-related phenomena such as floods and thunderstorms. As governments need to react to these developments, we anticipate a tightening regulatory framework accompanied by diverse fiscal measures such as carbon taxes in the jurisdictions where we operate. In September 2023, the EU officially adopted the revised Renewable Energy Directive, increasing the 2030 target for the share of renewable energy in the EU's total energy consumption from 32% to 42.5%.

In addition, climate-induced risks are becoming more prevalent. Extreme weather events are increasing in number and severity across the globe. These entail potential health risks for our employees due to rising temperatures and heatwaves. Other related risks are damage to buildings, flooding and the rising cost of insurance against natural hazards. We carry out risk analyses in cooperation with our reinsurer to determine whether our locations worldwide are exposed to any significant extent to extreme weather events such as flooding. However, our most recent analysis has not shown any relevant risks here.

GRI 2-23/-24
GRI 3-3

Management approach

Our management approach is centred around our commitment to achieving climate neutrality for Scope 1 and 2 emissions by 2030, reflecting our dedication to the Paris Agreement and the initiative to restrict global warming compared to the pre-industrial age. For Scope 3 emissions, we focus on fostering transparency throughout our supply chain and pursuing collaborative efforts with our business partners.

Another important element is acting in unison with our entire Group. As research-focused companies, SCHOTT and SCHOTT Pharma share the ambition to align activities and targets with current climate science. This is why we had our climate road map tested and validated by the independent Science-Based Targets initiative (SBTi). Guided by the SBTi on organisational boundary-setting the process of target validation was executed at the Group level, not on the level of SCHOTT Pharma individually. Thus, we are committed to fulfilling our share to these targets within the scope of our business activities. Within this frame, the specific approach for SCHOTT Pharma operations is defined and managed by our Sustainability Board.

Reduction of Scope 1 & 2 greenhouse gas emissions

Based on our work with the SBTi, our targets include an absolute reduction of 46.2% in Scope 1 and Scope 2 GHG emissions by 2030. Our journey to get there is based on the mitigation hierarchy “avoid – reduce – compensate”. Wherever possible, SCHOTT Pharma avoids the generation of greenhouse gases in Scopes 1 and 2. This is a top priority for us, manifested for example in switching from conventional to green energy. Wherever greenhouse gas emissions cannot be avoided, we strive to reduce their extent. Increasing efficiency in the production process and facility management is our biggest lever for doing so. For emissions which cannot be avoided or reduced, we plan to resort to compensation.

In line with our approach, we have identified three strategic areas for reducing of our Scope 1 & 2 related greenhouse gas emissions:

- improving energy efficiency
- using green electricity across all sites (operational since 2021)
- initiating technology change

Not only in determining a common path, but also when walking it, we coordinate with the entire SCHOTT Group. Milestones are jointly developed and integrated into our group-wide decarbonisation programme to ensure a coherent approach across all units, allowing us to use synergies when developing green technologies. The entire SCHOTT Group adheres to a uniform EHS Policy and EHS Guideline. To emphasise their importance, key topics of the EHS Guideline are reflected within our Code of Conduct and thus directly addressed to every individual employee. In EHS management we take a centralised approach to ensure solid standards applicable across all our manufacturing sites, but still encourage initiatives on a local level to identify and realise potential for improvement.

Our EHS Guideline has been developed in accordance with ISO 14001, which is the most widely recognised standard for environmental management systems. It covers all aspects necessary for the continuous improvement of environmental performance, including the reduction of emissions. All of our operational production sites are certified under ISO 14001.

Another standard that has inspired our EHS Guideline is ISO 50001 – Energy Management. This internationally recognised standard defines how companies should introduce, implement and enhance an energy management system. The aim is to improve the bottom line through efficient energy management – reducing energy input and emissions and thus also cost. This reflects the underlying conviction in our approach that economic and ecological aspects are not in conflict but in harmony.

In line with ISO 50001, the EHS managers at our individual sites must take energy aspects into account when assessing environmental issues and impacts.

Each local EHS manager evaluates and considers the following aspects for the respective site, based on methods and instruments established by our EHS Guideline:

- transparent disclosure of energy sources used and of energy consumption by equipment/machinery
- factors determining energy consumption
- consideration of energy efficiency in design and procurement
- introduction of regular energy monitoring

Our targets include an absolute reduction of

46.2%

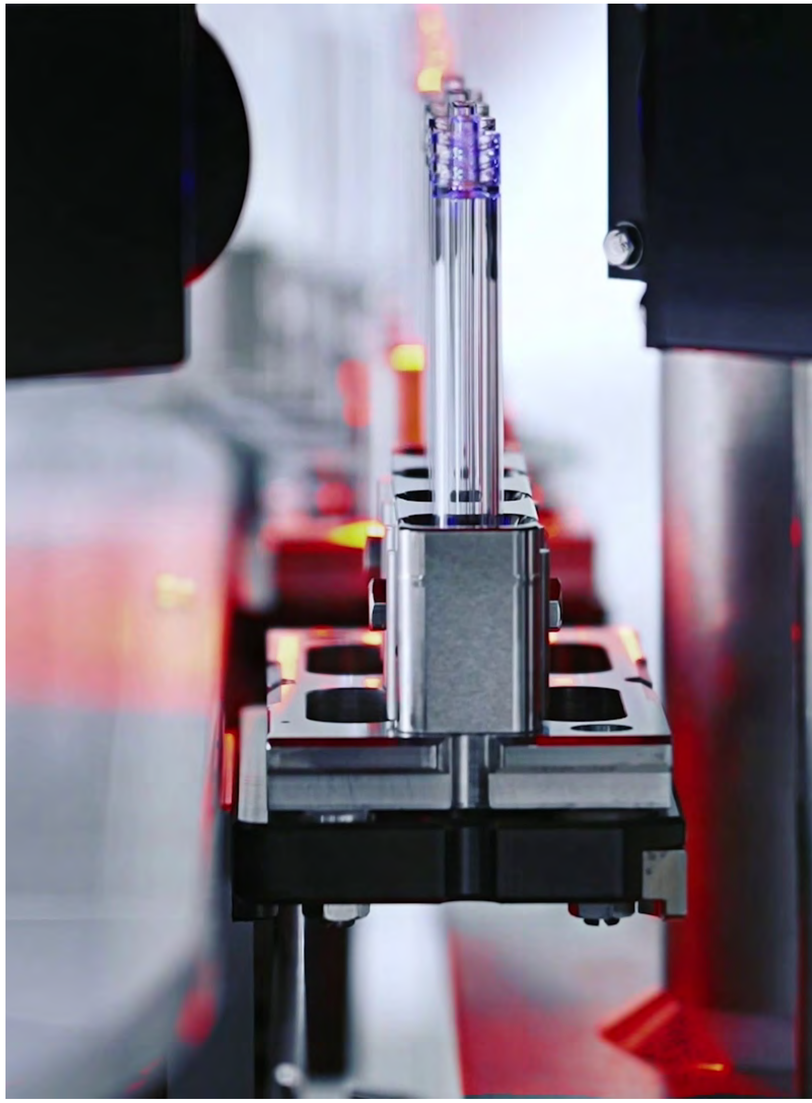
in Scope 1 and Scope 2 GHG emissions by 2030

Reduction of Scope 3 greenhouse gas emissions

Also, regarding Scope 3 emissions, we have determined validated targets. It is our commitment to reduce 27.5% of Scope 3 GHG emissions related to fuel and energy-related activities (Scope 3.3) and investments (Scope 3.15) by 2030. Moreover, we will engage our supply chain and source 74.23% of purchased goods and services (Scope 3.1), capital goods (Scope 3.2) as well as upstream transport and distribution (Scope 3.4) from suppliers that have made their own science-based target (SBT) commitments by 2027.

In pursuit of this ambitious goal, we encourage our suppliers to purchase renewable electricity, but also develop joint ideas for the products they deliver to us. Seeking to identify the biggest levers, we are focusing on the supply with glass tubing, as glass-melting accounts for more than 50% of the emissions in our supply chain. Within SCHOTT Group, the tubing division is currently realising a new borosilicate glass tubing technology. The melting process will change from a state-of-the-art oxy-fuel technology based on natural gas to an electric melting technology. The first tank is in construction at the SCHOTT site in Mitterteich, Germany. We plan to utilise this innovation together with likeminded pioneers as our customers to introduce containment solutions whose emissions footprint is approximately 50% lower than that of current solutions.

Furthermore, we drive supplier engagement by collaborating on sustainable packaging concepts and encouraging the use of green electricity. We also conduct annual sustainability assessments of key suppliers and integrate the results into supplier evaluations to drive progress and reduce emissions together. In our respective ESG questionnaire, we ask our major suppliers not only about their initiatives to measure carbon emissions and set reduction targets, but also about their suggestions for collaborating on more sustainable products.



GRI 302-1/-2/-3/-4, GRI 305-1/-2/-3/-4/-5/-6

Measures and measurement

Based on our environmental management system, we measure our consumption of electricity and fossil fuels for all our locations on a monthly basis. This allows us to calculate the related emissions from these figures as CO_2 equivalents (CO_2-eq) based on the methodology of the Greenhouse Gas (GHG) Protocol.

Since we want to track the sources of energy consumption on a granular level, we have installed gas and electricity meters allowing us to measure the actual consumption of individual machines and process modules. To monitor and evaluate our efforts systematically, we are using the following KPIs: 1) total energy consumption, 2) energy consumption relative to saleable goods, 3) GHG emissions (CO_2-eq, market-based and location-based method) and 4) GHG emissions (CO_2-eq) relative to saleable goods.

Our relevant GHG emissions consist predominantly of carbon dioxide (CO_2). There are also minor amounts of nitrogen oxides from the hot-forming process based on natural gas or liquefied petroleum gas. The greenhouse gas N_2O is included in the reported CO_2-eq figures. The amounts of other nitrogen oxides are so small that they are not considered material issues for SCHOTT Pharma. SCHOTT Pharma is also not importing, exporting or producing any ozone-depleting substances (ODS) according to the Montreal Protocol. We strictly prohibit the use of chlorofluorocarbons at all our sites. All refrigerants currently employed are free of ODS. In addition, there are very small amounts of volatile organic compounds (VOCs) such as alcohols, glycols, esters, hydrocarbons and ethers from printing processes, which are also below materiality threshold.

