

# ESG Questionnaire

March 2024

## General Industry:

Please list the industry's biggest sustainability (ESG)-related challenges and briefly describe the process for identifying these challenges.

Based on the materiality analysis conducted during 2022, three ESG-related matters were identified as most essential:

- Increased access to our products
- High degree of innovation, incl. partnership and collaboration, in the development of new technologies and products targeting large unmet needs
- Responsible manufacturing and transport of products
- Ethical business and transparency

A mapping of the current state of the company and an assessment of the global context have been conducted. Additionally, stakeholders have been identified and their perspectives have been considered through dialogue (or alternative methods of investigation). Based on the current state, the global context, the priorities of the company and the stakeholders' interests, the materiality assessment have been performed to identify the most essential issues. In addition to the abovementioned issues, the following have been identified:

- Climate impact
- Well-being of employees
- Responsible sourcing

Have you conducted any preliminary assessments of your company in relation to the EU Taxonomy? If so, what was the outcome?

During 2022 our business activity of pharmaceuticals was not covered by the EU Taxonomy. In 2023, the EU adopted the new Environmental Delegated Act, which includes pharmaceutical activities. The implementation has not yet been conducted by Orexo, but will be investigated further in 2024 integrated with our CSRD development.

## Environment:

Please list the firm's three primary risks related to climate change and if any, the firm's climate-related opportunities

The primary risk related to climate change is disruption of supplier sites and transport of products.

The main environmental impact from Orexo's business pertain to;

- Manufacturing (material and energy) and transportation of products in supply chain
- Business travel by plane
- Sales representative car trips

Regarding the climate related opportunities, Orexo's drug delivery platform amorphOX® which is the backbone in the ongoing development projects, enables medicines to have a longer shelf life and to be less sensitive for temperature changes. This also leads to less waste in the manufacturing and in end of use. These products can potentially play an important role in market where medications, such as vaccines, need to be stored in refrigerators.

Does the firm anticipate any climate-related investments, and if so to what extent?

The finalization of mapping scope 3 have now been done and we are now in a process of evaluation of data and identifying relevant actions. We are already collaborating with the landlords (both Sweden and US) to identify energy-saving possibilities, but more initiatives will be identified.

**Circular Economy: how are purchases and waste managed?**

The large part of our waste is derived from production, which is

outsourced. Orexo have requirements that our supplier shall have processes for environmental issues in place. There is also continuously engagement in dialogue with contract manufacturers regarding their sustainability efforts. Additionally, Orexo evaluate and follow up with strategic suppliers according to established processes. During 2023, extended sustainability evaluation was carried out for 7 suppliers for commercial delivery, including suppliers for OX124. In our inhouse facilities and R&D there is a major focus to correct and proper waste sorting.

If the firm rely on any scarce resources, please describe what efforts are made to mitigate the risk of those resources becoming scarcer in the future, e.g., recycling, reusing substitutes or improved resource efficiency?

No specific raw materials have been identified to be in risk of deficiency.

Transition-related risks (for example changed customer preferences or legislation): Do you anticipate any risks or opportunities due to the transition to a carbon-neutral society? Is there any risk of the firm's offer being negatively affected?

Orexo has so far only conducted a high-level risk assessment. From a climate perspective, Orexo is primarily impacted in the supply chain, where we identify the most significant risks for influence.

If yes, how has the firm positioned itself to handle that risk?

Currently, efforts are taking place to enhance understanding of sustainability impact related to the value chain, particularly the production segment, to better manage this risk.

Have you set a target to become carbon neutral? If so, how have you defined carbon neutrality?

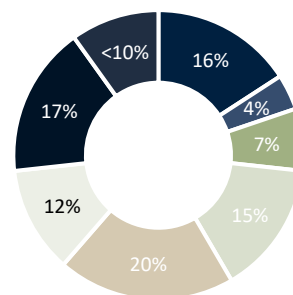
Orexo has set goals to reduce greenhouse gas emissions to 2030 (base year 2022);

- 50 % reduction scope 1 and 2
- 20 % reduction scope 1-3

But, as of now, no specific target for achieving climate neutrality has been established.

