

# Acting responsibly

Hikma  
Sustainability  
Report 2024

hikma

# Who we are

Hikma puts better health within reach, every day. By creating high-quality products and making them accessible to those who need them, we are helping to shape a healthier world that enriches all our communities.

262m

Patients treated globally



Read more about how we're advancing health and wellbeing

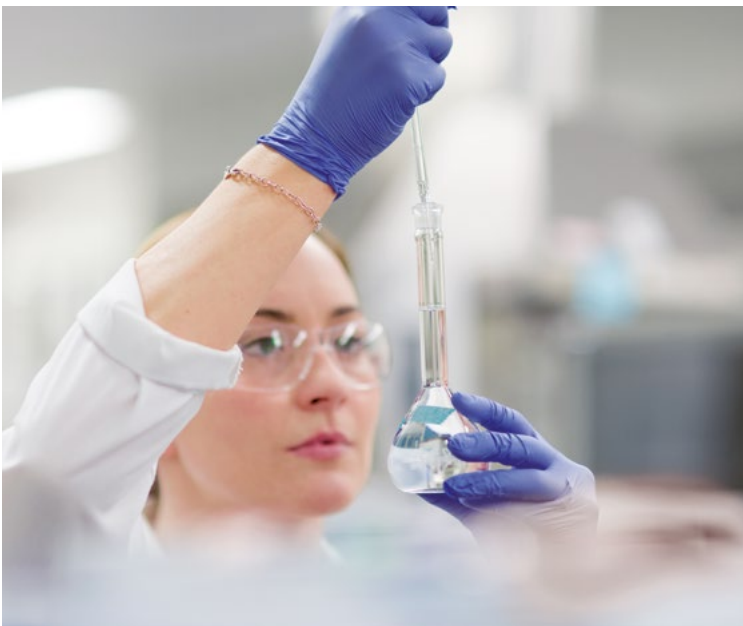


17%

Reduction achieved in our Scope 1 and 2 emissions since the 2020 base year



Read more about how we're protecting the environment



73%

Employee engagement score



Read more about how we're empowering our people



98%

of employees completed ethics and compliance training



Read more about how we're operating transparently and ethically in everything we do

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# Sustainability at Hikma

**Being a responsible business sits at the very heart of what we do; striving to put better health within reach, every day and making a difference to people's lives.**

This report summarises our approach and performance across the sustainability focus areas that we have prioritised.

These focus areas were identified and validated through a Double Materiality Assessment (DMA) that considered stakeholder priorities as well as both current and anticipated legislative requirements and best practices.

Global sustainability standards such as the Corporate Sustainability Reporting Directive (CSRD), GRI, sector-specific standards as outlined by SASB, and ratings frameworks including MSCI, Sustainalytics, and FTSE4Good are all considered to help us fully understand material issues from an external perspective. This report is published in alignment with our commitments as a signatory of the United Nations Global Compact (UNGC).

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# Committed to acting responsibly



Advancing health and wellbeing continues to be at the core of our Acting Responsibly strategy.



**Riad Mishlawi**  
Chief Executive Officer

I am pleased to share Hikma’s sustainability progress for 2024. This year, we have made significant strides in our commitment to acting responsibly and delivering on our mission of shaping a healthier world. We have been strengthening our governance, assessing our most material sustainability topics, and most importantly, remaining focused on getting our medicines to those who need them.

A strong sustainability strategy helps us achieve our goals, fulfil our purpose, and ensures we remain responsive to the needs and priorities of our key stakeholders.

**Refining our approach**

In alignment with the Corporate Sustainability Reporting Directive (CSRD), we conducted a comprehensive Double Materiality Assessment (DMA) during the year to ensure our sustainability strategy aligns not only with our business priorities but also the expectations of all our stakeholders.

The findings highlight that advancing health and wellbeing remains our most important sustainability topic. For us, this means providing access to medicine, maintaining product quality, and ensuring patient safety. The DMA also highlighted other focus areas including ethics, transparency, engaging our people, and addressing environmental impacts. We believe that a focus on sustainability fosters a positive work environment, promoting employee wellbeing and engagement. Hikma’s community engagement programmes provide critical support to vulnerable populations. This strengthens community relations and enhances the company’s social licence to operate.

You can read more about our updated framework on page 9 and see the full range of material topics. Moving forward, we will use this framework to develop key performance indicators (KPIs) to ensure we are making progress in these material areas.

**Governance of sustainability**

Oversight of sustainability continues to be integrated up to the Board level and our sustainability framework forms a crucial part of our broader corporate strategy. In 2024, we enhanced our governance structure by embedding responsibility for sustainability to the Corporate Responsibility and Ethics Committee (CREC), enabling more regular updates to the Board. Additionally, we welcomed a new Vice President to head up our day-to-day sustainability agenda. Our Executive Committee-level committees for Access to Medicine and Environmental Sustainability continue to ensure focused efforts in these critical areas.

**Advancing health and wellbeing**

Building on the results of our DMA and other stakeholder engagement, we are further prioritising Advancing Health and Wellbeing in our strategy, showing even more clearly that it sits at the heart of our company and sustainability strategy. During the year, we enhanced and expanded our manufacturing facilities, launched products, completed acquisitions, and initiated greenfield projects, all contributing to our ability to increase access to medicine for those in need. By conducting business ethically and sustainably we are ensuring that Hikma can consistently deliver high-quality medicines to those in need; by minimising its environmental impact, Hikma contributes to a healthier planet.

**Looking forward**

As we move forward, we will continue to align with reporting requirements and evolving expectations. Our aim is to set KPIs that will drive improvements in our social and environmental sustainability, and I look forward to keeping you updated on our progress. We also remain committed to upholding the principles of the United Nations Global Compact.

Thank you for your continued support.

**Riad Mishlawi**  
Chief Executive Officer

# What we do

We bring patients across North America, MENA and Europe a broad range of generic, specialty and branded pharmaceutical products.

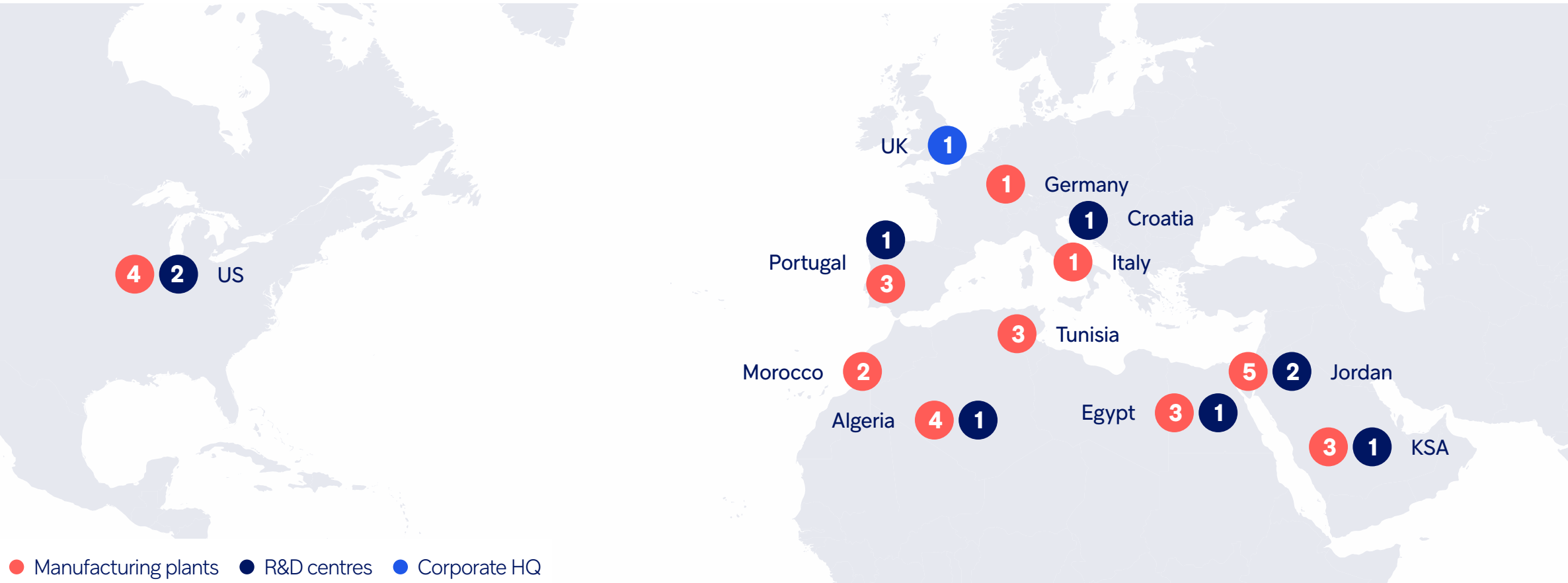
## Global reach

 **9,500**  
Employees

 **9**  
R&D centres

 **800+**  
Products

 **29**  
Manufacturing plants



## Our markets

### North America

Our large manufacturing facilities in the United States (US) supply generic and specialty products across a broad range of therapeutic areas, including respiratory, oncology and pain management. We also have two R&D facilities to support sustainable growth.

  
**c.2,350**  
Employees

### MENA

We sell branded generics and in-licensed patented products across the Middle East and North Africa (MENA). We have manufacturing facilities in seven countries, including US FDA-inspected plants in Jordan and Saudi Arabia. Around 2,000 sales representatives and support staff market our brands to healthcare professionals across 17 markets.

  
**c.5,800**  
Employees

### Europe and rest of world

Our injectable manufacturing facilities in Portugal, Italy and Germany have a range of capabilities, including dedicated capacity for oncology and cephalosporins. These facilities supply injectable products to North America, MENA and a growing number of markets in Europe. We also have R&D centres in Portugal and Croatia.

  
**c.1,350**  
Employees

## Recognition of our sustainability performance

 <b>FTSE4Good</b> Constituents since 2014	 <b>Modern Slavery Act 2015</b> Signatory to the Modern Slavery Act
 Signatory to the United Nations Global Compact	<b>WOMEN'S EMPOWERMENT PRINCIPLES</b> Signatory to the United Nations Women's Empowerment Principles
 Achieved a score of B for CDP Climate Change 2024	 Supporters of the UN Sustainable Development Goals
 Achieved an ESG rating score of BBB	 Ranked in the 11th percentile of the Pharmaceuticals sub-industry (where first is lowest risk)

# Hikma sustainability topics and pillars

Through the DMA process, we updated our sustainability framework which organises our Hikma Sustainability Topics (HSTs) into four pillars.

Our primary sustainability focus is Advancing health and wellbeing, within which fall the HSTs that were determined to be most material – Access to Medicine and Product Quality, Patient Safety and Social Responsibility, through which we engage our communities to address prevalent health, education and economic issues where we operate.

## Sustainability framework



# Our approach to materiality

We are a global pharmaceutical company with a purpose to put better health within reach, every day. Being a responsible business sits at the very heart of what we do. Our commitment is to act responsibly – for our patients, people, communities and the planet.

### Our double materiality assessment process and findings

In 2024, we conducted a Double Materiality Assessment (DMA) in alignment with the CSRD and EFRAG's ESRS guidance. The DMA findings and insights guide our sustainability, ensuring our approach remains closely aligned with our company purpose and responsive to the priorities of our key stakeholders.

Through the assessment, we identified and prioritised sustainability topics that are significant to our financial performance (financial materiality) and those that have a material impact on stakeholders, including our people, the environment and society (impact materiality).

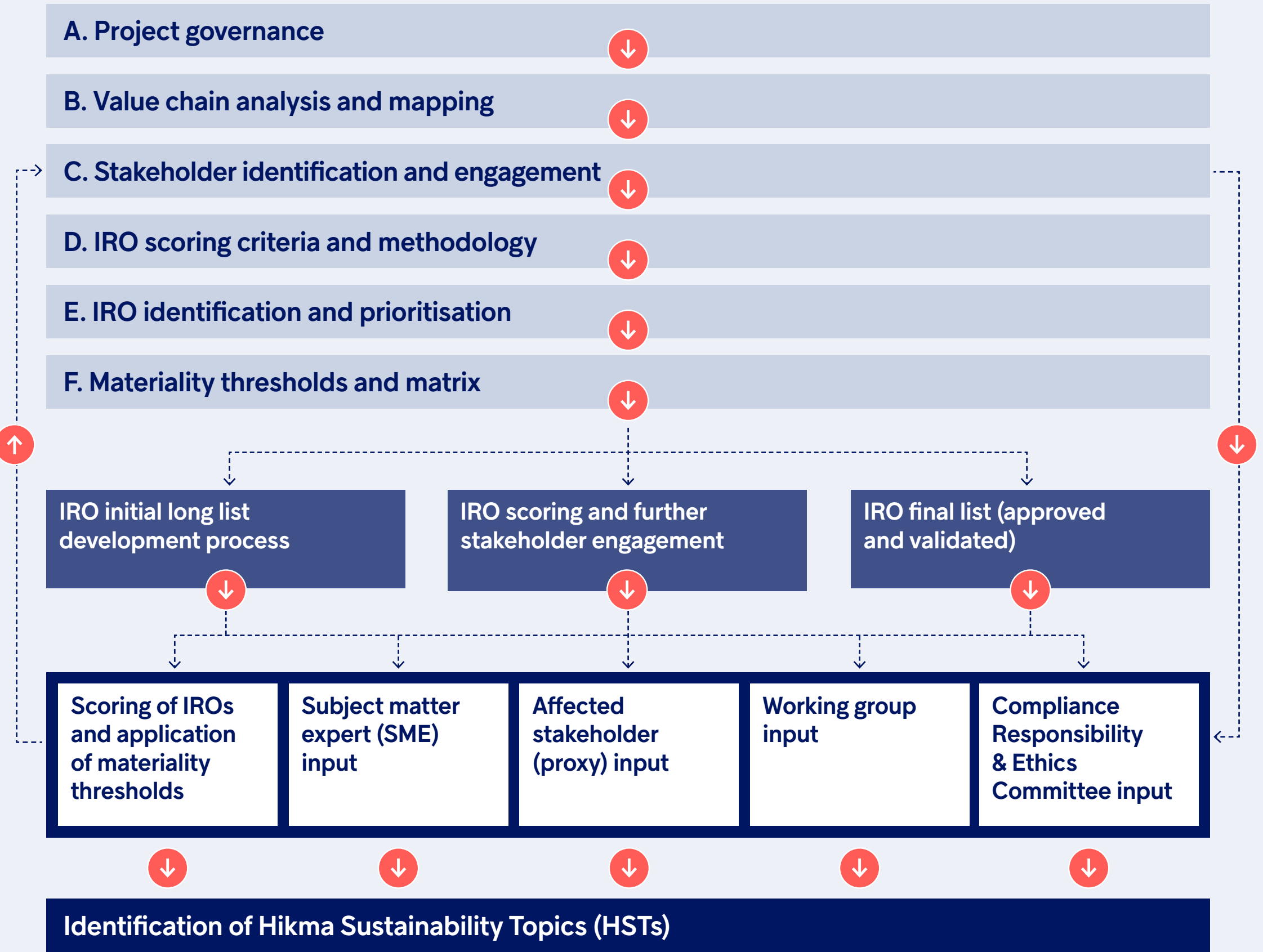
The DMA process has helped us refine and prioritise our sustainability framework and strategy; putting access to health and wellbeing at the centre of our approach and increasing our focus on delivering these through the introduction of new metrics and Key Performance Indicators (KPIs).

### A. Project governance

The DMA was led by our Sustainability Team, with significant input from leaders and teams across all functions and geographies and was overseen by the Board. The assessment considered our business model, company purpose, upstream and downstream value chain, and key stakeholder insights. The DMA also considered regional and sector-specific factors, the key sustainability priorities of our peers, as well as current and anticipated regulatory requirements. The DMA methodology adheres to the ESRS standards for the application of the EU CSRD.

Topics that are defined as material through the DMA process are defined internally as Hikma Sustainability Topics (HSTs). This was determined by assessing the Impacts, Risks and Opportunities (IROs) related to each sustainability topic to determine which IROs fall within our materiality threshold, from either a financial or an impact materiality perspective. Other considerations, such as cultural relevance, also contributed to form our final list of HSTs. The following sections provide more details on the steps taken as part of the DMA process.

## Overview of the DMA process

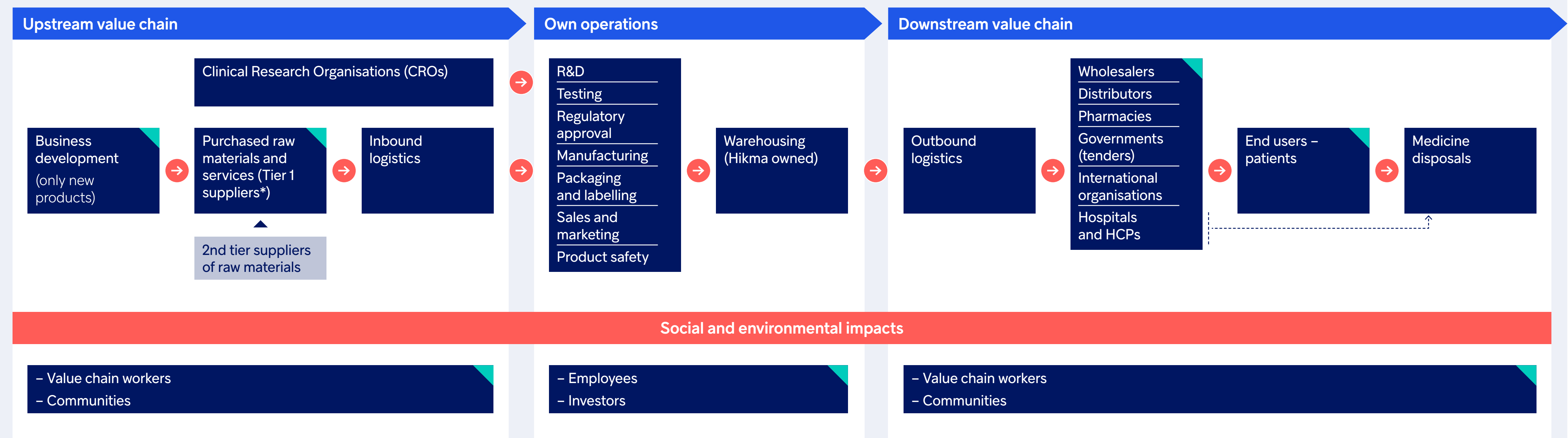


B. Value chain analysis and mapping

Through our mapping process, we assessed our business model to identify the relationships, activities, inputs and outputs across our value chain and their sustainability-related implications. The process highlighted the interdependencies that exist within our business and help identify our key IROs to ensure a comprehensive analysis.

