

**Better health.
Within reach.
Every day.**

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Annual Report 2025



hikma.



**Better health.
Within reach.
Every day.**

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.

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Cover image

Merkuba Erceg is a Senior Lab Technician at Hikma's Zagreb R&D hub. She helps develop standard, complex and differentiated generic injectable medicines.

Financial highlights

Revenue	Core ¹ revenue	Operating profit
\$3,349m <small>+7% 2024: \$3,127m</small>	\$3,349m <small>+6% 2024: \$3,156m</small>	\$542m <small>(11)% 2024: \$612m</small>
Core operating profit	Profit to shareholders	Core profit to shareholders
\$741m <small>+3% 2024: \$719m</small>	\$402m <small>+12% 2024: \$359m</small>	\$503m <small>+2% 2024: \$495m</small>
Basic earnings per share	Core basic earnings per share ²	Dividend per share
182c <small>+12% 2024: 162c</small>	228c <small>+2% 2024: 224c</small>	84c <small>+5% 2024: 80c</small>

Non-financial highlights

Value of our donated medicines	Reduction in Scope 1 and 2 GHG emissions since 2020 ³	Employee engagement score (2024)
\$2.6m <small>2024: \$4.1m</small>	16% <small>2024: 17%</small>	73%

Strategic progress

		
Driving top-line growth 6% Group core revenue growth	Increasing scale of our manufacturing through automation and increased capacity	Expanding our portfolio 84 products launched
		
Adding differentiation to the portfolio through acquisition and partnerships	Investing for the future 4.5% of Group core revenue invested in R&D for continued growth	Positive outlook as we build on strong momentum with a clear strategy for growth

1. Core results are presented to show the underlying performance of the Group, excluding the exceptional items and other adjustments set out in Note 6 of the Group consolidated financial statements
 2. Core basic earnings per share is reconciled to basic earnings per share in Note 11 of the Group consolidated financial statements
 3. We have committed to reducing Scope 1 and 2 greenhouse gas emissions (market-based) by 25% by 2030, using a 2020 baseline year. For reporting in this Annual Report, we have used data from January to September 2025 and extrapolated to estimate quantities for October to December 2025. More information on this methodology can be found on our website. We have restated our 2020 base year emissions footprint to take into account our Xellia acquisition, 2024 and 2023 comparatives remain unchanged. More details are available on page 59

What we do

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

Our markets

North America

Our large manufacturing facilities in the United States (US) supply generic and specialty products to the US and Canadian markets across a broad range of therapeutic areas, including respiratory, oncology and pain management. We have an R&D hub in Columbus, Ohio.

\$ 59.0%
Group core revenue

c.2,300
Employees

MENA

We sell branded generics and in-licensed patented products across the Middle East and North Africa (MENA). We have manufacturing facilities in six MENA 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. We also have an R&D hub in Amman, Jordan.

\$ 32.5%
Group core revenue

c.5,700
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 an R&D hub in Zagreb, Croatia.

\$ 8.5%
Group core revenue

c.1,400
Employees

Global reach

9,400
Employees

3
R&D hubs

825+
Products

29
Manufacturing plants



● Manufacturing plants ● R&D hubs ● Corporate HQ

Following the restructuring and centralising of R&D during 2025, we now have three key R&D hubs in Columbus, Ohio, US; Zagreb Croatia; and Amman, Jordan

Our business segments



Injectables

We supply hospitals across our markets with generic and specialty injectable products, supported by our manufacturing facilities in the US, Europe and MENA.

⊕ Read more on page 30



Branded

We supply branded generics and in-licensed patented products, supported by our local manufacturing facilities, to retail and hospital customers across the MENA region.

⊕ Read more on page 32



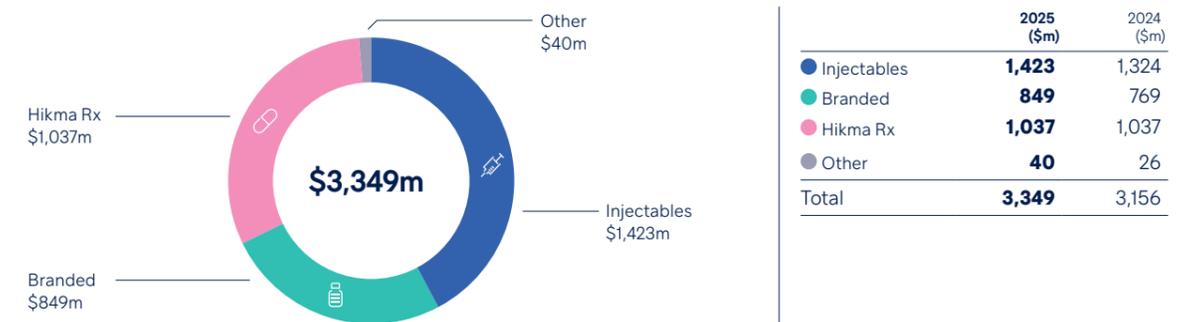
Hikma Rx¹

We supply oral, respiratory and other generic and specialty products to the North American retail market, leveraging our state-of-the-art manufacturing facility in Columbus, Ohio.

⊕ Read more on page 34

1. During the year, the business formerly known as Generics was renamed Hikma Rx

Segmental core revenue



A culture of progress and belonging

We are one Hikma, supporting each other, driving onwards, growing our business and pursuing our collective promise – to put better health within reach, every day. At the heart of this are our three values: innovative, caring and collaborative.

Our purpose

**Better health.
Within reach.
Every day.**

Our values



Executive Chairman and Chief Executive Officer's statement

Ensuring patients have access to the medicines they need is at the heart of everything we do. In 2025, we continued to invest in our people, capabilities, and infrastructure to strengthen our ability to deliver high-quality, affordable medicines across the communities we serve.



Hikma celebrated the twentieth anniversary of our listing on the London Stock Exchange during 2025 – a milestone I'm hugely proud of. When we listed we had six manufacturing plants, employed fewer than 2,000 people and generated \$262 million in revenue. We now have 29 manufacturing plants, employ over 9,300 people and generate over \$3.3 billion in revenue with enviable margins and cash generation. But more important than the growth we have delivered is the impact we have had on patients, providing vital, more affordable medicines to those who need them.

I am proud and energised to have stepped back into the CEO role at the end of 2025. I have a strong team around me both at a leadership level and throughout the business and we share a strong belief in the potential of our business and the many exciting opportunities ahead.

Looking back at 2025

We grew Group revenue by 7% and Group core operating profit by 3% in 2025, in line with market expectations. I am pleased with what we achieved, especially in our Branded and Hikma Rx businesses, which performed exceptionally well. We also faced some challenges in our Injectables business, but I am confident that we have solid plans in place to strengthen the long-term foundation of the business.

Injectables

Despite facing some headwinds in the year, the Injectables business still delivered an impressive 9% growth in revenue. Core EBIT margin was 31%, lower than in previous years, reflecting our evolving geographic mix and an increase in products either partnered with or produced by third parties. This dynamic will continue into 2026, as these products are expected to make up an increasing percentage of Injectables revenue.

We are investing significantly in this business, with projects across our global footprint, and

a renewed focus on R&D. Our patent-protected, ready-to-use, room temperature stable vancomycin bag, Tyzavan®, was launched in late 2025 and we are excited for the potential of this game-changing sepsis treatment. The team who developed Tyzavan®, based in our R&D facility in Zagreb, is working to build a pipeline of similarly differentiated injectable products and we are excited to be investing behind these opportunities.

Work on our Bedford plant continues at pace and we continue to expect full commercial production to commence in 2028.

Branded

Our Branded business delivered another strong performance in 2025, growing revenue 10% and core operating profit 19%, reinforcing its position as a leading healthcare company and trusted partner across MENA. I am immensely proud of this business: Branded consistently delivers growth at excellent margins and our reputation and scale in the region sets us up for continued success.

In 2025, we continued to invest in expanding our portfolio, introducing new products to meet the growing needs of patients and healthcare systems in the region. We are also launching products beyond medicines, such as diagnostics tools, through our partnership with Guardant Health, as we evolve into a full-service healthcare company in MENA. With all of this, our focus on quality, affordability, and local partnerships remains central to our success, enabling us to maintain a leading position, and I am thrilled to say that we have recently become the largest pharmaceutical company in MENA.²

Hikma Rx

During the year we renamed our US non-injectables business Hikma Rx, previously Generics. This is an important evolution as the new name better reflects this

business's focus on delivering high-quality, differentiated non-injectable prescription medicines. In 2025, Hikma Rx has continued to be a driver of profit growth and a cornerstone of our strategy.

We are investing in this business, expanding our portfolio to meet the evolving needs of patients and healthcare providers. Our base portfolio of more complex products such as nasal sprays and inhalers has been performing well, and at the same time, we are adding more complexity through targeted R&D initiatives, particularly for complex nasal spray and inhalation products.

Looking ahead, carrying out contract manufacturing (CMO) services will be increasingly important for this business as we leverage our expertise and infrastructure to drive revenue growth and deliver efficiency and innovation across the segment. The fact that we are guiding this year to core operating margin of close to 20% is testament to the improving quality of this business, which is absolutely core to Hikma's growth plans.

Group synergies and R&D

Hikma's three businesses are each distinct in their own way, but with many shared attributes. Ultimately, each business is developing, manufacturing and commercialising life-saving medicines. As we strive to optimise our business performance, we are looking to capture synergies across our global operations.

In 2025, we centralised the R&D function under a global structure, led by our President of Hikma Rx, Hafrun Fridriksdottir. Hafrun has a strong background in managing global R&D teams and has a proven record of product approvals worldwide. Under the new structure, we now have three main areas of focus: Injectables; Respiratory, nasals, semi-solids and liquids (RNSSL); and Solid Orals, all supported by R&D Operations and Regulatory Affairs teams. Working collaboratively together, this new global R&D

Core revenue – 2025



● Injectables	42.5%	\$1,423m
● Branded	25.3%	\$849m
● Hikma Rx	31.0%	\$1,037m
● Other	1.2%	\$40m
Total		\$3,349m

Core operating profit – 2025¹



● Injectables	52.3%
● Branded	26.5%
● Hikma Rx	21.2%

1. Core operating profit is \$741 million. Before unallocated corporate costs of \$97 million and operating loss from Other business of \$6 million, core operating profit contribution from business segments is \$844 million

team will prioritise accelerating the delivery of more high-value and increasingly complex products across our global businesses.

We are also working to integrate AI into our operations and have an AI Advisory Board which oversees AI learning, digital applications and governance.

Every stakeholder counts

From patients and healthcare professionals to colleagues, shareholders, and the communities we serve, we recognise that our success depends on creating value for each of them. We listen carefully and consider all these stakeholders, and you can find out more on our approach to these relationships in the stakeholder section of this report on pages 22 to 27.

We have also refreshed our 'Acting Responsibly' framework during 2025. Access to medicine is the guiding principle of the framework, supported by environment, quality and people.

At Hikma we are proud to be an incredibly diverse company, with people from all backgrounds contributing to our success. We also continue to closely monitor and focus on ensuring we have strong representation of women throughout the Group – you can see the detail behind this in the corporate governance section of this report, on page 94.

Governance updates

Our Board provides the strategic oversight, diverse expertise, and independent judgement needed to help guide the Group and support our management team. By fostering robust governance and constructive

2. Based on internal analysis 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: MAT November 2025, reflecting estimates of real-world activity. Copyright IQVIA. All rights reserved

challenge, the Board ensures that our decisions align with our purpose and create sustainable value for all stakeholders.

This year, the Board has had the chance to see more of the operations of the Group, including a strategy meeting at our Portugal facility – an exciting opportunity for Board members to engage with the wider business.

The Board also approved the Group Capital Allocation Framework, which ensures we have a disciplined strategy for deploying, managing and returning capital in a manner that supports long-term growth, financial resilience and shareholder value creation.

During 2025, John Castellani and Nina Henderson retired from the Board, having each served for nine years. The experience, thought and dedication they have brought to the Board and its committees has been of great value both to me as Chairman and to Hikma. I thank them for their service to the Group. Riad Mishlawi also stepped down from the Board and as CEO at the end of 2025.

I took over the CEO role in December and, at the same time, we appointed Khalid Nabili, CFO, to the Board of Directors. Khalid brings over 20 years of experience at Hikma and will be taking on broader responsibilities, detailed below.

I intend to remain in the CEO role for around the next two years, as we look to rebuild confidence and execute our growth plans.

To ensure I am fully focused on the CEO role, I am stepping down as Executive Chairman. Victoria Hull will become Non-Executive Chair and Douglas Hurt will become Senior Independent Director.

Leadership changes

We are making several adjustments to Hikma's leadership, both to help me in the day-to-day management of the business and to ensure that we start moving faster and more effectively.

We have created two new Deputy CEO positions. Mazen Darwazah, currently Executive Vice Chairman and President of MENA, has been appointed Deputy CEO, MENA, with responsibility now for all of our activities in MENA, including MENA Injectables.

Khalid Nabili, currently CFO, will take on the role of Deputy CEO, North America and Europe and will oversee all Hikma's activities in North America and Europe. He will step down as CFO.

The Board has initiated a search for a new CFO. While the search is ongoing, Arab Kurdi, currently VP, Group Financial Controller, will become Acting CFO.

Hafrun Fridriksdottir, currently Global Head of R&D and President, Hikma Rx, will add management of our Injectables commercial activities in North America to her responsibilities and will become President, North America in addition to her R&D role.

For further information on these leadership changes, please refer to the Nomination and Governance Committee report on page 107.

A strategy for growth

Our ambition is clear: to build on our long history of success and ensure that Hikma continues to deliver sustainable growth and long-term value. We will achieve this by investing in innovation, expanding our capabilities, and deepening our presence across our key markets.

2026 will be a year where we focus on investing to deliver that growth, in particular in our Injectables business.

We have an exceptional team at Hikma and our people are critical to our ongoing success. I'd like to thank all my colleagues for their sustained efforts to ensure that Hikma continues to grow and keeps putting better health within reach, every day.

Said Darwazah
Executive Chairman and CEO

Our strategy

We aim to deliver consistent and profitable growth by building a leading generics and specialty pharmaceutical company, putting better health within reach, every day.

- ⊕ Find out more about our KPIs on page 16
- ⊕ Find out more about our risks on page 82
- ⊕ Find out more about our strategic progress on page 28

Our strategic pillars



Our approach

Enhance	operational efficiencies and embrace new technologies, maintaining our high quality levels	KPIs <ul style="list-style-type: none"> – Core revenue – Core operating profit – Return on average invested capital
Leverage	our broad portfolio and strong commercial capabilities	
Develop	a more differentiated pipeline	KPIs <ul style="list-style-type: none"> – Percentage of revenue from new business over three years
Expand	into adjacent businesses and geographies	
Empower	our people and cultivate a unified culture	KPIs <ul style="list-style-type: none"> – Employee engagement and enablement – Reduction in Scope 1 and 2 emissions
Act	responsibly across our local markets and communities	



Our purpose in action

Investing in R&D to drive high-value pipeline delivery

Hikma is committed to building a differentiated pipeline of complex products.