Please list the firm's (1-2) primary means of making a positive environmental impact or minimising negative environmental impact.

Orexo have now finalized the mapping of greenhouse gas emission by using GHG protocol, and we are now in a process of evaluation of data and identifying relevant actions.



- Scope 1, own and leased cars
- Scope 2, purchase of energy US
- Scope 3, purchase of own goods and services Zubsolv
- Scope 3, purchase of other goods and services
- Scope 3, capital goods
- Scope 3, transport and distribution
- Scope 3, business travel
- Scope 3, total other categories

A significant portion of our impact lies within the supply chain. Therefore, our efforts to increase understanding and enable a reduction of impact in the supply chain are crucial. We have established a robust process for this purpose, but ongoing work to improve the sustainability assessment process and enhance collaboration with suppliers remains important.

We will also evaluate how we can further work with business travel, own cars and energy. Furthermore, our sustainability work during the development phase is highly significant.

A well-developed product can play a crucial role in ensuring access to pharmaceutical products. We'd like to highlight Orexo's newly developed drug distribution platform, amorphOX®, which offers novel opportunities for developing medications with good chemical and physical stability which benefits both patients and the environment.

The amorphOX platform is particularly suited for developing medicines free from antioxidants and preservatives and where the substance is administered through the nasal route. Nasal delivery is a more simple and convenient method for patients to take medication. Additionally, the platform allows for medications with extended shelf life which is efficient from a waste management perspective.

**Please list the corresponding most relevant UN Sustainable Development Goals. What proportion of sales can be directly linked to selected UN SDGs?**

Health and well-being are at the core of a sustainable society, and this is where Orexo makes the most significant impact in its sustainability efforts, aligning Goal 3: Good health and well-being. Close to 100% of net revenues are linked to SDG 3, of which 92% directly to sub-goal 3.5 prevention and treatment of substance abuse.

Linked to the environment, the following goals are also crucial for us:

- Goal 6: Clean water and sanitation
- Goal 12: Responsible consumption and production
- Goal 13: Climate action

Additionally, Goal 17: Partnership for the goals, connects to our work across all objectives.

**What proportion of sales can be directly linked to selected UN SDGs?**

Our main purpose as a pharmaceutical company is to supply the market with medications and digital therapies to help people regain their health. Our main delivery aligns with Goal 3: Good Health and Well-being, but in our development and production we continuously work to contribute to the environmental goals.

## Social:

**Does the firm have a history of accidents? If so, how have these been managed? Are there any preventive measures, such as policies?**

Orexo's target is zero accidents and incidents. No accidents or serious incidents have occurred in the past six years. If an accident or incident does happen, it is thoroughly investigated. The company also has a workplace safety policy, a safety committee, and preventive measures in place.

**If applicable, please state your targets for gender and cultural equality and indicate the relative split of men/women at every level of the firm.**

Long term ambition; Gender equality in management positions  
Target 2030; 50 % women in management positions

Gender equality (2023):

- All employees: 54% women
- Leadership positions: 42% women
- Board of Directors: 14% women

Cultural diversity (2023):

- All employees: 16% from minorities or vulnerable groups (currently measured only in the USA)
- Leadership positions: 36% from minorities or vulnerable groups (currently measured only in the USA)
- Board of Directors: 0% from minorities or vulnerable groups

**Does the company conduct any other community engagement activities aside from those directly connected to the business?**

The Orexo team has members who attended and participate in local mental health taskforces and addiction conferences in Indiana, Maryland, Ohio and Georgia. These meetings include health professionals, first responders, local political leaders and other concerned members of the communities.

We also support addiction recovery by participating in OUD awareness walks and community events.

Additionally, two Sales Professionals are involved with a community-based organization called Families against Narcotics (FAN) which seeks to change the face of addiction, dispel the stigma of addiction and educate the community, as well as those affected by addiction.

Orexo is also a sponsor of the pheopara alliance (ppa,) whose mission is to empower patients with pheochromocytoma or paraganglioma, their families and medical professionals through advocacy, education and a global community of support, while helping to advance research that accelerates treatments and cures. Our president, Bob DeLuca has won an award with this organization.