**Three Business Segments:** Injectables | Rx | Branded

**Business partnerships:** In-licensing partners | Profit sharing partners | Contract Manufacturing operations (CMO)



\* Tier 1 suppliers include Associates and joint ventures

C. Stakeholder identification and engagement

At its core, the DMA included a stakeholder identification and mapping exercise to ensure the incorporation of all relevant stakeholder views into the process and findings. Stakeholders were identified by analysing our operations as well as our upstream and downstream value chain. After identifying stakeholder groups, we assessed each group’s influence and interest levels, based on the definitions below:

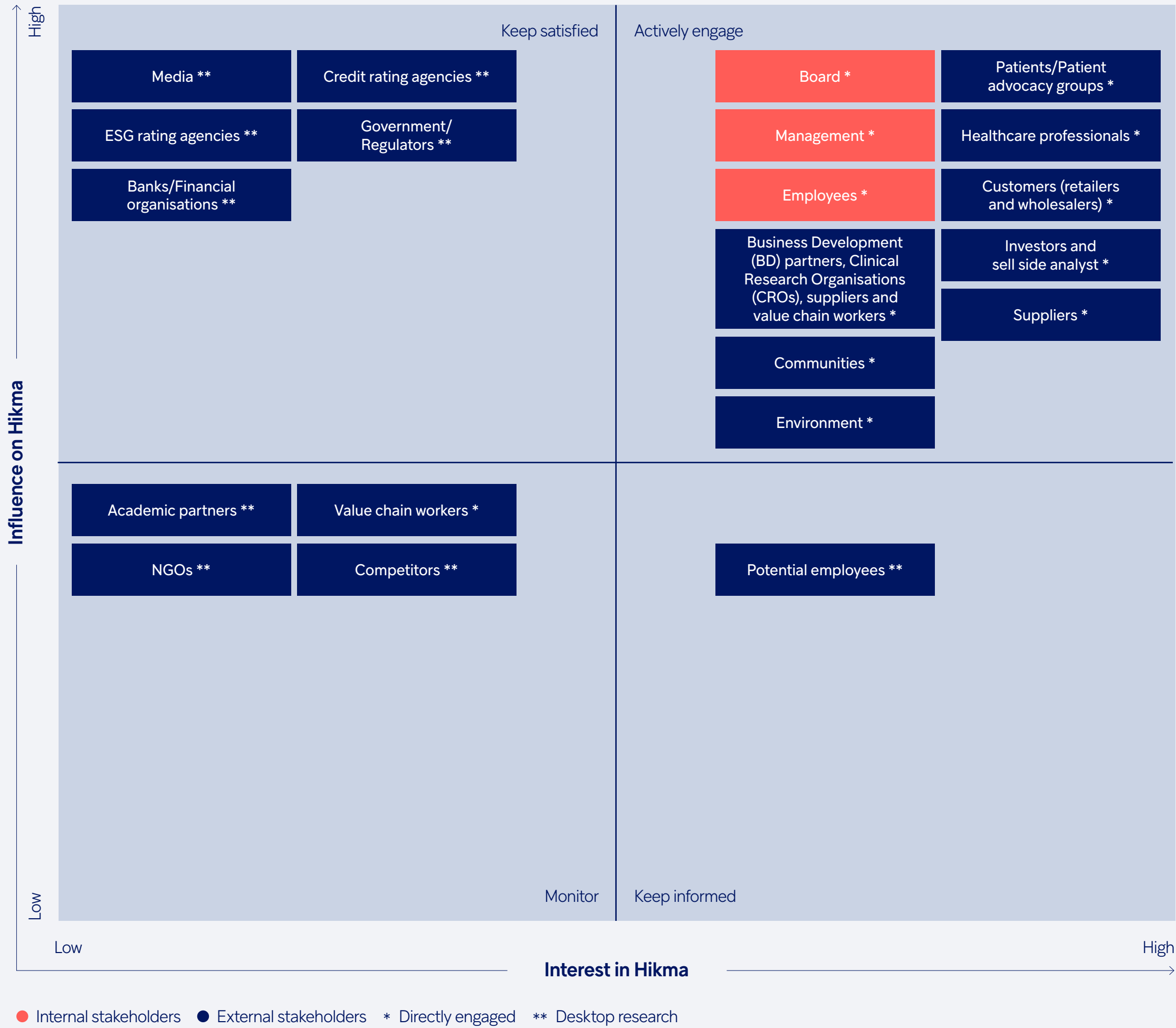
- **Influence:** How strong is the effect that the identified stakeholder has on the entity’s actions and decision making?
- **Interest:** How concerned is the identified stakeholder with the entity’s activities and decisions, reflecting their level of engagement and expectations regarding business outcomes?

We classified stakeholder groups into four cohorts based on the level of engagement required in the DMA process, determined by their influence on and interest in our business model, strategy and operations.

- **Actively engage:** Stakeholders in the cohort ‘actively engage’ were deemed highly important due to their strong interest in, and influence over, Hikma’s business activities. Where possible, these stakeholders were directly engaged in the DMA process.
- **Keep satisfied:** Stakeholders in the cohort ‘keep satisfied’ have relatively less interest in (but with high influence over) Hikma’s business activities, than the stakeholders in the cohort ‘actively engage’. Hence, their expectations should be met, though active engagement is not necessary. These stakeholders were engaged through interviews with proxies or views of these stakeholders were incorporated through desktop research.
- **Keep informed:** Stakeholders in the cohort ‘keep informed’ have high interest in (but lower influence over) Hikma’s business activities, than stakeholders in the cohorts ‘actively engage’ and ‘keep satisfied’. These stakeholders receive updates but do not require engagement. The views of these stakeholders were incorporated through desktop research.
- **Monitor:** Stakeholders in the cohort ‘monitor’ fall outside the above categories and require monitoring only as they have low interest in and influence over Hikma’s business activities. The views of these stakeholders were incorporated through desktop research.

Through the DMA process, we established our revised sustainability framework which articulates our focus areas segmented across four broad pillars.

Stakeholder engagement plan



D. IRO scoring criteria and methodology

We assessed a broad selection of impacts, risks and opportunities (IROs) to identify the Hikma Sustainability Topics that fall within our materiality threshold. This process incorporated industry and regional dynamics, company-specific information, inputs from stakeholders and subject matter experts (SMEs), and review by the CREC and the Leadership Council.

Once the IRO scoring process was completed, a list of material topics was identified based on those IROs with scores exceeding the materiality threshold. This list was further validated through engagement with (or on behalf of) affected stakeholders and subject matter experts; followed by review and validation by the DMA Working Group and the Board through the CREC.

E. IRO identification and prioritisation

Topical ESRS	Hikma sustainability topic (HST)	IRO type	IRO description
E1 Climate change	Climate change mitigation	– Impact (negative, actual)	Due to direct and indirect emissions generated from our consumption of energy, climate change mitigation constitutes a material impact.
E3 Water and marine resources	Water	– Impact (negative, actual) – Risk	The availability of reliable water supply is critical for manufacturing processes as well as for local communities and ecosystems. Moreover, the MENA region, where we maintain a strong manufacturing presence, constitutes among the most water-stressed regions in the world.
S1 Own workforce	Working conditions for our people (secure employment)	– Impact (positive, actual)	Working conditions, such as remuneration, growth and development, and wellbeing, are central priorities for key stakeholders, as well as contributors to our organisational success.
	Working conditions for our people (health and safety)	– Impact (positive, actual)	Our Health & Safety Policy Statement ensures appropriate governance of health and safety initiatives and the accuracy of information to understand and safeguard employee wellbeing and safety across our operations.
	Equal treatment and opportunities for all	– Impact (positive, actual)	We promote equitable treatment across our global workforce. Every Hikma employee, across all functions and grades, has access to career growth and development opportunities through training and skills development programmes and initiatives.
S4 Consumers and end-users	Access to medicines	– Impact (positive, actual) – Opportunity	Through the manufacture of high-quality, affordable medicines, we provide patients with access to essential treatments, particularly when addressing unmet needs in underserved markets and demographics.
	Product quality and patient safety	– Impact (positive, actual) – Risk	We leverage the strength of our manufacturing operations to ensure the continuous supply of medicines, while adhering to strict product quality and patient safety standards, supporting positive patient outcomes and positioning ourselves as a leading supplier across its global markets.
G1 Business conduct	Corporate culture	– Impact (positive, actual) – Opportunity	Hikma’s corporate culture focuses on the values of caring, collaboration and innovation, which are integrated into all aspects of the Company’s operations, affecting financial performance.
	Ethical business practices, including corruption and bribery	– Risk	Ethical conduct to ensure vigilance against corruption or bribery is essential for Hikma, as a pharmaceutical company, to uphold its reputation and protect itself from financial losses.

F. Materiality matrix



			
Advancing health and wellbeing	Empowering our people	Protecting the environment	Operating transparently and ethically
<p><b>Ensuring access to high-quality medicines</b> We advance health and wellbeing by using our capabilities and global reach to produce high-quality and more affordable medicines and make them accessible to people who need them.</p>	<p><b>Shaping a culture of progress and belonging</b> We empower our people by shaping culture of progress and belonging, enabling our people to grow and thrive within our organisation.</p>	<p><b>Supporting a healthier planet</b> We are committed to minimising our impact on the environment. We are working to measure and manage our use of resources to ensure sustainable growth.</p>	<p>We believe in building trust by acting with transparency and integrity, and by upholding high ethical standards. This oversight extends across our value chain, impacting our suppliers and customers.</p>
<ul style="list-style-type: none"><li>– Access to medicines</li><li>– Product quality and patient safety</li><li>– Social responsibility</li></ul>	<ul style="list-style-type: none"><li>– Wellbeing and development</li><li>– Inclusivity</li><li>– Operational health and safety</li></ul>	<ul style="list-style-type: none"><li>– Greenhouse gas emissions</li><li>– Water management</li></ul>	<ul style="list-style-type: none"><li>– Ethical business conduct</li><li>– Corporate governance</li><li>– Responsible value chain</li></ul>
<p><b>Why this is important to us:</b> We are in the business of making medicines accessible across our geographies, including for underserved populations in lower income countries. Providing generic alternatives is at the core of our access to medicine ambition, and we have a broad product portfolio and pipeline to enable this. As a manufacturer of medicines, maintaining high quality and patient safety standards is imperative to how we do business and underpins our success as an organisation.</p>	<p><b>Why this is important to us:</b> Our people are our most valuable asset, and we are committed to creating an inclusive workplace that empowers employees’ growth and advancement. Ensuring the health and safety of our employees is paramount and we have programmes and policies in place to safeguard their welfare and wellbeing. These priorities contribute to stronger retention and the development of our future leaders.</p>	<p><b>Why this is important to us:</b> We are committed to responsibly managing, and where possible, reducing our use of energy and water in order to address these impacts. We do this by pursuing opportunities to optimise manufacturing processes and utilise cleaner, more efficient options.</p>	<p><b>Why this is important to us:</b> Maintaining high ethical standards and transparency is imperative to how we do business. This is reflected in our corporate governance structure and processes and extends across our entire value chain. Oversight of sustainability sits at the Board level, and we have established Executive-level committees to ensure sustainability remains embedded in our corporate strategy.</p>

A full-page background image of a male scientist with a beard and glasses, wearing a white lab coat and blue nitrile gloves. He is holding a white and black pipette, dispensing liquid into a small white bottle. The lab coat has a 'hikma' logo on the left chest. The background is a blurred laboratory with various equipment and blue storage bins.

# Our focus areas

We work to understand and prioritise sustainability issues related to our business. This enables us to create shared value for our business and stakeholders.

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# Advancing health and wellbeing

Ensuring access to high-quality medicines

Our purpose is to put better health within reach, every day. We do this by producing high-quality medicines and making them accessible to those who need them.

Providing access to medicine is central to our sustainability agenda and we are committed to improving accessibility across our geographies.



Our focus

- We follow a patient-centric approach that prioritises accessibility and aligns with evolving disease burdens and patient needs
- We develop our local manufacturing capabilities and expand our product portfolio to improve availability of medicines and reliability of supply
- We partner to bring innovative medicines to local markets



Learn more about how we advance health and wellbeing

Access to medicines

Our purpose as a company is to manufacture high-quality medicines and make them accessible to those that need them. We do this by leveraging our strong manufacturing presence and by working with stakeholders across the healthcare ecosystem, including healthcare professionals (HCPs), patients, industry partners, payers and governments.

We recognise the role of generic medicines in strengthening access and affordability of medicines, as well as the impact of human health as a driver for socio-economic development. As such, we leverage our R&D expertise, manufacturing presence, and robust partnerships to advance the availability of our products. We work with industry partners, HCPs, patients, payers, governments and others to ensure our medicines are available where needed. In 2024, we invested \$165 million in capital expenditure globally to enhance and expand our manufacturing capabilities in order to better serve patient needs across global markets. In the US, \$49 million was put towards factory upgrades, adopting new technologies and expanding production capacity in our Cherry Hill and Columbus sites. In MENA, \$80 million was spent strengthening and expanding our local manufacturing capabilities, including for general formulations in Tunisia and Algeria, as well as strengthening our oral oncology capabilities in Algeria. In Europe, we spent \$36 million enhancing our manufacturing capabilities, including adding lyophilisation capacity in Portugal.

For more information on our approach to access to medicine, visit our website at: [www.hikma.com/responsibility/acting-responsibly/advancing-health-and-wellbeing/](http://www.hikma.com/responsibility/acting-responsibly/advancing-health-and-wellbeing/)

1 [https://www.cdc.gov/nchs/pressroom/nchs\\_press\\_releases/2024/20240515.html](https://www.cdc.gov/nchs/pressroom/nchs_press_releases/2024/20240515.html)

Supporting communities in addressing the opioid epidemic in the US

At Hikma, we have been at the forefront of addressing the opioid epidemic in the US. Our efforts include our long-standing commitment to expand access to life-saving medications, including naloxone, which is critical in reversing opioid overdoses.

The US Centers for Disease Control and Prevention (CDC) estimates that more than 107,000 Americans died from drug overdoses in 2023, with most deaths attributed to illicit fentanyl.<sup>1</sup>

In 2024, the Director of the White House Office of National Drug Control Policy (ONDCP) Dr. Rahul Gupta, toured our Columbus facility where he emphasised the importance of expanding access to overdose reversal medications like naloxone, stating, “Expanding access to overdose reversal medication like naloxone is a key priority, and we will continue doing all we can to get this lifesaving tool in communities throughout the country.”

Through our Hikma Community Health™ initiative, we partner with US non-profits and harm reduction organizations to expand access to naloxone.

We also work closely with the US government and community leaders, donating more than 600,000 doses of naloxone over the last three years.



## Governance of access to medicine

Oversight for all material sustainability topics is held at the Board level, and this includes access to medicine. We have established an Access to Medicine Committee responsible for governance of our approach to access. The Committee is chaired by two members of the Executive Committee, one of whom sits on the Board of Directors – the Executive Vice Chairman and President of MENA, and the EVP, Corporate Development and M&A. The committee ensures that functions across our business such as commercial, operations and R&D are aligned in driving equitable access and improving the overall patient journey.

Access and quality were identified through our Double Materiality Assessment (DMA) as the paramount sustainability issues for Hikma, falling within our materiality threshold from both an impact and financial materiality perspective.

As such, we have both elevated the focus on access and quality within our sustainability framework, whilst also introducing KPIs to measure our performance and progress.

Through these KPIs, we are tracking the number of patients treated based on the sale and donation of our products. This is supplied by IQVIA, who convert disease-specific volume sales for each drug to estimated treated patient numbers. More on the patients treated methodology can be found in the Data Summary section.

### A patient-centric approach

We operate 29 state-of-the-art manufacturing plants across MENA, the US and Europe and are continually strengthening our global presence to expand our reach. We continue to focus on growing our diverse portfolio and pipeline, launching products that meet the needs of local patients.

In several markets, we are supporting the development of health technology assessments (HTAs) to encourage more patient-focused healthcare funding and better-informed decision-making by regulatory bodies and payers. HTAs enable the assessment of medications based on the full spectrum of associated costs and benefits rather than just acquisition costs, which helps stakeholders within the healthcare ecosystem.

### A robust and differentiated portfolio and pipeline

To ensure that our product pipeline and portfolio continues to grow, we pursue innovative products while also addressing demand for affordable, locally produced medicines.

Our pipeline selection process is designed to ensure alignment with local needs. The process begins by identifying prevalent disease burdens and therapeutic areas. This is followed by a thorough product selection process to identify differentiated molecules for inclusion in our pipeline.

This approach has contributed to an increased focus on chronic illnesses, mainly lifestyle diseases such as diabetes, cardiovascular diseases and obesity, as well as immunological diseases such as rheumatoid arthritis, multiple sclerosis (MS) and cancer.

### Innovation and differentiation

We continue to invest in the development of a differentiated pipeline to meet the evolving needs of patients and healthcare professionals through investments in R&D, partnerships and strategic acquisitions. Our business development activities along with our \$141 million investment in R&D enable us to continue to expand our portfolio. In 2024, we had 132 new launches and 136 approvals, and submitted 206 regulatory filings. More information on the growth of our product portfolio can be found in the Data Summary on page 33.

Negotiations on pricing and reimbursement with payers are pivotal to ensure affordability for patients. We work alongside payers to develop or support patient assistance programmes and to participate in health technology assessments that ensure oversight of patient outcomes. This leads to more informed decision making for payers and regulators, which in turn, contributes towards value-based pricing and increased cost-effectiveness for treating patients.

In MENA, we continue to work with regulatory bodies to support the development of regulations around value added medicines, biosimilars and orphan drugs. This will improve our ability to provide treatments for rare conditions or provide more affordable treatment options for patients. Moreover, we continue to leverage our Active Pharmaceutical Ingredient (API) manufacturing facility in Jordan to introduce products faster into our markets.

### Partnering to bring new products to market

We continue to build strong relationships with current and potential future Contract Manufacturing Organisation (CMO) partners. These partnerships strengthen our growing portfolio, particularly for critical therapeutic areas such as biotechnology and oncology and enables us to provide potentially transformative solutions to patients. The partnerships and exclusive licensing agreements that we establish serve to strengthen the local availability of novel treatment options for underserved markets and population segments.

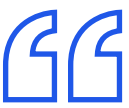
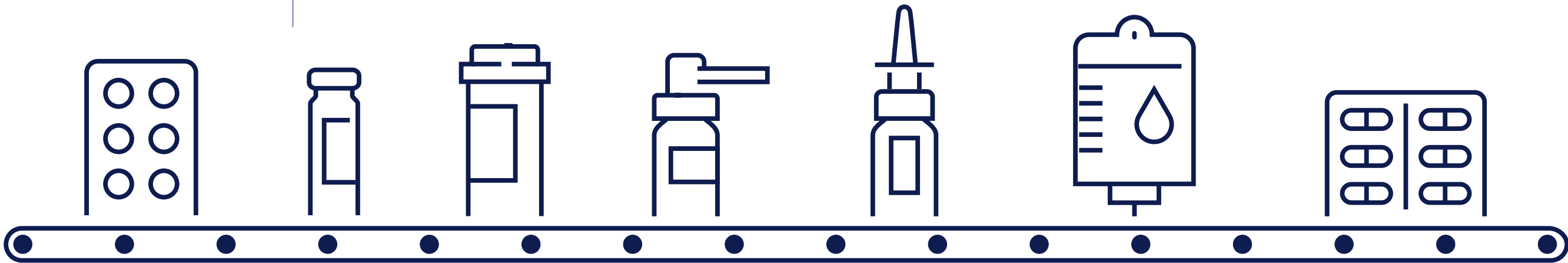


132

launches in 2024

300+

products in our pipeline



We pursue innovative products while also addressing demand for affordable, locally produced medicines.