Under a newly unified global R&D organisation, we have consolidated research capabilities into a single Group structure with three hubs in Ohio, US, Jordan and Croatia, specialising in Respiratory, nasals, semi-solids and liquids (RNSSL); Solid Orals and Injectables. This reorganisation optimises resources, strengthens capabilities, standardises product selection across technical platforms, and accelerates time-to-market, supporting strategic growth priorities for our Injectables, Branded and Hikma Rx businesses.

Complex products creating significant market opportunities

Our pipeline focuses on both simple and technically complex, differentiated products addressing unmet medical needs, for example:

We are developing a single-dose epinephrine nasal spray for emergency anaphylaxis treatment. With the US epinephrine auto-injector market forecast to be valued at approximately \$1.2 billion by 2032¹, this innovative nasal alternative offers substantial benefit through improved ease of administration and patient compliance.

Tyzavan® our reformulated vancomycin ready-to-use injectable medicine is another example of how we are adding complexity to our product portfolio. This patent-protected, ready-to-use, room temperature stable bag addresses critical hospital needs for treating serious infections including septicaemia.

99 approvals

84 launches

1. www.pharmiweb.com/press-release/2024-06-17/epinephrine-auto-injectors-market-set-for-lifesaving-growth-at-49-cagr-reaching-us-32-billion-by



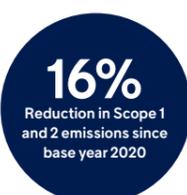
Our new unified R&D organisation optimises our resources, strengthens our capabilities, standardises the product selection process across our technical platforms, accelerates time-to-market and supports our strategic growth priorities."

Hafrun Fridriksdottir
President, Hikma Rx and Head of Global R&D

Our business model

Our diversified business model allows us to respond to the opportunities and threats we face, while delivering for our stakeholders.

Better health within reach every day

Our business segments	Our resources	What we do	The value we create
<div style="text-align: center;">  <p>Injectables</p> <hr/>  <p>Branded</p> <hr/>  <p>Hikma Rx</p> </div>	<p>Financial Investment in R&D, manufacturing facilities, partnerships and M&A collectively enable us to expand our product portfolio, technical capabilities and operations.</p> <hr/> <p>People We have a highly skilled, diverse and effective workforce. Through continuous investment in the development of our people and by hiring new talent, we secure our future.</p> <hr/> <p>Values Our culture of progress and belonging is backed by our values – innovative, collaborative and caring.</p> <hr/> <p>Relationships Strong relationships with regulators, customers and health authorities across all our markets, and successful collaborations with industry partners, enable us to deliver on our purpose.</p> <hr/> <p>Capabilities We have extensive commercial, R&D, manufacturing and distribution capabilities across our markets, focused on quality and efficiency.</p>	<p>Offer a broad product portfolio We offer a broad and differentiated portfolio of more than 825 products. It includes high-quality generic and branded generic medicines, and a growing number of in-licensed, innovative, specialty and compounded products.</p> <hr/> <p>Develop and innovate We are developing a more differentiated pipeline to meet the evolving needs of patients and healthcare professionals through investments in R&D, partnerships and strategic acquisitions.</p> <hr/> <p>Manufacture and maintain quality Our extensive and high-quality manufacturing capabilities are at the heart of what we do. We have 29 plants across the Group that supply our global markets with a broad range of injectable, oral, respiratory and other generic and specialty products, including 13 US FDA-inspected plants and 12 EMA-inspected plants.</p> <hr/> <p>Market across geographies We distribute our products through experienced sales and marketing teams. In the MENA region, where we have a focus on branded products, around 2,000 representatives and support staff market our brands to doctors and pharmacists, while our sales teams in North America and Europe sell to wholesalers, pharmacy chains, governments and hospital purchasing organisations.</p>	<p>Patient benefits We provide patients across our markets with high-quality medicines.</p> <div style="text-align: right;">  <p>825+ Products</p> </div> <hr/> <p>Empowering our people By focusing on the development of our people, we provide long and rewarding careers for our talented and diverse workforce.</p> <div style="text-align: right;">  <p>73% Employee engagement score (2024)</p> </div> <hr/> <p>Return on average invested capital We have a strong track record of generating high returns on our investments.</p> <div style="text-align: right;">  <p>69% Employee enablement score (2024)</p> </div> <hr/> <p>Return on average invested capital We have a strong track record of generating high returns on our investments.</p> <div style="text-align: right;">  <p>16%¹ Return on average invested capital</p> </div> <hr/> <p>Sustainable business We act responsibly, advancing health and wellbeing, empowering our people, protecting the environment and building trust through quality in everything we do.</p> <div style="text-align: right;">  <p>16% Reduction in Scope 1 and 2 emissions since base year 2020</p> </div>

¹ See reconciliation on page 37

⁺ Find out more about our KPIs on page 16

Investment case

A strong business model with significant opportunities to further enhance our portfolio, drive growth and deliver value for shareholders.

A solid platform with a unique business model

Our presence and positioning

- Leading market positions**
 - 7th largest generic pharma company in the US¹
 - Largest pharma company in MENA²
- Expanding manufacturing footprint**
 - 29 plants across our markets, with additional facilities being established
- Global player with local expertise**

Trust, quality and agility

- We are a **trusted partner** known for our commitment to quality and reliability of supply
- We work closely with governments and regulators to ensure highest quality **standards**
- Agile supply chain, flexible manufacturing and **leading technical capabilities**

Increasingly diverse portfolio and pipeline

Broad portfolio and growing investment in R&D

- A **broad portfolio** that is tailored to local market needs
- **Aspiration to spend to c.5% to 6% of Group revenue on R&D** to ensure the consistent development of new products
- **Growing presence in specialty, complex and higher-value products**, which offer less competition and higher margins
- **Strong momentum in new product launches** across our markets

Innovation through partnerships and acquisitions

- Enhancing our pipeline by adding innovative products through **value-creating partnerships**
- Adding to the strength of our base business through **strategic acquisitions**

84

launches in 2025

300+

products in our pipeline

A clear strategy for growth

Strategic execution driven by our three pillars

Our purpose-led strategy

- Strive for excellence**
- Diversify and differentiate**
- People and responsibility**

Our strategic approach

- **Enhance** operational efficiencies and embrace new technologies, maintaining our high quality levels
- **Leverage** our broad portfolio and strong commercial capabilities
- **Develop** a more differentiated pipeline
- **Expand** into adjacent businesses and geographies
- **Empower** our people and cultivate a unified culture
- **Act** responsibly across our local markets and communities

Proven track record and strong financial position

Delivering growth and high returns

+7%

Five-year revenue compound annual growth rate (CAGR)

+6%

Five-year core³ EBIT CAGR

25.5%

Core EBITDA^{3,4} margin

16.0%

Return on average invested capital⁵

Our balance sheet strength

- **Strong cash generation** with \$436 million operating cash flow in 2025
- **A strong balance sheet that provides financial flexibility to support future growth.**

1.6x

net debt/core EBITDA⁴

1. IQVIA MAT November 2025, includes all generic injectable and generic non-injectable products, by sales
 2. Based on internal analysis 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: MAT November 2025, reflecting estimates of real-world activity. Copyright IQVIA. All rights reserved
 3. Core results are presented to show the underlying performance of the Group, excluding the exceptional items and other adjustments set out in Note 6 of the Group consolidated financial statements. Core results are a non-IFRS measure. See page 37 for a reconciliation to reported IFRS results
 4. Core EBITDA is core operating profit before depreciation and software amortisation
 5. See reconciliation on page 37

Our purpose in action

Investing in manufacturing excellence at Hikma

Manufacturing excellence sits at the heart of Hikma's operations. With 29 manufacturing plants across the US, Europe and the MENA region, our global production network represents a critical core strength that underpins our competitive advantage. As a global leader with local reach, we tailor production to meet the specific needs of local markets while maintaining world-class standards.

Ongoing capital investment

We have always committed significant resources to expand manufacturing facilities globally, while ensuring we maintain the highest levels of quality. By investing in our manufacturing network, we are better able to serve hundreds of millions of patients worldwide.

Throughout 2025, we made substantial capital investments in manufacturing infrastructure to enhance capabilities and capacity.

Selected highlights

Columbus, Ohio, US – Expanded our Hikma Rx site to support our contract manufacturing (CMO) business, an increasingly important contributor to segment growth over the medium to long term.

Algeria – Successfully upgraded our existing facility to a fully-contained oral oncology manufacturing plant, strengthening and expanding our oncology business in Algeria.

Tunisia – Launched an updated manufacturing plant to produce general formulation medicines, expanding our capacity to serve North African patients.

Looking ahead

We remain committed to expanding our manufacturing footprint and advancing technology across our global network. In 2026, strategic investments in our injectables facilities in the US and Portugal will enhance capacity and strengthen our ability to meet growing demand in these key markets.



Manufacturing excellence is the foundation of everything we do at Hikma. Investing into facilities worldwide enable us to combine cutting-edge technology with local expertise, delivering the high-quality medicines patients need while driving sustainable growth for our business."

Khalid Nabils
Chief Financial Officer



Our progress

We are delivering on our strategy and measuring our performance with key performance indicators (KPIs).

Strategic priority	Strive for excellence			Diversify and differentiate	People and Responsibility										
KPI	Core¹ revenue (\$m) \$3,349m	Core¹ operating profit (\$m) \$741m	Return on average invested capital (%) 16.0%	New business (%) 19% 1 January 2023 to 31 December 2025	Employee engagement (2024) (%) 73%	Scope 1 and 2 (market-based) emissions reduction (%) 16% Reduction in Scope 1 and 2 since base year 2020									
	<p>2021 2022 2023 2024 2025</p>	<p>2021 2022 2023 2024 2025</p>	<p>2021 2022 2023 2024 2025</p>		Employee enablement (2024) (%) 69%	<table border="1"> <thead> <tr> <th></th> <th>2020³</th> <th>2025⁴</th> </tr> </thead> <tbody> <tr> <td>Total emissions (tCO₂e)</td> <td>155,142</td> <td>130,743</td> </tr> <tr> <td>% reduction from 2020</td> <td>-</td> <td>16%</td> </tr> </tbody> </table>		2020 ³	2025 ⁴	Total emissions (tCO ₂ e)	155,142	130,743	% reduction from 2020	-	16%
	2020 ³	2025 ⁴													
Total emissions (tCO ₂ e)	155,142	130,743													
% reduction from 2020	-	16%													
Description	Total annual core revenue generated across all businesses	Core operating profit	Core operating profit after tax divided by average invested capital (calculated as the average of the opening and closing total equity plus net debt ²)	Percentage of core revenue from new business measured over the period. New business includes products launched, new contracts and new geographies	Global employee engagement and enablement scores	Change in Scope 1 and 2 (market-based) greenhouse gas (GHG) emissions using a 2020 baseline									
Why is it a KPI?	This measures our ability to maximise value from our current product portfolio across our global markets and generate revenue from new launches	This measures our ability to grow revenue and maintain quality while delivering efficiencies and ensuring cost control	This measures our efficiency in allocating capital to businesses and projects	This metric measures our ability to extract value from our global product pipeline and new business opportunities	Engagement measures people's pride in working for Hikma, their willingness to recommend Hikma as an employer and their desire to stay long term. Enablement measures whether people find their work fulfilling and rewarding and whether they feel supported to achieve their full potential	We strive to minimise our environmental impacts and are committed to making our operations more energy efficient									
2025 performance	Group core revenue grew 6%, reflecting good growth for Injectables and Branded and a solid performance from Hikma Rx	Group core operating profit grew 3% as good performances from Branded and Hikma Rx were partially offset by headwinds faced in Injectables	Continue to generate high levels of return	19% of revenue from new business was a strong performance, exceeding the threshold and max targets		We continue to make efforts to achieve our target reduction in Scope 1 and Scope 2 GHG emissions									
Link to remuneration	R	R		R											

1. Core results are presented to show the underlying performance of the Group, excluding the exceptional items and other adjustments set out in Note 5 in the Notes to the consolidated financial statements
 2. Net debt includes long and short-term financial debts and lease liabilities, net of cash and cash equivalents. Net debt excludes acquired contingent liability and contingent consideration liability
 3. The base year 2020 emissions and energy footprint was adjusted in 2025 to account for the Xellia acquisition of sites in the US and Croatia. More details can be found on page 60
 4. For reporting in this Annual Report, we have used data from January to September of 2025 and conducted an uplifting exercise to estimate quantities for October to December 2025. More information on this methodology can be found on our website

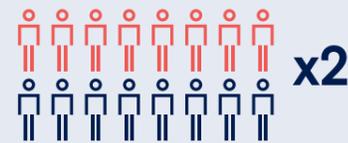
Our markets

The global pharmaceutical market is expected to reach \$2.4 trillion in 2029, growing at between 5% and 8% per annum.¹ Demographic trends and changing lifestyles are leading to evolving healthcare needs, driving demand for more affordable healthcare globally.

Key trends shaping the global pharmaceutical market:

2.1 billion
increase in world population by the mid-2080s²

The world's population is projected to reach 10.3 billion in the mid-2080s, and with this growth will come increased demand for medicine.



people aged 60 or above expected to double by 2050³

Scientific advances, an increasingly health-conscious society, and improved access to healthcare are contributing to a rise in life expectancy. The proportion of the population aged over 60 is expected to almost double from 12% in 2015 to 22% by 2050.³

31 million
annual cases of cancer expected by 2050⁴

An ageing population and changing lifestyles are contributing to an increase in the prevalence of cardiovascular disease, diabetes, respiratory illnesses and cancer. The incidence of cancer, particularly in lower-income countries, is expected to increase rapidly, with an estimated increase of 61% to 30.5 million cases by 2050.⁴



+35%
projected increase in global healthcare spending by 2029⁵

The expected increases in demand for healthcare will result in rising healthcare costs, increasing demand for more affordable healthcare solutions.



\$220 billion
estimated impact of loss of exclusivity by 2029⁵

This will create more opportunities for generics and biosimilars to enter the market.¹

The US generics market remains the largest in the world

The US generics market is the largest in the world, valued at approximately \$153 billion in 2024⁶. Spending on medicines in the US is projected to grow between 5% to 8% annually over the next four years to 2029.⁷ According to the FDA, nine out of ten prescriptions filled in the US are for generic drugs⁸ yet generics only account for 13% of prescription drug spending⁹.

Losses of exclusivity are expected to accelerate, paving the way for more generic and biosimilar entrants. The US market has seen significant growth in therapies based on glucagon-like peptides (i.e. GLP-1) primarily through wider usage for obesity and diabetes. Diabetes spending is estimated to grow at 1% to 4% compound annual growth rate (CAGR) over the next five years.¹ The US generics market remains competitive. There has been a higher number of competitors and an acceleration in the FDA's generic drug approval process over the last decade, and the US government is focused on lowering drug prices through policy changes.¹

59.0%
North America share of Group 2025 core revenue

Strategic response

The US is our largest market, and we remain well-placed to capture growth opportunities. We are the seventh largest generic company by sales (injectable and non-injectable)¹⁰ and have four operational US manufacturing plants supporting our broad portfolio of products. This extensive US domestic manufacturing base is a key differentiator for us relative to many of our generic peers.