Our Scope 1 emissions amounted to 27,536 tonnes of CO_2-eq. Thanks to green electricity, indirect emissions (Scope 2) totalled only 60 tonnes of CO_2-eq (market-based method). Overall, we successfully reduced CO_2-eq emissions by 2,630 tonnes (market-based), respectively 2,336 tonnes (location-based), compared to the previous year.

In addition to Scope 1 and 2 emissions, we have calculated our Scope 3 emissions based on financial data, using average spend and partially quantity-based calculations and supplier-specific emission data, for our fiscal year 2024. The emission factors used in our calculation were provided by EXIOBASE, DBEIS, ecoinvent and in some cases by the specific supplier. Having made an excellent start in 2023, we strive to continuously improve the transparency of emissions in our upstream and downstream value chain. Regarding purchased goods and services (Scope 3.1), we have already increased the data quality by switching to supplier-specific emission data for 11.23% of the total considered spend.

Total greenhouse gas emissions (Scope 1 and Scope 2 of the GHG Protocol)

(in t)	FY 2024	FY 2023
Total Scope 1 and Scope 2 CO_2-eq emissions (market-based)[1]	**27,596**	**30,226**
Total Scope 1 and Scope 2 CO_2-eq emissions (location-based)	**71,477**	**73,813**
direct CO_2-eq emissions (Scope 1)	27,536	30,226
indirect CO_2-eq emissions (Scope 2, location-based)	43,941	43,587
indirect CO_2-eq emissions (Scope 2, market-based)	60	0
Biogenic CO_2 emissions	0	0
GHG emissions intensity (market-based)	**29**	**34**
GHG emissions intensity (location-based)	**75**	**82**

[1] For the purposes of calculating direct and indirect CO_2-eq emissions, the following gases were taken into account: CO_2, HFKW, PFKW, CH_4, N_2O, NF_3, SF_6.

Relevant indirect greenhouse gas emissions (Scope 3 of the GHG-Protocol)[1]

(in kt CO_2-eq)	FY 2024	FY 2023
Relevant indirect gross emissions (Scope 3)[1]	**398**	**418[2]**
Purchased goods and services (Scope 3.1)	212	227
Capital goods (Scope 3.2)	48	48
Fuel- and energy-related activities (Scope 3.3)	11	11
Upstream transportation and distribution (Scope 3.4)	9	14
Other upstream emissions (Scope 3.5/3.6/3.7/3.8)	15	16
Other downstream emissions (Scope 3.9/3.10/3.11/3.12/3.13/3.14)	73	77
Investments (Scope 3.15)	30	25

[1] The figures were calculated using a spend-based and mass-based approach, relying on primary data.
[2] The figures for the past financial year 2022/2023 were re-calculated based on the newly available emission factors.

The most effective measure in enabling the significant emission reduction compared to the fiscal year 2019 as base year was our complete switch to green electricity by the end of fiscal year 2021, making our company climate-neutral in Scope 2. We have a portfolio of Energy Attribute Certificates (EACs) and Power Purchase Agreements (PPAs) that cover the energy consumption of all our sites on a regional basis. To maintain high standards, our procurement prioritises green electricity providers who adhere to stringent international guidelines and are independently verified, carrying certifications such as “EKOenergy” or “Green-e”.

In addition to making the full switch to green electricity, we are taking a wide array of measures to reduce our energy consumption and increase the use of alternative energies. We have optimised energy efficiency by reducing gas consumption during machine downtime and have invested in state-of-the-art machines that have a significantly lower gas consumption per goods produced than previous machine generations. For example, to reduce energy consumption, we have started a transition to change our lighting systems to LED use. Today, already seven of our manufacturing sites are fully equipped with LED systems. In the other sites there is a continuous replacement to increase the share of LED systems. In fiscal year 2024, we consumed a total of 296,169 MWh. In comparison to the previous year, we were able to reduce our total energy consumption by 1.8%. In relation to turnover in the reporting period, our energy intensity amounted to 309.3 MWh per EUR million.

Energy consumption within the organisation and energy intensity	FY 2024
Total energy consumption (in MWh)	**296,169**
Total fuel consumption from non-renewable sources	**142,553**
Natural gas	73,426
Other fossil fuels	69.127
Total fuel consumption from renewable sources	**0**
Total indirect energy consumption	**153,616**
Electricity	153,282
Energy intensity (in MWh/EUR million turnover)	**309.3**

Using its innovative strength, SCHOTT Group is conducting extensive research on how glass production can be made more energy-efficient and less carbon-intensive. Currently, we coordinate a large-scale research project funded by the German Federal Ministry of Education and Research called “MiGWa”: Mikrowelle (microwave) – Glas – Wasserstoff (hydrogen). Its goal is to evaluate and develop modern technologies that help to avoid or reduce the use of fossil fuels in the glass production process to cut the major source of CO_2 emissions, while maintaining the highest quality. Given the vital role our products play in ensuring safe and reliable medical treatment, we prioritise uncompromised quality while also exploring environmentally responsible practices if possible. In the project, we are focusing on two technologies. The first is microwave technology, which uses electrical energy to melt the raw materials needed. This new technology aims to significantly reduce fossil fuels by replacing them with electrical energy. As a beneficial side effect, it also has the potential to improve operational processes. The second technology is the use of hydrogen for heating the melting tanks and for hot forming of pharmaceutical containers from glass tubes.

In addition to our collaboration within SCHOTT Group, we work with external partners to support climate protection initiatives, such as working with local communities to enhance energy efficiency. For example, at our Müllheim site in Germany, we have launched a project to utilise waste heat from our production processes to supply a local heating network. With approval already secured, the current focus is on attracting sufficient customers to join the network.

Our most important partners, however, are our employees. We encourage and empower our people to contribute their part to preserve the climate. Aside from voluntary engagement and expected behaviour set forth in our EHS Policy and Guideline, we also have clear rules to complement our efforts. For example, our travel guideline requires all employees to use the train instead of the plane for any trips shorter than 600 km.

At SCHOTT Pharma, we firmly believe that, by working closely with our employees and external stakeholders, we can significantly contribute to protecting the climate and environment. Through responsible energy use, expanding alternative energy sources and advancing the green technologies of the future, we aim to make a lasting impact.

In comparison to the previous year, we were able to reduce our total energy consumption by

1.8%

Decarbonisation – a team effort

Across the entire SCHOTT Family, the decarbonisation initiative the activities to reduce SCHOTT and SCHOTT Pharma’s operational emissions. SCHOTT Pharma's specific challenges relating to decarbonisation are addressed in workstreams related to technology change, production as well as infrastructure improvements. Stephan Steinle, Hanna Meier, Marco Antonio Rios Requena, Tobias Wagner and Dr. Wolfgang Schmidbauer are engaging with colleagues across our global site network of sites to identify, evaluate and roll out the best solutions for SCHOTT Pharma’s decarbonisation journey.

Could you briefly describe your primary responsibilities within the decarbonisation initiative?

Marco: I am coordinating improvement activities with a focus on hot-forming processes. We always ran a continuous improvement process to enhance efficiency. Over the last years, driven by our decarbonisation initiative, we added the reduction of gas consumption as a further objective of optimising our production setup and the associated processes.

Hanna: I am responsible for data analysis and data-driven improvement. By evaluating differences in energy consumption between sites with a group of experts, we aim to identify new best practices and trigger global roll-outs.

Stephan: On the one hand, I am supporting Hanna in collecting the necessary data. On the other hand, jointly with Tobias, I am coordinating the workstream on how to optimise our infrastructure. To this aim, we bring together facility and EHS managers from different sites to share their insights, bring in external knowledge, and develop local roadmaps to drive measures to increase efficiency.

Tobias: As global EHS manager of SCHOTT Pharma, projects to save energy at our different sites are at the core of what I do. Together with Stephan, I am offering support to the sites to build networks of mutual learning and exchange of best practices.

How do you work with different teams to reduce gas consumption in production processes while meeting KPI related to outputs?

Marco: To promote improvements of production processes, we collaborate closely with our competence centres. They are well connected to our local experts in production, maintenance and related functions. This allows us to rely on an established network when generating ideas, coordinating projects and roll-outs, and following up on the progress made. Typically, we optimise the process at one site, test the feasibility of a transfer to a second location and then roll it out globally based on the experience made. This is how we make sure that our roll-outs happen on a high level of maturity, making results tangible for our colleagues in charge.

How can you further support those optimisations using data?

Hanna: We collect energy consumption data and production statistics and connect the related data in a dashboard. These dashboards help us analyse gas consumption patterns across different sites and types of production lines, which in turn allows us to compare similar products and examine differences in usage. Our process relies on continuous communication with the sites, encouraging them to work with the data and interpret associated deviations to identify the potential for improvement and estimate its scope. By doing so, we can provide guidance for our production teams and Marco's projects geared towards optimisation.

What does coordinating infrastructure improvements across different sites involve, and how do you facilitate knowledge exchange to optimise these efforts?

Stephan: Coordinating infrastructure improvements across sites presents both challenges and opportunities due to the diverse cultures and working methods involved. To address e.g. the time shift, we have to hold two calls – one in the morning and one in the afternoon – ensuring all team members can participate. Most of our colleagues in the operating sites are driven by operational duties. Out of our global roles, we can support with preparation and coordination to drive long-term projects and facilitate their work by using synergies between our different sites.

Tobias: Facilitating knowledge exchange is essential. We gather information from various sites, summarise common themes and identify specific needs. For example, sites in warmer climates focus on cooling solutions, while those in colder regions prioritise heating. By understanding these distinct requirements, we can implement site specific improvements that effectively address the respective challenges.

What do you focus on when evaluating potential technological alternatives?
Wolfgang: We are scouting, testing and evaluating alternative technologies which might have a potential for minimising the environmental impact of pharmaceutical packaging in the future. Next to technical aspects, those evaluations consider criteria such as scalability to commercial sites, maintenance and control, availability of components and media, and other economic aspects. Our aim is to advance sustainable solutions that not only align with our commitment to environmental stewardship but also meet the evolving needs of our customers and guarantee a stable supply.