We also provide financial support, scientific expertise and mentorship to young researchers at Uppsala University, in Sweden. In addition, Orexo frequently invites graduate students to write their master thesis in collaboration with the company.

The company supports Aktiv Skola (Active School) which is a foundation that works comprehensively to create better schools in Sweden. Their focus is directed on the external and internal environment as well as on health in a broad sense - physical, mental and social. Through advocating and education, they contribute to improve society integration and a better future for ALL young adults.

**How often does the firm conduct audits of its suppliers, and how often do you discover incidents not compliant with your code of conduct?**

We thoroughly check companies before they become suppliers to us. Once suppliers are part of our supply chain, our ambition is to audit them every 3 years. We have only observed minor deviations, which we address with the supplier and follow up during the next site visit or subsequent theoretical assessments, depending on the context.

**Please list the firm's (1-2) primary means of making a positive social impact or minimising negative social impact.**

Orexo primary focuses on treatment solutions within Opioid Use Disorder (OUD) and to make these accessible to patients who are in a very stigmatized and exposed social situation. Orexo work to push boundaries (regulatory such or those related to stigma) to unlock the accessibility to medications, regardless of the manufacturer. The company is present in the US with an own sales force covering most states and major metropolitan areas to facilitate daily interaction with healthcare professionals to improve access to medications.

In addition, the company also works along with policy makers, advocates, and other stakeholders at federal and state levels, incl. community organizations, with the goal get more patients under treatment.

Orexo also support removal of financial barriers by offering two patient support programs to financially vulnerable individuals, of which one of these provides free medication for OUD treatment to patients that meet the US poverty level requirements

**Please list the corresponding most relevant UN Sustainable Development Goals.**

Health and well-being are at the core of a sustainable society, and this is where Orexo makes the most significant impact in its sustainability efforts, aligning **Goal 3: Good health and well-being**.

Linked to social responsibility, in additional to goal three, these goals are of great importance to us;

- Goal 5 Gender equality
- Goal 8 Decent work and Economic growth
- Goal 9 Industry, innovation, and Infrastructure

Additionally, Goal 17: Partnership for the goals, connects to our work across all objectives.

**What proportion of sales can be directly linked to selected UN SDGs?**

Our main purpose as a pharmaceutical company is to supply the market with medications and digital therapeutics to improve health and well-being. We believe that our entire delivery can be linked to Goal 3, of which 91% are directly connected to the sub-goal 3.5, prevention and treatment of substance abuse.

## Governance:

**Do all staff members receive continuing education on anti-corruption?**

Orexo's Business Compliance and Ethics Code serves as an umbrella for all Orexo's policies and guidelines. This code is based on the company's values, laws, and internationally recognized standards, including the United Nations Declaration of Human Rights, the Helsinki Declaration, the UN Global Compact's ten principles and in US the "US Code of Business Conduct and Ethics". Orexo's Code of Conduct is foundational to our operations and outlines expectations and requirements related to human rights, labor practices, environmental considerations, and anticorruption efforts.

The aspect of anti-corruption is a distinct part of our annual Code of Conduct, which all employees' signs. Additionally, our sales team in the USA undergoes comprehensive training on anticorruption. While Swedish employees currently do not receive specific training, we have plans to develop sustainability training programs, where anti-corruption certainly will be included.

**Are there any ongoing or historical incidents involving corruption, cartels or any other unethical business conduct?**

In 2020, Orexo's US subsidiary received subpoenas for the purpose of enabling US authorities to obtain certain information in relation to sales and marketing of Zubsolv, for opioid use disorder, and other buprenorphine products. All information requested by the authorities have been delivered and there are no indications the investigation is related to concerns of corruption. Orexo will continue to cooperate with the US authorities to ensure they receive the necessary information and to understand the scope of the investigations.

**Have any preventive measures been taken?**

Monitoring and compliance regarding information about products, interactions with healthcare providers, quality and patient safety are embedded in Orexo's processes and culture.

Governmental enforcement, regulatory agencies and competition authorities routinely conduct interviews and request information during audits, inquiries and investigations. Orexo shall, always, deal honestly with these officials and remaining courteous and professional is critical.