We have been increasing our capacity and capabilities and have committed to \$1 billion of investment into manufacturing and R&D in the US by 2030. Our strong product pipeline will ensure we consistently launch new generic, complex generic and specialty products.

Demand for generics in European markets continues to grow steadily

Pharmaceutical spending in Europe is projected to grow by \$85 billion to \$327 billion by 2029.¹ This increased demand for medicine is driven by increasing healthcare demand, ageing populations, and increasing uptake of generic medicines. Governments are supporting the growth in demand for generics partly due to efforts to maintain more sustainable healthcare budgets.

Over the five years to 2029, Europe will see over \$25 billion in losses of exclusivity, mostly driven by small molecules. With shortages increasingly prevalent in Europe, the EU is focusing on supply security and investment policy initiatives, such as the Critical Medicines Act.¹

8.5%
Europe and ROW share of Group 2025 core revenue

Strategic response

We are expanding our presence in Europe. We are well-placed to capture opportunities with our short supply chain and strong local footprint, with manufacturing facilities in Portugal, Italy and Germany. We entered the French market in 2022 and the UK and Spanish markets in 2024. Growth in recently entered markets is strong, with France more than doubling revenue in 2025.

We have increased our lyophilisation capacity in Italy and have ongoing expansion projects in Portugal. We are also leveraging our new R&D centre in Zagreb, which will be adding important ready to use injectable products to our global portfolio. The breadth of portfolio and having our own European facilities is allowing us to respond to shortages of critical medicines in Europe.¹¹

MENA's healthcare trends provide clear potential for growth

The MENA pharmaceutical market is expected to grow around 7.2% annually over the ten years to 2035.¹² This is underpinned by an ageing population, with low and middle-income countries experiencing the greatest change in population distribution towards older ages.³ This in turn is driving increased prevalence of chronic diseases across the region, such as cardiovascular diseases, diabetes and respiratory diseases.¹³

In Saudi Arabia, Hikma's largest MENA market, the pharmaceutical market is forecast to grow at a CAGR of 10.8% between 2024 and 2029.¹⁴ The country's strategy is focused on localising pharmaceutical infrastructure and easing the market entry of drugs targeting unmet needs.

32.5%
MENA share of Group 2025 core revenue

Strategic response

We have a strong and leading business in the MENA region that continues to expand and address new opportunities. Hikma's structure gives us the unique ability to leverage our global market expertise to address each MENA market as a local player. Our local presence in the region for over 46 years provides us with a deep understanding of the complex regulatory environment and allows us to benefit from government prioritisation of local manufacturers.

We are now the largest pharmaceutical company in the region by sales.¹⁵ We are investing in enhancing our pipeline and portfolio and launching more complex and first-to-market products that are tailored to local needs. We continue to capture market share in growing therapeutic areas such as diabetes and oncology. Our partnerships expand our MENA offering and demonstrate our ability to bring advanced healthcare solutions to the region.

1. IQVIA: The Global Use of Medicines 2025: Outlook to 2029. (www.iqvia.com/-/media/iqvia/pdfs/events/presentation_global-meds-webinar_public.pdf)
2. United Nations (population.un.org/wpp/assets/Files/WPP2024_Key-Messages.pdf)

3. WHO: Ageing and health (www.who.int/news-room/fact-sheets/detail/ageing-and-health)
4. IHME (www.healthdata.org/news-events/newsroom/news-releases/lancet-cancer-deaths-expected-rise-over-18-million-2050-increase)

5. www.iqvia.com/insights/the-iqvia-institute/reports-and-publications/reports/the-global-use-of-medicines-outlook-through-2029

6. Market Data Forecast: www.marketdataforecast.com/market-reports/us-generics-market
7. IQVIA: Understanding the Use of Medicines in the U.S. 2025 (www.iqvia.com/insights/the-iqvia-institute/reports-and-publications/reports/understanding-the-use-of-medicines-in-the-us-2025)
8. FDA (www.fda.gov/drugs/buying-using-medicine-safely/generic-drugs#:~:text=In%20the%20United%20States%2C%209,to%20healthcare%20for%20more%20patients)
9. Association for American medicines (accessiblemeds.org/wp-content/uploads/2025/01/AAM-2024-Generics-Biosimilar-Medicines-Savings-Report.pdf)

10. IQVIA MAT November 2025. Includes all generic injectables and generic non-injectable products
11. Medicines for Europe (www.medicinesforeurope.com/generic-medicines/)
12. Pharma Solutions (www.pharmasolutions-int.com/market-entry-strategies-for-international-pharma-companies-in-mena/)
13. www.pharmasolutions-int.com/compliance-and-quality-assurance-in-menas-pharmaceutical-market-a-comprehensive-guide/#:~:text=Market%20Size%2C%20Growth%2C%20and%20Future,Saudi%20Arabia%20and%20the%20UAE
14. IQVIA Market Prognosis 2025-2029, Saudi Arabia

15. Based on internal analysis 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: MAT November 2025, reflecting estimates of real-world activity. Copyright IQVIA. All rights reserved

➦ Find out more about our approach to identify, analyse and evaluate strategic and emerging risks on page 82

Our purpose in action

Investing in MENA to expand access and drive growth

In the MENA region, where we leverage our global expertise locally, Hikma is the largest pharmaceutical company by sales. Today, we have a broad portfolio of 430 products and an extensive pipeline that is supported by internal R&D and partnerships. In 2025, we launched 40 new products improving access to world-class medicines in the region. We also introduced non-invasive blood-based liquid biopsy technology for colorectal cancer screening. Across our markets, we are focused on building leading positions in key therapy areas such as oncology, cardiovascular, diabetes and multiple sclerosis, while also introducing broader healthcare solutions.

Capabilities driving success

Our success is built on trusted relationships with healthcare professionals, pharmacists, hospitals, and regulators combined with deep local knowledge. With 5,700+ colleagues and 20 manufacturing plants, we ensure reliable supply of medicines across the region.

Our proven track record makes us the partner of choice for global companies that operate without a footprint in the region. Today, we manage over 110 products with around 60 partners who entrust us with manufacturing, registering, and commercialisation, reflecting confidence in Hikma as a trusted healthcare leader in MENA. Our R&D hub in Jordan, with two specialised centres dedicated to innovative product development, further strengthens our ability to deliver tailored solutions for long-term growth.

Expanding access through partnerships

In 2025, we diversified our partnerships to enhance patient access:

- **Celltrion:** Expanded biosimilar access across MENA
- **pharma&:** Exclusive oncology licensing agreement
- **M42:** Strategic MoU to advance diagnostics and digital tools in the UAE
- **DGI Group:** Licensing agreement to commercialise Claritag[®], an OTC skin tag removal device

Engaging healthcare professionals

We hosted and sponsored several platforms reaching 6,000+ healthcare professionals to deepen medical knowledge, while engaging patient advocacy groups in areas such as multiple sclerosis, cardiovascular disease, and diabetes. Through our direct-to-consumer platform Hiyat Hilweh, we continue to raise awareness of prevalent conditions, helping patients make better health choices. All our events and sponsorships are carefully overseen by the compliance function.



Hikma is the trusted partner of choice in MENA. By combining global expertise with local capabilities, we deliver innovative medicines and technologies that improve lives and address the region's health challenges."

Mazen Darwazah
Executive Vice Chairman,
President of MENA

1. Based on internal analysis by Hikma Pharmaceuticals PLC using data from the following source: IQVIA MIDAS[®] Monthly Value Sales data for the countries* listed below for the period: MAT November 2025, reflecting estimates of real-world activity. Copyright IQVIA. All rights reserved. Countries included in MENA Region – Algeria, Egypt, Jordan, Kuwait, Lebanon, Morocco, Saudi Arabia, Tunisia and UAE

Selected 2025 events: advancing knowledge and raising awareness on healthcare trends and disease management across MENA

Event	Therapeutic Area(s)	Attendees	Purpose/Engagement Focus
7th Annual MENA Cancer Forum	Oncology; Haematology	200+	Advance scientific exchange; strengthen regional cancer network
4th Biotech Forum	Gastroenterology; Rheumatology; Dermatology; Oncology	330+ from over 10 countries in MENA	Foster cross-specialty collaboration; strengthen immunology and oncology leadership
PharmaNet 25	Community Healthcare; Pharmacy Practice	170+	Empower pharmacists; strengthen pharmacy engagement
Anti-Infectives Summit	Infectious Diseases; Transplant; Haematology/Oncology; ICU; Pulmonology	100+	Advance infection-management knowledge; raise AMR awareness
Bleeding Management Summit 2025	Haematology; Cardiology; Anaesthesiology; ICU	100+	Improve bleeding-management practices; share best practices
4th Annual GIT Universe	Gastroenterology; Internal Medicine	110+	Provide GI and IM updates; enhance scientific writing skills
MS Forum Workshop	Multiple Sclerosis	60+	Enhance collaboration between patient society representatives, pharmacists and HCPs
CVRM Gate	Cardiology; Diabetes	200+	Elevate scientific exchange among HCPs to strengthen cardiology and diabetes leadership
MENA Iron Academy 2025	Iron Deficiency; Haematology; OB/GYN; ICU; Internal Medicine	180+	Improve iron-management practices; promote PBM adoption
Algeria Iron Network	Iron Deficiency; Patient Blood Management (PBM)	500+	Advance iron-deficiency diagnosis and treatment; strengthen PBM
MENA Neurology Expert Summit	Neurology (MS; Epilepsy; Migraine)	20+	Advance neurology care; align on awareness initiatives
TRIGGER Program	Health Policy; Health Technology Assessment (HTA); Public Health	35	Strengthen regional health policy; improve access and efficiency



Stakeholder engagement

Our vision is of a healthier world that enriches all of our communities. For more than 45 years, we have been dedicated to transforming people's lives by providing the medicine and support that they need every day.

Our purpose of putting better health within reach, every day, guides everything we do now and into the future. Our teams work diligently to stay connected to all of our stakeholders, considering their interests and communicating with them on a regular basis. This helps drive the long-term sustainable growth of our business. It also helps us better understand their needs and informs our day-to-day commercial and operational decisions, our long-term investments in our business and our people, as well as our sustainability framework.

Stakeholders and the Board

The Directors consider their duties to stakeholders at each Board meeting, and in their capacity as members of the respective Board Committees, and are committed to promoting the success of the Group for the benefit of all its stakeholders. Over the next few pages, we set out how we engage with our key stakeholders and build issues that are important to them into our decision making, in accordance with section 172 of the Companies Act 2006.

Read more about how we are addressing the needs of our stakeholders by:

- + Investing in R&D to drive high-value pipeline delivery, page 9
- + Investing in manufacturing excellence, page 14
- + Investing in MENA to expand access and drive growth, page 20
- + Investing in strategic partnerships in the US and MENA, page 38
- + Investing in the development of our people, page 56

Our stakeholders

Patients and healthcare professionals

Employees

+ refer to Sustainability at Hikma page 52

Customers

Communities and environment

+ refer to Sustainability at Hikma page 50

Governments and regulators

Suppliers

Investors

+ refer to Investment case page 12



Healthcare professionals and patients



Our purpose is to put better health within reach, every day for healthcare professionals (HCPs) and their patients. We engage with doctors, clinicians and pharmacists to better understand their needs, helping them treat the patients they serve.

Why is it important to engage with this group and what do they expect from us?

HCPs and patients need us to:

- consistently provide a broad portfolio of products
- improve access to high-quality, affordable medicines

It is essential that we align our commercial activities, operations and R&D efforts to the changing needs of patients and HCPs.

How we engage across the Group

- Our commercial teams meet regularly with healthcare professionals to better understand their needs and keep them informed about our products
- In MENA, we run regular forums bringing together key opinion leaders, HCPs and global research institutes to share knowledge and raise awareness of healthcare trends and disease management
- We meet with patient advocacy groups for diseases such as multiple sclerosis, oncology and diabetes

How we engage at Board level

- The Compliance, Responsibility and Ethics Committee (CREC) is responsible for direct oversight of the Group's approach to ethical issues associated with HCPs and ensure the compliance function is operating effectively
- Our management teams present to the Board at least once per year, providing updates on how we are addressing the needs of patients and healthcare providers across our markets

Outcomes and actions

- Continued to partner with global innovative companies to bring treatments and wider healthcare solutions to MENA, including Celltrion for an expanded range of biosimilar treatments for the region
- Through the consumer-focused platform, Hiyat Hilweh, we raise awareness for patients on conditions and diseases most prevalent in MENA, including hypertension and breast cancer
- Increased manufacturing capacity for injectables in Europe by expanding our lyophilisation capacity in Italy
- Through our partnership with Bio-Thera in the US, we launched Starjemza™ a biosimilar referencing Stelara® (ustekinumab) Injection, bringing a more affordable option for HCPs and patients
- Launched Tyzavan® (vancomycin injection, USP) in the US, a critical antibiotic used to treat sepsis in hospitals. This room-temperature stable, pre-filled, ready to use bag will help hospitals, pharmacists, doctors, and nurses treat patients faster, more easily, and with reduced risk

Customers



Our customers are our business partners and we are committed to providing them with a consistent and reliable supply of high-quality medicines. We work closely with Group Purchasing Organisations (GPOs), hospitals, retailers, wholesalers and other customers to build strong relationships and enhance service levels.

Why is it important to engage with this group and what do they expect from us?

Customers need us to:

- offer a broad product portfolio
- have a consistent and reliable supply of medicines
- maintain service levels

Our commercial teams work closely with our different customers to understand their needs, reduce drug shortages and ensure we invest in the products, manufacturing capacity and capabilities needed to meet their requirements.

How we engage across the Group

- We have commercial, sales and marketing teams dedicated to our varied customer groups in North America, MENA, and Europe
- Our customer discussions inform our pipeline decisions, in an effort to bring them the products most in need

How we engage at Board level

- Commercial leads present to the Board at least once a year providing updates on our customer relationships and how we are meeting customer needs
- As part of its strategic review process, the Board reviews information on the generic pharmaceutical customer landscape
- The Board periodically receives industry updates from leading external professional groups

Outcomes and actions

- Continued to build our portfolio to address specific growing healthcare needs and therapeutic areas. In 2025 we had 84 new launches across our markets
- Worked with our customers to understand their needs and how we can work to improve service levels where required
- Prepared our Columbus, Ohio facility in readiness for our previously announced significant long-term contract manufacturing agreement with a global pharmaceutical company
- Continued to invest in domestic US capacity through our refurbishment and upgrades to our recently acquired Bedford, Ohio facility which will house specialised capabilities such as aseptic bag filling and lyophilisation

Stakeholder engagement continued

Employees



Our people have always been at the heart of everything we do. As the driving force behind Hikma's growth and success, our people are our most valuable asset.

Why is it important to engage with this group and what do they expect from us?

Our people need us to:

- support them and provide development and growth opportunities
- protect their health and safety
- foster a diverse and inclusive culture

The passion and commitment of our people to our values is key to delivering our purpose and supports our growth plans. One of our key strategic priorities is to build a culture that inspires and enables our people, one in which they are empowered to drive innovation and are committed to caring for customers, patients and communities around the world.