What makes working on decarbonisation projects at SCHOTT Pharma unique compared to other types of projects you've been involved in?
Stephan: Many of our colleagues are driven by an intrinsic motivation. Personally, as a father, I want to ensure that my children grow up in a healthy world. This is why I am committed to sustainability.
Hanna: My motivation comes from my background in mechanical and solar engineering. Here, I have reflected on the importance of energy independence, which has increased my passion for renewable energy and decarbonisation.
Marco: My motivation at SCHOTT Pharma stems from our projects, which comprise various departments and foster collaboration among individuals who typically don't work together. This collective effort significantly enhances the network across our global organisation.

"Our decarbonisation initiative isn't just about efficiency – it's a collective effort uniting expertise across departments to drive real change at SCHOTT Pharma."

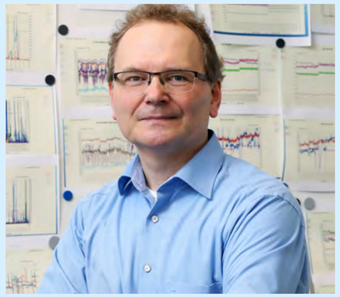
Hanna Meier
Data Scientist

Stephan Sebastian Steinle
started his career at SCHOTT in 2007 as an intern in Mainz. He later completed a dual study programme at SCHOTT's Lightning & Imaging business unit. Following several roles in technology support and engineering in Switzerland and Mexico, he now focuses on sustainability and EHS at SCHOTT Pharma's Global R&D Department. While working on a project in Mexico, he realised that the local team's drilling approach was inefficient. A colleague helped him to resolve the matter by quickly importing a new drill. This collaboration led to a deeper connection and eventually a marriage and two wonderful children.

Hanna Meier
is a Data Scientist and has been part of SCHOTT Pharma's Operational Technology team for four years now. She specialises in machine data analysis, trend discovery and AI model development to deliver insights through dashboards and visualisations. Originally from Ukraine and now based in Switzerland, she holds master's degrees in engineering from institutions in Ukraine, Sweden and Switzerland. With a background as a design engineer and a lead in the energy sector, she brings a passion for using data to solve complex business and engineering challenges. In her free time, Hanna enjoys yoga, Latin dancing, hiking, skiing and volunteers at Hegi Castle in Winterthur, while also organising sports trips and cultural charity events.

Marco Antonio Rios Requena
originally from La Paz, Bolivia, has spent over a decade living in Germany, embracing its culture and lifestyle. As an industrial engineer at SCHOTT Pharma, Marco combines his analytical skills with a passion for innovation, thriving in a field that allows him to tackle complex challenges creatively. Outside of work, Marco's curiosity drives him to explore foreign cultures and learn new languages, each offering fresh perspectives. In his free time, he enjoys playing guitar, swimming and running – activities that bring him balance and connect him with others through shared experiences.

Tobias Wagner
plays a crucial role in bridging the global connection between SCHOTT AG and its production sites. As a dedicated employee in Environment, Health and Safety (EHS), he promotes continuous improvement in all EHS-related activities. He is passionate about implementing EHS measures across every level of the company, ensuring that both employees and management are engaged in creating safer, healthier workplaces. Outside of work, Tobias enjoys spending quality time with his 3-year-old daughter. To unwind after a busy day, he finds balance in jogging or practising yoga, both of which help him stay mentally and physically refreshed.



Dr. Wolfgang Schmidbauer
is passionate about technological innovations and the development of resource-efficient and sustainable production processes. As a Senior Principal Expert for hot processes within Central Research and Development at SCHOTT AG, he leads technological transformation efforts and scouts for innovative melting and hot-forming technologies. His work aligns perfectly with the pharmaceutical packaging sector's goals for sustainable production. As a father of four, Wolfgang is deeply committed to finding solutions that promote environmental responsibility, believing it is essential to create a healthier planet for future generations.

Going ISO 50001 for systematic reduction of energy demand and cost

SCHOTT Pharma's Indonesian site successfully obtained ISO 50001 certification in the past fiscal year. William Robyn, Site Manager, and Cindy Ruth Maharini, Quality and EHS Supervisor, share insights on their motivation for this endeavour and how they jointly finished this journey with their colleagues.

What motivated your organisation to pursue ISO 50001 certification? Can you share specific goals or aspirations that led to this decision?
William: As part of the decarbonisation programme of SCHOTT and SCHOTT Pharma, we had already been working on energy efficiency projects and had formed a team here in Indonesia. One of our primary goals connected to the certification process was to make energy management a part of our company culture. To achieve this, we recognised the need for data and a comprehensive energy management system to systematically guide our journey. Pursuing ISO 50001 certification supported us with clear framework requirements in formalising our initiatives, reducing energy costs and showcasing our dedication to sustainability. Ultimately, we aimed to create a sustainable system that everyone in the organisation could support.

Can you describe the key components of the certification process and the challenges you encountered during the certification process?
Cindy: Key components of the ISO 50001 certification include detailed energy consumption documentation, a thorough review and a strong management system. Although developing precise documentation was challenging, it deepened our team's knowledge of energy management. Engaging the team took effort but ultimately helped integrate the new system smoothly into existing workflows.

What changes do you anticipate in your operational practices and outcomes after achieving ISO 50001 certification?
William: Post-certification, I expect our operational practices to become significantly more energy-conscious. We will evaluate the energy impact of new equipment purchases and incorporate energy management principles into our employee training programmes. This certification will foster a data-driven culture, emphasising the measurement and evaluation of our actions. I anticipate that these changes will lead to improved cost efficiency through energy savings, enhancing our competitiveness and boosting our market image. Our commitment to reducing energy dependency will be recognised by customers, many of whom are already eager to learn about our practices. Receiving an ISO certification for energy management is relatively new in Indonesia. It positions us as a leader in energy management, setting a standard for others in the industry.

How does ISO 50001 certification align with your existing initiatives for energy efficiency and carbon reduction?
Cindy: ISO 50001 certification provides a structured framework for our energy usage and improvement efforts, enhancing our monitoring processes. This certification allows us to align our energy initiatives with broader sustainability goals, making our programmes more effective by deriving data-informed priorities. By integrating ISO 50001 into our existing practices, we can better track our progress in energy efficiency and carbon reduction, ultimately strengthening our commitment to sustainability.

William Robyn
was initially hired on an 18-month contract in 2009. He quickly aligned with the company's values and chose to continue his journey within the organisation, taking on various roles in manufacturing, from production to maintenance. In 2021, he assumed responsibility for the Indonesian site as President Director, where he appreciates the freedom to implement new strategies that drive the site and the team toward greater efficiency and success.

Cindy Ruth Maharini
joined SCHOTT Pharma in 2023 and took the lead in energy management, supported by the dedicated Energy Board. Adapting to SCHOTT Pharma's fast-paced and dynamic environment has been both challenging and rewarding, providing her the opportunity to explore innovative ideas and initiatives. She is excited to continue driving progress and contributing to the company's sustainability goals.

Waste along the value chain

SCHOTT Pharma seeks to decouple economic growth from the consumption of finite natural resources by increasing resource efficiency and developing circular economy concepts. With our internal operations and our partners along the value chain, we seek to transition from waste to resource management. Therefore, we review our product and packaging concepts, production processes as well as the related waste streams, to optimise them for keeping the related materials in the loop and reduce waste volumes.

GRI 3-1/-3

Materiality and impact

At the core of SCHOTT Pharma's value-creation process is the conversion of glass tubes into drug containment and drug delivery products for pharmaceutical goods. Consequently, our major internal source of waste are the glass cullets resulting from residual tube length or rejections during the conversion process.

Cullets are returned for reuse in tube manufacturing whenever possible, depending on distance. In locations with longer transport distances, open-loop solutions are employed to recover the material, redirecting it to other uses like the construction industry. At the end of life, the glass content of pharmaceutical drug products reaching patients or healthcare professionals is forwarded to medical waste disposal.

SCHOTT Pharma also manufactures drug delivery systems using Cyclic Olefin Copolymer (COC). The associated manufacturing waste is directed to an open-loop stream, allowing it to be reused as filler materials in other polymer applications. Waste generated from the use of drug products is sent for medical waste disposal, like glass-based products, due to their contact with drugs or bodily fluids.

Another significant waste stream relates to the packaging materials used to receive incoming materials at SCHOTT Pharma and to deliver our products to customers. Those materials typically include cardboard, polymer foils, polymer packaging components and pallets. In this case, the impact depends on packaging density and the design for reusability or recyclability. While we cannot directly control how our downstream partners manage their waste streams, our packaging design significantly affects the ease of redirecting materials for resource recovery.

Increasing demands from both the private and public sectors present potential challenges for our business operations, such as rising waste disposal costs.

Another challenge stems from tightening regulations around the globe. One example is EU legislation requiring all plastic packaging placed on the EU market to be reusable or cost-effectively recyclable by 2030. We are seeing similar efforts demanding the introduction of circular economy concepts to address the increasing shortage of natural resources and reduce waste.

We are actively working, both internally and with our value chain partners, to develop strategies that meet the evolving frameworks and requirements for enhanced circularity. This effort supports our positioning as a key partner in creating a sustainable supply chain and contributes to improving resource efficiency.

GRI 2-23/-24
GRI 3-3
GRI 306-1/-2

Management approach

To enhance the resource efficiency of our product and packaging design, we follow our Ecodesign Guideline, which outlines essential considerations and best practices. A key focus is increasing packaging density. In collaboration with our suppliers and customers, we are developing solutions that allow for higher packaging density, thereby minimising environmental impacts by using less material, reducing processing, sterilisation and transportation. Additionally, we aim to decrease packaging for input materials throughout our upstream value chain.

A significant share of the waste from our manufacturing activities consists of cullet, which results from cutting the glass tubes we need for our containers as well as from production rejects. Where it is economically and ecologically reasonable, the cullet is returned to tube manufacturing facilities of SCHOTT AG, where it is reused for glass production. To keep transport distances short, save energy and reduce emissions, our manufacturing sites send the cullet to the closest factory of our tube supplier. Our location in Müllheim (Germany) sends the cullet to Mainz (Germany), St. Gallen (Switzerland) to Mitterteich (Germany), and Itupeva (Brazil) to Rio de Janeiro (Brazil). If reuse for production is not possible, the glass waste is used for different purposes. Over the years, we have identified a large variety of purposes, such as filling material for civil engineering projects and road construction, for production processes in the cement industry and as a component of fibreglass insulations or glass wool.