Our presence



In MENA we are seeing the impact of a rapidly growing population, increasing prevalence of cancer and chronic diseases, and disparities in healthcare access. As a result, we have enhanced our focus on R&D and are investing in higher-value medicines, focusing on those used to treat chronic illnesses. We operate 20 manufacturing plants in the region and are completing new injectable plants in Algeria and Morocco. We are now the second largest pharmaceutical company by sales<sup>1</sup> and we continue to expand our local manufacturing capacity to ensure patients have access to critical medicines throughout the region.

We take steps to ensure our portfolio and pipeline align with national healthcare priorities and disease burdens. Constant engagement with authorities improves forecasting and demand planning to address shortages. Our teams regularly meet with governing bodies and industry regulators in the region to understand the unmet healthcare needs and to more effectively support national healthcare systems.



The US is our largest market, and we are well placed to capture growth opportunities. We are the seventh largest generic company by sales (injectable and non-injectable) and have four US manufacturing plants supporting our broad portfolio of products.<sup>2</sup>

We are recognised as one of the leading US domestic producers of generic medicines, with R&D, manufacturing, and distribution facilities in multiple locations in New Jersey and Ohio. We consistently work to enable broader patient access to generic medicines through our membership in, and support of, key trade associations and advocacy groups. We continue to work with the Food and Drug Administration (FDA) to anticipate and address shortages of vital medicines in the US.



We are recognised as one of the leading US domestic producers of generic medicines



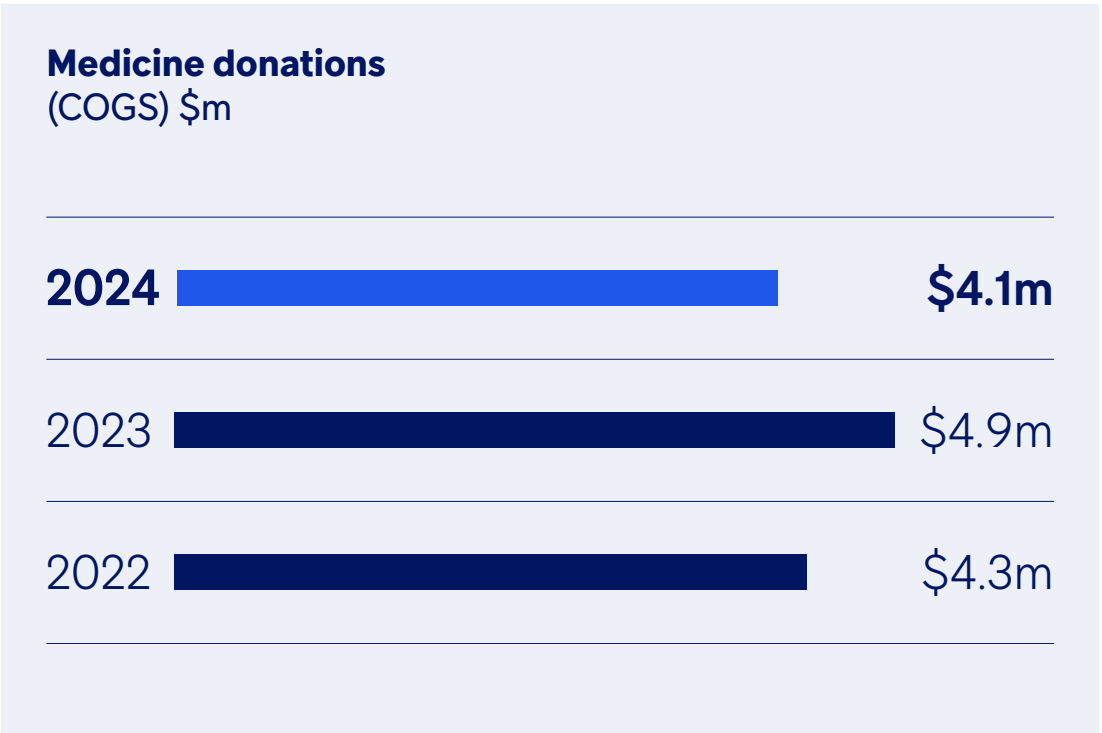
We manufacture sterile injectable products in Portugal, Germany and Italy which supply our local and global markets. We maintain a broad and growing portfolio of products and have recently expanded our commercial reach by entering the UK and Spain in 2024. We are well placed to supply hospitals and their patients with the medicines they need, and continue to work alongside industry partners and stakeholders to address market shortages such as oncology product shortages that took place in Spain in 2024.

The acquisition of our new R&D centre in Zagreb, Croatia enables us to develop new products for our European markets. In 2024, we spent \$36 million to expand manufacturing capabilities in the continent, including the addition of lyophilisation capacity in Portugal.

**\$165 million**  
Spent in 2024 to expand our manufacturing capabilities

Medicine donation programme

Through our medicine donation programme, we extend support to underserved and low-income communities, as well as those facing emergency situations. By working with multiple partners globally, we are able to impact those in need of urgent care, those impacted by natural disasters and other underserved segments. Some of the activities undertaken in 2024 include coordination with the Jordan Hashemite Charity Organization (JHCO) to donate critical medicines to Lebanon and Palestine, donations to Ahyaha Association for Cancer Patients in Saudi Arabia, and donations to the Dispensary of Hope in the US through more than 200 charitable pharmacies and clinics across 34 states.



1 Based on internal analysis by using data from the following source: IQVIA MIDAS® Monthly Value Sales data for Algeria, Egypt, Jordan, Kuwait, Lebanon, Morocco, Saudi Arabia, Tunisia and UAE, for the period: calendar year 2024, reflecting estimates of real-world activity. Copyright IQVIA. All rights reserved

2 IQVIA MAT November 2024. Includes all generic injectables and generic non-injectable products

## Product quality and patient safety

Keeping patients safe is at the heart of everything we do. We continuously collect and review data to monitor the safety of our products. This helps us identify and reduce risks early, making sure we meet and exceed global safety standards.

Our processes follow global standards to carefully monitor and assess any changes in the safety of our products. This helps us protect both patients and public health. Our Drug Safety Committee reviews safety concerns and promptly informs health authorities about any new risks. This structured approach shows our commitment to keeping our products safe and effective.

Every Hikma employee has an important role in keeping patients safe and must report any adverse events or safety concerns about our products to the pharmacovigilance team. This ensures that all safety reports undergo quick assessment and medical review. Moreover, when necessary, these reports are transmitted to the relevant regulatory authorities within the defined safety reporting timelines, ensuring compliance and upholding the highest standards of patient safety.

Our pharmacovigilance activities are conducted on a global scale, encompassing all our approved compounds (over 700). We diligently monitor these products throughout their life cycle, adhering to the standards of good pharmacovigilance practice, local regulatory requirements, and the terms of agreements with our contractual partners.

We ensure our employees are well-prepared to report side effects and safety concerns through both initial and ongoing training. In 2024, we updated the training assignment rule so that employees are re-assigned the Pharmacovigilance 101 training two years after their last completion date. Additionally, we updated our “PV 101 Flyers” in six languages (Arabic, English, French, German, Italian, and Portuguese). These flyers serve as a continuous reminder of the importance of safety reporting, reinforcing our commitment to patient safety and regulatory compliance.

To ensure compliance with global pharmacovigilance standards, we regularly assess our worldwide safety performance. These compliance metrics are reviewed every month in the Global Pharmacovigilance Monthly Meeting to maintain the highest safety standards.

We actively monitor any non-conformities from the required standards and conduct thorough investigations to identify their root causes. Upon detecting such non-conformities, we rigorously assess their impact and closely track the implementation and efficacy of actions taken to rectify any non-conformities. This structured approach reinforces our commitment to patient safety and regulatory compliance.

In 2024, we revised our 3-year pharmacovigilance audit strategy and as part of our annual audit programme, we conduct internal audits. These audits cover all processes managed by our Global Pharmacovigilance Team, as well as activities handled by our affiliates, third-party service providers, and distributors. This thorough auditing process helps ensure the effectiveness and compliance of our pharmacovigilance operations.





The Pharmacovigilance-Quality Quarterly Meeting focuses on reviewing and monitoring our pharmacovigilance compliance metrics. During this meeting, we discuss findings from compliance monitoring, audits, and inspections, along with the status of Corrective and Preventive Actions (CAPAs). This regular review ensures continuous oversight and improvement of our pharmacovigilance practices.

To ensure strong oversight, we present our pharmacovigilance compliance metrics and CAPA status to the Executive Committee and Board of Directors twice a year. This practice reinforces our commitment to transparency and accountability at the highest levels of the organisation.

In 2024, we further built on our strong pharmacovigilance operations capabilities and expertise by insourcing a number of critical pharmacovigilance activities. In addition, we introduced several improvements to our global, regional and local SOPs as we revised 49 Standard Operating Procedures (SOPs).

Furthermore, we implemented structural organisational changes by introducing regional hubs and leads (Levant, North Africa, North America, Gulf Cooperation Council (GCC), and EU/UK regions), further improving oversight and coordination across our global Pharmacovigilance activities.

To maintain the uninterrupted delivery of our critical pharmacovigilance functions, we have a Global Pharmacovigilance Business Continuity Plan (BCP). This plan, integral to our operational resilience, was tested in November 2024, ensuring our readiness to effectively manage any potential disruptions.

**How we perform**

In 2024, we processed over 14,300 individual case safety reports linked to our products, originating from various sources such as healthcare professionals and consumers, as well as Hikma-sponsored clinical studies. We reported more than 10,900 cases with regulatory authorities globally. In addition, we prepared and submitted over 930 aggregate reports for our approved compounds worldwide.

In 2024, we continued our strong performance with a global submission compliance rate of 98% for individual cases and 100% for aggregate reports. Additionally, as part of our PV audit annual plan, we performed seven audits (three affiliates, one service provider, two distributors and one process). To enhance efficiency and reduce costs, our Pharmacovigilance Quality Assurance Team conducted the two low-risk distributor audits, reinforcing our commitment to continuous improvement in compliance oversight.

We were also subject to four audits conducted by our contractual partners, involved in five inspections, and one internal Egypt affiliate audit. There were no critical PV findings from any of the audits or inspections.

**Our ambitions**

As part of our commitment to continuous improvement, our 2025 objectives focus on further enhancing efficiency, strengthening compliance, and improving governance in global pharmacovigilance activities. We aim to ensure strict adherence to Good Pharmacovigilance Practices (GVP), local regulatory requirements, and contractual agreements. By achieving these goals, we will further streamline our operations and reinforce our commitment to maintaining the highest standards of compliance and performance in Pharmacovigilance.

Looking ahead, in 2025, we will further strengthen our pharmacovigilance capabilities by insourcing additional activities, enhancing our oversight and control over global safety reporting processes.

**Worldwide pharmacovigilance compliance with reporting requirements**

	2017	2018	2019	2020	2021	2022	2023	2024
Individual case safety reports submission compliance rate	91%	94%	99%	98%	99%	96%	98%	98%
Aggregate reports submission compliance rate	98%	98%	96%	100%	99%	100%	99%	100%

## Social responsibility

Supporting our communities is central to our sustainability strategy. We collaborate with our partners and employees to promote better health, education and economic support across our geographies.



### Our focus



**Providing better health:**

We work with our partners and employee volunteers to organise campaigns that impact the healthcare sector and to respond to urgent patient needs through in-kind medicine donations



**Supporting education:**

We recognise the role of education in driving social development and wellbeing, and as such, we work with universities, schools and organisations within our community to provide better learning opportunities



**Helping people in need:**

We prioritise aid and support to those less fortunate such as low-income groups, displaced persons, refugees, and those responding to urgent crises

### Our ambitions

- Advance socio-economic development through targeted initiatives in health, education, and support for underserved communities
- Empower employee engagement by expanding volunteering opportunities that enable our people to contribute meaningfully to their communities
- Maximise societal impacts by aligning our efforts with the most pressing needs identified across our geographies

### Our 2024 performance highlights

**\$3.9m**

in charitable donations



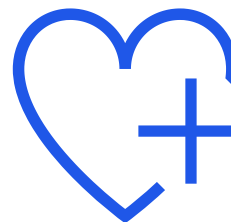
**Providing better health**



Donated

**\$4.1m**

worth of medicines to patients across the globe



Provided

**62,000**

women with screening exams for breast cancer



**Supporting education**



Supported

**23,000**

students through our financial contributions



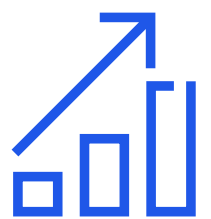
Granted

**184**

scholarships to students through community partnerships



**Helping people in need**



Invested

**\$200k**

in local community projects to strengthen infrastructure



Donated

**175,000**

food packages and meals to families in need

Our focus areas in action

The following pages set out examples of our activities throughout 2024 to support our three areas of focus.



Providing better health

Our purpose is to put better health within reach, every day, by creating high-quality products and making them accessible to those who need them. As improving health is at the core of what we do, a major focus of our community engagement activities is directed towards this mission.

Driving health and wellness in underserved areas

In 2024, we partnered with Arabian Medical Relief (AMR) to conduct three mobile clinic days in Jordan, delivering specialised medical care to underserved areas. We served 2,099 patients, issued 1,668 prescriptions, and distributed 118 reading glasses. Each clinic day was tailored to the community's health needs, offering services in general medicine, paediatrics, gynaecology, and ophthalmology. This initiative provided essential care and raised health and wellness awareness, making a lasting impact.



1,668  
prescriptions issued



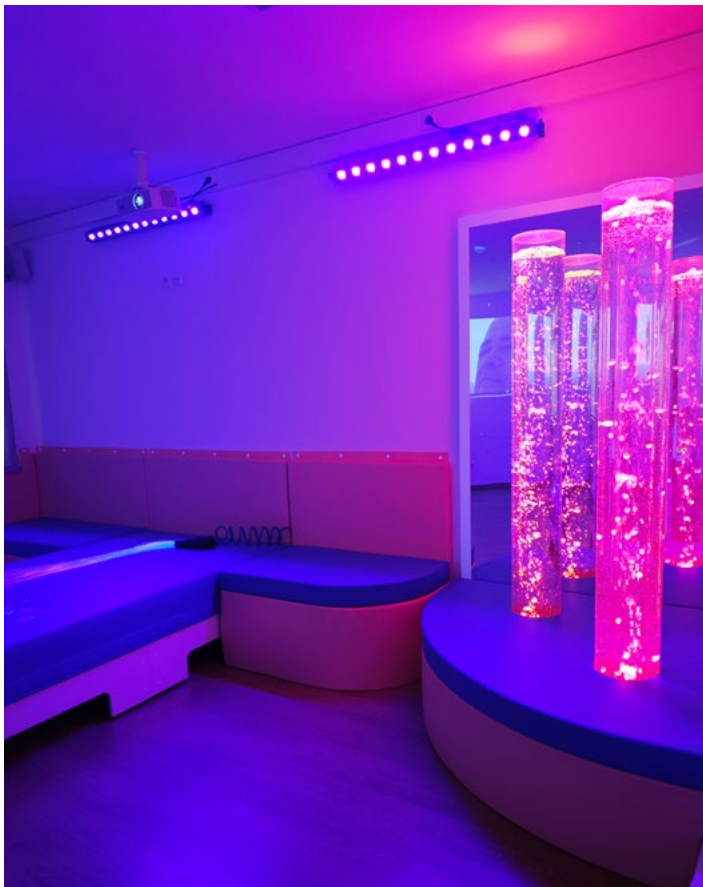
Promoting breast cancer awareness among our employees

Each year, we conduct breast cancer awareness campaigns at our various locations, partnering with employees and local organisations to offer education, support, and medical screenings to numerous women. In 2024, our initiatives reached over 2 million individuals, providing free mammograms and clinical breast examinations to tens of thousands. We also organised educational sessions and physical activities to enhance health and wellbeing. Globally, we contributed over \$87,000 to support breast cancer organisations.

2m+  
individuals reached

Opening of the Snoezelen room at Terrugem Community Centre

In Portugal, Hikma constructed a Snoezelen Room at the Terrugem Community Centre. This multi-sensory room provides comfort through controlled stimuli, benefiting children, stressed adults, the elderly, and individuals with disabilities or dementia. The initiative has positively impacted 100 people, offering a therapeutic environment that promotes wellbeing and relaxation.



100  
people impacted from our support for Terrugem Community Centre



Enhancing school environments and mental health awareness in partnership with the Royal Health Awareness Society (RHAS)

In 2024, Hikma continued its support for the Healthy Schools Program, a national initiative launched in 2008 in collaboration with the Ministry of Health and the Ministry of Education to promote students' physical, social, and academic development. Hikma's support during the year positively impacted 3,701 students across seven public schools in Jordan. Over the past seven years, the partnership with RHAS has grown to include 19 schools, demonstrating Hikma's commitment to diverse educational environments.

In 2024, Hikma also continued its support for the Mental Health Program, which educates school staff on psychological development and early signs of mental health challenges. This programme was implemented in seven public Healthy Schools and impacted 4,087 students.

7,700+  
students impacted

Our focus areas in action



Supporting education

We consider education to be an enabler for sustainable development and prosperity. Improving the quality and access to education was a passion of our late founder, Samih Darwazah, and we continue his legacy today through programmes and partnerships that strengthen education.

Supporting education for displaced persons

Since 2021, Hikma Pharmaceuticals have been supporting UNHCR, the UN Refugee Agency through their Albert Einstein German Academic Refugee Initiative (DAFI). The DAFI programme offers scholarships to refugees, providing an opportunity to attain higher education.

In 2024, we expanded our tertiary education scholarship programme to include 40 more students, bringing the total to 80 in Jordan, Algeria, and Egypt. This support enables talented refugees to access higher education, transforming lives and benefiting families and communities.

Hikma’s support has improved the long-term stability of refugee-hosting communities and contributed to development in host and origin countries. Additionally, in 2024, Hikma facilitated two DAFI scholars joining an Innovation Camp to learn about social entrepreneurship and develop impactful initiatives.



© UNHCR/Claire Thomas

40

students joined our scholarship programme



Hikma and Big Brothers Big Sisters unveil new Art Space at Camp Oty’Okwa

Hikma and Big Brothers Big Sisters of Central Ohio (BBBS) partnered to renovate the summer art space at Camp Oty’Okwa in South Bloomingville, Ohio. The newly renovated space was recently unveiled in a special ceremony.

The collaboration resulted in a new Summer Art Space at the 700-acre camp. The space now features high-quality art supplies and equipment, creating a beautiful environment for campers to express their creativity.