How we engage across the Group

- We are committed to empowering our people by offering ongoing training and diverse learning experiences that are accessible and engaging. Our goal is to support career growth and lifelong learning for all our people
- Our Group-wide principles for ensuring employee health and safety are outlined in our Group Environmental, Health and Safety Policy Statement, which is available on our website www.hikma.com. We also have local policies and procedures in place
- We conduct people surveys and use this feedback to improve our performance and culture
- We have an active internal communications programme to keep colleagues engaged and informed on Group strategy, progress, culture, values and sustainability

How we engage at Board level

- Laura Balan has Board-level responsibility for employee engagement. She undertakes an active programme of engagement each year and reports formally to the Board on her findings
- The Board receives regular reports on engagement activities with employees, including people surveys and events or feedback directly given by the EC
- Board members gave direct input to the content of questions in the 2026 workforce engagement survey, with an increased focus on culture

Outcomes and actions

- Maintained open channels of communication through regular all-employee updates from leaders, manager-led discussions, and ongoing dialogue around organisational changes
- Introduced a range of wellbeing activities across our sites, including exercise and fitness events, sports tournaments, and family connection activities such as 'Open Family Day' and 'bring your kids to work' events
- Supported career growth, we introduced a more transparent grading structure, developed clearer career pathways, expanded leadership development opportunities, and formalised a mentoring programme
- Recognition activities and our Great Place to Work® certifications in Egypt and KSA further reinforced pride and belonging across our teams
- Fairness around opportunity shaped our work on updating the Group Inclusion Policy. We refreshed the Talent Acquisition Policy and strengthened how we embed inclusion into hiring, progression, communication, and development

Communities and environment



Our vision is to create a healthier world that enriches all our communities by developing high-quality medicines and making them accessible to those who need them. We are a responsible and sustainable company and have a duty of care towards our communities and the environment.

Why is it important to engage with this group and what do they expect from us?

Our communities value our efforts to:

- improve healthcare quality and access to medicines
- strengthen educational infrastructures
- support local communities and people in need
- minimise our impact on the environment

Since its inception, Hikma has been dedicated to transforming people's lives by providing the medicines they need and supporting the communities where we live and work. Making positive contributions to the communities where we operate, and providing assistance to those in need, supports long-term sustainable growth, while positively impacting society.

We also strive to minimise our environmental impacts and are committed to making our operations more energy efficient.

How we engage across the Group

- We have developed collaborative partnerships and programmes to promote positive change and address the needs of our communities. These initiatives include increasing access to medicine, supporting education and assisting refugees and low-income groups
- We work internally to progress our understanding of climate-related risks and opportunities and are working to achieve our GHG emissions reduction target

How we engage at Board level

- The Board, through the CREC, oversees our sustainability strategy and monitors our progress against our ESG-related targets
- Our Executive Vice Chairman sits on our Access to Medicine Committee, which is co-chaired by our Executive Vice President of Corporate Development and M&A
- Our Executive Vice President of Strategic Planning and Global Affairs, who reports directly to the CEO, oversees our sustainability team, with our VP of Sustainability responsible for implementation of the Group sustainability strategy. More information on our sustainability efforts can be found on pages 40 to 64 and on our governance and management of environment, social and governance (ESG) issues on page 63

Outcomes and actions

- Refreshed our Acting Responsibly framework, with input from the CREC
- Delivered \$2.6 million in medicine donations in 2025 (value based on cost of goods)
- Achieved a 16% reduction in Scope 1 and 2 GHG emissions since 2020
- Prioritised water management in water-stressed locations
- Donated over 200,000 meals to support food security initiatives



Hikma is committed to operating and acting in the best interests of all of our stakeholders."

Stakeholder engagement continued

Government and regulators



Our industry is highly regulated and we must operate in accordance with a wide range of industry and government policies and regulations, including those of the US FDA, the European Medicines Agency (EMA), MENA health authorities and other regulatory agencies across our markets.

Why is it important to engage with this group and what do they expect from us?

Our regulators expect us to:

- adhere to regulatory requirements
- maintain high-quality manufacturing facilities
- provide safe and effective medicines

Quality is in everything we do and has been since our inception. We need to ensure that our quality systems operate in full compliance with the requirements of international agencies as well as domestic regulatory bodies.

How we engage across the Group

- We have strong internal pharmacovigilance, regulatory and quality teams who ensure our quality systems operate in full compliance with the regulatory requirements of the FDA, the EMA, MENA health authorities and other regulatory agencies across our markets
- We work closely with local governments and regulatory bodies to ensure current and proposed regulations and policies support patients' needs and our operations

How we engage at Board level

- The Board receives regular reports on relations with regulators, particularly from a manufacturing quality and product approval perspective, and receives an update on legal matters at each meeting
- The Board oversees the Group's risk programme and receives reports on relevant issues, which include specific principal risks covering product quality and safety and legal, regulatory and intellectual property

Outcomes and actions

- Continued to engage in shaping US generic pharmaceutical policies and legislation as a member of the Association of Accessible Medicines (AAM) trade association
- Engaged with US elected officials and policymakers to help educate key members of Congress and their staff about Hikma's position as one of the largest US generic medicine providers, our strong and growing US manufacturing capabilities, our broad portfolio of essential medicines and our ability to help solve domestic drug shortages. Our goal is to develop and maintain supportive relationships with those who are developing and enacting legislation that strengthens the US supply of high-quality generic medicines, including those we produce
- In June 2025 we hosted key US government representatives at our Columbus, Ohio site for a groundbreaking event to highlight the investment being made by Hikma in domestic manufacturing
- Regularly meet with governing bodies and industry regulators in MENA to understand the unmet healthcare needs in key markets and ensure our product portfolio addresses them

Suppliers



We have an extensive global network of suppliers who provide us with the goods and services needed for us to deliver our medicines. We actively engage with our suppliers to ensure the social, ethical and environmental standards we require are upheld.

Why is it important to engage with this group and what do we expect from them?

We want our suppliers to:

- uphold high ethical standards
- operate in a responsible and sustainable manner
- work collaboratively to build strong relationships

Our suppliers are critical to our business, and their products and expertise support us in the delivery of high-quality medicines to patients around the world. Working together and building strong relationships not only enables us to deliver on our purpose but it also ensures we have a sustainable and resilient supply chain.

Operating responsibly and ethically is vital to our long-term success, and we work with our suppliers to ensure the social and ethical standards we require are upheld.

How we engage across the Group

- We conduct quality audits, in line with our Group audit policy and regulatory requirements, prior to on-boarding new API suppliers and on a regular basis for our current supplier base
- We reinforce our local sourcing and procurement presence in our key supplier markets to secure preferred access to capacity, innovation and pricing
- We share our Supplier Code of Conduct (CoC) through our supplier onboarding process, which sets out the standards we expect from all our suppliers, including fundamental principles on human rights, modern slavery and our sustainability expectations
- We conduct initial and ongoing due diligence to assess third-party risks and run sustainability assessments through IQ+Vitals and our Hikma sustainability questionnaire, and regularly work with our suppliers to improve their sustainability maturity levels
- We engage with our suppliers to understand their commitments and efforts to reduce GHG emissions as well as the future impact on our Scope 3 emissions

How we engage at Board level

- The Board receives updates on supplier issues as part of its review of operational matters
- The Board oversees the Group's risk programme and receives reports on relevant issues, which include specific principal risks covering API and third-party risk management, and ethics and compliance
- The CREC is responsible for direct oversight of the Group's approach to ethical issues associated with suppliers

Outcomes and actions

- Introduced IQ+Vitals, a tool to enhance our ability to assess a large volume of suppliers efficiently, enabling us to assess suppliers who cover nearly 75% of our annual procurement spend
- Continued to refine the quality of our emissions measurements and engage with our suppliers to better understand their commitments to emission reductions
- Maintained a dedicated process to identify suppliers at risk of modern slavery, following the creation of a specialised task force
- Embraced automation in the Supplier CoC acknowledgment process, ensuring that our expectations are clearly communicated and understood before commencing collaboration

Investors



We maintain regular contact with investors to ensure they have a thorough understanding of our business. Our investors are largely global institutions and include both equity and debt holders.

Why is it important to engage with this group and what do they expect from us?

Our investors want us to:

- deliver sustainable long-term value
- effectively communicate our long-term strategy, financial and operational performance and growth drivers
- meet industry and global standards for good ESG practices

We ensure our investors have an in-depth understanding of our operations, financial performance, growth drivers and ESG efforts. The Board receives regular updates and feedback on these activities. This helps ensure that the views of our investors are considered in the Board's decision-making.

How we engage across the Group

- We maintain regular contact with our shareholders through a comprehensive investor relations (IR) programme of conferences, roadshows, meetings and site visits
- We maintain regular dialogue with our debt holders and rating agencies
- We communicate our strategy and financial performance through regular financial reporting and investor events, such as the Annual General Meeting (AGM)
- A targeted external communications programme ensures we are informing key audiences on our strategic progress and impact on our communities

How we engage at Board level

- The Board receives regular updates on the IR programme, including investor feedback from the AGM, IR meetings and investor perception studies
- The Executive Directors are informed of and participate in investor engagement activities on a regular basis
- The Non-Executive Directors make themselves available to meet with investors as required in the conduct of their responsibilities (eg as Chair of a committee) and are available to shareholders at the AGM to answer related questions

Outcomes and actions

- Maintained regular contact with our analysts and investors to give business updates. We met with over 190 investors in over 250 meetings in 2025
- Hosted a site visit for sell-side analysts and investors at our manufacturing facility in Columbus Ohio, US, providing a deep dive into our Hikma Rx and Injectables businesses and the opportunity to meet with the US leadership team
- Provided EC and Board members with third-party perception studies to gauge investor sentiment
- Successfully refinanced our \$500m Eurobond, with an improved credit rating of BBB from BBB- under Fitch Ratings and S&P Global Ratings, providing confidence to investors in Hikma's financial health
- Engaged in multiple investor conferences and a series of fireside chats with senior management and analysts to increase visibility and transparency



Operating responsibly and ethically is vital to our long-term success, and we work with our suppliers to ensure the social and ethical standards we require are upheld."

Business and financial review

A year of continued progress, with growth across all three geographies.

Khalid Nabils
Chief Financial Officer



Our teams worked hard throughout the year, launching products, signing partnerships and leveraging our base business to deliver growth."

Reported results (statutory)

	2025 \$ million	2024 \$ million	Change	Constant currency ¹ change
Revenue	3,349	3,127	7%	6%
Operating profit	542	612	(11)%	(12)%
Profit attributable to shareholders	402	359	12%	13%
Cashflow from operating activities	436	564	(23)%	
Basic earnings per share (cents)	182	162	12%	13%
Total dividend per share (cents)	84	80	5%	

Core results² (underlying)

	2025 \$ million	2024 \$ million	Change	Constant currency ¹ change
Core revenue	3,349	3,156	6%	5%
Core operating profit	741	719	3%	3%
Core EBITDA ³	853	824	4%	3%
Core profit attributable to shareholders	503	495	2%	2%
Core basic earnings per share (cents)	228	224	2%	2%

Financial performance

Group core revenue growth of 6% to \$3,349 million

- Group core revenue up 6%. Reported Group revenue up 7%
- Injectables core revenue up 7% (reported revenue up 9%), Branded core revenue up 10% (reported revenue up 10%) and Hikma Rx core revenue flat (reported revenue up 1%)
- Growth in all three geographies – North America, MENA and Europe

Group core operating profit growth of 3% to \$741 million at a margin of 22.1% (2024: 22.8%)

- Group reported operating profit down 11%, primarily reflecting the impact of a legal settlement
- Injectables core operating profit down 6% with margin of 31.0% (2024: 35.3%)
- Branded core operating profit up 19% with margin of 26.4% (2024: 24.6%)
- Hikma Rx core operating profit up 5% with margin of 17.3% (2024: 16.4%)

Cashflow from operating activities of \$436 million (2024: \$564 million)

- Excluding \$186 million⁴ in connection with one-off legal settlements, cashflow from operating activities increased by 10%

Robust balance sheet and high returns

- Leverage at 1.6x net debt⁵ to core EBITDA (31 December 2024: 1.4x)
- Return on average invested capital of 16.0%⁶
- Total dividend of 84 cents per share, up 5%
- Upgraded to BBB by S&P and Fitch and successfully refinanced our \$500 million Eurobond

Strategic progress

- Launched 84 products across our markets
- Launched Tyzavan[®] in the US – an IP protected, room temperature stable, ready-to-use vancomycin bag – used for critical sepsis treatment in hospitals
- Received approval for and launched our first biosimilar product in the US – ustekinumab
- Double-digit growth for Europe Injectables, driven by both established and new markets
- Continued successful roll out of palbociclib tablets and dapagliflozin tablets in MENA, enhancing our strength in oncology and diabetes treatments, respectively
- Signed 14 deals in MENA during 2025, with 43 deals signed with 29 partners since 2023
- Announced expanded partnership with Celltrion in MENA for an additional six biosimilars

2026 Group outlook

- Group revenue growth in the range of 2% to 4%
- Group core operating profit in the range of \$720 million to \$770 million

2025 financial performance

Group

Group core revenue was up 6% reflecting good growth in Injectables and Branded, while Hikma Rx delivered revenue in line with 2024, as expected. Group reported revenue was up 7%.

Group core gross profit grew 1% and core gross margin was 43.5% as strong margin performance in Hikma Rx and Branded was offset by the reduced Injectables margin.

Group core operating expenses were \$716 million (2024: \$729 million). Group reported operating expenses were \$899 million (2024: \$803 million).

Group core selling, general and administrative (SG&A) expenses were flat at \$566 million (2024: \$568 million), reflecting growth in the business, offset by a reduction in Hikma Rx sales and marketing spend. Reported SG&A expenses were \$743 million (2024: \$671 million).

Reported research and development (R&D) expenses were \$151 million (2024: \$141 million), representing 4.5% of Group core revenue (2024: 4.5%). Growth was lower than originally planned due to delays in project starts, particularly in Injectables. The Group has a strong focus on R&D and aspires to spend around 5% to 6% of revenue on R&D going forward.

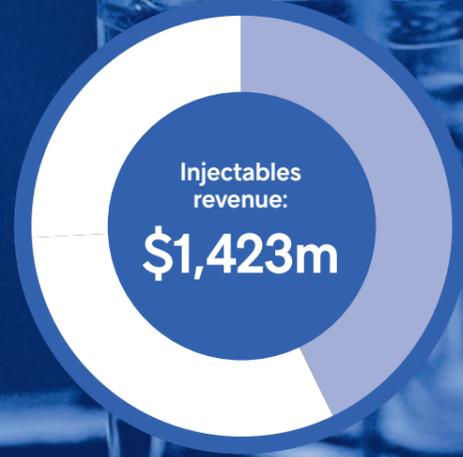
Core other net operating income was \$2 million (2024: \$18 million expense). Reported other net operating expense was \$4 million (2024: \$11 million income). The change is in part due to reduced foreign exchange losses.

Group core operating profit increased by 3%. Group reported operating profit was down 11%, primarily reflecting the impact of the legal settlement related to sodium oxybate.