Packaging materials from our suppliers are categorised into polymer and cardboard waste streams before being sent to professional recycling providers. Both waste types are then recycled to produce polymer and cardboard respectively. Our waste management strategy is clearly outlined in our EHS Guideline. This Group-wide document establishes binding requirements for all locations, ensuring a consistent standard across sites. The relevant procedures and governance are integrated into the certified environmental management systems according to ISO 14001, which are implemented at each site. Local management holds operational responsibility, supported by EHS site advisors, for addressing specific technical conditions, customer needs and regulatory requirements at each location.

The management approach duplicates the structure we use for the energy and emission management approach, because we see many synergies between reducing both carbon emissions and waste. If we manage to use less material for packaging purposes or further increase the share of recycled materials or recyclable materials, then less production processes will be necessary – cutting emissions, waste and the exploitation of natural resources at the same time.

Our ISO 14001-certified environmental management systems at all our sites also contribute to our efforts to reduce waste along the value chain. Based on its Plan-Do-Check-Act logic, the individual sites define annual targets for the handling of waste, continuously track their performance and develop improvements where significant impacts are identified. Our site-specific approach allows for precise target-setting and detailed measurement matching the local scope of operations and national frameworks.

Our EHS guideline promotes harmonised practices across our sites

Regarding operational processes, the EHS Guideline in particular requires

- avoidance, separate collection and recycling or energetic recovery of waste and safe waste disposal
- safe handling of hazardous materials and waste, thus preventing contamination of soil and the introduction of pollutants into groundwater.

It also stipulates the establishment and maintenance of a Hazardous Substances Register on

- incoming and utilised hazardous substances with minimum information on the quantity, trade name, supplier and date of the safety data sheet
- voluntary complement, e.g. for water-hazardous substances or SVHC substances
- outgoing hazardous substances as well as dangerous goods and hazardous waste.

Finally, it calls for internal and external documentation and reporting on

- information on the safe handling and storage of hazardous substances (there has to be a review after three years at the latest if the safety data sheets are up to date and the current safety data sheet has to be requested if required)
- associated operating instructions at least for hazardous substances and the handling of hazardous waste
- permissions related to the authorised transport and disposal of waste to disposal partners (e.g. contracts, proof of proper disposal)
- declaration for the use of SVHC substances and respective separate permissions if restriction on the use is in place.

GRI 2-23/-24
GRI 306-1/-2/
-3/-4/-5

Measures and measurement

SCHOTT Pharma's performance measurement is grounded in a clear-cut taxonomy that differentiates between four types of waste.

- primary production waste – cullet from production of primary packaging
- primary production waste – polymer residue from production of primary packaging
- secondary packaging of input materials – polymer and cardboard packaging of glass tubes delivered to us, packaging material for final products supplied by us
- secondary process-related waste – oils, cleaning agents, glue residue, etc.

We make a further distinction between waste diverted from disposal through recycling (which includes reuse and thermal recovery) and waste sent to disposal (such as incineration and landfill). Both categories are then classified into hazardous and non-hazardous waste. Our definitions for hazardous waste, as well as the categories for recycling and disposal, align with the globally recognised Basel Convention. Additionally, cullet and glass waste, along with their respective recovery percentages, are tracked separately for a more detailed performance assessment.

99%

of our glass waste is forwarded to a second life-cycle.

Waste according to type and form of disposal	FY 2024
Total weight of waste generated (in t)	**11.524**
Hazardous waste	421
Non-hazardous waste	11,103
Total weight of waste diverted from disposal	**10,199**
Hazardous waste	130
Non-hazardous waste	10,069
Total weight of waste directed to disposal	**1,325**
Hazardous waste	291
Non-hazardous waste	1,034

Glass is well suited for recycling due to its material properties. In the context of our manufacturing activities, glass shards are generated from production waste and from cutting delivered glass tubes to length. These shards are returned to SCHOTT's glass furnaces, where they are reused in production, whenever it is economically and environmentally reasonable. In case a reuse is not feasible, the shards are used for other purposes. For instance, they can be used as filling material in construction projects or as components in fibreglass insulation or glass wool. Through this differentiated approach and a combination of internal and external recycling, we achieve a recycling rate of 99.6%.

Accurate documentation is crucial to us when it comes to measuring and recording waste. That is why we have implemented a dual control principle in our information management system for waste reporting. Since the data provided is the basis for management decisions and subsequent actions, we ensure all figures are accurate. Precision is equally important for compliance with governmental regulations, as waste management laws are stringent in the countries where we operate.

As for all issues in environmental protection, we also involve our employees in finding ways to avoid and reduce waste. Developing circular economy concepts for packaging materials and containers after usage is of particular relevance for us.

Being aware that most of the avoidable negative impacts of products are already defined during their development, we use our Ecodesign Guideline to sensitise our people about the dos and don'ts of developing eco-friendly products, design for recycling and design for circularity. The application of the associated principles is monitored during milestone meetings in the product development process alongside other critical design requirements. At SCHOTT Pharma, it is our aim to think beyond the end already in the beginning.

As meaningful circularity cannot be achieved in isolation, we work with our suppliers and customers along the value chain and actively involve other stakeholders when necessary. For instance, together with renowned partners such as Merck KGaA, Erasmus Hospital Rotterdam and TU Delft, we investigated circular options for the waste streams of hospitals. With our partners in the Alliance to Zero, we are collaborating on circular solutions for the components of injection devices.

Another focus area is transport packaging. Here, we cooperate with our suppliers and customers on solutions that enable a higher packaging density. In addition, a large part of our joint work on transport packaging also deals with the question of how packaging can be redesigned so that a high degree of circularity can be achieved while preserving the resources contained.

A landmark project in closed-loop recycling without compromising patient safety has been initiated by us in collaboration with two strong partners. Together with Corplex, an expert in the design, manufacturing and recycling of transport packaging, and Takeda, a leading pharmaceutical company, we have initiated a pilot study on closed-loop recycling of single-use trays. These are used to hold vials, cartridges and ampoules during transport and are currently disposed of after a single use.

Our joint study demonstrated the way trash containers filled with single-use plastic packaging can be transformed into future material sources.

A significant challenge we encounter is ensuring that the recycled material aligns with all material control standards and requirements for use as carriers in pharmaceutical filling lines. To address this challenge, it has been crucial to collaborate with suppliers and customers to represent the entire ecosystem within the project.

A peer-reviewed life cycle assessment confirmed the reduced environmental impact of closed-loop recycling: material can be recirculated after use, applied at the same quality level and cuts GHG emissions per tray by up to 50% while applying 70% recycled content compared to using virgin single-use trays.

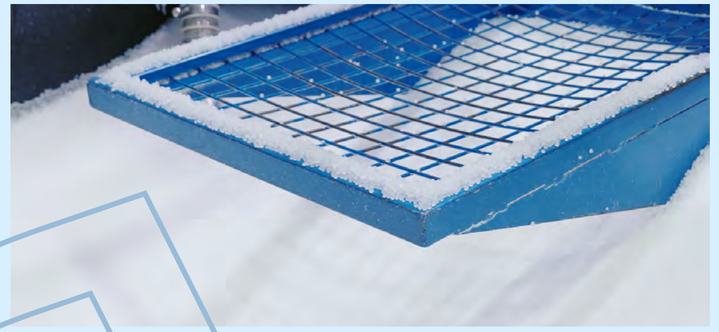
As the next step, our closed-loop recycling system will undergo scaling, while success factors like the standardisation of tray dimensions will be reviewed. Moreover, we seek to include other pharmaceutical companies to drive the industry's transformation towards more sustainable practices.

To reduce waste along our value chain, we also focus on optimising packaging density, one of the key levers outlined in our ecodesign guidelines. This involves the design of the containers that hold syringes, referred to as "nests". To this end, our experts have developed a new nest design for prefillable polymer syringes. Nests are the carriers that hold the syringes during transport and filling. With the new design, the nest can hold a total of 160 syringes without changing its size. This marks a 60% increase compared to the standard nest, which accommodates 100 syringes. As a result, drug manufacturers benefit from increased output: in the same cycle time, our new nest enables pharmaceutical companies to fill significantly more syringes per hour than before. They can improve their efficiency by up to 67% while also significantly reducing their manufacturing costs and lowering the carbon footprint of the delivered syringes by 17%. Together with our collaboration partner Bausch + Ströbel, we have ensured easy implementation, requiring only minor retrofitting changes, while validating the related increase in efficiency and reliable operations for pharmaceutical companies.

Our closed-loop recycling system led to a

50%

reduction in carbon emissions for trays made from 70% recycled content.



Philipp Ludihuser, Sustainability Manager at SCHOTT Pharma, emphasises the importance of partnerships with industry leaders like Corplex and Takeda in achieving tangible milestones.

SCHOTT Pharma, Corplex and Takeda joined forces to break the necessity for virgin polymer use in pharma trays

What is the concept behind the closed-loop recycling system for pharma trays, and what challenges does it face?
The basic concept is to ensure that the high-value materials we use to make our packaging are separately collected and reprocessed to manufacture trays for us once again. We have thus implemented a recycling scheme that allows us to close the loop: a tray-to-tray system, which is a first in our industry. Currently, packaging components such as the pharma trays we use to carry vials, cartridges or ampoules to our customers' filling lines are manufactured exclusively from virgin polymer sources. This results in a large amount of waste after single use and contributes significantly to our Scope 3 emissions.

What are the environmental benefits associated with the closed-loop recycling system?
This system enables the reuse of recovered and recycled materials for manufacturing new trays. As a result, it minimises the demand for resource extraction, ensures there is no end-of-life waste, and guarantees continuous reuse of the material, thereby reducing raw material emissions. An external peer-reviewed LCA study showed a 50% reduction in the tray's emission footprint when incorporating 70% recycled material and 30% new material in tray production. Since we maintain the material in a separate loop, no sorting or water-based washing is required prior to the mechanically and electrically powered recycling process. This makes the entire closed-loop process highly environmentally friendly.