**Please state the firm's business tax residence (i.e. where the firm pays tax) and explain why that specific tax residence was chosen**

The tax residence is Sweden where the company was founded in 1995 and where the head quarter is still located. Orexo's subsidiary in the US, Orexo US Inc, also pay tax in the US.

**How many independent members sits on the Board of Directors?**

All representatives are independent in relation to Orexo, its management and the company's largest shareholders.

**Please state if and to what extent, the company has transactions with related parties**

In 2023 there were no significant related parties' transactions reported.

**Which KPIs dictate the remuneration to management (are sustainability and diversity goals included)?**

The company works with a balanced score card to review the performance of management and this dictates the remuneration. The balanced score card includes areas such as company compliance, employee engagement and satisfaction which also encompass equal opportunities in the company. The company also support UN Global Compact, where the company and management have defined performance targets in relation to UN Global Compact's ten principles for a sustainable global development. A failure to meet these targets will impact management remuneration negatively.

**Describe the company's process for monitoring and reporting ESG issues and performance to senior management/the Board. In your response, please confirm what KPIs are monitored (if any) and how frequently reporting is undertaken.**

The management team and the board have the overall responsibility for Orexo's sustainability strategy and its implementation. On behalf of the management team, Cecilia Coupland, Senior Vice President, and Head of Operations, oversees sustainability matters along with the Sustainability Committee, where relevant functions from across the organization are represented. The committee has the authority to shape strategies and policies and monitors their practical implementation. The sustainability group participates in management team meetings four times a year to update leadership on progress and set the direction for the upcoming period. The target being followed is outlined in the attached presentation.

**Have you signed a Union agreement?**

No

## PAI – Principle Adverse Impacts:

### Revenue (EUR)

In 2023 net revenues amounted to EUR 57.6 million, based on EUR/SEK exchange rate as of Dec. 31, 2023.

### Greenhouse gas emissions; Scope 1, Scope 2, Scope 3

In 2023;

- **Scope 1:** 273 ton (from the use of company cars in the USA) (2022=284 ton)
- **Scope 2:** 73 ton (from energy consumption in our facilities in the USA) (2022=73 ton)
- **Scope 3:** 1314 ton (2022=1488 ton)

**Total greenhouse gas emission:** 1660 ton (2022=1845 ton)

Allocation total greenhouse gas emission :

- 1.1 Owned and leased cars: 16,5%
- 2.4 Purchased by electricity – USA: 4,4%
- 3.1.1 Purchased goods and services – Zubsolv: 6,7%
- 3.1.3 Purchased goods and services – Other: 14,8%
- 3.2 Capital goods: 20,1%
- 3.3 Fuel and energy-related activities: 3,7%
- 3.4 Upstream transport and distribution: 11,5%
- 3.6 Business travel: 16,9%
- 3.7 Commuting journeys: 4,7%
- Total other categories: (<1%)

### Share of non-renewable energy consumption

In 2023, 5% of our energy consumption came from non-renewable energy sources. This pertains to energy usage in the USA. In Sweden, however we rely on renewable energy for both energy and heat production.

### Share of non-renewable energy production

Orexo do not produce any energy.

### Energy consumption in GWh

Orexos energy consumption during 2023 was 2,9 GWh (2022 3,1 GWh).

### Tonnes of hazardous waste and radioactive waste generated.

During 2023 0,8 ton hazardous waste was produced in Orexo's lab (2022 1,2 ton). No radioactive waste was generated.

### Unadjusted gender pay gap

In Sweden, equal pay assessments are conducted annually, and the 2023 survey revealed no unjustified wage disparities. In the USA, salaries are not evaluated annually but with regularity. The wage assessments have not indicated any unjustified wage differences.

### Board gender diversity

The board consists of 14% women (2023)

### Fossil fuel operations

No

### Sites/operations located in or near to biodiversity-sensitive areas where activities negatively affect those areas

No

### Science Based Target

No

### Reports to CDP

No

### UN Global Compact Signatory

Yes

### Involved in the manufacture or selling of controversial weapons

No

### Whistleblower policy

Yes

### Supplier code of conduct

Yes