1. Constant currency changes are derived after reported 2025 numbers are translated using 2024 exchange rates, excluding price increases in the business resulting from the devaluation of currencies
 2. Core results throughout the document are presented to show the underlying performance of the Group, excluding exceptional items and other adjustments set out in Note 5 of the Group consolidated financial statements. Core results are a non-IFRS measure. See page 37 for a reconciliation to reported IFRS results
 3. Core EBITDA is core operating profit before depreciation and software amortisation
 4. Of the \$186 million, \$111 million was placed into restricted cash at 31 December 2025 and paid in January 2026 (refer to Notes 8 and 13)
 5. Group net debt is calculated as Group total debt less Group total cash. Group net debt is a non-IFRS measure that includes short- and long-term financial debts (Notes 9 and 11), lease liabilities, net of cash and cash equivalents. See page 37 for a reconciliation of Group net debt
 6. Refer to page 37 for reconciliation



Injectables



Injectables	2025 \$ million	2024 \$ million	Change	Constant currency change
Revenue	1,423	1,306	9%	8%
Core revenue	1,423	1,324	7%	7%
Gross profit	649	668	(3)%	(4)%
Gross margin	45.6%	51.1%	(5.5)pp	(5.5)pp
Core gross profit	665	690	(4)%	(4)%
Core gross margin	46.7%	52.1%	(5.4)pp	(5.3)pp
Operating profit	367	371	(1)%	0%
Operating margin	25.8%	28.4%	(2.6)pp	(2.1)pp
Core operating profit	441	468	(6)%	(5)%
Core operating margin	31.0%	35.3%	(4.3)pp	(3.8)pp

We supply hospitals across our markets with generic and specialty injectable products, supported by our manufacturing facilities in the US, Europe and MENA.

Injectables core revenue grew 7% in 2025, benefiting from our broad portfolio across the three geographies, contribution from the Xellia acquisition and recent launches. Injectables reported revenue grew 9%.

North America sales were up 5%. While we saw competition on certain larger products, this was more than offset by the contribution from the products acquired in the Xellia acquisition¹, as well as new launches.

In Europe and Rest of World (ROW) sales grew 23%. We delivered good growth across all our established and recently entered markets. Our own products grew 30%, driven by our expanding portfolio and ability to address market shortages.

In MENA, sales grew 9%, supported by the breadth of the portfolio and a strong performance from certain products in our biosimilar portfolio.

Injectables core gross profit was down 4% and core gross margin contracted to 46.7% due to product and geographic mix and increased inventory provisions. Injectables reported gross profit declined 3% with a gross margin of 45.6%. A decline in sales of certain high-value products in the US was offset by lower-margin sales of third-party manufactured products and good progress in MENA, where margins are lower.

Injectables core operating profit was down 6% and core operating margin was 31.0%. This reflects the change in gross profit and higher foreign exchange related costs due to the strength of the Euro versus the US dollar. Injectables reported operating profit was flat, with an operating margin of 25.8%. While Injectables has a global supply chain, including products imported from China to the US which are subject to tariffs, this only had a minor impact on profit in 2025 of c.\$3 million.

Outlook for 2026

In 2026 we expect Injectables revenue to grow in the low single digits. We expect core operating margin to be in the range of 27% to 28%.



Good revenue growth while profitability was impacted by product and geographic mix."

Core revenue



Core operating margin



¹ Products acquired through the Xellia acquisition, which closed on 10 September 2024, contributed \$86 million of revenue to Injectables



Branded



Branded	2025 \$ million	2024 \$ million	Change	Constant currency change
Revenue	849	769	10%	9%
Core revenue	849	769	10%	9%
Gross profit	445	402	11%	8%
Gross margin	52.4%	52.3%	0.1pp	(0.1)pp
Core gross profit	445	402	11%	8%
Core gross margin	52.4%	52.3%	0.1pp	(0.1)pp
Operating profit	227	182	25%	21%
Operating margin	26.7%	23.7%	3.0pp	2.8pp
Core operating profit	224	189	19%	15%
Core operating margin	26.4%	24.6%	1.8pp	1.5pp

We supply branded generics and in-licensed patented products from our local manufacturing facilities to retail and hospital customers across the MENA region.

Branded revenue was up 10%, as we continue to benefit from our leading market position and a growing and diversified portfolio of oncology products and medicines used to treat chronic illnesses.

Branded core and reported gross profit grew 11%, with core and reported gross margins of 52.4%. This reflects our high-quality product mix driven by our shift towards higher value medicines.

Branded core operating profit increased 19% and reported operating profit increased 25%, reflecting the strong revenue performance and a reduction in foreign exchange related costs when compared to 2024.

Outlook for 2026

In 2026 we expect Branded revenue to grow in the range of 6% to 8%. We expect core operating margin to be around 25%.



Strong profitability driven by diversified product mix."

Core revenue



Core operating margin





Hikma Rx



Hikma Rx

	2025 \$ million	2024 \$ million	Change
Revenue	1,037	1,026	1%
Core revenue	1,037	1,037	0%
Gross profit	343	346	(1)%
Gross margin	33.1%	33.7%	(0.6)pp
Core gross profit	343	357	(4)%
Core gross margin	33.1%	34.4%	(1.3)pp
Operating profit	124	167	(26)%
Operating margin	12.0%	16.3%	(4.3)pp
Core operating profit	179	170	5%
Core operating margin	17.3%	16.4%	0.9pp

We supply oral, respiratory and other generic and specialty products to the North American retail market, leveraging our state-of-the-art manufacturing facility in Columbus, Ohio.

Hikma Rx core revenue was flat in 2025, reflecting expected price erosion across the base portfolio, offset by a strong performance on key in-market products. Hikma Rx reported revenue grew 1%.

Hikma Rx core gross profit reduced 4%, reflecting an increase in inventory provisions. Hikma Rx reported gross profit reduced 1%.

Hikma Rx core operating profit increased 5%, with lower sales and marketing costs more than offsetting the reduction in gross profit. The decline in sales and marketing spend was driven by a reduction in direct spend on specialty products. Hikma Rx reported operating profit declined 26% following the impairment reversal in 2024 related to our complex respiratory portfolio.

Outlook for 2026

In 2026 we expect Hikma Rx revenue to be broadly flat. We expect core operating margin to be close to 20%.



Profitability is improving as we focus on higher-value business."

Core revenue



Core operating margin



Business and financial review

continued

Other businesses

Other businesses, which includes our 503B compounding business, our MENA diagnostics business, as well as Arab Medical Containers (AMC), a manufacturer of plastic specialised medicinal sterile containers, and International Pharmaceuticals Research Centre (IPRC), which conducts bio-equivalency studies, contributed revenue of \$40 million in 2025 (2024: \$26 million) with an operating loss of \$6 million (2024: \$9 million loss).

Research and development

Our investment in R&D of \$151 million and our business development activities enable us to continue expanding the Group's product portfolio. We spent \$9 million more in R&D than in 2024, however this was an underspend versus our original ambitions, primarily driven by moving R&D activity from the US to Croatia and delays to project starts in our Injectables business. We will increase this spend and expect to reach 5% to 6% of revenue in 2026.

During 2025, we had 84 new launches and received 99 approvals. To ensure the continuous development of our product pipeline, we submitted 139 regulatory filings.

	2025 submissions ¹	2025 approvals ¹	2025 launches ¹
Injectables	48	47	50
North America	10	19	26
MENA	32	10	10
Europe and ROW	6	18	14
Branded	82	45	30
Hikma Rx	9	7	4
Total	139	99	84

Net finance expense

	2025 \$ million	2024 \$ million	Change	Constant currency change
Finance income	83	8	938%	938%
Finance expense	107	167	(36)%	(38)%
Net finance expense	24	159	(85)%	(87)%
Core finance income	11	8	38%	38%
Core finance expense	106	93	14%	11%
Core net finance expense	95	85	12%	8%

Reported net finance expense was \$24 million, compared with \$159 million in 2024. Reported finance income includes \$72 million finance income which primarily resulted from the adjustment of royalty payment arrangements with certain of the Group's business partners, as well as the revaluation of liabilities associated with future contingent consideration payments.

Core net finance expense increased to \$95 million (2024: \$85 million), primarily reflecting an increase in average borrowing and the impact of the refinancing of the previous \$500 million Eurobond.

We expect core net finance expense to be around \$99 million to \$103 million in 2026².

1. Pipeline projects submitted, approved and launched by country in 2025. MENA numbers include only the five major markets (Algeria, KSA, Egypt, Morocco and Jordan)
2. Based on the composition of the Group's net debt portfolio as at 31 December 2025, a one percentage point increase/decrease in interest rates would result in a \$8 million increase/decrease in net finance cost per year (2024: \$6 million increase/decrease)

Tax

The Group incurred a reported tax expense of \$112 million (2024: \$93 million) representing a reported effective tax rate of 21.6% (2024: 20.4%). Excluding the tax impact of exceptional items and other adjustments, Group core tax expense was \$139 million (2024: \$138 million). The core effective tax rate was 21.5% (2024: 21.7%).

We expect the Group core effective tax rate to be around 23% in 2026.

Profit attributable to shareholders and earnings per share

Core profit attributable to shareholders was \$503 million (2024: \$495 million). Reported profit attributable to shareholders was \$402 million (2024: \$359 million).

Core basic earnings per share was 228 cents (2024: 224 cents).

Reported basic earnings per share was 182 cents (2024: 162 cents).

Dividend

The Board is recommending a final dividend of 48 cents per share (2024: 48 cents per share) bringing the total dividend for the full year to 84 cents per share (2024: 80 cents per share). The proposed dividend will be paid on 30 April 2026 to eligible shareholders on the register at the close of business on 20 March 2026, subject to approval at the Annual General Meeting on 23 April 2026.

Net cash flow, working capital and net debt

The Group generated operating cash flow of \$436 million (2024: \$564 million). This change primarily reflects \$186 million in connection with one-off legal settlements. Of the \$186 million, \$111 million was placed into restricted cash at 31 December 2025 and paid in January 2026.

Group working capital days were 245 at 31 December 2025 (31 December 2024: 240 days).

Capital expenditure was \$197 million (2024: \$165 million). In North America, \$81 million was spent on capacity expansion and upgrades across our Cherry Hill, Columbus and Beford sites. In MENA, \$82 million was spent strengthening and expanding our local manufacturing capabilities, including for our new general formulation plant in Tunisia and upgrading our oral oncology plant in Algeria, as well as adding new lines in Saudi Arabia and Jordan. In Europe, we spent \$34 million adding bag capacity in Portugal and upgrading infrastructure in Germany and Italy.

We expect Group capital expenditure for 2026 to be in the range of \$190 million to \$210 million.

The Group's total debt was \$1,604 million at 31 December 2025 (31 December 2024: \$1,306 million).

The Group's cash balance at 31 December 2025 was \$217 million (31 December 2024: \$188 million).

The Group's net debt was \$1,387 million at 31 December 2025 (31 December 2024: \$1,118 million). We continue to have a healthy balance sheet, with a net debt to core EBITDA ratio of 1.6x (31 December 2024: 1.4x).

During July 2025, the Group issued a new \$500 million five-year Eurobond with a 5.125% coupon rate to refinance the previously issued \$500 million five-year Eurobond, which had a 3.25% coupon rate and matured on 9 July 2025.

During July 2025, the Group also signed a \$250 million six-year loan agreement with International Finance Corporation (IFC), with proceeds used for general corporate purposes.

During November 2025, the Group signed a \$400 million three-year syndicated loan arrangement, with proceeds used for general corporate purposes.

Net assets

Net assets at 31 December 2025 were \$2,606 million (31 December 2024: \$2,321 million). Net current assets were \$1,190 million (31 December 2024: \$285 million). The primary reason for the increase in net current assets is due to the previous \$500 million Eurobond having been classified as a current liability in 2024.

Definitions

We use a number of non-IFRS measures to report and monitor the performance of our business. Management uses these adjusted numbers internally to measure our progress and for setting performance targets. We also present these numbers, alongside our reported results, to external audiences to help them understand the underlying performance of our business. Our core numbers may be calculated differently to other companies.

Adjusted measures are not substitutable for IFRS results and should not be considered superior to results presented in accordance with IFRS.

Core results

Reported results represent the Group's overall performance. However, these results can include one-off or non-cash items which are excluded when assessing the underlying performance of the Group. To provide a more complete picture of the Group's performance to external audiences, we provide, alongside our reported results, core results, which are a non-IFRS measure. Our core results exclude the exceptional items and other adjustments set out in Note 6 to the Group consolidated financial statements.

Constant currency

As the majority of our business is conducted in the US, we present our results in US dollars. For both our Branded and Injectables businesses, a proportion of their sales are denominated in a currency other than the US dollar. In order to illustrate the underlying performance of these businesses, we include information on our results in constant currency.

Constant currency changes are derived after reported 2025 numbers are translated using 2024 exchange rates, excluding price increases in the business resulting from the devaluation of currencies.

Core EBITDA

Core EBITDA is core operating profit before depreciation and software amortisation.

	2025 \$ million	2024 \$ million
Reported operating profit	542	612
Legal settlements	72	-
Pre-operational costs	16	4
Insurance compensation in relation to the Group's losses in Sudan	(14)	-
Gain on extinguishment of financial liability	(6)	-
Reorganisation costs	5	11
Intangible assets amortisation other than software	100	92
Impairment charges on intangible assets, PPE and right-of-use assets	26	31
Impairment reversals on intangible assets and property, plant and equipment	-	(60)
Provision for rebates adjustment	-	29
Core operating profit	741	719
Depreciation of property, plant and equipment	94	87
Depreciation of right-of-use assets	10	10
Software amortisation	8	8
Core EBITDA	853	824

Working capital days

We believe Group working capital days provides a useful measure of the Group's working capital management and liquidity. Group working capital days are calculated as Group net receivable days plus Group net inventory days, less Group payable days. Group receivable days are calculated as Group net trade receivables x 365, divided by 12 months Group reported revenue. Group inventory days are calculated as Group net inventory x 365, divided by 12 months Group reported cost of sales. Group payable days are calculated as Group trade payables x 365, divided by 12 months Group cost of sales.

Group net debt

We believe Group net debt is a useful measure of the strength of the Group financial position. Group net debt includes short and long-term financial debts (Notes 22 and 26), lease liabilities, net of cash and cash equivalents.

	31 Dec 2025 \$ million	31 Dec 2024 \$ million
Group net debt		
Short-term financial debts	(106)	(642)
Short-term leases liabilities	(8)	(11)
Long-term financial debts	(1,445)	(607)
Long-term leases liabilities	(45)	(46)
Total debt	(1,604)	(1,306)
Cash and cash equivalents	217	188
Net debt	(1,387)	(1,118)

ROIC

ROIC is calculated as core operating profit after tax divided by the average invested capital (calculated as the average of the opening and closing total equity plus net debt). This measures our efficiency in allocating capital to profitable investments.

	2025 \$ million	2024 \$ million
ROIC		
Core operating profit	741	719
Tax on core operating profit	(145)	(158)
Core operating profit after tax	596	561
Net debt	1,387	1,118
Equity	2,606	2,321
Invested capital (at 31 December)	3,993	3,439
Invested capital (at 1 January)	3,439	3,185
Average invested capital	3,716	3,312
ROIC	16.0%	16.9%

Our purpose in action

Investing in strategic partnerships driving growth in the US and MENA

In 2025, we accelerated growth through targeted partnerships, leveraging the complementary strengths of Hikma and our partners to achieve faster regulatory approvals, expanded market access, and portfolio expansion.