How have SCHOTT Pharma, Corplex and Takeda ensured that recycled materials meet the pharmaceutical industry's safety and quality standards for patient safety?
Ensuring that recycled materials meet the strict safety and quality standards of the pharmaceutical industry requires us to safeguard the material against any potential mix-ups. This approach allows us to control and predict the material properties, which is a core responsibility as a supplier to the pharma industry. To this end, we conducted a detailed risk assessment to identify potential risks from collection to granulate manufacturing and carried out extensive studies on the impact of the recycling process on the material. We conducted multiple cycles with the same material at full commercial production scale to simulate potential future risks. Ultimately, data and insights from teams across the involved companies enabled us to conclude that the material produced through our closed-loop system is as safe for use as virgin material from the chemical industry.

What made the partnership the decisive success factor from your opinion?
To succeed, you need a collection system that works; otherwise, you cannot operate efficiently. You need a quality concept that is trusted by all involved; otherwise, no one will buy into the solution. Therefore, having all three key stations of the loop in the team supports the project by bringing all requirements to the table and fosters open refinement of the solution with short feedback loops. The first collections were not pure but, as a team, we optimised the approach and continue to do so to make it convenient for both collecting and receiving parties. Co-innovating in a loop setup is an interesting new experience for all: everyone is both a customer and a supplier at the same time. This promotes a focus on joint success.

"To succeed, you need a collection system that works; otherwise, you cannot operate efficiently."

Philipp Ludihuser
Sustainability Manager at SCHOTT Pharma,
focusing on decarbonisation and circular solutions

Philipp Ludihuser
has driven sustainability and transformation in global organisations for over a decade. With experience in sustainability, consulting and project management, he excels in delivering change in multi-stakeholder environments. Since 2022, he acts as Sustainability Manager at SCHOTT Pharma, focusing on decarbonisation and circular solutions while collaborating with business partners along the value chain.

From reporting duties to opportunities: My journey as a master student at SCHOTT Pharma

Cora Woods has been working as a student intern in the Sustainability Department at SCHOTT Pharma for two years. Recently, she completed her master's thesis, developing a waste management reporting framework for SCHOTT Pharma in alignment with upcoming CSRD regulations.

What motivated you to choose SCHOTT Pharma for your master's thesis on waste management?
My previous experience greatly influenced my decision. I found SCHOTT Pharma's sustainability initiatives, particularly closed-loop recycling, engaging. When choosing a topic for my master's thesis, I asked to see if they had a project related to sustainability and data-driven reporting. They offered me an exciting waste reporting project, particularly relevant due to the upcoming CSRD regulations.

Working with sustainability manager Phillip Ludihauser as my supervisor made the decision easier. His expertise gave me confidence in the guidance I'd receive. The support from the entire SCHOTT Pharma team was exceptional, with everyone eager to share the data and insights I needed.

How did the collaboration with key stakeholders influence the direction and outcomes of your research?
Close collaboration with local experts was essential in shaping my research. We introduced the project and its objectives in a meeting with all EHS Managers, and I then organised one-on-one meetings with each site to understand current practices and available data. Through continuous exchange, we developed a concept aligned with upcoming CSRD requirements, the company's ambition to learn and improve, and the need for a practical reporting process that fits local realities. Equally valuable was the support provided by my supervisor. We started with a meeting to align goals, timelines and expectations, ensuring alignment with the company's needs. Weekly supervision meetings provided ongoing feedback, and a larger meeting with the sustainability team helped to review my first set of results, refining our goals based on what was achievable in the four-to-five-month timeframe. At the end, I presented my final outcomes, receiving overwhelmingly positive feedback. Open communication not only focused my efforts on critical aspects but also aligned my work with the company's broader goals, making the research more impactful.

What were the key findings or outputs of your thesis?
Cora: A significant finding was that SCHOTT Pharma is well prepared for the quantitative aspects of the CSRD waste reporting requirements, as the necessary data is in place. I also observed the staff's strong willingness to engage and collaborate, reflecting the company's supportive culture. Communication with each plant revealed several opportunities to enhance waste management performance – not just reporting. Though time-intensive, this open dialogue leads to meaningful contributions, as all plants hold valuable data that becomes even more impactful when compared across similar sites. Overall, my research showed that contextualising our existing data within the CSRD framework presents a more positive outlook than anticipated.

Cora Woods
is pursuing a Master of Arts in Leadership at Frankfurt University of Applied Sciences, with a focus on sustainable corporate management. Alongside her studies, she works as a student intern in SCHOTT Pharma's Sustainability Department. In this role, she manages a global sustainability campaign, contributes to the development of a CSRD-compliant global waste reporting system and supports a closed-loop recycling project. In her spare time, she enjoys nature, which fuels her passion for environmental protection.

"From reporting duties to opportunities – collaboration and open communication turned my master's thesis into a meaningful, impact-driven project at SCHOTT Pharma."

Cora Woods
Student Intern at SCHOTT Pharma's Sustainability Department

Water management

GRI 3-1/-3

Water as the most valuable natural resource is increasingly threatened by a variety of developments: climate change, the steady growth of the world's population, but also by industrial and agricultural use. Current data reveals that one quarter of the global population faces severe water stress annually, regularly using up almost their entire available water supply. This high level of water stress jeopardises food and energy security, livelihoods and overall well-being. Water plays a crucial role in agriculture, energy generation, social equity and human health – all fundamental to SCHOTT Pharma's mission. Committed to the UN Global Compact, we strive to safeguard water as essential for life and economic sustainability.

Materiality and impact

Acknowledging its crucial importance for humanity, we regard water as a material issue, even though we only rely on it to a limited extent in our own manufacturing processes. Most of our production involves the heat-induced forming of glass-based pharmaceutical packaging, in which water is primarily used as a coolant within closed-loop systems. This efficient method significantly reduces both water withdrawal and discharge. Additionally, most of the water we consume is sourced from public resources and is mainly discharged indirectly into municipal sewage systems, highlighting our dedication to sustainable water practices.

At some of our sites where glass syringes, cartridges or vials are being washed to prepare them for coating or as pre-sterilised ready-to-use products, comparatively more water is used. Related processes are limited to a few manufacturing sites: washing for coating processes is conducted at only one site, while preparation for pre-sterilised products takes place at three of our twelve sites.

At the remaining sites, water is solely used in bathrooms, for cooking or as drinking water, and cleaning purposes, in addition to cooling processes. Due to the overall low dependency on water in our value creation, we do not see significant risks from water or water scarcity on our business model or our business performance. Water is also only of minor significance regarding our impacts. Despite our low consumption, we have systematically analysed whether our sites are located in areas with high or very high water stress levels, based on the Water Risk Atlas provided by the World Resources Institute. Only three – Pont-sur-Yonne (France), Bekasi (Indonesia) and Itupeva (Brazil) – of our twelve sites in operation during the last fiscal year are located in such areas. However, we do not manufacture any pre-sterilised or coated products at any of them and thus do not aggravate water stress.

GRI 2-23/-24
GRI 3-3,
GRI 303-1/-2

Management approach

Our EHS Guideline outlines comprehensive principles for sustainable water management that align with ISO 14001 requirements. It requires precise tracking of water consumption and discharge at site level, along with an analysis of potential environmental impacts.

Local EHS managers assess water contamination risks considering the probability of occurrence and the severity of potential damage. This way, we ensure our installations and cleaning systems enable systematic wastewater treatment and prevent our operations from contributing to contamination of the groundwater. Hazardous materials and waste must always be handled safely to avoid the risk of contaminating groundwater. Wastewater and extinguishing water must be retained in case of posing a risk to groundwater. In such cases, it must be ensured that the necessary retention capacities are available.

Sewage for rainwater, water from production and sanitary wastewater must be separated to ensure safe treatment and optimal reuse. At SCHOTT Pharma, water management, as an integral element of environmental protection, is the responsibility of plant managers, with support from local EHS managers. This approach allows us to evaluate and consider the interrelated effects of various environmental protection issues. Moreover, we ensure compliance with all local regulations and specific requirements, which can vary significantly between municipalities and countries.

Our approach also aims to foster the sharing of experiences and strategies within our global network of EHS managers, which is why we hold regular meetings. Environmental measures and impacts, including sustainable water management, are discussed monthly among the global EHS representatives of SCHOTT Pharma.

GRI 303-3/ -4/-5

Measures and measurement

We monitor our water withdrawal and discharge through our environmental management system and conduct an annual evaluation. For water withdrawal, we categorise it into direct sources (such as wells, rivers and lakes) and indirect sources (like municipal supply).

Water discharge is classified into two types as well: direct discharge into rivers, lakes and groundwater, and indirect discharge into municipal wastewater systems. Water consumption is determined by considering both withdrawal and discharge, with a separate analysis for regions experiencing water stress. All data is gathered and assessed on an annual basis. Once integrated into our environmental management system, it undergoes verification according to the dual control principle to ensure accuracy and reliability. Our goal is to establish a robust data foundation for thorough analysis and to derive appropriate measures if necessary.