Since opening the new Art Studio, 1,000 children in the mentoring programme have utilised the space, as well as at least 1,000 more children and adults with the school-based programming.

The new art space at Camp Oty’Okwa showcases the power of collaboration and the commitment to fostering creativity and education among young people.

2,000+

children and adults have been impacted by the new Art Studio since its opening



Refurbishing schools and universities across MENA

In 2024, Hikma continued its commitment to enhancing educational environments across the MENA region. We transformed a public school’s lab in KSA into a state-of-the-art computer lab, benefiting over 115 students. This builds on our 2023 efforts, where we repainted classrooms, landscaped the outdoor area, and hosted 20 students at our manufacturing facility. In Algeria, Hikma renovated two classrooms at a public primary school, improving the learning environment for 100 students with new desks, tables, and roof repairs. In Jordan, we refurbished two public schools, benefiting nearly 1,800 students by updating libraries, the chemical lab, and beautifying schoolyards.

In Morocco, Hikma collaborated with a public primary school and the parents’ association to build a functional library serving over 1,000 students. We provided infrastructure, including shelves, tables, and benches, and supplied resources such as storybooks, dictionaries, and encyclopedias. Additionally, in Jordan, we renovated the pharmaceutical lab at a university, serving 1,350 students annually with cutting-edge technology. This marks our second collaboration with the university, demonstrating our commitment to advancing education and research in Jordan.

4,300+

students impacted across four countries

Our focus areas in action



Helping people in need

Many of the countries where we operate face systemic socio-economic challenges in the form of poverty and displacement. We tailor our community engagement to address the particular and unique societal circumstances of each location and focus on helping those in most need.



Joint efforts with the Jordan Hashemite Charity Organisation to establish and operate the Charity Clothes Bank

Since its establishment in 2017, the clothing showroom in Al-Karak governorate has significantly expanded its capacity. The impact of Al-Karak Clothing Bank has led to the involvement of numerous charitable organisations, benefiting several schools and students.

In 2024, the clothing showroom in Al-Karak governorate distributed 118,700 pieces of clothing to more than 29,683 people in need. This effort was made possible through collaboration with the Jordan Hashemite Charity Organization (JHCO) and the Charity Clothes Bank. Additionally, a group of 19 dedicated volunteers joined efforts to sort clothing donations at the clothing bank, ensuring that these items were organised and made available to underprivileged individuals, providing them with essential clothing and support during times of need.

118,700  
pieces of clothing distributed

Supporting food banks and providing healthy meals

Since 2020, our US locations have partnered with local food banks and pantries to support those in need. We provide financial aid, organise volunteer activities, fundraisers, and donations to address food insecurity.

Hikma serves as the Fresh Food Sponsor for The Emergency Assistance Center (TEAC), supplying fresh produce and essential food items. Overall, Hikma contributed over 160,000 meals to food banks across the United States in 2024.

160,000  
meals contributed



Delivering meals to vulnerable families in Portugal

In collaboration with the São João das Lampas and Terrugem Parish Council and Totalis, we organised a Community Dinner for 23 disadvantaged families, comprising 50 adults and 30 children. Supported by 43 dedicated volunteer employees from Hikma and their families, the event featured a restaurant-style dinner and gifts for all the children. This initiative fostered an atmosphere of community engagement, social cohesion, and empowerment, aiming to inspire positive change and provide moments of dignity and joy for the participants.

23  
families attended the community dinner



# Empowering our people

Shaping a culture of progress and belonging

We empower our people and nurture a culture of belonging. Our focus is on ensuring employee wellbeing, maintaining consistent engagement and providing development and growth opportunities for our people.



Our focus:

- Establishing and expanding our employee wellbeing programmes focusing on improving physical, emotional, social and financial aspects of our people’s welfare
- Nurturing the leadership capabilities of our people through inclusive learning and development opportunities
- Ensuring that our operations meet or exceed industry standards related to environmental health and safety (EHS) management

Wellbeing and development

At Hikma, our people are at the heart of everything we do. In 2024, our commitment to employee wellbeing led us to implement over 10 initiatives that positively impacted more than 3,800 employees globally.

Our wellbeing framework is built on a holistic approach that supports every aspect of our colleagues’ lives—mental, physical, emotional, social, and financial. We recognise that true wellbeing extends beyond the workplace, which is why many of our initiatives also include support for employees’ families. This commitment goes hand in hand with our focus on inclusion and creating a psychologically safe work environment—where people feel they belong, are valued, and can speak up without fear. When employees feel supported and included, they are more engaged, resilient, and motivated to contribute. This is why our wellbeing and inclusion strategies are deeply connected to our broader business goals and our promise to put better health within reach, every day.

These initiatives addressed various aspects of wellbeing, including physical, mental, and financial health, ensuring a holistic approach to support our workforce.

Among these efforts, wellbeing days and wellbeing seminars of various topics were conducted with high participation rates across all regions. These events fostered a sense of community and brought employees together from different locations, reinforcing our dedication to creating a supportive and inclusive work environment.

People voice survey

Giving our colleagues a voice is important to us. The results of our 2024 ‘People Voice Survey’ guides our approach to addressing employee wellbeing and the purpose of the survey was to engage our people to understand and improve the employee experience and to develop an inclusive approach to improving employee welfare.

Following our survey, we have implemented action plans and programmes that focus on career advancement, employee recognition, and wellbeing, with the purpose of fostering a supportive and growth-oriented environment. We are also pursuing a bottom-up strategy that addresses the survey findings by empowering managers to engage directly with their teams and implement improvements through the framework of the survey action plan.

Promoting mental health and wellbeing

In recognition of World Mental Health Day, Hikma dedicated the entire month of October to raising awareness around mental health and supporting employee wellbeing. Across our sites, we delivered targeted sessions addressing topics such as stress management, work-life balance, and children’s mental health, including the impact of bullying and screen time. In Portugal, we introduced short workplace stretching routines at the People Gym to support physical wellbeing, particularly for operational teams. These efforts reflect our ongoing commitment to fostering a healthier, more supportive work environment—both mentally and physically—for all employees.



Celebrating Our Values through the Hikma Honours programme

Hikma Honours is our global peer-to-peer recognition programme that enables employees to celebrate one another by awarding digital badges aligned with our core values: Caring, Innovative, and Collaborative. Since its launch, thousands of badges have been exchanged across regions, creating a vibrant culture of appreciation and reinforcing the behaviours that make Hikma a great place to work. The programme has strengthened team morale, encouraged cross-functional recognition, and deepened the sense of connection across locations.



Organising Wellbeing Days across our sites

To cultivate a culture of care and connection, we introduced Wellbeing Days across multiple Hikma sites. These days provided employees with opportunities to engage in physical activities, mental health workshops, and nutrition sessions tailored to local needs. In Jordan, over 800 employees participated in on-site health screenings, yoga classes, and financial wellness workshops.

“In 2024, our commitment to employee wellbeing led us to implement over 10 initiatives that positively impacted more than 3,800 employees globally.”

## Multipliers and Blanchard programmes

We established the Multipliers and Blanchard programmes in 2023 to develop our people’s leadership potential and empower employees to grow within our organisation. These programmes cultivate our homegrown talent, strengthening our culture of belonging.

### Multipliers programme

Tailored for leaders, the programme empowers participants to enhance their team’s intelligence and creativity. Through dynamic sessions, certified content, and practical activities, participants learn to cultivate an environment that unlocks each team member’s full potential. The programme includes comprehensive assessments, assignments, projects, coaching, and tailored development plans.

 **217**  
employees on the programme

### Blanchard programme

The Blanchard programme is designed to assist leaders in tailoring their leadership approach to align with the growth stages and specific needs of their team members. By focusing on situational leadership, participants learn valuable strategies for communication, motivation, and mentorship.

 **333**  
leaders have taken part since it was established

## Inclusivity

Fostering an inclusive culture amongst our employees contributes to our organisational effectiveness and helps to foster innovation and creativity. Our aim is to ensure equitable treatment of our people, and to treat everyone fairly, regardless of ethnicity, gender or other non-merit-based characteristics. We emphasise the economic empowerment of our people and have established several employee resource groups (ERGs) such as the Women’s Empowerment ERG and Black Employees ERG that support our employees in achieving their full potential.

### Providing employees with pregnancy and parenting support

We support new mothers globally through maternity leave policies, nursery allowances, and dedicated wellness spaces. In 2024, we launched our first pregnancy wellness room at one of our sites, providing a calm and supportive space for expectant and new mothers. Based on the positive feedback, we are now exploring opportunities to expand this initiative to other locations where possible.



### Empowering women in science

We established the Women in Science (WIS) group in 2023 with the aim of supporting women that work in Science, Technology, Engineering, Mathematics and Medicine (STEMM)-related fields and providing them with opportunities to engage meaningfully with their communities. In 2024, the WIS continued to work alongside women in low-income areas in Jordan to provide them with learning and development opportunities.



### Supporting employees that have children facing disabilities

In 2024, we launched an assistance programme specifically for employees with children who have disabilities. This initiative has already helped over 25 employees, especially in areas with limited government aid. By providing funds for therapy, specialised education, and necessary equipment, we aim to alleviate the emotional and financial stress on our employees. This programme underscores our dedication to holistic wellbeing, ensuring our team feels supported both professionally and personally, and fostering a sense of belonging.



## Operational health and safety

We always prioritise the health and safety of our people and maintain or exceed industry standards to ensure a safe and secure working environment. We updated our Group Environmental Health and Safety policy statement to strengthen our approach to ensuring the welfare of our people and other workers across our locations, updated in 2024, strengthened and standardised our approach to ensuring the wellbeing of our employees and other workers at our locations globally.

Many of the initiatives that we rolled out in 2024 focused on the physical, mental and emotional health of our people. We organised mental health and mindfulness webinars for employees, enhanced workspaces for pregnant employees and wellness days focused on nutritional and physical awareness.

We will continue to establish and refine the programmes in place to maintain and exceed industry standards. We are also improving how we measure and report on health and safety-related metrics, maintaining transparency and ensuring our alignment with relevant reporting frameworks.



The initiatives that we rolled out in 2024 focused on the physical, mental and emotional health of our people.





# Protecting the environment

Supporting a healthier planet

We are committed to making our operations more efficient and managing our energy and water consumption.



Our focus

- Mitigating our GHG emissions and managing our energy use more efficiently
- More effectively and efficiently managing our water consumption

Our ambitions

- Reduce our Scope 1 and 2 emissions by 25% by 2030, with 2020 as our base year
- Continue to improve the way we monitor water use; and continue to mitigate risks for our locations in water-stressed areas

Target  
**25%**

Our emission target is to reduce our Scope 1 and 2 GHG emissions by 25% by 2030, using a 2020 baseline



Target	2024 Progress	Status	Our aim for 2025
By 2030, reduce our Scope 1 and Scope 2 emissions by 25% (baseline: 2020) <b>L</b>	Invested in energy efficiency and renewable energy generation, which enables us to minimise our emissions while continuing to grow as an organisation	...	Continue to pursue renewable energy and energy efficiency solutions and explore long-term green energy procurement opportunities where we operate
By 2026, revise long-term carbon reduction targets and implement key renewable energy projects <b>S</b>	Identified and implemented opportunities to improve energy efficiency and reduce carbon emissions and identified key renewable energy projects	>	Continue efforts to drive efficiency and emissions reductions and to begin implementation of key renewable energy projects
By 2028, deliver key aspects of the ISO 46001 water efficiency management system in the MENA region <b>L</b>	Conducted site-level assessments to identify opportunities to improve water management	>	Begin implementation of water stewardship standards at relevant sites

Timeframe:

L

Long-term

S

Short-term

Status:

✓

Achieved

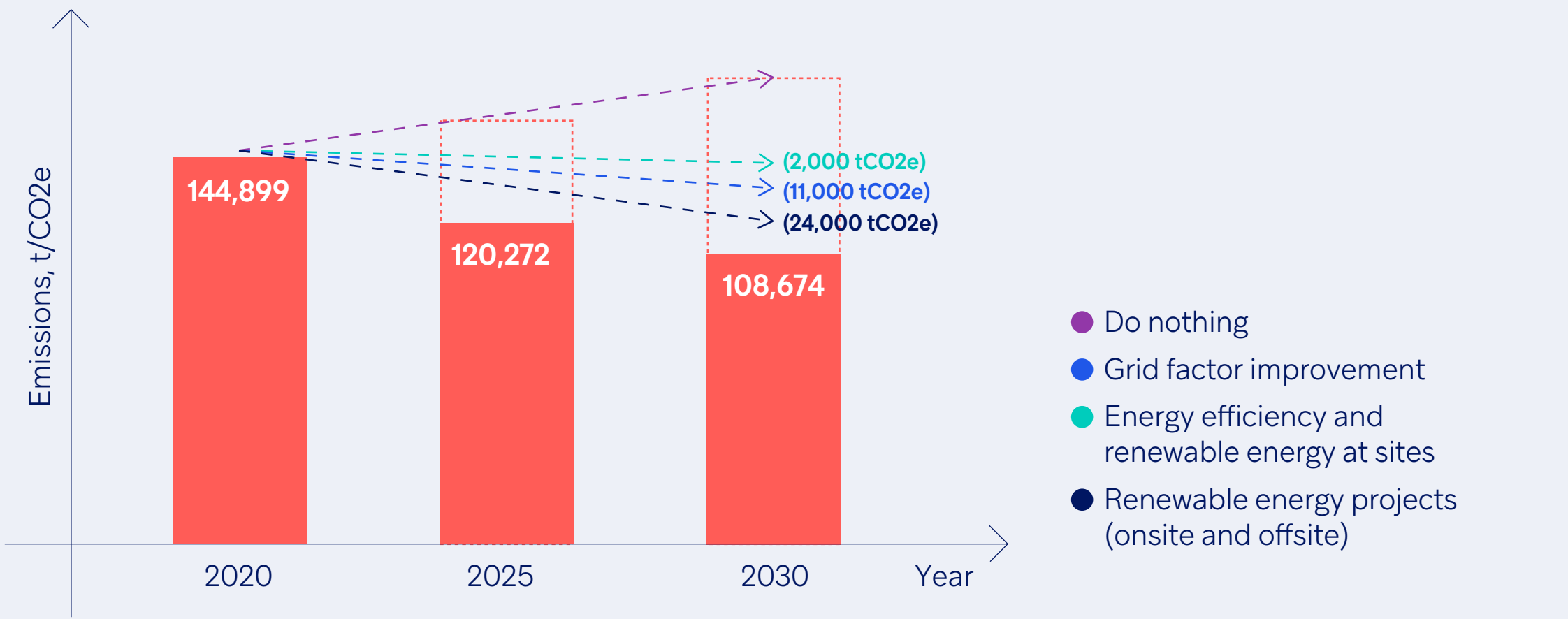
➤

On track

⋯

Partially achieved

Anticipated emissions reduction pathway, Scope 1 and 2 emissions



Greenhouse gas emissions

Our emissions reduction target

In 2021, we put in place a target to reduce our Scope 1 and 2 GHG emissions by 25% by 2030, using a 2020 baseline. The target was developed using the absolute contraction approach and is in line with the Paris Climate Agreement’s well-below 2°C scenario.

Our performance

In 2024, our Scope 1 and 2 emissions (market-based) measured 120,272 tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e). Compared to our base year of 2020, we have reduced our emissions by 17%.

During the year, we installed solar energy generation capacity in Jordan, Morocco and Saudi Arabia, and pursued energy efficiency measures globally. Continuous investments in energy efficiency, cleaner technologies and renewable energy generation has helped us maintain a stable emissions footprint even as we pursue significant site expansions and production increases. Nonetheless, we remain committed to our goal of reducing emissions by 25% by 2030.

Aligning with the TCFD

We are aligning our internal processes and our public disclosures with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. We are fully aligned to nine and partially aligned to two recommendations. More about our alignment with the TCFD is available in our Annual Report 2024, page 62.

Measures to reduce emissions

We are committed to implementing measures to improve our energy efficiency and emissions footprint. As part of this commitment, we undertake activities including sourcing green electricity in all of our European facilities. We also invest in greenifying our manufacturing process through the installation of solar panels across our facilities. In 2024, we developed solar energy capacity in Jordan, Morocco and Saudi Arabia.

We continue to invest in efficiency while pursuing long-term, feasible opportunities to reduce our emissions footprint.

Scope 3 emissions

In 2021, we started tracking our indirect Scope 3 emissions, prioritising key areas relevant to our operations. Since then, we have enhanced our calculation methodologies and the accuracy of our activity data and emission factors. Collaborating closely with suppliers, we have also gained insights into their efforts to reduce emissions.

By 2024, our efforts to enhance Scope 3 calculations and reporting led to significant reductions in the *Purchased goods and services* category. By implementing supplier-specific emission factors, we were able to use actual emissions data instead of relying on external databases, thus improving the accuracy of our reporting and better reflecting the impact of our suppliers’ decarbonisation initiatives. We have also further improved the quality of our data by transitioning more categories from a monetary-based to a quantity-based calculation approach.

The overall reduction in emissions in *Purchased goods and services* was influenced by decreased spend and a shift towards markets with lower emission coefficients.

We improved the accuracy as well of our *Employee commuting* calculations and reporting by more precisely identifying employees using private cars versus those using company-provided transportation (reported under Scope 2).

We also introduced emissions measurements for *Categories 11: Use of sold products* and *12: End of life treatment of sold products*, which account for the change in total Scope 3 emissions between the 2024 Annual Report and Sustainability Report. Category 11 emissions primarily come from our inhaler products that use propellants and, to a lesser extent, from our cold-chain products that require refrigeration during storage. Category 12 emissions are mostly from packaging waste treatment.

We will explore measures to reduce our downstream emissions footprint, and we plan to introduce *Category 9: Downstream transportation and distribution* in future reports.

We continue to engage with our procurement community and key suppliers to raise awareness about our Scope 3 emissions.

Our efforts include targeted outreach of suppliers, who represent just over 55% of our Scope 3 emissions footprint. These engagements provide insights into their carbon reduction and energy efficiency goals and highlight opportunities for collaboration projects to reduce our carbon footprint.



Expanding our onsite renewable energy generation

As part of our commitment to reducing our emissions footprint, we have continued to expand our onsite solar energy generation capacity. In 2024, we completed solar panel installations in Jordan, Morocco and Saudi Arabia. In Jordan, the solar capacity completed in Salt feeds power to multiple Hikma locations around the country. Our expansion in solar panel installations more than doubled our onsite capacity, increasing from around 2,000 MWh to 5,000 MWh of annual generation. To meet our emissions reduction goals, we continue to explore feasible opportunities to install renewable energy generation at our sites.

17%

Reduction in Scope 1 and 2 emissions since base year 2020

Water and waste management

The management of our water consumption and waste generation is central to our sustainability strategy.

Water use is an essential component of the pharmaceutical manufacturing process, particularly with regard to the development of injectable products. Many of the locations where we operate, primarily those in MENA, have water scarcity issues. These considerations were reflected in our DMA, well as water screening exercises conducted in previous years. As such, we are prioritising water management and efficiency particularly in locations where water scarcity and water security issues are highest.