Key highlights:

Bio-Thera Solutions: capturing US autoimmune market share

FDA approval and launch of Starjemza™ (ustekinumab-hmny biosimilar) opens access to the biologic autoimmune treatment market. This collaboration with Bio-Thera Solutions demonstrates our model's efficiency: our partner developed the product while we provide US market access, generating returns from our commercial infrastructure with minimal capital outlay.

Novugen: strategic oncology addition for our US specialty portfolio

Acquiring Novugen's FDA-approved trametinib ANDA adds an important oncology asset to our US specialty portfolio, strengthening our competitive position in high-value therapeutic areas.

Celltrion: scaling MENA biosimilar access

Our strengthened alliance with global biosimilar leader Celltrion leverages our regional infrastructure to rapidly expand biosimilar availability across MENA. This partnership enhances our existing distribution network and market relationships while meeting growing regional demand for affordable biologics – creating new growth from established assets.

Value creation

For Hikma: Portfolio growth, market expansion, and revenue generation with optimised capital deployment and shared risk.

For partners: Access to established markets and commercial infrastructure they could not efficiently build independently.

For healthcare systems: Affordable treatment options that improve budget sustainability while maintaining high quality.

For patients: Earlier access to critical and affordable medicines.



These 2025 partnerships validate our collaborative growth model. By identifying partners whose capabilities complement our market access strengths in the US and MENA, we are driving sustainable, capital-efficient growth while ensuring access to affordable and high-quality medicines."

Bassam Kanaan

Executive Vice President, Corporate Development and M&A



Sustainability

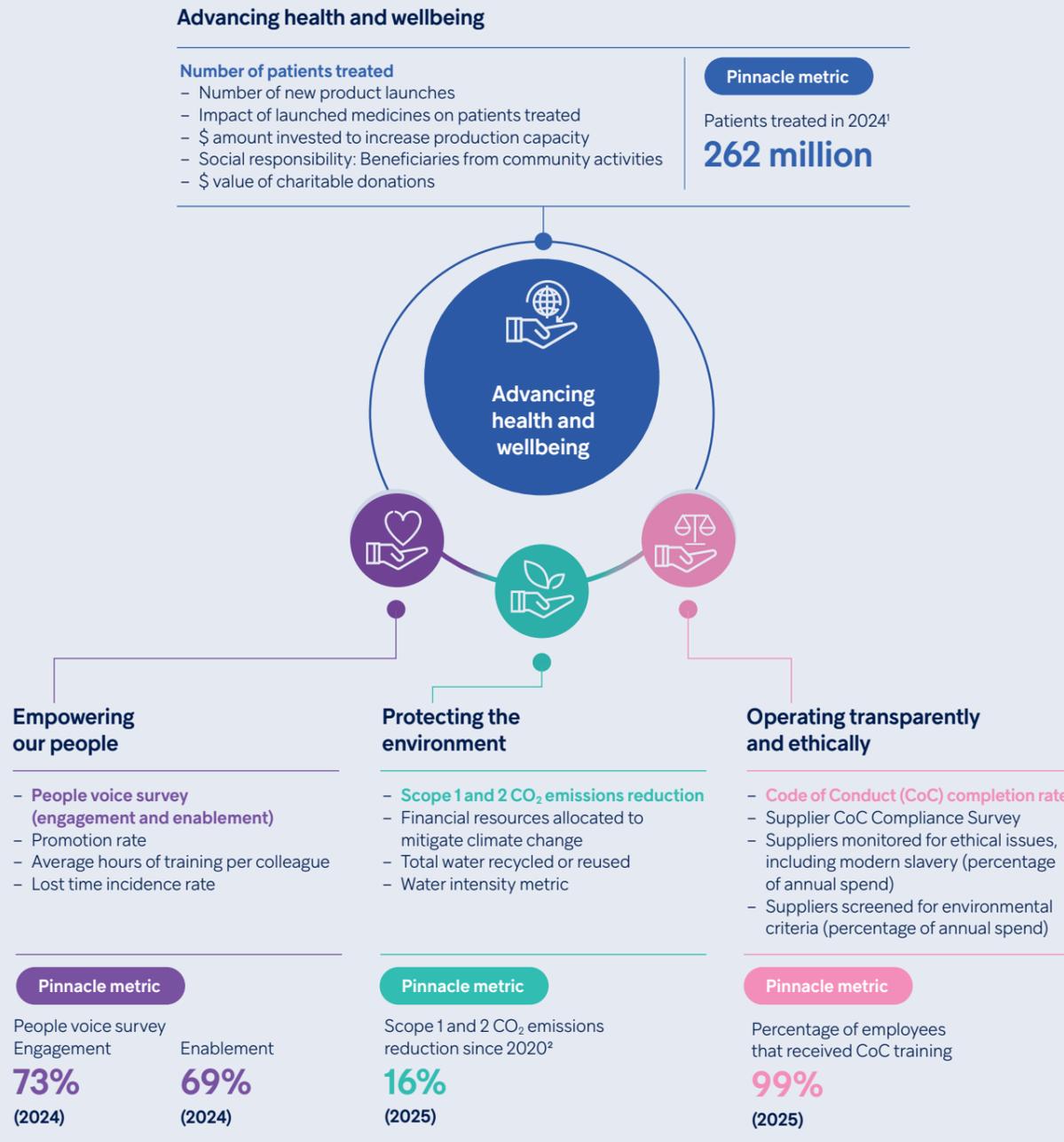
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Sustainability at Hikma continued

Sustainability metrics: how we measure our progress

We developed a Key Performance Indicator (KPI) framework that enables us to track and communicate our progress in relation to the sustainability topics that are most material to our organisation. The diagram below outlines the KPIs linked with our sustainability framework, distributed across our four pillars. Each pillar includes one pinnacle metric in bold, with multiple supporting metrics. While the pinnacle metric represents the most prioritised metric within each pillar, the suite of metrics collectively provide an integrated and holistic perspective on our progress towards sustainability-related Company ambitions.



1. Based on internal analysis by Hikma Pharmaceuticals PLC using data from the following source: IQVIA Analytics Link Q4 2024 for the calendar year 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. The 2025 figure has not yet been calculated and will be included in our Sustainability Report upon publication

2. We restated our emissions baseline to account for site acquisitions. More details are available on page 60

Sustainability reporting readiness

We continuously assess regulatory reporting requirements that are relevant for our business and take proactive steps to ensure compliance. Maintaining a high level of transparency around ESG issues remains a core priority for Hikma.

Corporate Sustainability Reporting Directive (CSRD)

The CSRD introduced a harmonised sustainability reporting regime for companies operating in the European Union. In 2025, revisions to the European Sustainability Reporting Standards (ESRS) were considered which amended disclosure requirements, guidance and timelines for adoption. Hikma is actively monitoring these revisions and assessing changes in order to ensure alignment with all current and future reporting requirements. We expect reporting in alignment with CSRD to become mandatory for Hikma Group in 2028, given the revised Omnibus directive that altered timelines and requirements for companies reporting on the framework.

UK Sustainability Reporting Standards (SRS) and IFRS Sustainability Disclosure Standards

The UK SRS framework is currently under consultation to incorporate revisions that will shape future sustainability disclosures. In parallel, the UK Financial Conduct Authority (FCA) has launched a consultation (CP26/5) proposing a shift from the current TCFD-aligned regime toward mandatory sustainability reporting based on the UK Sustainability Reporting Standards (UK SRS), which are themselves aligned with the IFRS Sustainability Disclosure Standards. We are

closely monitoring these developments, including the FCA's proposed transition to UK SRS S1 and S2, and its move to enhance comparability and reduce duplication. The UK SRS builds on the IFRS Sustainability Disclosure Standards, drawing on TCFD principles and structure which remain integral to our ESG reporting approach.

Global Frameworks and Stakeholder Expectations

We align our disclosures with globally recognised standards such as GRI, SASB, and the GHG Protocol and monitor for updates and changes to best practice reporting standards. Internally, we prioritise the measuring of our performance related to health and safety, carbon emissions and the management of water and waste. We are continuously strengthening data integrity and assurance processes to ensure these metrics are measured consistently and accurately.

In the United Arab Emirates, listed companies are required to publish annual sustainability reports, and new regulations under Federal Decree-Law No. 11 will mandate greenhouse gas measurement and reporting starting in 2025. The UAE Sustainable Finance Working Group has also introduced principles for sustainability-related disclosures to promote alignment with international standards. This is relevant as Hikma has Global Depositary Receipts listed on NASDAQ Dubai, the Dubai international financial exchange. We are also monitoring developments in California related to the Climate Corporate Data Accountability Act and the Climate-Related Financial Risk Act to ensure we are aligned with related requirements.



In 2025, we increased our solar energy generation in Hikma Salt, Jordan, which generates more than 4,700 MWh of electricity annually



We actively monitor all relevant sustainability reporting standards and adjust our approach to ensure alignment with current and expected requirements."

Sustainability at Hikma continued

Advancing health and wellbeing

Ensuring access to high-quality medicines



CSRD alignment: IROs associated with this pillar

IRO description	CSRD classification	IRO type	Value chain classification
Through the manufacture of high-quality, affordable medicines, Hikma is providing patients with access to essential treatments, particularly when addressing unmet medical needs or underserved markets. By focusing on patients' needs across Hikma's markets, Hikma maintains a strong market position and growth potential.	ESRS: S4 Consumers and end-user Sub-topic: Social inclusion of consumers and end-users Sub-sub-topic: Access to products and services	Impact (positive, actual) Financial Opportunity	Own operations and downstream (enterprise-wide and across downstream value chain)
Hikma leverages the strength of its 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 Hikma as a leading supplier across its global markets.	ESRS: S4 Consumers and end-user Sub-topic: Personal safety of consumers and/or end-users Sub-sub-topic: Health and safety	Impact (positive, actual) Financial Risk	Own operations and downstream (enterprise-wide and across downstream value chain)

Pinnacle metric: Number of patients treated (2024)

262 million

Access to medicines

Our purpose as a company is to produce high-quality medicines and ensure they are accessible to those who need them. We achieve this by leveraging our strong manufacturing capabilities and collaborating with stakeholders across the healthcare ecosystem, including healthcare professionals (HCPs), patients, industry partners, payers, and governments.

We recognise the importance of generic medicines in improving access and affordability, as well as the role of human health in driving socio-economic progress. Therefore, we utilise our R&D expertise, manufacturing strength, and solid partnerships to expand the breadth of our product offering and the availability of our products. We engage with industry partners, HCPs, patients, payers, governments, and others to make sure our medicines reach where they are needed.

Oversight for all material sustainability topics is held at the Board level, and this includes access to medicine. Responsibility for the Company sustainability strategy is embedded within the CREC and is executed through various functions including Commercial, Sustainability, Quality, Research and Development (R&D), and Pharmacovigilance.



Our purpose is to produce high-quality medicines and ensure they are accessible to those who need them."

Committing to expanding access in the US

In June 2025, we announced a \$1 billion investment through 2030 to expand our US manufacturing and R&D capabilities for essential generic medicines. This initiative, 'America Leans on Hikma: Quality Medicines Manufactured in the USA,' builds on more than \$4 billion we have invested over the past 15 years. Through our investments in our facilities in Ohio and New Jersey, we are increasing production capacity, improving supply reliability, and addressing critical drug shortages. These actions demonstrate our purpose: to make high-quality medicines accessible to those who need them.

This investment also reflects our long-term commitment to patients and the healthcare system at a time when supply chain resilience and affordability are national priorities.

Generic medicines account for the majority of prescriptions in the US, yet shortages and import dependencies continue to threaten care. By onshoring production and reinforcing our R&D capabilities, we are reducing these risks and ensuring essential medicines remain available and affordable. This is how we turn our purpose into action – working with healthcare professionals, payers, and policymakers to deliver reliable access to medicines that improve lives.



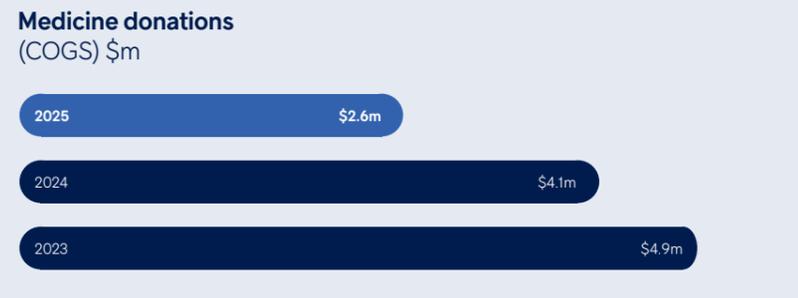
This investment reflects our long-term commitment to patients at a time when supply chain resilience and affordability are national priorities."



Sustainability at Hikma continued

Our medicine donation programme

We donate medicines and provide aid and relief to patients affected by natural disasters, conflicts, and other emergencies, directing medicines to address the critical needs of vulnerable populations such as low-income groups, displaced persons, and those lacking sufficient medical coverage. We are committed to responding to global events and leveraging our resources to assist marginalised groups. In 2025, we donated \$2.6 million of medicines globally. Donations are made on a needs basis and therefore fluctuate annually based on the amount of donation requests received in our markets.



Working with the IFC to improve medicine access in MENA

In 2025, we strengthened our 40-year partnership with the International Finance Corporation (IFC) by signing a \$250 million six-year financing agreement to expand access to medicines across MENA. This financing will enable us to increase local production capacity, ensuring that patients in the region have reliable access to high-quality, affordable medicines, even amid ongoing socio-economic challenges.

This agreement builds on IFC's anchor role in our \$500 million bond issuance and on decades of tailored support, including financing during the COVID-19 pandemic to maintain uninterrupted supply.

Together, we are focused on reinforcing operational resilience, good governance and sustainability, aligning on shared values that prioritise governance and patient needs. This latest commitment is a clear example of how we are working with global partners to strengthen health systems and address high unmet healthcare needs across MENA.



We are working with global partners to address unmet healthcare needs across MENA."

Product quality and patient safety

We uphold a strict pharmacovigilance framework to safeguard against patient harm and to guarantee the safe, effective use of our products. Pharmacovigilance is monitored at the highest levels of our business and is included in our ERM process, which is overseen by the EC and the Board on a regular basis.

All findings from pharmacovigilance audits and inspections and the status of implementing corrective and preventative actions are discussed in quarterly pharmacovigilance quality meetings.

To ensure the applicability, adequacy, and effectiveness of our oversight of product quality, we regularly monitor our worldwide quality compliance metrics. These metrics are monitored and addressed centrally at a global level.

Hikma employees receive mandatory and regular training and guidance on their role in ensuring patient safety and reporting any adverse events or safety concerns to the pharmacovigilance team. Training modules are updated regularly and available across six languages for all colleagues.

We have globally aligned processes to identify, assess, and communicate any changes in the benefit-risk balance of our products and to implement timely corrective and preventative actions.