Water withdrawal and discharge	FY 2024
Total water withdrawal (in cubic metres)	**306,470**
Direct withdrawal (groundwater from wells, surface water from lakes and rivers, collection of rainwater)	9,490
Indirect withdrawal (water from municipal sources)	296,980
Total water withdrawal from areas with water stress	**39,118**
Direct withdrawal (groundwater from wells, surface water from lakes and rivers, collection of rainwater)	9,490
Indirect withdrawal (water from municipal sources)	29,628
Total water discharge	**292,117**
Direct discharge (wastewater discharge to rivers, lakes or other public waters)	3,8274
Indirect discharge (wastewater discharge to communal sewage, water disposed of by truck to private companies)	253,842
Total water discharge to areas with water stress	**26,053**
Direct discharge (wastewater discharge to rivers, lakes or other public waters)	13,520
Indirect discharge (wastewater discharge to communal sewage, water disposed of by truck to private companies)	12,533

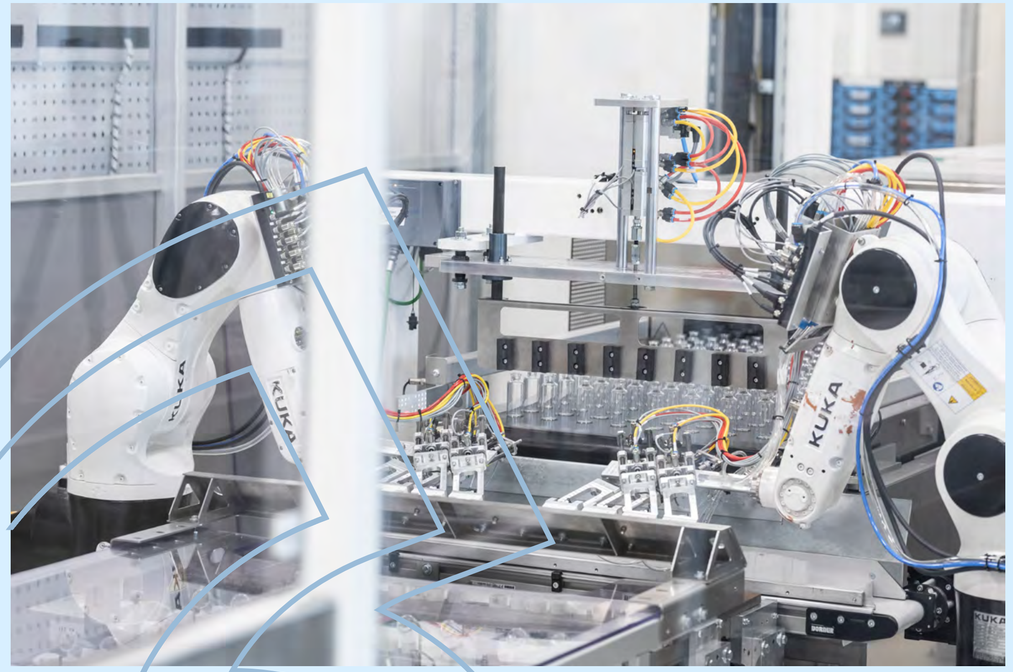
Here are some examples of projects initiated at various sites

- In Veracruz, Mexico, we utilise rainwater for sanitary facilities, thereby reducing our reliance on fresh water sources. Additionally, we have implemented measures such as the secondary use of distilled process water and the installation of waterless urinals.
- Our Müllheim site in Germany focuses on reusing water collected from coating processes.

To account most effectively for site-specific conditions, the local water situation and regulatory framework measures are determined locally by the sites. The local EHS managers are encouraged to share their experiences in our institutionalised meetings to ensure the transfer of best practices across our entire organisation.

Once again, the innovative strength deeply embedded in our organisational culture is essential for the continuous enhancement of our environmental performance. The ideas and engagement of our team members play a crucial role in making a significant contribution to the protection of the most valuable resource of the 21st century.

SCHOTT Pharma provides various inside coatings for vials to tune surface properties for demanding applications requiring minimised leaching, minimised protein adsorption or optimised lyophilisation results. To prepare the vials for the coating processes, they get washed and dried. In a recent project, Simon Jäger, Project Manager Technical Services, and Project Director Michael Waschbüsch from SCHOTT R&D and their team redesigned the washing process to enable recycling of the applied water for multiple uses.



Saving fresh water by introducing water recycling to the manufacturing of coated vials for pharmaceutical use

What prompted the need for a change in the washing process for bottle coating?
Michael: As part of the project launch for our new vial coating line, we routinely assessed opportunities to reduce the environmental impact of our production process. One key area identified was the washing process, which offered significant potential for improvement. However, we recognised the challenges of using recycled water in washing operations within a GMP-regulated environment.

What process was implemented to transition from fresh to recycled water, and how was the quality ensured?
Simon: We transitioned from discharging warm deionised water into the drain after washing to implementing a thermal and material recycling system. A key challenge was meeting all regulatory requirements for process water.
Michael: To ensure that using recycled water would not compromise quality, we established clear water quality criteria for the application, which are continuously monitored during production. Additionally, we conducted regular and detailed sample analyses through an external testing laboratory during line qualification and process validation.

What specific savings have been realised since implementation?
Simon: Production at the new plant is just starting and we do not have any precise numbers yet. However, according to cautious estimates, we expect savings of more than 100 tonnes of CO_2 per year and more than 6 million litres of fresh water.

What were some of the challenges or concerns you faced during the implementation of this new process?
Michael: The challenge was to meet the quality requirements pertaining to GMP. But we greatly benefited from the active support of our Quality Department. The site staff were constantly engaged in the project and proactively supported us. Also we were able to implement our companies' experiences from ready-to-use lines to wash vials, cartridges and syringes for pre-sterilised container supply. Therefore, we were very confident about this implementation.

Is it possible to transfer this approach to existing washing lines and permit the use of recycled water?
Simon: It would be possible in principle to introduce this water recycling concept to other lines. However, first we want to review how robust the system is in continuous operation. Based on this experience, we will analyse whether the new recycling system has proven itself. Based on this we'll review the required modifications for more lines and decide on a potential conversion strategy

Simon Jäger
took responsibility for building- and infrastructure-related matters in the project. Simon holds the position of Project Manager for Technical Services at SCHOTT Pharma AG in Müllheim, where he coordinates efforts between the project team, technical staff and external partners such as architects and planning consultants.

Michael Waschbüsch
has been with SCHOTT AG for many years and is currently the Project Director in the Advanced Processing department, focusing on Research and Development. Along various projects he supported the technological advancements of SCHOTT Pharma's vial coating technology in cooperation with the site in Müllheim, Germany. For the implementation of the latest coating line, he served as project manager from its inception through to the installation, line qualification and transfer to routine operation.

Looking ahead

Sustainable development is a continuous journey of transformation.

Against the background of growing environmental and social challenges, companies and societies alike cannot continue business as usual. Hence, it is our joint obligation to move forward with purpose and ambition. The efforts needed will require collaboration with partners from business, politics, science and civil society. As a company, we operate in complex ecosystems spanning a wide range of stakeholders. Engaging these stakeholders to obtain a better understanding of impacts, risks and opportunities is a core priority for our continued effort to constantly improve and disclose our sustainability performance.

Societies are facing the consequences of unsustainable behaviour

In 2023, our planet lost 3.7 million hectares of tropical rainforest, while about 2 million species are threatened by extinction. Closely related are crop failures, famines, the spread of diseases, and conflicts over freshwater access, illustrating the dire consequences we face. By 2030, global demand for freshwater is projected to surpass supply by 40%, while 26% of the world's population already lack access to clean drinking water.

While these developments are diverse, they all threaten human health and well-being – values that we, at SCHOTT Pharma, deeply cherish and strive to protect. Resource scarcity is becoming apparent across various industries, a result of overuse and industrialisation. This competition for limited resources has led to increasing political instability in many regions. If nothing changes, future generations will inherit a world with diminished resources and face the consequences of waste left by preceding generations, impacting both nature and human life.

In times of crisis, equality often suffers first. In recent years, the United Nations Gender Inequality Index has only marginally improved, implying that political and economic inequality as well as a lack of medical care are still a widespread problem for women around the world. Nevertheless, inequality remains prevalent in other forms, affecting ethnic and religious minorities as well as people with different sexual orientations.

As our world grapples with these challenges, it is crucial that we maintain our unwavering commitment to social equality, environmental protection, ethical business practices and the well-being of all those involved in our value chains.

We continue taking dedicated action

At SCHOTT Pharma, we remain dedicated to sustainability and are determined to making meaningful contributions. The challenges we encounter highlight the increasing significance of the four Sustainable Development Goals (SDGs) that lie at the heart of our sustainability strategy:

- SDG 3: Good health and well-being
- SDG 5: Gender Equality
- SDG 12: Sustainable consumption and production
- SDG 13: Climate action

To make a meaningful contribution to these goals, we will continue enhancing our sustainability management while intensifying our sustainability initiatives. A key aspect of our entrepreneurial spirit is our proactive approach to finding solutions and pioneering what may initially appear to be impossible, both in terms of products and processes. Equally important is finding and engaging with like-minded partners, as it is impossible for a single player to make a meaningful difference alone.

"We are looking forward to driving our sustainability efforts together with our partners and customers."

Dr. Arne Kloke
Head of Service and Sustainability Management

We are committed to continuing our sustainable journey
Climate action remains a leading topic on our sustainability agenda as we are committed to achieving our SBTi-based climate goals. We will drive innovation to reduce emissions associated with our production processes while ensuring that the quality of our products remains uncompromised. Moreover, our circular economy initiatives aim not only to minimise packaging waste but also to reduce reliance on fossil fuels and the associated Scope 3 emissions. While we may not have direct control over emissions within our value chain, this challenge drives us to collaborate closely with our suppliers and customers, confident that together we can achieve the progress needed. Another upcoming challenge is meeting the requirements of the Corporate Sustainability Reporting Directive (CSRD), which mandates companies to disclose a comprehensive range of ESG data. At SCHOTT Pharma, however, we view the effort involved in generating and disclosing this data not as an administrative burden, but as an opportunity. We see this as a chance to enhance our sustainability performance through systematic measurement, providing even greater transparency about our actions and achievements.

We are entering the next phase to deliver products that are safe for the patient and sustainable for the planet
In the last fiscal year, we introduced four ground-breaking solutions that hold significant potential to reduce the environmental footprint of our products and those of our customers. To deliver meaningful impact with these solutions, we must bring them to full commercial reality. As such, our focus is on integrating these advancements directly into our product offerings.

We will support our customers in qualifying FIOLAX® Pro as an equivalent glass source, working together to establish the prerequisites needed to leverage the emission-reduction potential of the new electric melting technology developed by SCHOTT Tubing.

We will also continue our collaboration on secondary packaging to reduce emissions and improve resource efficiency. Following the launch of our Nest 160, which accommodates 60% more polymer syringes per packaging unit, we will work with our customers on converting their syringe supply to the new configuration. Moreover, for other products, we will apply our Ecodesign process to refine and optimise their packaging configurations.

Our closed-loop partnership for pharma trays with Corplex, Takeda and other collaborators is advancing to the next phase. From successful pilot in tonne scale, we are moving to the use of recycled content in pharma trays for routine deliveries.

Together with our partners in the Alliance to Zero, we are excited to continue refining the secure, blister-free syringe concept in collaboration with hospital-use experts, while driving its implementation with our lead customers.