We have in place formal ambitions to identify gaps and opportunities for efficient water use in the region, and an ambition to set water-related targets for sites in MENA by the end of 2025.

We are continuously improving data quality around waste management and exploring opportunities to reduce environmental impacts related to waste incineration and other treatment methods.



You can find figures and data relating to our water and waste management in the Data Summary 2024



Cherry Hill wins Governor’s Environmental Excellence Award

In 2024, our Cherry Hill injectables manufacturing site in New Jersey received the Governor’s Environmental Excellence Award for the environmental sustainability programme being managed at the site. Through the comprehensive programme, Cherry Hill has improved its management of energy, water, waste and emissions. Amongst the actions taken during the year were the installation of LED lighting, improved plastic waste recycling and landfill waste diversions, and feasibility studies to develop on site solar energy generation.



# Operating transparently and ethically

Acting with integrity

We are committed to upholding the highest ethical standards in the conduct of our global business operations and across our value chain.



Our focus:

- Maintaining high ethical standards within our organisation and across our value chain
- Strengthening ethics and compliance through continuous development, training and certifications
- Upholding the principles of universal human rights and safeguarding against modern slavery practices within our organisation and with our suppliers

Our ambitions:

- Continue to review the effectiveness of our compliance programmes and alignment to international best practice expectations, including areas of anti-bribery and whistleblowing management
- Continued participation in international anti-corruption initiatives, including the Partnering Against Corruption Initiative (PACI) and the Business 20 Anti-Corruption Working Group

Ethical business conduct

An important part of our culture is recognising that doing business with integrity is a shared responsibility of everyone at Hikma. As such, we are committed to upholding the highest ethical standards in all facets of our business.

Code of conduct

Our Code of Conduct (CoC) provides an overview of the legal, regulatory and ethical requirements and expectations for our employees, partners and those that we do business with. Our CoC is available in seven languages and shared with all employees. Our employees, officers and directors are trained on the CoC as part of their induction and are provided refresher training periodically. The completion rate for our Code of Conduct training in 2023 was 98%.

Our global compliance programme

Our commitments to business integrity, quality, communities and ethical conduct are overseen by the Compliance, Responsibility and Ethics Committee (CREC), a Board-level committee. The Board of Directors and CREC maintain a zero-tolerance approach to

bribery and corruption. Through our global compliance programme, we ensure compliance with all relevant global and local laws, codes and regulations wherever we operate. As a publicly listed company on the London Stock Exchange (LSE), we are subject to the regulations of the UK Listing Authority. We also comply with the UK Bribery Act 2010 and the US Foreign Corrupt Practices Act, as well as global anti-corruption standards and local anti-bribery and corruption laws.

More information on CREC and how we ensure ethical behaviour is available at: [www.hikma.com/who-we-are/codes-and-standards/](http://www.hikma.com/who-we-are/codes-and-standards/)

We operate a formal third-party due diligence process for all third parties with whom we do business. This uses a set of risk evaluation criteria to place third parties into high-, medium- and low-risk categories. High-risk third parties are subject to enhanced due diligence processes. Additionally, third parties are continuously monitored to identify potential reputational and compliance risks including sanctions, adverse media coverage and political affiliations. In June 2023, our management teams decided to consolidate multiple platforms used for supplier registration, onboarding, risk and performance evaluation, sourcing, and contracting by transitioning into a single, multifunctional tool. It seamlessly integrated with our ERP system, Moody's risk data, and EcoVadis's sustainability rating tool to ensure full transparency and adherence to Hikma's risk processes. We have also updated the Conflict of Interest declaration process to ensure any potential, suspected or actual conflicts are resolved. More information about our enterprise risk management practices across our value chain is available in our **Annual Report**, page 66.

Speak up

We promote a culture that encourages employees to raise concerns about potential violations of laws and regulations, or other behaviours or incidents that do not comply with our Code of Conduct or policies and procedures. Our Speak Up platform provides both internal and external stakeholders a resource to confidentially raise concerns about suspected misconduct. Our procedures require that all reports received via our speak up channels are investigated, as appropriate, by senior and independent employees. Substantiated violations of our Code of Conduct or other policies and procedures are addressed through our disciplinary procedures. A review has been carried out to ensure our speak up procedures remain appropriate and compliant with applicable laws. The Committee has reviewed the speak up procedures and remains satisfied that the procedures in place continue to operate effectively.

FTSE4good

Since 2014, we have remained constituents of the FTSE4Good Index Series. The FTSE4Good is an index of LSE-listed companies that demonstrate strong Environmental, Social and Governance (ESG) practices as measured against globally recognised standards.

The FTSE4Good evaluates companies' effectiveness in addressing issues such as human rights, anti-corruption, environmental performance, health and safety, and community engagement. Their assessments are used by a wide variety of market participants to develop responsible investment funds and other products. Our ESG rating in 2023 remains at 3.2 out of 5, with five being the maximum score.

Working in the pharmaceutical industry and making medicines that are used by millions of people every day is both a privilege and a significant responsibility. This responsibility requires each of us to always adhere to the highest ethical standards, and to clearly understand our company's values, policies, and procedures. While we always strive to deliver strong business results, how we achieve those results is equally important.

3.2  
FTSE4good ESG rating

98%  
completion rate for our  
Code of Conduct training



## Corporate governance

The Compliance, Responsibility and Ethics Committee (CREC or the Committee) promotes and oversees our commitments to business integrity, compliance, communities and ethical conduct, and broadened its remit to oversee key aspects of Hikma’s sustainability strategy.

The Committee received regular updates on Hikma’s sustainability strategy and related activities, including those related to water management, emissions and driving a sustainable supply chain. The Committee monitored developments in reporting and disclosure requirements and received updates on our preparations to report against the Corporate Sustainability Reporting Directive (CSRD) from financial year 2025, including an externally facilitated double materiality assessment which will be used to update our sustainability framework and determine the scope for CSRD reporting. CREC maintains direct oversight and responsibility for environmental issues, particularly climate change and water.

## Governance of sustainability



## Responsible value chain

### Engaging our suppliers and stakeholders

We are fully committed to working closely with our suppliers and downstream stakeholders to ensure that our sustainability strategy is deeply integrated across every part of our value chain.

Our approach involves actively engaging with suppliers to enhance their social and environmental sustainability practices, fostering greater awareness and action on key issues throughout the supply chain. Simultaneously, we focus on reducing the negative impacts of our downstream activities, ensuring that the products and services we deliver contribute positively to the environment and society.

This commitment extends beyond traditional sustainability concerns to address critical issues such as anti-microbial resistance (AMR) and promoting patient awareness, as well as environmental impacts such as the emissions impacts of packaging disposal. Through these actions, we aim to drive a holistic, long-term approach to sustainability that extends far beyond our direct operations.

### Upholding the principles of human rights and safeguarding against modern slavery practices

We are firmly committed to respecting human rights and taking decisive action to prevent modern slavery—including forced labour, compulsory work, and human trafficking—across our global operations and value chain.

To strengthen our oversight and risk management efforts, we have established a dedicated Modern Slavery Task Force, bringing together experts from our Legal, Procurement, and Compliance teams.

This cross-functional team works collaboratively to refine our risk assessment and due diligence processes, ensure these are implemented effectively, and develop clear, proactive strategies to identify and respond to any potential modern slavery risks within our supply chain.

The MS Task Force collaborates to review and enhance our risk assessment and due diligence process, ensure their effective implementation, and develop clear strategies for addressing potential instances of Modern Slavery, should they arise.

### Key measures to uphold human rights principles:

- a global Supplier Code of Conduct that requires our suppliers and third parties who represent or conduct business on behalf of Hikma to comply with all applicable laws, rules, regulations, and ethical standards, including with respect to forced or compulsory labour and human trafficking
- enhanced third-party due diligence processes with updated risk criteria to identify and address modern slavery risks within our supply chain
- training on third-party risk assessment and due diligence processes for employees involved in third-party onboarding
- continuing our partnership with EcoVadis, a leader in sustainability ratings, to assess our main supplier base for any risk of modern slavery or human rights abuses
- training Hikma staff on labour standards and how to recognise and respond to any incidences of modern slavery
- an anonymous speak up line to empower Hikma employees, consultants, suppliers and third parties to report potential issues, including those related to modern slavery
- engaging with supply chain partners and the operational part of our business if and when any risk of modern slavery is identified

Our modern slavery statement is available at [www.hikma.com](http://www.hikma.com).



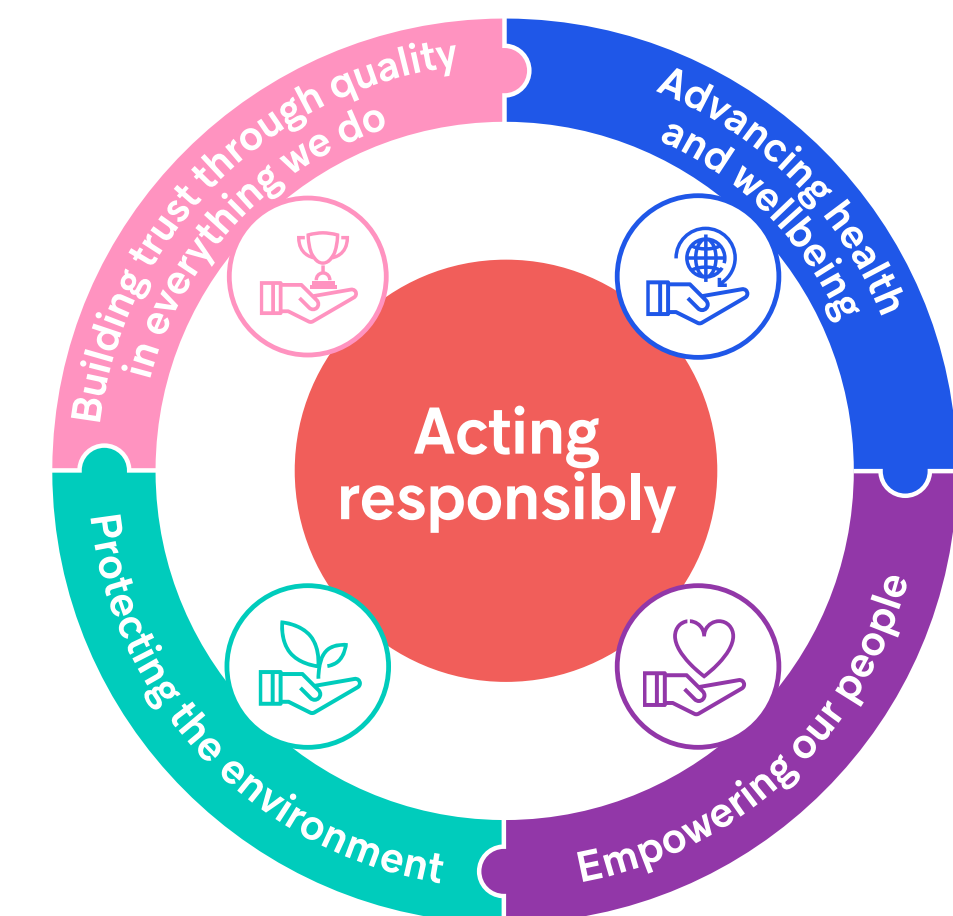
### Hikma named 2024 Pharmaceutical Supply Assurance Supplier of the Year

In 2024, Hikma was named by Vizient Inc. as Pharmaceutical Supply Assurance Supplier of the Year in the US. The award highlights our commitment to flexibility, innovation, and excellence in ensuring reliable access to essential medicines for healthcare providers.

Vizient, the nation’s largest provider-driven healthcare performance improvement company, honoured top suppliers and distributors, including Hikma, for their outstanding service to its provider customers. Spend Management President at Vizient, Simrit Sandhu, described award recipients as “crucial in (Vizient’s) collective goal to meet and surpass provider expectations, and... have shown a true commitment to collaboration for the improvement of healthcare.”

# Sustainability Data Summary 2024

The Data Summary contains figures, metrics and trends related to sustainability. It is intended to connect the qualitative and quantitative aspects of our sustainability performance.



## IN THIS SECTION

About the Data Summary	33
Advancing health and wellbeing	35
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Operating transparently and ethically	49

Following our stakeholder engagement in 2024 we are introducing a clear sustainability Key Performance Indicator (KPI) framework that will enable us to communicate and track our progress. Each KPI has been selected to represent a key area that was identified and assessed through the Double Materiality Assessment (DMA), which align with the Hikma Sustainability Topics (HSTs) described on page 6.

KPIs – how we measure our progress

Number of patients treated

- New product launches
- Impact of launched medicines on patients treated
- \$ value of donated medicines
- \$ amount invested to increase capacity

262 million  
patients treated in 2024

Empowering our people

People voice survey  
(engagement and enablement)

- Promotion rate
- Average hours of training per employee
- Lost time incidence rate

Engagement

73%  
(2023)

Enablement

69%  
(2023)



Protecting the environment

Scope 1 & 2 CO<sub>2</sub> emissions reduction

- Financial resources allocated to mitigate climate change
- Total water recycled/reused
- Water intensity metric

Scope 1 & 2 CO<sub>2</sub> emissions reduction since 2020

17%  
(2024)

Operating transparently and ethically

Code of Conduct employee training (%)

- Supplier Code of Conduct survey
- % of suppliers' spend monitored on ethical issues, including MSA
- Suppliers screened for environmental criteria (percentage of annual spend)

Percentage of employees that received CoC training

98%  
(2024)



# Advancing health and wellbeing

Ensuring access to high quality medicines

## Access to medicine

### Number of patients treated (million), Hikma global<sup>1</sup>

2024		262
2023		265
2022		258

<sup>1</sup> Source: Based on internal analysis by Hikma Pharmaceuticals PLC using data from the following source: IQVIA Analytics Link Q4 2024 for the calendar year 2021, 2022, 2023 and 2024, reflecting estimates of real-world activity. Copyright IQVIA. All rights reserved. Methodology: Drug-treated patient values are derived by converting disease-specific volume sales for each drug to estimated treated patient numbers, adjusted for dosing, duration and compliance, but not concomitance.

### Medicine donations (COGS) \$m

2024		\$4.1m
2023		\$4.9m
2022		\$4.3m

### Product submissions, approvals, launches 2024

	2024 submissions <sup>2</sup>	2024 approvals <sup>2</sup>	2024 launches <sup>2</sup>
Injectables	137	86	89
US	18	18	20
MENA	25	16	16
Europe	94	52	53
Branded	59	43	36
Rx (Generics)	10	7	7
Total	206	136	132

<sup>2</sup> Pipeline projects submitted, approved and launched by country in 2024. MENA numbers include only the five major markets (Algeria, KSA, Egypt, Morocco and Jordan).

## Product quality and patient safety

### Good manufacturing practices (GMP) and GMP-related audits at our sites

	2022	2023	2024
<b>Governance</b>			
External audits	118	129	190
Internal audits	26	24	43

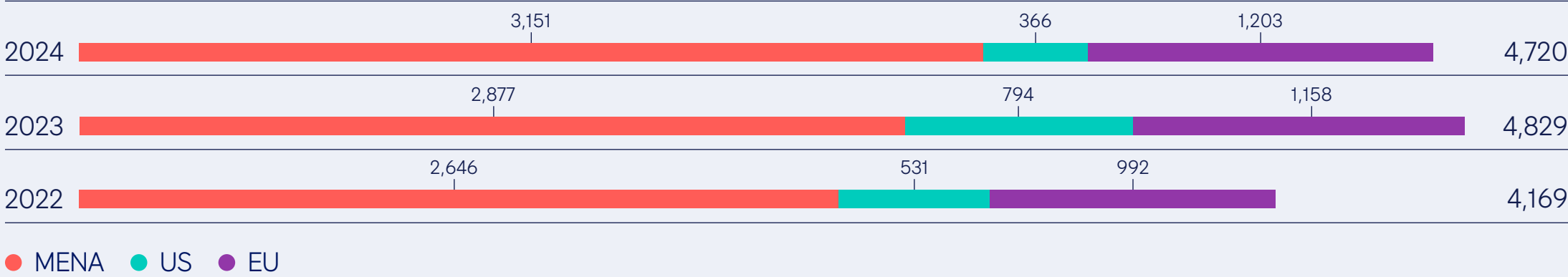
### Worldwide pharmacovigilance compliance with reporting requirements

	2017	2018	2019	2020	2021	2022	2023	2024
Individual case safety reports submission compliance rate	91%	94%	99%	98%	99%	96%	98%	98%
Aggregate reports submission compliance rate	98%	98%	96%	100%	99%	100%	99%	100%

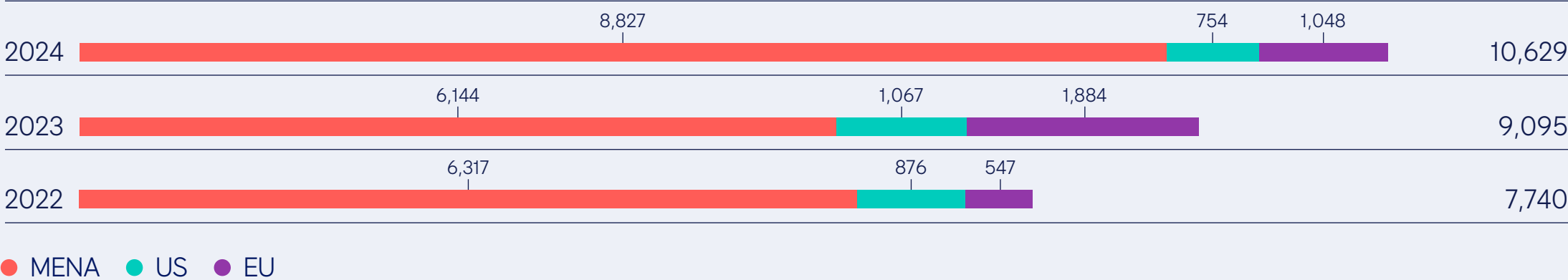
Advancing health and wellbeing *continued*

Social responsibility

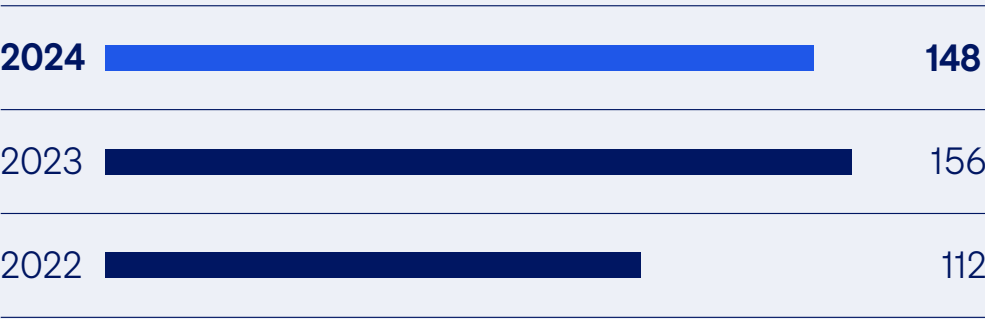
Number of employee volunteers, by region