Our marketed products (either manufactured by Hikma or outsourced through partners) comply with Current Good Manufacturing Practices (cGMPs). We implement quality oversight on our suppliers, partners and sub-licensors to ensure that these stakeholders are in full compliance with regulatory standards and Hikma requirements. Quality agreements are in place to focus on compliance to cGMPs and define each party's responsibilities. Risk-based cGMP audits are also conducted on suppliers by our global quality team and other reputable third-party consultants.



An emphasis on R&D to align with evolving patient needs

In 2025, we transformed our R&D operations into a single, unified global organisation, integrating previously separate teams across our Injectables, Hikma Rx, and Branded divisions. This new structure is built around our three core technology platforms: Respiratory, Nasals, Semi-solids and Liquids (RNSSL); Injectables; and Solid Orals. The structure is supported by global R&D operations and regulatory affairs in order to optimise resources, accelerate time-to-market, and strengthen our ability to deliver high-quality medicines efficiently.

With experienced leaders appointed to each platform and centralised functions providing shared services and advanced tracking systems, we now have greater visibility and agility across our entire pipeline.

Our strategic focus combines strong internal R&D capabilities with selective partnerships to expand and enhance our portfolio. This approach ensures we remain responsive to evolving disease prevalence and changing patient needs, while continuing to innovate and scale. By leveraging our expertise and collaborating where it adds value, we can develop complex medicines faster and more efficiently, reinforcing our product portfolio and pipeline to drive our growth and purpose: improving access to essential medicines for patients worldwide.

Sustainability at Hikma continued

Social responsibility

Hikma's Social Responsibility efforts are guided by three core pillars: Providing better health, supporting education, and helping people in need.

Through these pillars, we deliver targeted initiatives that address key community needs while empowering our people to contribute their time and expertise.

Our work in this area continues to strengthen community wellbeing, enhance access to opportunities, and reinforce a shared culture of responsibility across our global operations.

Social responsibility highlights

566,780

beneficiaries from community activities

8,060

Number of employee volunteering hours

3,480

Number of employee volunteers

132

total community engagement activities

\$2.6m

worth of medicines donated to patients across the globe

\$3.3m

charitable donations



Providing better health

Supporting students with intellectual disabilities in Egypt

In 2025, Hikma partnered with Misr El Kheir Foundation to improve the Minya School for Intellectual Education in Egypt, creating an inclusive learning environment for students with intellectual disabilities.

The project introduced a modern computer lab with 10 desktop computers, internet connectivity, and essential equipment, alongside a fully equipped sensory integration room to support cognitive and emotional development. Teachers received specialised training on inclusive practices and effective use of the sensory room, ensuring sustainability.

Additional support included distributing school bags and stationery to 221 students and organising awareness campaigns to promote inclusion, with volunteers actively engaging in community activities. As a result, more than 1,100 students now benefit from improved resources, teachers are empowered with new skills, and the initiative has strengthened inclusive education within the community.



Supporting education

Expanding refugee access to higher education and emergency support – UNHCR partnership

Since 2021, Hikma has partnered with the United Nations High Commissioner for Refugees (UNHCR) through the Albert Einstein German Academic Refugee Initiative (DAFI) to support refugee education and empowerment.

In 2025, Hikma continued its four-year commitment to the DAFI programme, supporting 80 refugee students in Jordan, Algeria, and Egypt. Scholars complemented their academic studies with life skills workshops, language courses, and social inclusion activities, building resilience and leadership skills to positively impact their communities.

Hikma also contributed to UNHCR's Lebanon Emergency Appeal, funding critical humanitarian activities such as safe shelter, healthcare, psychosocial support, and education for refugees and vulnerable Lebanese communities. This support ensured access to protection, legal assistance, and voluntary and safe returns for those affected by ongoing crises.

80
refugee students in Jordan, Algeria, and Egypt supported by the DAFI programme

Photo credit: © UNHCR



Helping people in need

Supporting food security across our communities in the US

In 2025, Hikma strengthened its long-standing commitment to addressing food insecurity by expanding partnerships, deepening community engagement, and increasing direct support to food banks across the US.

As part of this commitment, Hikma proudly reaffirmed its role as the Fresh Food Sponsor for The Emergency Assistance Center (TEAC). Through this sponsorship, Hikma helped ensure that TEAC could provide families with access to fresh, nutritious foods—an essential component for building healthier, more resilient communities. The renewed partnership enabled TEAC to expand the availability of produce, dairy, and other perishable items that many families struggle to afford.

Recognising the growing need for accessible food and healthcare, Hikma also added the Cherry Hill Free Clinic to its network of food bank and pantry partners in 2025. This new collaboration supports the clinic's integrated approach to health and wellness, allowing patients and community members to receive not only medical care but also reliable access to healthy foods. By supporting organisations that combine nutrition and healthcare, Hikma amplified its social impact beyond the traditional boundaries of food assistance.

Across all partnerships, Hikma contributed more than 200,000 meals to food banks nationwide in 2025. These donations helped alleviate food insecurity in some of the most vulnerable regions and supported local organisations in meeting the increased demands created by economic pressures and rising living costs.

Through sustained partnerships, expanded outreach, and significant meal contributions, Hikma continues to live its values – supporting health, dignity, and stability for the communities it serves.

Sustainability at Hikma continued

Empowering our people

Shaping a culture of progress and belonging



CSRD alignment: IROs associated with this pillar			
IRO description	CSRD classification	IRO type	Value chain classification
Hikma's working environment helps provide the conditions for the Group to attract and retain skilled talent. It includes access to high-quality benefits, development programmes and a workplace with a strong corporate culture, which in turn affect employee engagement levels and promote stability.	ESRS: S1 Own workforce Sub-topic: Working conditions Sub-sub-topic: Secure employment	Impact (positive, actual)	Own operations (enterprise-wide)
Hikma's Health and Safety Policy Statement ensures appropriate governance of health and safety initiatives and the accuracy of information to understand and safeguard wellbeing and safety across Hikma's operations.	ESRS: S1 Own workforce Sub-topic: Working conditions Sub-sub-topic: Health and safety	Impact (positive, actual)	Own operations (enterprise-wide)
Hikma promotes equitable treatment across its 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.	ESRS: S1 Own workforce Sub-topic: Equal treatment and opportunities for all Sub-sub-topic: Training and development	Impact (positive, actual)	Own operations (enterprise-wide)

Pinnacle metric: People voice survey (engagement and enablement) 73%, 69%



Wellbeing and development

We prioritise the wellbeing and development of our people as core pillars of our corporate culture. In 2025, we focused on and expanded programmes aimed at supporting the mental, physical and emotional health of our colleagues while fostering their personal growth. We developed a more structured and integrated approach to promoting wellbeing while remaining flexible to the local preferences of our people as determined by regular engagement and feedback channels.



Launching our Career Management framework

The Career Management framework is a strategic initiative launched this year that is designed to empower people in taking ownership of their professional growth. The framework offers a transparent, structured approach to career development across key job families, including R&D, Manufacturing, Engineering, Supply Chain, Procurement, Logistics, Quality, Sales, and Marketing. It defines and outlines the progression pathways, core competencies and specialised skills for our colleagues to fulfil their career aspirations while supporting organisational needs.

Programme objectives

- Enhance Engagement: provide clarity on career paths and growth opportunities for employees
- Support Talent Development: define behavioural and technical competencies for each role
- Enable Mobility: facilitate internal movement within the organisation

The launch marks a major step toward fostering a culture of growth and accountability. In 2026, the framework will expand to additional job families, reinforcing Hikma's commitment to continuous development.



We prioritise the wellbeing and development of our people as they constitute core pillars of our corporate culture."

Sustainability at Hikma continued



Inclusivity

At Hikma we are proud to have a workforce consisting of people from all backgrounds contributing to our success. You can find more information on this in the corporate governance section of this report, on page 96.

Guided by the DMA findings, we prioritise equitable and inclusive access to growth and development for all of our colleagues, regardless of ethnicity, gender or other non-merit-based characteristics. We also 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 colleagues in achieving their full potential.

In 2025, we updated our Global Inclusion Policy to ensure fairness and equity across all stages of the employee experience including hiring, promotions, succession planning, and career development. This update reinforces our commitment to creating a workplace where decisions are transparent and merit-based, supported by efforts to apply inclusive practices consistently.



Multipliers and Blanchard programmes

The Multipliers and Blanchard programmes were established to develop our people's leadership potential and empower people to grow within our organisation. These programmes, established in 2023, cultivate our homegrown talent and support our culture of belonging.

Multipliers programme: This programme empowers leaders in fostering the intelligence and creativity of their respective teams. 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.

Blanchard programme: This programme helps leaders to tailor their leadership approaches to be more flexible and 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.

Operational health and safety

Our aim is to maintain or exceed industry standards in safeguarding the health and safety of our people. Our global health and safety policy offers a standardised approach to ensuring effective protocols are in place and our people are well-informed about health and safety guidelines. We continue to focus on promoting the physical, mental and emotional health of our people. We organised mental health and mindfulness webinars for employees, enhanced workspaces for pregnant colleagues and wellness days focused on nutritional and physical awareness.

We continue to collect and refine metrics that reflect our performance related to the health and safety of our people. These metrics are disclosed in our Sustainability Report and undergo regular internal audit exercises to ensure consistency and accuracy in data collection and validation.



Hikma wins the United Nations 'Governance & Women on Boards Award'



In 2025, Hikma was recognised at the United Nations Women's Empowerment Principles (UN WEPs) End of Year Ceremony, hosted under the theme 'Building WEP's Momentum – Surging Women's Employment in Jordan through the Private Sector.' We have remained signatories to the UN WEPs since 2023 and are committed to supporting the principles within our organisation.

The event was held in Amman, Jordan and brought together the country's leading private sector organisations in an engaging forum. The award recognised Hikma as a company that has demonstrated a strong commitment and tangible progress towards increasing the representation of women in senior governance roles and on the Board.

Supporting employees whose children have disabilities

In recent years, we established programmes to address the challenges faced by colleagues that have children with disabilities. Our financial assistance programme supports 37 people, through which financial aid is directed towards providing therapy, specialised education and essential equipment. We continue to focus on directing assistance to those colleagues living in areas with limited government support channels.

37 people

supported by our financial assistance programme

Our purpose in action

Investing in the development of our people for long-term growth

Our success is driven by the talent and commitment of our people. In 2025, we invested in programmes to strengthen our global talent pipeline and empower colleagues across all operations. These efforts build a future-ready workforce equipped to adapt to new technologies, advance careers, and deliver better healthcare outcomes.

With 9,400 employees worldwide, we focus not only on enhancing technical and leadership skills but also on creating an environment where colleagues feel valued, engaged, and supported in their wellbeing.

Creating clarity through career pathways

We updated our Career Management framework, bringing greater clarity and consistency to roles across the organisation. This enables colleagues to understand growth opportunities with clearly defined skills and experience required for advancement.

Strengthening leadership capability

Building strong leaders at every level remains central to Hikma's strategy. During the year, we continued delivering our core leadership programmes – Blanchard and Multipliers. A total of 149 people managers globally participated in these programs to strengthen their leadership and people management capabilities.

Accelerating careers through mentorship

To support early career growth, we launched a mentorship programme connecting 98 colleagues with senior leaders. This initiative strengthens collaboration, accelerates knowledge transfer, and helps our colleagues shape long-term careers at Hikma.

Developing future capabilities

Guided by our AI Advisory Board, we launched the Hikma Digital Academy, which complements other training programmes already active, to build digital fluency and analytical skills. In its first year, more than 570 people completed 3,350+ courses, gaining practical capabilities that improve data use, decision-making, and efficiency.

Colleagues also completed around 75K hours of training in other areas, an almost 15% increase versus 2024, reflecting both our investment in continuous learning and employees' appetite to upskill. We further supported 20 colleagues through higher education programmes, for advanced degrees and specialised qualifications that enrich teams with new expertise.



Our success is tied to the growth and achievements of our people. By investing in skills, opportunity and collaboration, we are building a stronger, more connected team, ready to shape healthier futures."

Hussein Arkhagha
Chief People Officer



Sustainability at Hikma continued

Protecting the environment

Supporting a healthier planet



CSRD alignment: IROs associated with this pillar			
IRO description	CSRD classification	IRO type	Value chain classification
Hikma's raw materials sourcing, manufacturing processes, distribution activities and disposal of medicines lead to GHG emissions which impact climate.	ESRS: E1 Climate change Sub-topic: Climate change mitigation	Impact (negative, actual)	Upstream, own operations and downstream (across the value chain)
The availability of fresh water supply is critical to Hikma's manufacturing processes and must be managed responsibly to ensure local communities and ecosystems have access, particularly in water-stressed areas such as the Middle East.	ESRS: E3 Water and marine resources Sub-topic: Water Sub-sub-topic: Water consumption	Impact (negative, actual) Financial Risk	Own operations (primarily MENA)

Pinnacle metric: Scope 1 and 2 CO₂ emissions reduction since 2020 (16)%

Environmental sustainability targets

Target	2025 Progress	Status	Our aim for 2026
By 2030, reduce our Scope 1 and 2 emissions by 25% (baseline: 2020) L	We invest 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, introduce long-term carbon reduction targets and implement key renewable energy projects S	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, begin implementation of key renewable energy projects and introduce 2030+ carbon reduction targets
By 2028, deliver key aspects of the ISO 46001 water efficiency management system in the MENA region L	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

GHG 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 emissions profile and performance

We use 2020 as our baseline year for our carbon footprint and emissions recalculation policy. To accurately track progress toward our carbon reduction targets, we adjust our base year emissions inventory and the most recent reporting year to account for significant structural changes. A significant change is defined as an increase or decrease in base year emissions (tCO₂e) of more than 5% from any source.

In Q4 2024, we acquired two sites through the Xellia Pharmaceuticals acquisition, one in Bedford, US and the other in Croatia. At that time, activity data was not available, and neither site was fully operational. We included an estimate of both sites' full-year emissions in our 2024 carbon footprint based on the sites' floor area (~3,547 tCO₂e based on three months of available data), as otherwise these emissions would not have been reported anywhere else. We did not adjust the base year because the estimate of the new sites' emissions was less than 5% of the base year total.

In 2025, after ramping up activity at the sites, we calculated these sites' emissions and used the same activity data to estimate both sites' emissions in 2020 as if they were operating at the same level of activity. This allows us to compare our 2025 emissions with our base year emissions on a like-for-like basis. The estimated 2020 emissions exceed 5% of the base year emissions on this like-for-like basis and therefore justify a restatement of our baseline emissions.

As this scenario was not previously anticipated in our reporting criteria, we have updated these to further clarify conditions for any base year restatement. We have determined that the emissions footprint of an acquisition or the change of ownership of an asset or assets shall be incorporated into our emissions inventory within one reporting year following the transaction's completion. This more clearly defines when and how to add estimated emissions totals to the base year and most recent years (ie when a full year of data is available).