Driving sustainability with our employees

To advance our sustainability journey, we depend on the creativity and active contributions of our employees. Therefore, we believe it is essential to raise awareness among our employees about the importance of sustainability and its integration into our products, processes and organisational culture. To embed sustainability into our daily actions and decisions, we will continue expanding internal initiatives that raise awareness and drive their translation into our operations.

A key focus of our internal sustainability journey is strengthening our culture of diversity and inclusion. We will further formalise our commitment to zero tolerance for discrimination and any form of harassment, and we are dedicated to enhancing workforce diversity and promoting women into leadership roles. We have set the ambitious target of raising the percentage of women in senior management positions from an average of 23.6% to 30% by 2030. We actively encourage international representation and diverse educational backgrounds within our teams to foster the development of the best solutions for the complex challenges we face.

Advocating for industry transition

Collaboration is at the heart of achieving meaningful change. We will therefore continue our efforts in the Alliance to Zero and our engagement to fostering a more specific and action-oriented industry exchange on sustainability. Within the Alliance to Zero, we work with our partners to develop solutions that support the transition of the supply chain for injection devices to align with net-zero standards. This work takes an ecosystem approach, aiming to create holistic solutions across company boundaries. Together, we strive to raise awareness of the challenges facing our industry and to drive change through co-innovated solutions. In January, SCHOTT Pharma co-organised the sustainability conference at Pharmapack, bringing together a diverse group of insightful speakers to inspire meaningful action and share strategies for decarbonising pharmaceutical packaging and injection devices. Building on this spirit of serious, action-oriented industry exchange, we will co-organise a two-day conference at the CPHI trade fair in October 2024. Through this event, we aim to foster specific dialogue around the challenges our industry faces and, by doing so, contribute to the acceleration of urgently needed change.

Because human health matters

This mindset to see opportunities in developments which might initially be perceived as threats is essential for us at SCHOTT Pharma. Throughout our history, we have consistently transformed creativity into action and action into meaningful impact. We are confident in our ability to maintain our status as standard-setters in innovative drug containment solutions and drug delivery systems. We see ourselves as pioneers dedicated to finding solutions that balance economic success with social and environmental responsibility for the benefit of all – because human health matters.

Towards a new era of sustainability reporting

As SCHOTT Pharma progresses along its sustainability journey, change is a constant companion. Considering the requirements of the European Union's Corporate Sustainability Reporting Directive (CSRD), SCHOTT Pharma is preparing to step up its reporting to meet the requirements resulting from the connected European Sustainability Reporting Standards (ESRS) and our own continuously growing ambitions. We spoke to David Klein, Head of Corporate Sustainability at SCHOTT AG, and Dr. Arne Kloke, Head of Services and Sustainability at SCHOTT Pharma, to learn more.

This is SCHOTT Pharma's second standalone GRI report, what is next?
David: We are very happy about the maturity of our internal setup for sustainability reporting that we have established over the last two to three years. The introduction of the CSRD allows us to further develop our processes and to grow where there's still room for improvement. It is an exciting point in time to prepare a non-financial report for which there is no little best practice out there and even auditors are undecided about how to carry out the auditing process.

CSRD seems like a major next step; what does this mean for SCHOTT Pharma?
Arne: As we continue to prepare for our next reporting year and the introduction of CSRD, we are often amazed by the sheer amount of data we already have and that we can draw upon. At this point, preparation is very much about getting it all sorted and aligned with the requirements, rather than generating entirely new data. Still, the introduction of the CSRD and its reporting logics prompt us to re-examine upcoming challenges with our stakeholders from multiple perspectives. This process helps us to rethink our adaptation strategies and the opportunities arising from this transition.

What are the main challenges of sustainability reporting at this point of time and in the future?
David: On occasion, the concept of double materiality takes the role of the elusive villain of sustainability reporting. However, we have always embraced stakeholder dialogue as an important part of responsible business conduct and a source contributing to a holistic understanding of our business ecosystem. Our challenge is to transfer that spirit into a formalised and well-documented exercise that aligns with future requirements. The GRI standards used in the current and previous report are also based on a very similar understanding of materiality and so was our previous materiality analysis. Hence, the main challenge that remains is to infuse our efforts with a reasonable amount of pragmatism and keep bureaucracy to a minimum while moving towards our future reporting infrastructure.

Arne: When we talk about materiality and corresponding data points, the step from our current GRI reporting to CSRD will definitely be noticeable in the way it will be presented. Still, in its core, our focus will stay unchanged: decarbonisation along the value chain, pioneering circular packaging against the background of regulation in the pharma industry, and driving a culture of equal opportunity. We are taking the regulatory obligation to adjust our reporting to comply with CSRD requirements as an exercise that reflects and refines what we are already doing.

What else can we expect when looking ahead?
Arne: "Safe for the patient, sustainable for the planet" is the slogan behind our sustainability journey. Over the last years we focused our sustainability efforts on solutions to minimise the environmental impact of our products without compromising patient safety. During the last year, we delivered several short-term applicable and impactful solutions from emission-reduced glass and reduced packaging to closed-loop recycling. The next year will be about continuing this pioneering path with our partners and transitioning those solutions to full commercial state.

Dr. Arne Kloke
has led SCHOTT Pharma's sustainability strategy since 2021 and is managing a dedicated team of sustainability professionals. As President of the Alliance to Zero, a non-profit association committed to the transition to a net-zero economy across the pharma industry supply chain, Arne builds collaborative ecosystems that foster change. Under his leadership, SCHOTT Pharma has developed various strategic initiatives to successfully drive decarbonisation and pilot circular solutions for pharmaceutical packaging.

David Klein
has led SCHOTT AG's Corporate Sustainability Programme since 2022, overseeing the Group's central sustainability strategy. Coordinating a matrix organisation committed to SCHOTT's overarching sustainable development goals, David is in charge of the Group's sustainability reporting framework and strategic sustainability initiatives. The cross-functional sustainability community provides roadmaps, tools and training and is closely aligned with SCHOTT Pharma's own sustainability team.

"Corporate sustainability is inherently concerned with transformation in a world characterised by an increasing magnitude of climate-change related challenges. Elevating our sustainability reporting to the next level reflects our continued effort to do better in a changing world."

David Klein
Head of Corporate Sustainability, SCHOTT AG

GRI Index

Statement of use

SCHOTT Pharma AG & Co. KGaA has prepared this report in accordance with the GRI Standards for the period 1 October 2023 to 30 September 2024. All relevant information is provided by the company in this sustainability report. The interested reader can find additional information on the company's website and in the annual report and the integrated non-financial declaration. The separate annual report and integrated non-financial declaration have been audited in a limited assurance engagement based on the International Standard on Assurance Engagements (ISAE) 3000 (Revised). This standalone report and its GRI disclosures have not been subject to external audit.

GRI 1 used

GRI 1: Foundation 2021

Applicable GRI Sector Standard(s)

N/A (Glass industry not covered by designated sector standards)

GRI Standard	Disclosure	Reference	Additional information and reasons for omission
General disclosures			
GRI 2: General Disclosures 2021	2-1 Organisational details	About SCHOTT Pharma	-
	2-2 Entities included in the organisation's sustainability reporting	About this report	-
	2-3 Reporting period, frequency and contact point	About this report	-
	2-4 Restatements of information	About this report	-
	2-5 External assurance	About this report	-
	2-6 Activities, value chain and other business relationships	About SCHOTT Pharma	-
	2-7 Employees*	Diversity, equality and inclusion	-
	2-8 Workers who are not employees	Diversity, equality and inclusion	-
	2-9 Governance structure and composition	About SCHOTT Pharma Our sustainability management	-
	2-10 Nomination and selection of the highest governance body	About SCHOTT Pharma	-
	2-11 Chair of the highest governance body	About SCHOTT Pharma	-
	2-12 Role of the highest governance body in overseeing the management of impacts	Our sustainability management	-
	2-13 Delegation of responsibility for managing impacts	Our sustainability management	-
	2-14 Role of the highest governance body in sustainability reporting	Our sustainability management	-
	2-15 Conflicts of interest	About SCHOTT Pharma	-
	2-16 Communication of critical concerns	Fair business practices	-
	2-17 Collective knowledge of the highest governance body	Our sustainability management	-
	2-18 Evaluation of the performance of the highest governance body	About SCHOTT Pharma	-
	2-19 Remuneration policies	About SCHOTT Pharma	-
	2-20 Process to determine remuneration	About SCHOTT Pharma	-

* All disclosures marked with an asterisk were also included in the non-financial declaration in the anual report and were subject to an external limited assurance audit. More information can be found in the non-financial declaration provided in the annual report.

GRI Standard	Disclosure	Reference	Additional information and reasons for omission
General disclosures			
GRI 2: General Disclosures 2021	2-21 Annual total compensation ratio	-	A median compensation of the whole workforce would have to encompass a multitude of monetary & non-monetary compensation items which, in turn, would only be valid for certain sub-groups of employees. In addition, not all benefits are 100% quantifiable. Therefore, the calculated ratio could not reflect the actual relative compensation of the highest paid individual compared to the median.
	2-22 Statement on sustainable development strategy	Letter to the stakeholders Our sustainability strategy	-
	2-23 Policy commitments	Our sustainability management Fair business practices Sustainable procurement Cyber security Diversity, equality and inclusion Workforce attraction, development, and retention Occupational health and safety Product quality Greenhouse gas emissions and energy consumption Waste along the value chain Water management	-
	2-24 Embedding policy commitments	Our sustainability management Fair business practices Sustainable procurement Cyber security Diversity, equality and inclusion Workforce attraction, development, and retention Occupational health and safety Product quality Greenhouse gas emissions and energy consumption Waste along the value chain Water management	-
GRI 2: General Disclosures 2021	2-25 Processes to remediate negative impacts	Our sustainability management	-
	2-26 Mechanisms for seeking advice and raising concerns	Our sustainability strategy	-
	2-27 Compliance with laws and regulations	Fair business practices Our sustainability management	-
	2-28 Membership associations	Our sustainability management	-
	2-29 Approach to stakeholder engagement	Our sustainability management Our sustainability strategy	-
	2-30 Collective bargaining agreements	Diversity, equality and inclusion	-
GRI 3: Material Topics 2021	3-1 Process to determine material topics	About this report Our sustainability management Our sustainability strategy	-
	3-2 List of material topics	Our sustainability strategy	-

GRI Standard	Disclosure	Reference	Additional information and reasons for omission
Economic performance			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our sustainability strategy	-
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	SCHOTT Pharma Annual Report 2023/2024	-
	201-2 Financial implications and other risks and opportunities due to climate change	Our sustainability strategy Greenhouse gas emissions and energy consumption SCHOTT Pharma Annual Report 2023/2024	-
	201-3 Defined benefit plan obligations and other retirement plans	SCHOTT Pharma Annual Report 2023/2024	-
	201-4 Financial assistance received from government	SCHOTT Pharma Annual Report 2023/2024	-
Procurement practices			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable procurement	-
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	-	Due to SCHOTT Pharma's procurement approach, we do not regard the proportion of spending on local suppliers material for assessing our support for local suppliers.