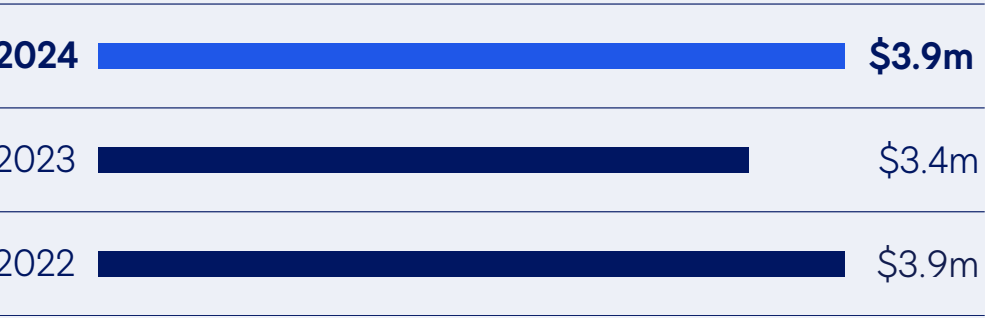
Number of employee volunteering hours, by region



Total community engagement activities



Charitable donations





# Empowering our people

Shaping a culture of progress and belonging

## General employee information

	2021	2022	2023	2024
Number of employees	8,591	8,536	9,100	9,515
– MENA & Corporate Jordan	5,445	5,430	5,749	5,866
– USA	2,065	1,939	2,092	2,260
– EU + RoW (India, Canada & China)	1,081	1,167	1,259	1,389
– Percent in Managerial levels <sup>1</sup>	13%	13%	13%	14%
– Percent of Professionals and workers <sup>2</sup>	86%	86%	87%	86%
Whether more than 10% of workforce or more than 1,000 employees are affected by layoffs or mergers/acquisitions	No	No	No	No

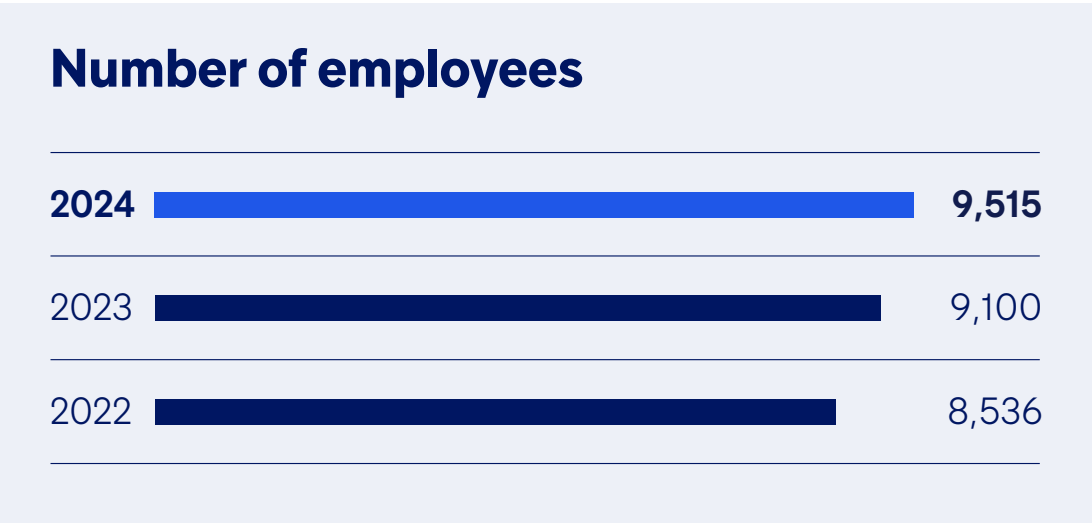
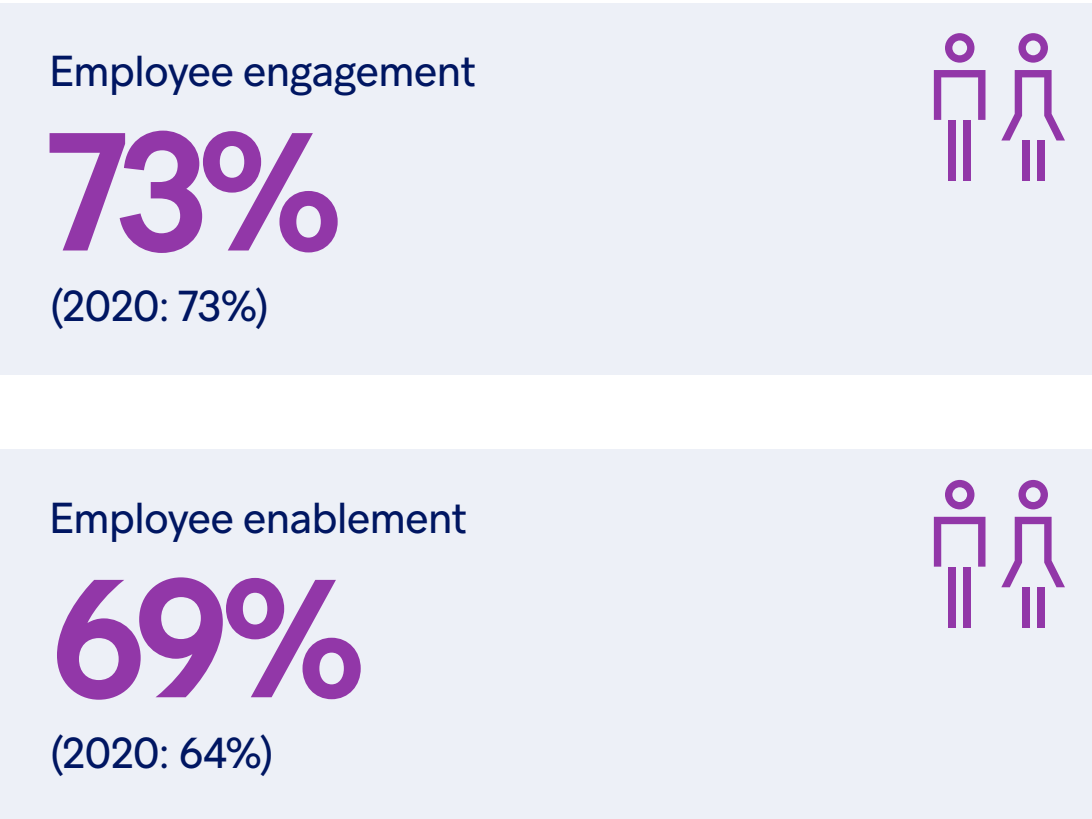
## Employee engagement (People’s Voice)

	2020	2021	2022	2023
Employee engagement score	73%	NA	NA	73%
Employee enablement score	64%	NA	NA	69%

1 Managerial roles represent employee levels F-I. The calculation excludes employees at the International Pharmaceutical Research Centre (IPRC) and Arab Medical Containers (AMC) in Jordan, in line with our reporting criteria.

2 Professionals and workers represent employee levels A-E. The calculation excludes employees at the International Pharmaceutical Research Centre (IPRC) and Arab Medical Containers (AMC) in Jordan, in line with our reporting criteria.

## People voice survey 2023

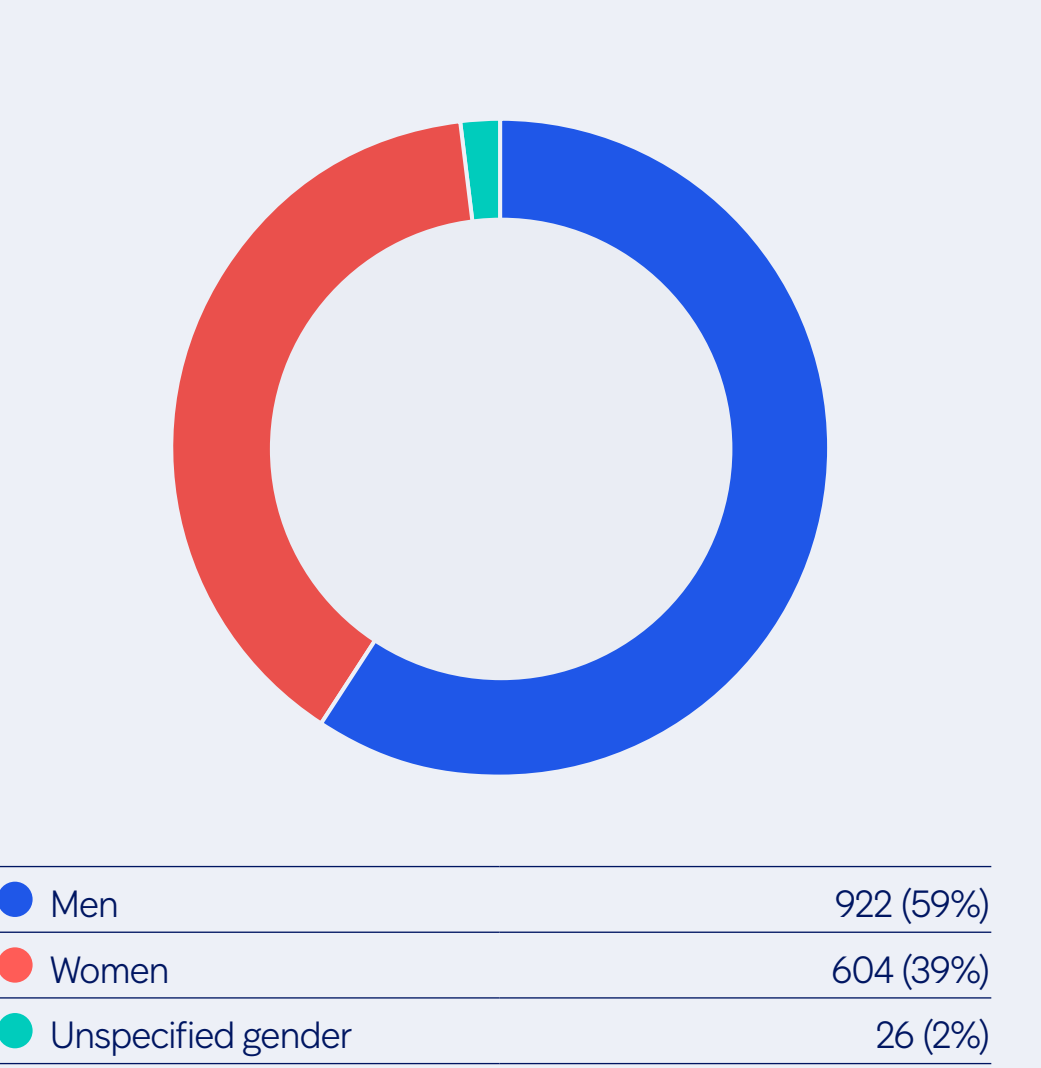


Empowering our people *continued*

Recruitment and retention

	2022	2023	2024
Number of new employee hires	1,289	1,595	1,552
– Men	665	869	922
– Women	501	634	604
– Unspecified gender	123	92	26
Voluntary turnover	1,040	991	944
– Voluntary turnover – Men	587	559	521
– Voluntary turnover – Women	429	393	407
– Voluntary turnover – unspecified gender	24	39	16
Voluntary turnover rate	12%	11%	11%
– Voluntary turnover rate – Men	7%	6%	9%
– Voluntary turnover rate – Women	5%	5%	13%
– Voluntary turnover rate – unspecified gender	0%	0.4%	15%

Number of new employee hires: 2024



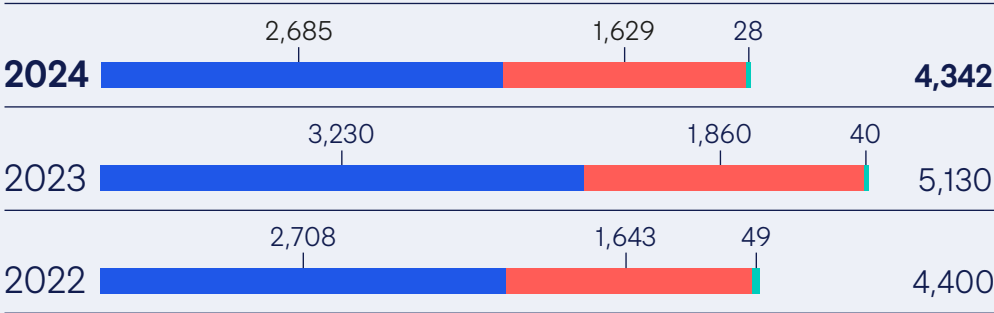
Empowering our people *continued*

Learning and development<sup>1</sup>

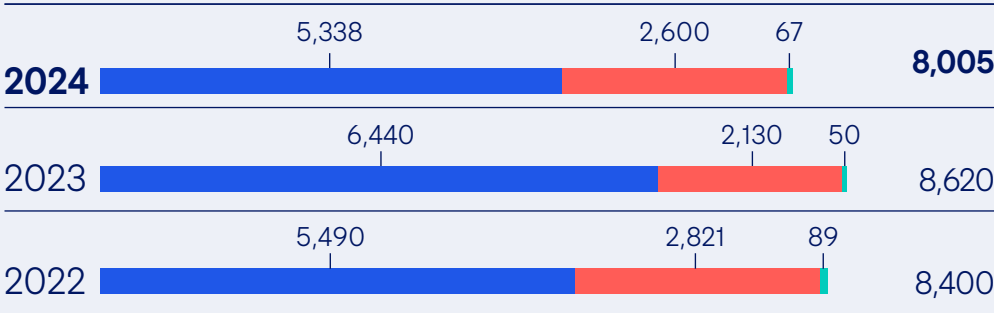
	2022	2023	2024
Average hours of training	8.1	7.1	<b>7.3</b>
– Men	7.9	7.1	<b>7.2</b>
– Women	8.5	7.4	<b>7.6</b>
– Unspecified gender	NA	1.2	<b>1.9</b>
Active users across learning platforms	4,400	5,130	<b>4,342</b>
– Men	2,708	3,230	<b>2,685</b>
– Women	1,643	1,860	<b>1,629</b>
– Unspecified gender	49	40	<b>28</b>
Video-based learning hours completed	8,400	8,620	<b>8,005</b>
– Men	5,490	6,440	<b>5,338</b>
– Women	2,821	2,130	<b>2,600</b>
– Unspecified gender	89	50	<b>67</b>
Instructor-led learning hours	55,000	52,760	<b>56,369</b>
– Men	34,447	32,250	<b>35,025</b>
– Women	20,497	20,490	<b>21,319</b>
– Unspecified gender	56	20	<b>25</b>
Number of active Continuing Education Scholarships for employees	25	22	<b>22</b>

<sup>1</sup> Learning and development metrics exclude employees at the International Pharmaceutical Research Centre (IPRC) and Arab Medical Containers (AMC) in Jordan, in line with our reporting criteria.

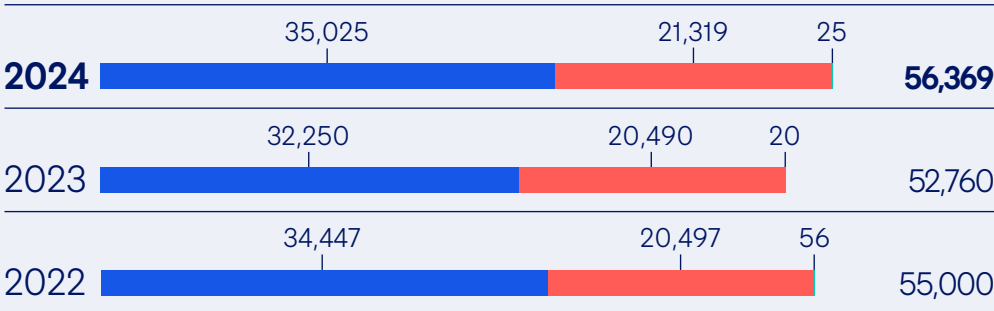
Number of active employee users across learning platforms



Number of video-based learning hours



Number of instructor-led learning hours



● Men ● Women ● Unspecified gender

Empowering our people *continued*



Inclusivity<sup>1</sup>

	2022	2023	2024
Number of full time employees – Women	2,968	3,123	3,291
– Percent of total headcount	35%	35%	36%
Number of women in Managerial levels <sup>2</sup>	309	345	382
– Percent of total headcount	29%	30%	31%
Number of women in Professional and Worker levels <sup>3</sup>	2,613	2,773	2,848
– Percent of total headcount	36%	36%	36%
Number of Board members appointed that are women	5	5	5

Ethics and compliance

	2022	2023	2024
Percentage of employees that have conducted Code of Conduct training	98%	98%	98%

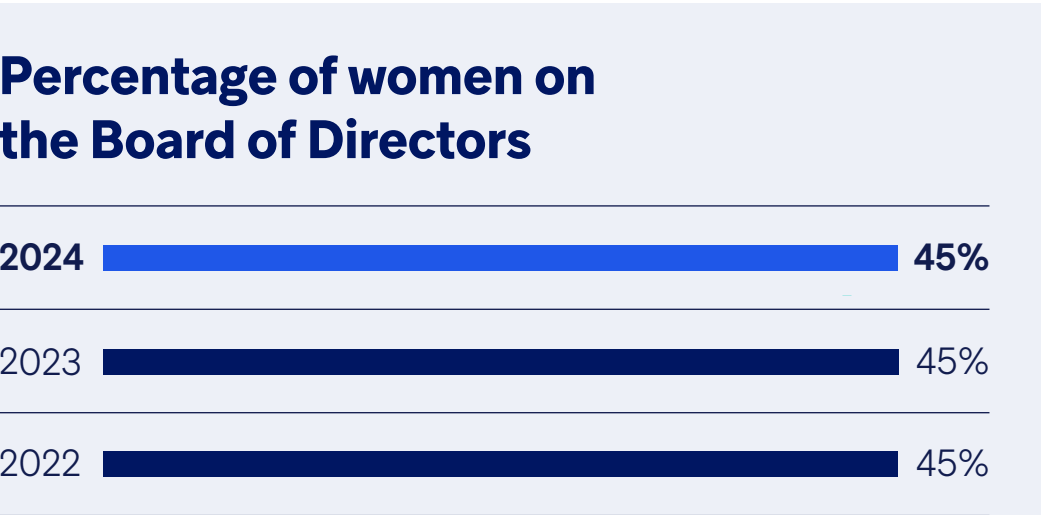
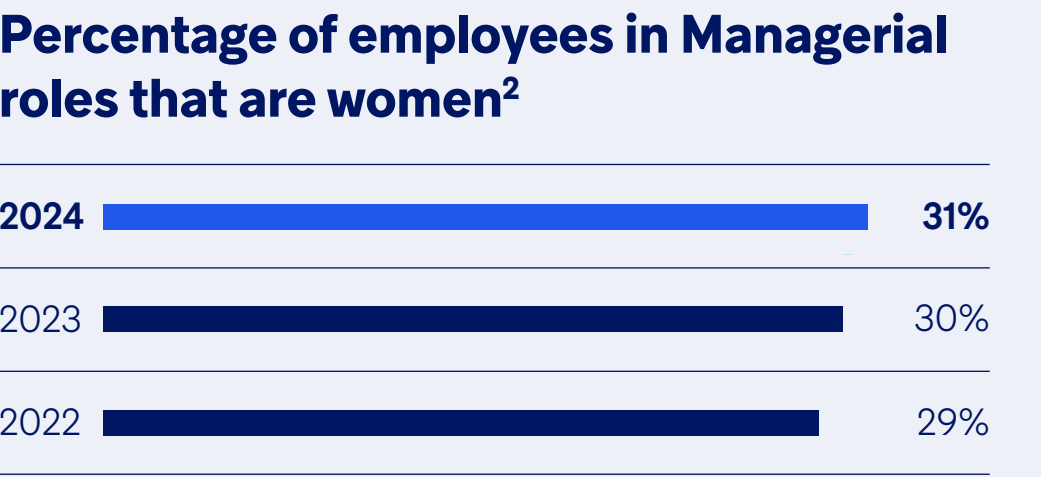
Employee health and safety

	2022	2023	2024
Number of lost time incidents (LTIs)	94	85	108
Lost time incident rate (LTIR)	1.32	1.01	1.18
Number of fatalities	0	0	0
Fatality rate	0	0	0

1 Calculations exclude employees at the International Pharmaceutical Research Centre (IPRC) and Arab Medical Containers (AMC) in Jordan, in line with our reporting criteria.

2 Managerial roles represent employee levels F-I.

3 Professionals and workers represent employee levels A-E.





# Protecting the environment

Supporting a healthier planet

Target

25%

Our emission target is to reduce our Scope 1 and 2 GHG emissions by 25% by 2030, using a 2020 baseline

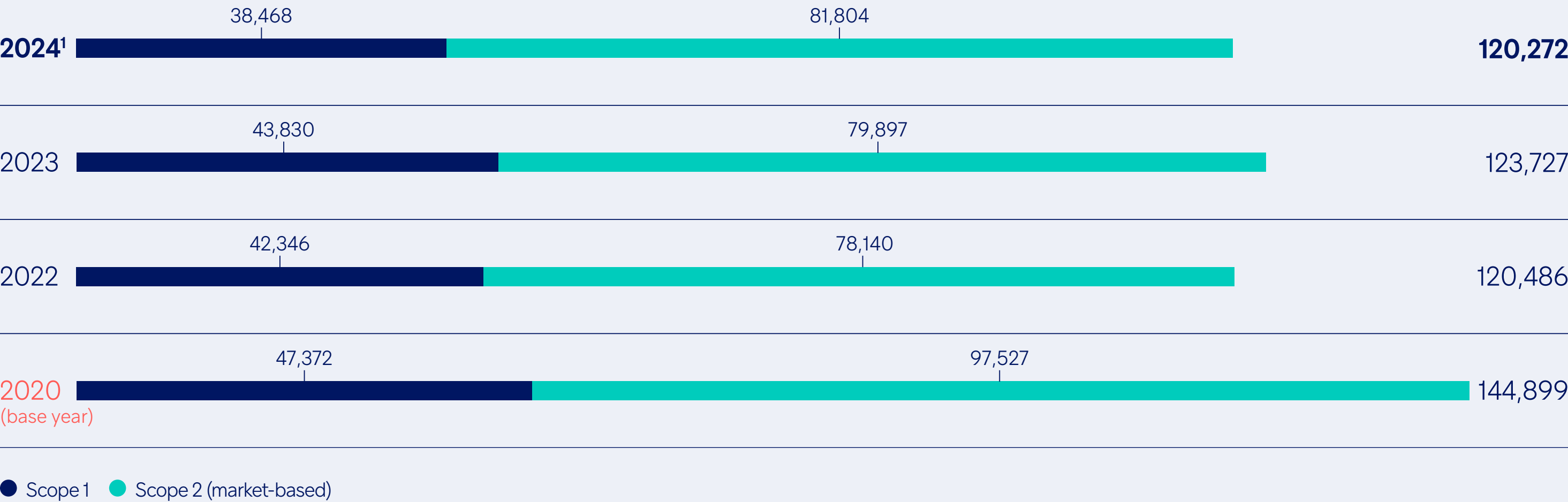


## GHG emissions (tCO<sub>2</sub>e)

	2020 (base year)	2022	2023	2024 <sup>1</sup>
Scope 1 – Combustion of fuel and operation of facilities	47,372	42,346	43,830	38,468
Scope 2 (market-based) – Electricity	97,527	78,140	79,897	81,804
Total Scope 1 and 2 emissions (market-based)	144,899	120,486	123,727	120,272
Year-on-year change in Scope 1 and 2 emissions (market-based)	N/A	(10%)	3%	(2%)
Change in Scope 1 and 2 emissions (market-based) since base year 2020	N/A	(17%)	(15%)	(17%)
Scope 2 (location-based) – Electricity	94,949	79,601	83,536	87,237

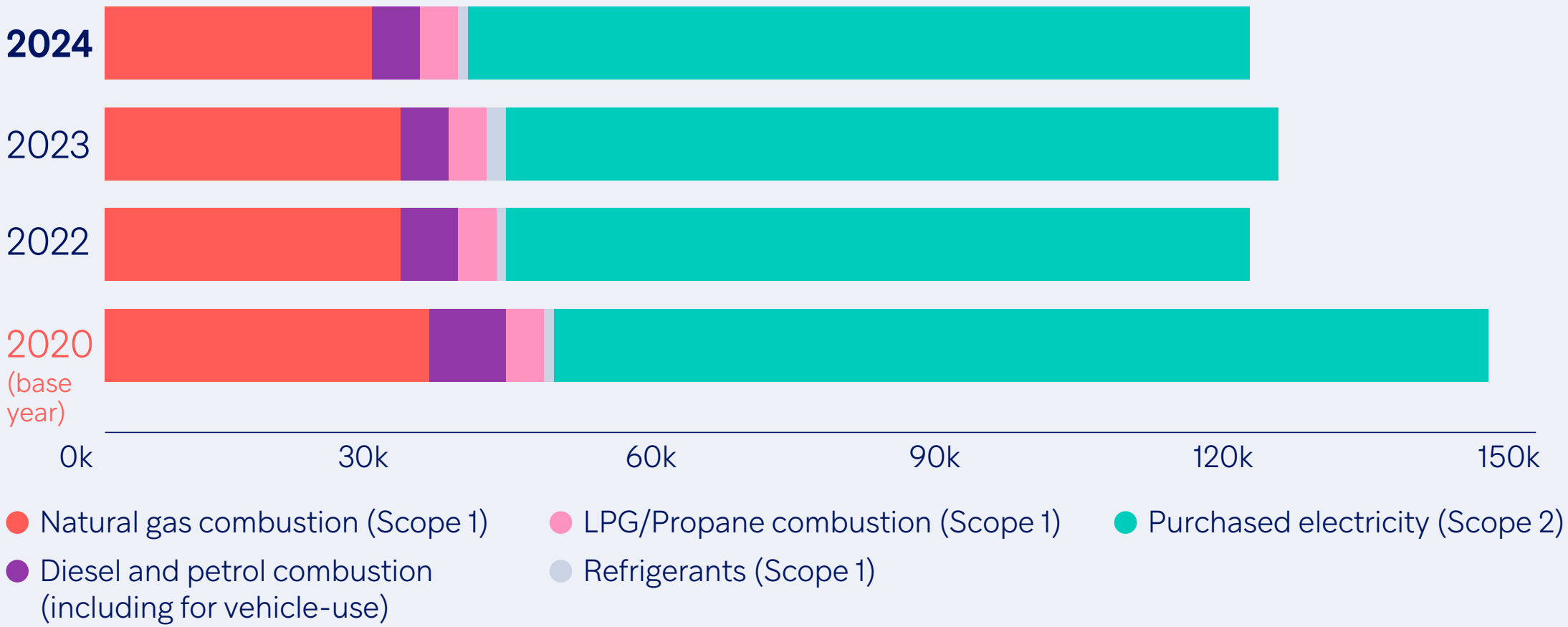
<sup>1</sup> Emissions for 2024 are updated from the Annual Report 2024 data, updating the Q4 estimates and reflecting actual consumption and emissions for the 2024 full year.

## GHG emissions (tCO<sub>2</sub>e)

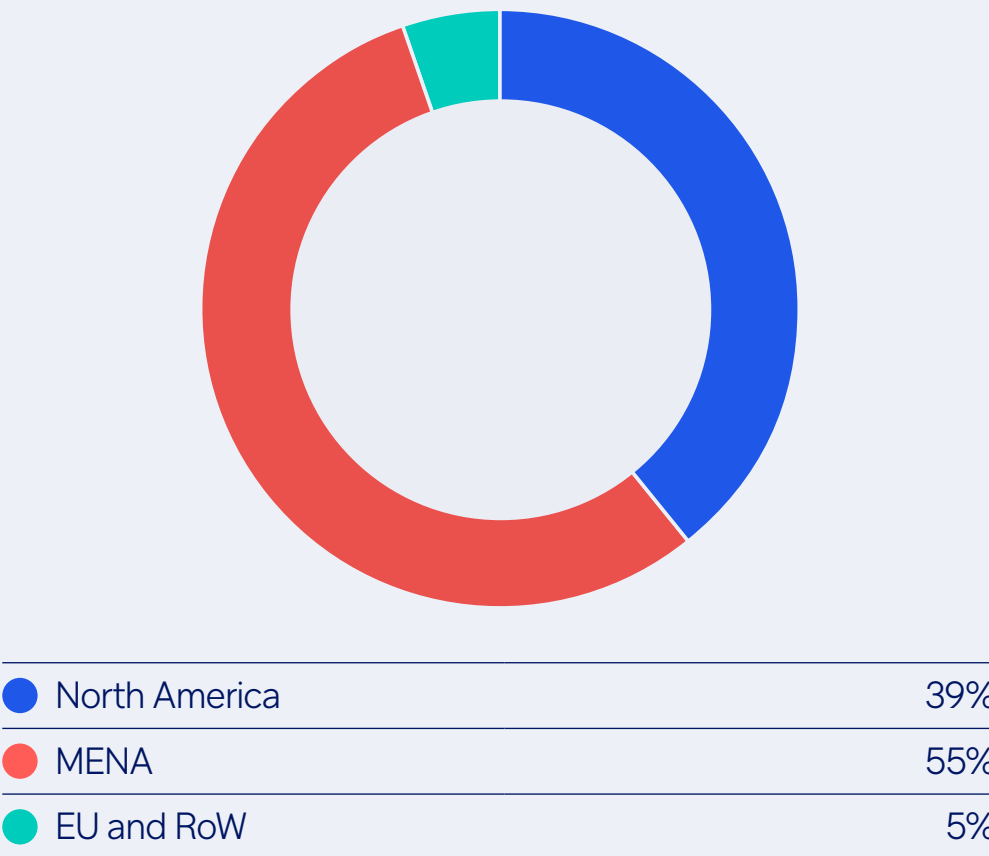


Protecting the environment *continued*

GHG emissions breakdown by source (market-based)



GHG emissions (Scope 1 and Scope 2 market-based) breakdown by region 2024



Protecting the environment *continued*

Emissions intensity

Emissions intensity is a useful metric to gauge our progress in being more efficient while maintaining consistent growth in absolute terms.

Emissions intensity: revenue (\$m) <sup>1</sup>	2020 (base year)	2022	2023	2024
Scope 1 and 2 emissions (market-based) / Group revenue	61.9	43.1	43.0	38.5
Scope 1 and 2 emissions (location-based) / Group revenue	60.8	49.5	44.3	40.2

Emissions intensity: headcount <sup>2</sup>	2020 (base year)	2022	2023	2024
Scope 1 and 2 emissions (market-based) / headcount	16.9	14.4	13.6	12.7
Scope 1 and 2 emissions (location-based) / headcount	16.9	14.6	14.0	13.2

UK Office emissions <sup>3</sup>	2020 (base year)	2022	2023	2024
Emissions total (tCO <sub>2</sub> e)	569	202	65	192
As percentage of Group	0.39%	0.16%	0.05%	0.16%

1 Emissions intensity by revenue is calculated using Group-wide revenue (\$m)  
– Group revenue 2020: 2,341  
– Group revenue 2022: 2,517  
– Group revenue 2023: 2,875  
– Group revenue 2024 (core): 3,156

2 Emissions intensity by headcount is calculated using Group-wide headcount  
– Group headcount 2020: 8,600  
– Group headcount 2022: 8,800  
– Group headcount 2023: 9,100  
– Group headcount 2024: 9,515

3 The Group operates one location within the United Kingdom, where we are listed, which is an office building that is managed by a third party. Energy consumption is measured by meter readings provided by the managing agent and relates to electricity and gas used for heating, cooling and general office power. The Group does not provide transport within the UK.

Protecting the environment *continued*

GHG emissions, Scope 3 (tCO <sub>2</sub> e) <sup>1</sup>					
Scope 3 category	Category description	Notes	2022	2023	2024
1	Purchase of goods and services		669,856	717,778	681,235
2	Capital goods		31,873	36,773	46,580
3	Fuel & energy related activities not included in Scope 1 or Scope 2		34,175	30,246	31,683
4	Upstream transportation and distribution		34,284	32,001	32,084
5	Waste generated in operations (including water)		4,058	3,105	2,079
6	Business travel		1,790	6,834	8,312
7	Employee commuting		7,881	10,241	8,401
8	Upstream leased assets		–	–	–
9	Downstream transportation and distribution	• relevant, not yet calculated	–	–	–
10	Processing of sold products	• not relevant	–	–	–
11	Use of sold products		–	–	42,089
12	End of life treatment of sold products		–	–	8,247
13	Downstream leased assets	• not relevant	–	–	–
14	Franchises	• not relevant	–	–	–
15	Investments	• relevant, not yet calculated	–	–	–
Total <sup>2</sup>			783,917	836,978	860,710 <sup>3</sup>

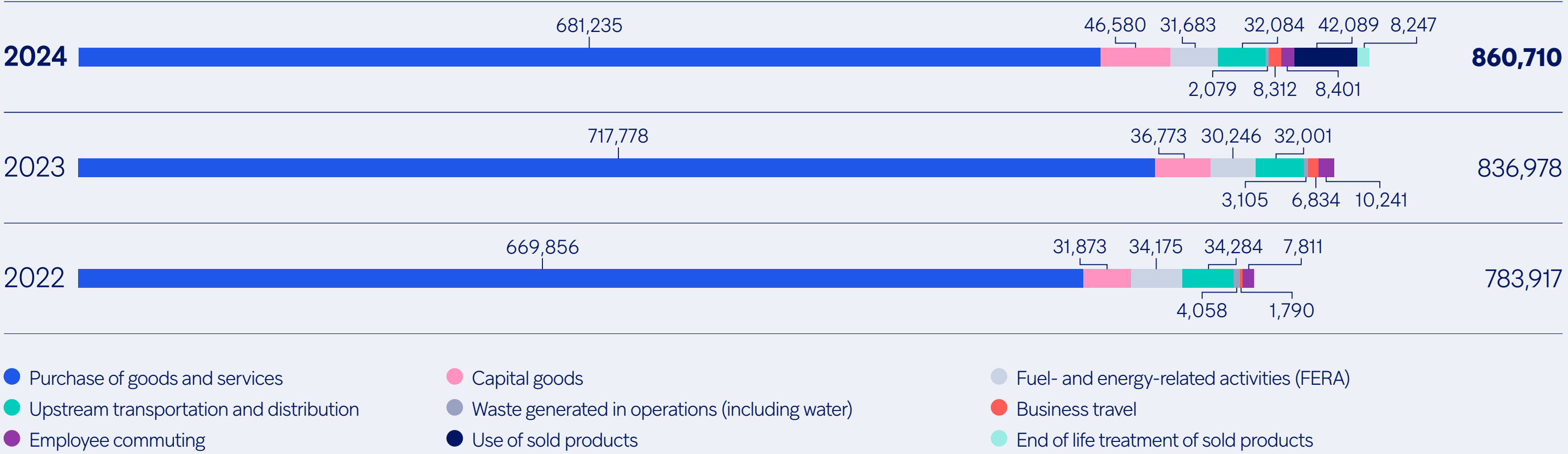
1 Data assured through limited assurance of the Sievo Oy CO2 analytics module and methodology by EY; and through EcoAct limited assurance (see page 43 for more details). The full assurance statements can be found at [www.hikma.com/responsibility](http://www.hikma.com/responsibility).

2 Changes in Scope 3 emissions totals between years is partially due to continuous refinement of data collection and calculation methodology.

3 The change in Scope 3 emissions totals between the Annual Report 2024 and the Sustainability Report 2024 is due to the introduction of new emissions categories to our reporting boundary (Categories 11 and 12).

Protecting the environment *continued*

GHG emissions, Scope 3 (tCO<sub>2</sub>e)



We follow a structured methodology aligned with the GHG Protocol, leveraging three calculation methods that are prioritised hierarchically based on data availability and quality:

- Supplier-specific method for highest precision, using emissions data directly provided by suppliers.
- Quantity-based method using the Ecoinvent database for materials with well-defined units of measure.
- Spend-based method using Exiobase for categories where quantitative data is not available.

Since 2021, our Scope 3 emissions have been tracked through the Sievo CO<sup>2</sup> tool. This robust platform automates data extraction from our ERP systems on a monthly basis, cleansing and categorising supplier spend data (covering upstream supply chain activities). It applies standardised mapping to emissions factors from verified databases or supplier-specific data, enabling precise and consistent calculations. This integration ensures monthly classification and consolidation of activity data,

supporting consistent, audit-ready reporting and deep analysis by emissions source and category.

In 2024, we conducted a comprehensive internal audit evaluating the integrity of our Scope 3 reporting. The review confirmed the soundness of our methodologies while identifying areas for further alignment with best practices. In response, we enhanced our procedures by integrating supplier-specific emission factors, refining mapping rules, and introducing a comprehensive supplier questionnaire to assess suppliers' climate actions and support the collection of primary data directly at source.

This summary is supported by our internal Scope 3 Calculation and Reporting Procedure, developed in 2024 to formalise and document our approach. The procedure outlines our emission boundaries, category-specific methodologies, data sources, mapping logic, and exclusions in detail. It serves as a foundational reference aligned with the GHG Protocol and developed in response to assurance partner feedback.

Protecting the environment *continued*

Methodology and assurance

We quantify and report our organisational GHG emissions in alignment with the World Resources Institute’s Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, and in alignment with the Scope 2 guidance.

We consolidate our organisational boundary according to the operational control approach, as described in the GHG Protocol Reporting Standard. This includes all our facilities and locations where we have operational control.