GRI Standard	Disclosure	Reference	Additional information and reasons for omission
Anti-corruption			
GRI 3: Material Topics 2021	3-3 Management of material topics	Fair business practices	-
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Fair business practices	-
	205-2 Communication and training about anti-corruption policies and procedures	Fair business practices	-
	205-3 Confirmed incidents of corruption and actions taken	Fair business practices	-
Anti-competitive behaviour			
GRI 3: Material Topics 2021	3-3 Management of material topics	Fair business practices	-
GRI 206: Anti-competitive Behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	Fair business practices	-
Energy			
GRI 3: Material Topics 2021	3-3 Management of material topics	Greenhouse gas emissions and energy consumption	-
GRI 302: Energy 2016	302-1 Energy consumption within the organisation*	Greenhouse gas emissions and energy consumption	-
	302-2 Energy consumption outside of the organisation	Greenhouse gas emissions and energy consumption	Energy consumption outside of the organisation is implicitly reflected in our Scope 3 calculations (see GRI 305-3).

* All disclosures marked with an asterisk were also included in the non-financial declaration in the anual report and were subject to an external limited assurance audit. More information can be found in the non-financial declaration provided in the annual report.

GRI Standard	Disclosure	Reference	Additional information and reasons for omission
Energy			
GRI 302: Energy 2016	302-3 Energy intensity*	Greenhouse gas emissions and energy consumption	-
	302-4 Reduction of energy consumption	Greenhouse gas emissions and energy consumption	-
	302-5 Reduction in energy requirements of products and services	-	As the usage of SCHOTT Pharma's products or services is not energy intensive, we do not consider this aspect to be materia in the context of our energy consumption and related impacts.
Water and effluents			
GRI 3: Material Topics 2021	3-3 Management of material topics	Water management	-
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water management	-
	303-2 Management of water discharge-related impacts	Water management	-
	303-3 Water withdrawal*	Water management	-
	303-4 Water discharge	Water management	-
	303-5 Water consumption	Water management	-

GRI Standard	Disclosure	Reference	Additional information and reasons for omission
Emissions			
GRI 3: Material Topics 2021	3-3 Management of material topics	Greenhouse gas emissions and energy consumption	-
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions*	Greenhouse gas emissions and energy consumption	-
	305-2 Energy indirect (Scope 2) GHG emissions*	Greenhouse gas emissions and energy consumption	-
	305-3 Other indirect (Scope 3) GHG emissions*	Greenhouse gas emissions and energy consumption	-
	305-4 GHG emissions intensity	Greenhouse gas emissions and energy consumption	-
	305-5 Reduction of GHG emissions	Greenhouse gas emissions and energy consumption	-
	305-6 Emissions of ozone-depleting substances (ODS)	Greenhouse gas emissions and energy consumption	-
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions	Greenhouse gas emissions and energy consumption	NOx, SOx and other significant air emissions are not material to the operations of SCHOTT Pharma.

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GRI Standard	Disclosure	Reference	Additional information and reasons for omission
Waste			
GRI 3: Material Topics 2021	3-3 Management of material topics	Waste along the value chain	-
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste along the value chain	-
	306-2 Management of significant waste-related impacts	Waste along the value chain	-
	306-3 Waste generated*	Waste along the value chain	-
	306-4 Waste diverted from disposal	Waste along the value chain	-
	306-5 Waste directed to disposal	Waste along the value chain	-
Supplier environmental assessment			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable procurement	-
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Sustainable procurement	-
	308-2 Negative environmental impacts in the supply chain and actions taken	Sustainable procurement	-

GRI Standard	Disclosure	Reference	Additional information and reasons for omission
Employment			
GRI 3: Material Topics 2021	3-3 Management of material topics	Diversity, equality and inclusion	-
GRI 401: Employment 2016	401-1 New employee hires and employee turnover[1]	Diversity, equality and inclusion	-
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Diversity, equality and inclusion	-
	401-3 Parental leave	Diversity, equality and inclusion	-
Occupational health and safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	Occupational health and safety	-
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational health and safety	-
	403-2 Hazard identification, risk assessment and incident investigation	Occupational health and safety	-
	403-3 Occupational health services	Occupational health and safety	-
	403-4 Worker participation, consultation and communication on occupational health and safety	Occupational health and safety	-
	403-5 Worker training on occupational health and safety	Occupational health and safety	-
	403-6 Promotion of worker health	Occupational health and safety	-
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational health and safety	-

* All disclosures marked with an asterisk were also included in the non-financial declaration in the anual report and were subject to an external limited assurance audit. More information can be found in the non-financial declaration provided in the annual report.

GRI Standard	Disclosure	Reference	Additional information and reasons for omission
Occupational health and safety			
GRI 403: Occupational Health and Safety 2018	403-8 Workers covered by an occupational health and safety management system	Occupational health and safety	-
	403-9 Work-related injuries*	Occupational health and safety	-
	403-10 Work-related ill health	-	Disclosures on work-related ill health are omitted due to the complexity resulting from different classifications and definitions of work-related ill health provided by national professional associations at our locations of operation .
Training and education			
GRI 3: Material Topics 2021	3-3 Management of material topics	Workforce attraction, development and retention	-
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Workforce attraction, development and retention	-
	404-2 Programmes for upgrading employee skills and transition assistance programmes	Workforce attraction, development and retention	-
	404-3 Percentage of employees receiving regular performance and career development reviews	Workforce attraction, development and retention	-

GRI Standard	Disclosure	Reference	Additional information and reasons for omission
Diversity and equal opportunity			
GRI 3: Material Topics 2021	3-3 Management of material topics	Diversity, equality and inclusion	-
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees*	Diversity, equality and inclusion About SCHOTT Pharma	-
	405-2 Ratio of basic salary and remuneration of women to men	Diversity, equality and inclusion	-
Non-discrimination			
GRI 3: Material Topics 2021	3-3 Management of material topics	Diversity, equality and inclusion	-
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Diversity, equality and inclusion	-
Freedom of association and collective bargaining			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable procurement Diversity, equality and inclusion	SCHOTT Pharma regards the freedom of association and collective bargaining as essential workers' rights across its entire value chain. At our own locations of operation, we seek to ensure these rights through tarif agreements/collective bargaining agreements. Based on our supplier code of conduct and our committment to the United Nations Global Compact, we demand the same respect for workers' rights from our suppliers.
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Sustainable procurement Diversity, equality & inclusion	

* All disclosures marked with an asterisk were also included in the non-financial declaration in the anual report and were subject to an external limited assurance audit. More information can be found in the non-financial declaration provided in the annual report.

GRI Standard	Disclosure	Reference	Additional information and reasons for omission
Child labour			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable procurement	At SCHOTT Pharma's locations of operation, the risk of child labour is minimal due to our own strict code of conduct, applied policies and enforced national regulations, which is why we focus our efforts on suppliers with high risks regarding child labour.
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	Sustainable procurement	
Forced or compulsory labour			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable procurement	At SCHOTT Pharma's locations of operation, the risk of forced or compulsory labour is minimal due to our own strict code of conduct, applied policies and enforced national regulations, which is why we focus our efforts on suppliers with high risks regarding forced or compulsory labour.
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	Sustainable procurement	
Supplier social assessment			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable procurement	-
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Sustainable procurement	-
	414-2 Negative social impacts in the supply chain and actions taken	Sustainable procurement	-

GRI Standard	Disclosure	Reference	Additional information and reasons for omission
Customer health and safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	Product quality	-
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Product quality	-
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Product quality	-
Customer privacy			
GRI 3: Material Topics 2021	3-3 Management of material topics	Cyber security	-
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Cyber security	-

Imprint

Publisher

SCHOTT Pharma AG & Co. KGaA
Hattenbergstrasse 10
55122 Mainz
Germany

Concept and text
SCHOTT Pharma AG & Co. KGaA
Prof. Dr. Matthias Fifka

Graphic concept and design
SHE Kommunikationsagentur GmbH

Photography
SCHOTT (p. 17, 21, 43, 47, 56, 62, 63, 70, 71, 79, 81), SCHOTT/Péter Benkő (p. 69), SCHOTT/Nina Heinl (p.18), SCHOTT/Arne Lesmann (p. 25, 89), SCHOTT/Hartmut Nägele (p. 34, 36, 57, 75, 104), SCHOTT/Oliver Rüther (p. 91), SCHOTT/Alexander Sell (p. 85), SCHOTT/Peter Sondermann (p. 82), SCHOTT/Oana Szekely (p. 1, 3, 4, 6, 7, 8, 12, 13, 17, 18, 22, 23, 24, 25, 26, 27, 29, 31, 32, 33, 35, 37, 39, 40, 41, 42, 43, 44, 46, 47, 48, 49, 50, 51, 53, 56, 58, 60, 61, 63, 64, 66, 67, 68, 69, 70, 73, 76, 77, 78, 79, 80, 83, 84, 94, 96, 97, 98, 102, 105, 107, 108, 109)
SCHOTT Pharma (15, 17, 18, 38, 45, 54, 55, 59, 65, 71, 72, 82, 86, 87, 88, 90, 95, 103)
Adobe Stock (p. 17, 62), Beta Bionics (p. 66)
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Nils Hendrik Müller (p. 102), StudioVier (p. 8)

Additional information

If you have any questions or comments about our sustainability reporting, please do not hesitate to contact our sustainability management team.

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