The GHG sources that constituted our operational boundary for Scope 1 and 2 are:

- Scope 1:
- Natural gas combustion
  - Diesel combustion
  - Petrol combustion
  - LPG/propane combustion
  - Vehicle emissions
  - Refrigerants

- Scope 2:
- Purchased electricity – standard
  - Purchased electricity – renewable

For reporting in this Sustainability Report, we have updated the data published in our Annual Report 2024 to include actual data for October to December 2024. This replaces the estimates that were included for those months.

We have internal sustainability reporting criteria for key metrics which guide our sustainability reporting. The criteria define our reporting boundary and conditions for restatements, and establish a unified hierarchy for estimating consumption where actual data are not available. Our emissions calculation contains no material omissions, as determined by the reasonable level of assurance received on this data. In some cases, where any month’s data is missing, it has been estimated using the following methodology: using data from one year prior to the month to be estimated or previous year as proxy, calculate an average daily consumption over that period and apply that to the number of days within the month to be estimated.

EcoAct was engaged by Hikma to provide independent third-party reasonable verification of its direct (Scope 1) and indirect (Scope 2 and selected Scope 3) GHG emissions, as detailed in this report. Based on the data and information provided by Hikma and the processes and procedures followed, it is EcoAct’s verification opinion that the following GHG emissions totals are fairly stated and free from material error for 2024.

Verified emissions by EcoAct include:

- Scope 1 emissions – Combustion of gaseous fuels (natural gas, diesel, petrol and LPG) Fugitive refrigerant gases
- Scope 2 emissions – Purchased electricity consumption (location and market-based)
- Scope 3 emissions – Emissions including Scope 3 Category 3: fuel and energy related activities not included in Scope 1 or Scope 2 (FERA), Category 5: Waste generated in operations (including water), Category 7: Employee commuting, Category 11: Use of sold products and Category 12: End of life treatment of sold products.

For external assurance of the remaining Scope 3 categories (Category 1: Purchase of goods and services, Category 2: Capital goods, Category 4: Upstream transportation and distribution, and Category 6: Business Travel), we worked with an external third party, Sievo Oy, to assess our carbon footprint for these categories. Sievo has contracted Ernst & Young (EY) under a ‘limited assurance engagement’, as defined by International Standards on Assurance Engagements 3000 (ISAE 3000) to report on the methodology and the emission factors used behind ‘CO2 Analytics’ tool (the Tool) as of 21 January 2022.

The full verification statements can be found here [www.hikma.com/responsibility](http://www.hikma.com/responsibility).

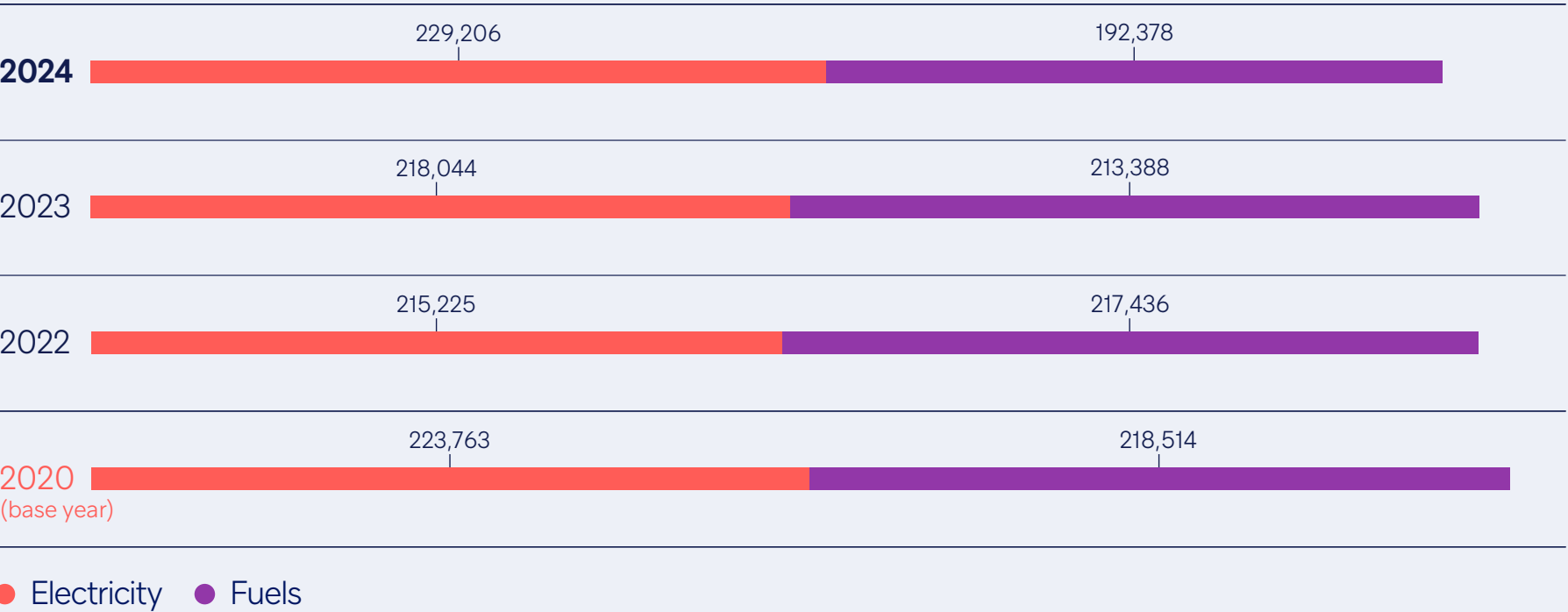
Protecting the environment *continued*

Energy consumption (MWh)

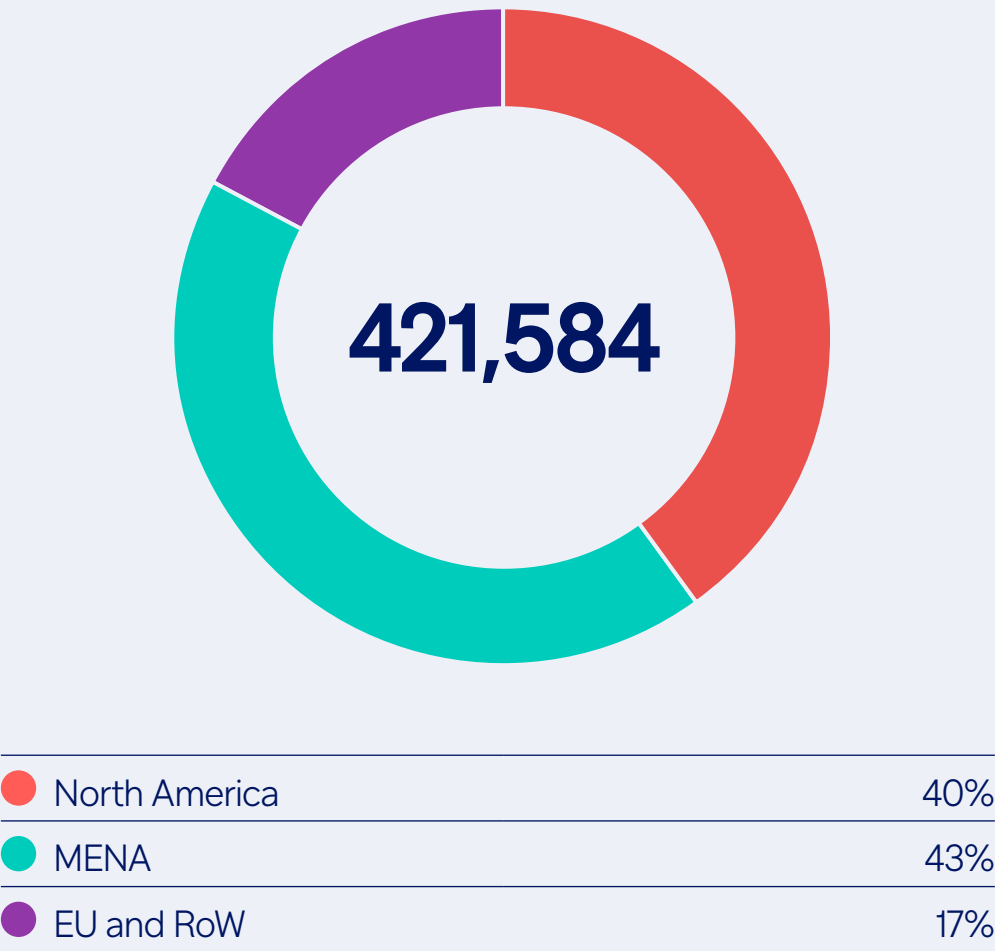
	2020 (base year)			2022			2023			2024¹		
	UK	Rest of the world	Total	UK	Rest of the world	Total	UK	Rest of the world	Total	UK	Rest of the world	Total
Electricity	129	223,634	223,763	116	215,109	215,225	168	217,876	218,044	168	228,038	229,206
Fuels	871	217,644	218,514	882	216,554	217,436	21	213,367	213,388	712	191,667	192,378

1 Energy for 2024 is updated from the Annual Report 2024 data, updating the Q4 estimates and reflecting actual consumption for the 2024 full year

Energy consumption (MWh) by total electricity and total fuels per year



Energy consumption (MWh) by region – 2024



Protecting the environment *continued*

Target

2025

Incorporated water as part of the Executive Director’s long-term incentive plan with an aim to set water management targets for all MENA sites by the end of 2025

Water and waste management

		2022		2023		2024	
		Global (all countries)	Only high water-stressed countries	Global (all countries)	Only high water-stressed countries	Global (all countries)	Only high water-stressed countries
Water							
Extracted	m³	1,175,224	401,982	1,231,312	369,398	1,365,980	404,395
Treated	m³	80,100	70,267	45,370	45,370	66,855	58,137
Discharged	m³	853,279	293,794	1,050,915	294,184	958,928	176,711
Waste generated	Tonnes	13,275		14,876		12,311	

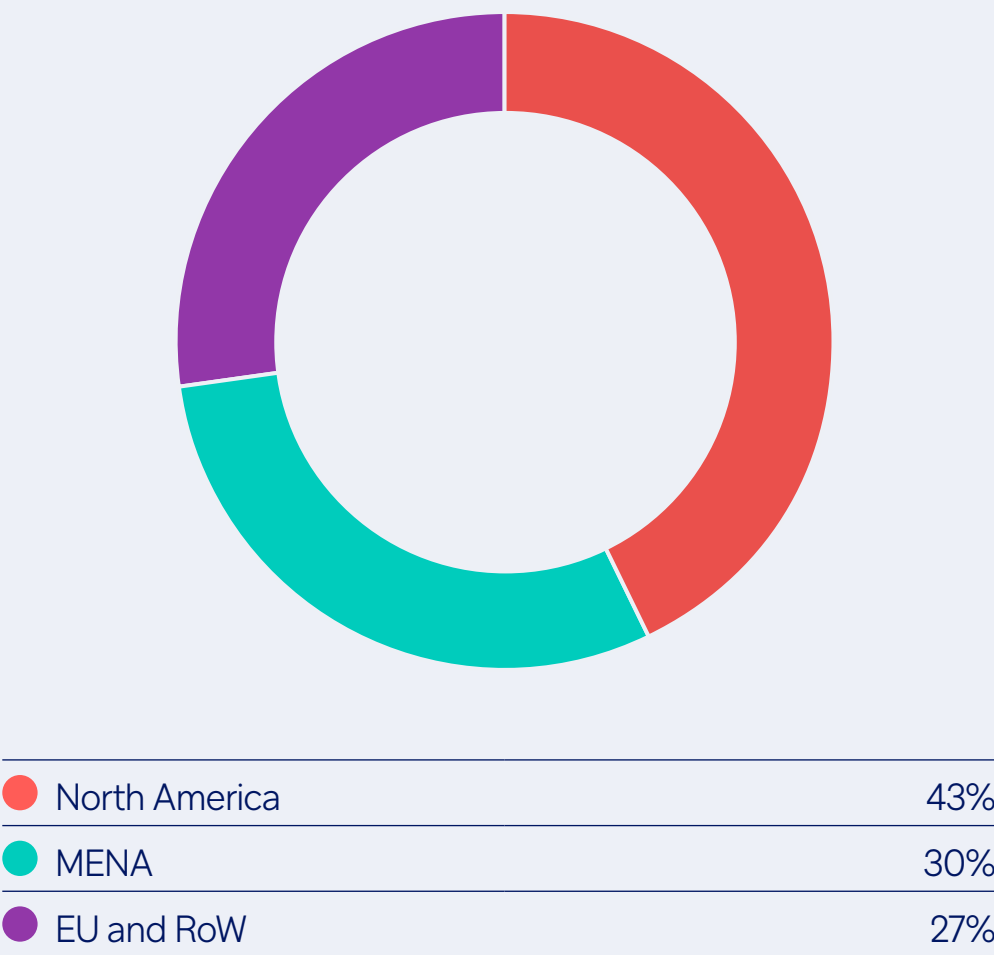
Note: Our data collection of waste and water is a work in progress, which we continue to refine and improve

Sustainability-related certifications

In recent years, we have pursued and achieved a range of certifications to improve efficiency and health and safety standards across our sites. The table below indicates the sites where we have achieved sustainability-related International Organisation for Standardisation (ISO) certifications.

Site Name	Country	ISO 14001 Environmental Management Systems	ISO 45001 Occupational Health and Safety	ISO 50001 Energy Management Systems
Hikma Jordan	Jordan	✓	✓	✓
APM Sahab	Jordan	✓	✓	
APM Salt	Jordan	✓	✓	
AMC	Jordan	✓	✓	
JPI	Saudi Arabia	✓	✓	
6 October	Egypt	✓	✓	✓
HSP	Egypt	✓	✓	✓
HPI	Egypt	✓	✓	✓
IAB	Tunisia	✓	✓	
Medicef	Tunisia	✓	✓	
Promopharm	Morocco		✓	

Water consumption by region – 2024





# Operating transparently and ethically

Upholding ethical standards and acting with integrity

## Responsible value chain

### Percentage spend on local suppliers

Local suppliers represent the majority of our spend.

We assessed markets representing more than 90% of our total spend, and maintained an average of 59%-60% spend on local suppliers between 2021 and 2024. We recognise that supporting local suppliers drives socio-economic development for our markets, and we aim to maintain a strong local presence and supplier base.

### Sustainable screening for social and environmental compliance

All of our new suppliers undergo social criteria screening, including compliance with the Modern Slavery Act and anti-corruption and bribery protocols.

Our aim is to build a more sustainable value chain through active engagement and collaboration with our key suppliers. By understanding their levels of sustainability maturity, we aim to identify opportunities and develop strategies for enhancing the sustainability of our value chain.

	2022	2023	2024
Suppliers screened for environmental criteria (percentage of annual spend)	39%	49%	55%



# Appendix

This section demonstrates our approach to addressing the ten principles of the United Nations Global Compact and our alignment with the Sustainable Development Goals.

IN THIS SECTION

Aligning with the United Nations Global Compact	51
Our adopted Sustainable Development Goals	52

# Aligning with the United Nations Global Compact

We continue to uphold the ten principles of the UNGC and have been committed members of the organisation since 2007.



Human rights	Labour	Environment	Anti-corruption
<p><b>Principle 1:</b> Businesses should support and respect the protection of internationally proclaimed human rights.</p> <p><b>Principle 2:</b> Businesses should make sure that they are not complicit in human rights abuses.</p> <div><div></div><div>Read more on page 31</div></div>	<p><b>Principle 3:</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.</p> <div><div></div><div>Read more on page 31</div></div> <p><b>Principle 4:</b> Businesses should uphold the elimination of all forms of forced and compulsory labour.</p> <div><div></div><div>Read more on page 32</div></div> <p><b>Principle 5:</b> Businesses should uphold the effective abolition of child labour.</p> <div><div></div><div>Read more in our Code of Conduct</div></div> <p><b>Principle 6:</b> Businesses should uphold the elimination of discrimination in respect of employment and occupation.</p> <div><div></div><div>Read more in our Code of Conduct</div></div>	<p><b>Principle 7:</b> Businesses should support a precautionary approach to environmental challenges.</p> <div><div></div><div>Read more in our Annual Report 2024, Aligning with the TCFD</div></div> <p><b>Principle 8:</b> Businesses should undertake initiatives to promote greater environmental responsibility.</p> <div><div></div><div>Read more on page 27</div></div> <p><b>Principle 9:</b> Businesses should encourage the development and diffusion of environmentally friendly technologies.</p> <div><div></div><div>Read more on page 28</div></div>	<p><b>Principle 10:</b> Businesses should work against corruption in all its forms, including extortion and bribery.</p> <div><div></div><div>Read more on page 31</div></div>

# Our adopted Sustainable Development Goals

We have prioritised five United Nations Sustainable Development Goals (SDGs) that align most closely with our corporate and sustainability strategies.



## Good health and wellbeing

### 3.4 Reduce premature mortality from non-communicable diseases

We align our portfolio, sales and R&D strategy with patient needs that differ across geographies. This includes aligning with patient needs in MENA where there is a continued increase in the prevalence of non-communicable diseases (NCDs) due to demographic and socio-economic trends, including a fast growing and ageing population.

### 3.5 Strengthen the prevention and treatment of substance abuse

We remain at the forefront of addressing the opioid epidemic in the US, providing access to life-saving medications and working alongside healthcare professionals and others to raise awareness.

[Read more about how we advance health and wellbeing](#)

### 3.6 Strengthen the capacity of all countries, in particular developing countries, for management of national and global health risks

We continue to invest in expansions that strengthen local manufacturing capabilities, including in developing countries. In MENA, \$96 million was spent strengthening and expanding manufacturing capabilities, including two ongoing greenfield Injectables production sites in Algeria and Morocco, expanding our site in Algeria and a new land purchase in Saudi Arabia.

[Read more about how we advance health and wellbeing](#)



## Quality education

### 4.1 Ensure that all girls and boys complete free, equitable and quality primary and secondary education

Through community initiatives that support schools and students across three regions, we are enabling thousands of young students to receive a better education.

[Read more about how we engage our communities](#)

[Read more about our employee learning and development activities](#)

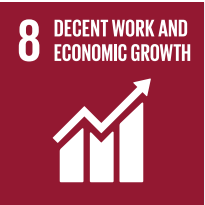


## Gender equality

### 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making

Increased the percentage of employee women holding managerial positions.

[Read more about how we empower women](#)



## Decent work and economic growth

### 8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added sectors

We continue to expand and grow our manufacturing presence globally, including expansions in Cherry Hill, Columbus, Tunisia and Algeria.

### 8.8 Protect labour rights and promote safe and secure working environments for all workers

We maintain ISO 45001 Occupational health and safety management system certification in ten facilities in MENA.

[Read more about our global presence and expansion plans](#)

[Read more about how we safeguard safe and secure working environments for our people](#)



## Climate action

### 13.2 Integrate climate change measures into policies, strategies and planning

We are committed to reducing our Scope 1 and 2 emissions by 25% by 2030; achieving a 17% reduction in 2024 versus our 2020 base year.

[Read more about how we minimise our impact on the planet and integrate environmental commitments into our broader strategy](#)

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