Measures to mitigate our impact on climate change

We pursue long-term, feasible opportunities to reduce our emissions footprint. In our European facilities, we source our electricity from green sources. In Jordan, we have established onsite renewable energy generation that constitutes 15% of our electricity consumption in the country. In addition, we have onsite renewable energy generation in Morocco, Portugal and Saudi Arabia; with our onsite renewable energy capacity increasing 354% between 2021 and 2025. We intend to expand onsite capacity in future years, in line with achieving our 2030 emissions reduction target.

“We continuously pursue opportunities to reduce our emissions footprint.”

As a result of adding the new sites to the base year, our 2020 emissions will increase by approximately 10,243 tCO₂e. In 2025, the same sites' emissions are estimated to be 9,193 tCO₂e (with the difference due primarily to evolving emissions factors).

In 2025, our Scope 1 and 2 emissions (market-based) measured 130,742 tonnes of carbon dioxide equivalent (tCO₂e). Compared to our base year of 2020, we have reduced our emissions by 16%.

Going forward, we will pursue opportunities to increase energy efficiency through new machinery and improved operational processes.

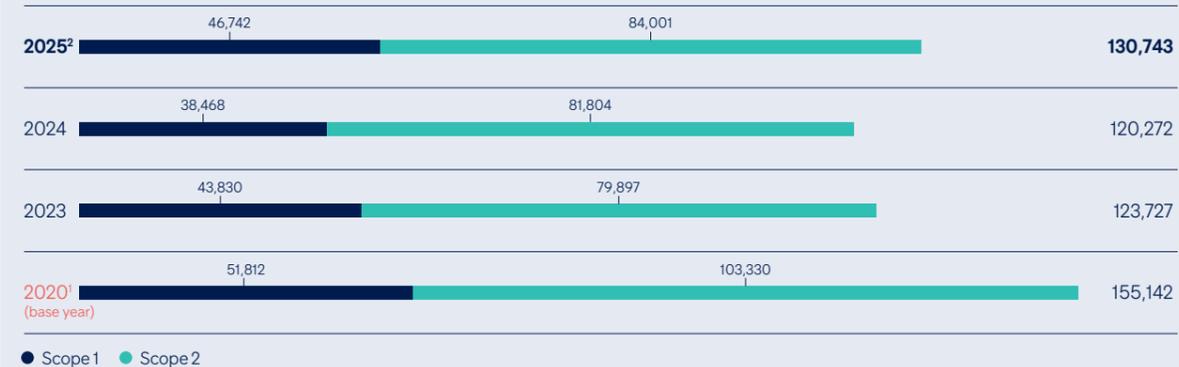
We also aim to continue the development of renewable energy generation at our sites and the purchase of electricity from green sources where feasible, viable options exist.

Sustainability at Hikma continued

GHG emissions (tCO₂e)

	2020 ¹ (base year)	2025 ²	2024	2023
Scope 1 – Combustion of fuel and operation of facilities	51,812	46,742	38,468	43,830
Scope 2 (market-based) – Electricity	103,330	84,001	81,804	79,897
Total Scope 1 and 2 emissions (market-based)	155,142	130,743	120,272	123,727
Year-on-year change in Scope 1 and 2 emissions (market-based)	N/A	9%	(2)%	3%
Change in Scope 1 and 2 emissions (market based) since base year 2020	N/A	(16)%	(29)%	(25)%
Scope 2 (location-based) – Electricity	100,752	92,575	87,237	83,536

GHG emissions (tCO₂e)



- The base year 2020 emissions and energy footprint was adjusted in 2025 to account for the Xellia acquisition of sites in the US and Croatia. Emissions restatements that are conducted to account for site acquisitions are applied when the acquired emissions makes up more than 5% of the total emissions footprint. This is in line with our reporting criteria and the GHG Protocol. The amount of 10,243 tCO₂e and 21,737 MWh was therefore added to the 2020 baseline year. No restatements were made for other comparative years (2023 and 2024)
- Our 2025 reported figures for energy and emissions are based on actual consumption for Q1–Q3 and a Q4 estimation, as per the methodology in our reporting criteria. Full year emissions are published in Q2 2026 in our Sustainability Report 2025

Energy consumption (MWh)

	2020 (base year)			2025			2024			2023		
	UK	ROW	Total	UK	ROW	Total	UK	ROW	Total	UK	ROW	Total
Electricity	129	222,619	222,748	168	250,802	250,970	168	229,038	229,206	168	217,876	218,044
Fuels ³	871	240,396	241,267	69	232,118	232,187	712	191,667	192,378	21	213,367	213,388

- In 2025, we used actual data to determine energy consumption from fuels while in previous years, based on availability of invoices, we used estimations of varying methodology

Emissions intensity by revenue⁴ (tCO₂e/\$m revenue)

	2025	2024	2023
Scope 1 and 2 emissions (market-based)/revenue	39.0	38.1	43.1
Scope 1 and 2 emissions (location-based)/revenue	41.6	39.8	49.5

- Emissions intensity is calculated using Group-wide core revenue (\$m)
 - Revenue 2023: 2,875
 - Revenue 2024: 3,156
 - Revenue 2025: 3,349



Hikma AMC facility in Jordan wins Green Factory Award

Our AMC facility in Jordan was awarded the Green Factory Award in 2025. The award was established by the Jordan Chamber of Industry (JCI) in cooperation with the German Agency for International Cooperation (GIZ) to encourage environmentally responsible business practices and lay the groundwork for the country's transition to a green economy. AMC's progress in adopting energy-saving production methods, waste reduction and increased use of eco-friendly materials all contributed to receiving the 2025 award.



The Hikma AMC facility adopted energy-saving measures and increased the use of eco-friendly materials."

UK emissions

The Group operates one location within the UK, where we are listed, which is an office building that is managed by a third party.

During the year, the UK site consumed 237 MWh of energy, which is equivalent to 84 tCO₂e. The 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.

Reported fuel use between 2020 and 2025 for the UK was an estimate that was developed based on employee headcount. The Group does not provide transport within the UK other than via private hire vehicles for which consumption data is not available.

UK emissions (as a percentage of Group Scope 1 and 2 emissions)

0.06%



Improving water efficiency at our Morocco facility

Water management is one of our main environmental focus areas due to its importance to our manufacturing process and the water scarcity issues prevalent in many of our operating locations. In 2025, we completed several projects in Morocco that improve how we use and manage water at our facility. We implemented a water reuse initiative whereby rejected purified water is treated and reused for irrigation and maintenance. This initiative saves more than 7,500 cubic metres annually.

We also significantly increased our water storage capacity, improving water security, mitigating supply risks and reinforcing our business resilience. Increasing our water reserve capacity from 60 cubic metres to 750 cubic metres at our site strengthens the reliability of water access at our production facility.

7,500

cubic metres saved annually

Sustainability at Hikma continued

Scope 3 emissions

We began measuring our indirect, Scope 3 emissions in 2021, prioritising the oversight of emissions most relevant to our business. We continue to refine the quality of our emissions measurements and engage with our suppliers to better understand their commitments to emission reductions.

We continue to improve oversight of emissions generated through our value chain and are taking measures to include emissions categories that are relevant but not yet calculated. We expect to determine all categories' relevance by the end of 2026.

Water and waste management

The management of our water consumption and waste generation are core components of our sustainability strategy. Water use is essential to the manufacturing process for pharmaceuticals, particularly injectable products. Moreover, many of the locations where we operate, primarily those in MENA, have water scarcity issues. These considerations were reflected in our DMA and in water screening exercises conducted in previous years. In order to manage these risks and dependencies, we are prioritising water

management and efficiency, particularly in locations where water scarcity and water security issues are highest.

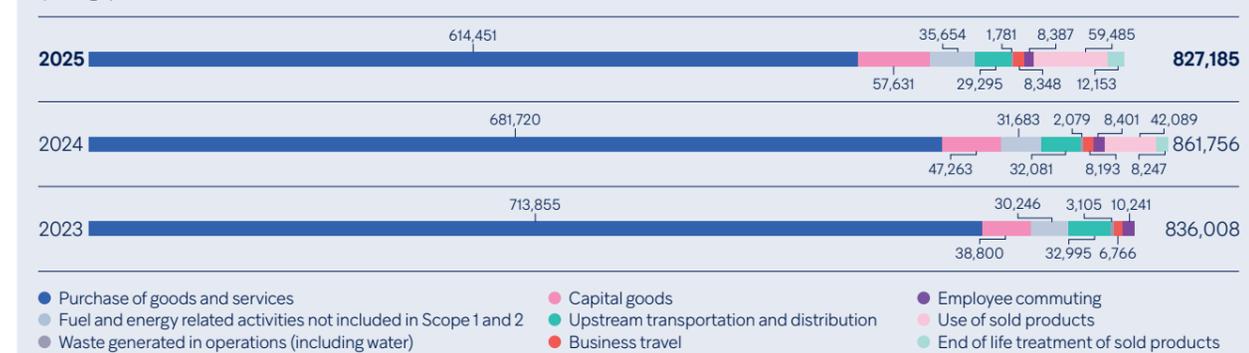
We have in place formal ambitions to identify gaps and opportunities for efficient water use in the region, and an ambition to set water-related targets for sites in MENA that impact water consumption, reuse, and alignment with best practices.

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

GHG emissions, Scope 3 (tCO₂e)

Scope 3 category	Category description	Notes	2025	2024	2023
1	Purchase of goods and services		614,451	681,720	713,855
2	Capital goods		57,631	47,263	38,800
3	Fuel and energy related activities not included in Scope 1 or Scope 2		35,654	31,683	30,246
4	Upstream transportation and distribution		29,295	32,081	32,995
5	Waste generated in operations (including water)		1,781	2,079	3,105
6	Business travel		8,348	8,193	6,766
7	Employee commuting		8,387	8,401	10,241
8	Upstream leased assets	not relevant	-	-	-
9	Downstream transportation and distribution	relevant, not yet calculated	-	-	-
10	Processing of sold products	not relevant	-	-	-
11	Use of sold products		59,485	42,089	-
12	End of life treatment of sold products		12,153	8,247	-
13	Downstream leased assets	not relevant	-	-	-
14	Franchises	not relevant	-	-	-
15	Investments	not relevant	-	-	-
Total			827,185	861,756	836,008

GHG emissions, Scope 3 (tCO₂e)



Operating transparently and ethically

Upholding ethical standards and acting with integrity



CSRD alignment: IROs associated with this pillar

IRO description	CSRD classification	IRO type	Value chain classification
Hikma's corporate culture focuses on the values of caring, collaboration and innovation, which are integrated into all aspects of the Group's operations, affecting financial performance.	ESRS: G1 Business conduct Sub-topic: Corporate culture	Impact (positive, actual) Financial Opportunity	Upstream, own operations and downstream (across the value chain)
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.	ESRS: G1 Business conduct Sub-topic: Corruption and bribery Sub-sub-topic: Incidents	Financial Risk	Upstream, own operations and downstream (across the value chain)

Pinnacle metric: CoC training completion rate

99%

Ethical business conduct

Conducting business with ethics and integrity is a shared responsibility for everyone at Hikma and is fundamental to our corporate culture and how we do business. We are committed to upholding the highest ethical standards in all facets of our business and across our value chain.

Our CoC provides an overview of the legal, regulatory and ethical requirements and expectations for our people, partners and those that we do business with. Our CoC is available in seven languages and shared with all colleagues. Our colleagues, officers and directors are trained on the CoC as part of their induction and are provided refresher training periodically. The completion rate for our CoC training in 2025 was 99%.

Corporate governance

The CREC promotes and oversees our commitments to business integrity, compliance, communities, ethical conduct, and key aspects of Hikma's sustainability strategy.

Governance of sustainability

Board of Directors – CREC
Overarching oversight of sustainability

Executive Committee
Leadership and alignment of sustainability with corporate strategy

Sustainability team

Executive Sponsor-led:
Steer and coordination

Global functions and site management teams

ESG Committee:
Access to Medicine

Employee networks

ESG Committee:
Environmental Sustainability

Sustainability at Hikma continued

Responsible value chain

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.

Our Supplier CoC continues to be the cornerstone of our supplier onboarding process, ensuring that all suppliers comply with relevant laws, maintain high-quality standards, and operate with integrity. This commitment is key to fostering trust and transparency throughout our supply chain.

The Code outlines critical areas including regulatory compliance, labour rights (with a focus on preventing modern slavery), product quality assurance, and environmental sustainability. By adhering to these principles, we actively manage risks related to fraud, contamination, and non-compliance, safeguarding the integrity of our operations. The Supplier CoC is publicly available on our website for full transparency.

To ensure that all our suppliers – both new and existing – meet these standards, we utilise a comprehensive assessment process via our third-party platform, Moody's. This platform evaluates suppliers based on a set of risk criteria, categorising them according to their risk level.

Suppliers identified as high-risk undergo more rigorous due diligence to ensure they meet our ethical standards. We continuously monitor these suppliers to stay proactive against reputational, compliance, and other risks, including sanctions, negative media attention, and potential political affiliations. This real-time monitoring is integrated seamlessly into our broader risk management framework, combining our supplier portal, Moody's risk data, and EcoVadis's sustainability rating tool. This integrated system enables us to maintain transparency and uphold our due diligence processes across our entire supply chain.

In 2025, we significantly advanced our supplier screening capabilities with the introduction of IQ+Vitals, a tool that enhances our ability to assess a larger volume of suppliers efficiently. We were able to extend our due diligence coverage to nearly 75% of our total spend. With IQ+Vitals, we could identify and flag high-risk suppliers more quickly, enabling us to take swift action. For those flagged as high-risk, we issued tailored questionnaires and engaged directly with the suppliers to address and mitigate any identified risks. This proactive engagement ensures that we are not only identifying potential vulnerabilities



but also working collaboratively with our suppliers to resolve them, further strengthening the integrity of our supply chain.

Our Modern Slavery Task Force, which includes experts from procurement, legal, and compliance, leads a proactive, risk-based approach to assess and reduce the risk of any form of modern slavery across our supply chain.

During 2025, we expanded the range of supplier categories assessed as having potential exposure to modern slavery risks. This enhanced scope was supported by additional, targeted modern slavery questionnaires, complemented by insights from EcoVadis evaluations and the IQ+Vitals screening tool. These combined mechanisms enabled deeper visibility into supplier practices and risk profiles.

Where potential risks were identified, we engaged constructively with suppliers – and through this collaborative approach, we addressed areas of concern, reinforced expectations, and confirmed that any identified risks were mitigated. This ongoing engagement reflects our commitment to continuous improvement and to upholding the highest standards of ethical conduct across our supply chain.

In 2025, we engaged our top 200 suppliers through a compliance survey. The survey measured suppliers' perceptions of Hikma's ethical business practices and their alignment with our Supplier CoC, strengthening oversight and engagement with our key suppliers.

Looking forward, we will continue to refine and implement our approach, ensuring it evolves in line with emerging best practices and legal requirements.



We are fully committed to working closely with our suppliers and downstream stakeholders to ensure a responsible value chain."



TCFD disclosure

This section includes disclosures that are consistent with the requirements outlined within the Task Force on Climate-related Financial Disclosures (TCFD) as well as the mandatory reporting requirements set out in the Companies Act relating to Climate-related Financial Disclosures (CFD).

As a UK-listed company, and in accordance with UK Listing Rule (UKLR) 6.6.6(8), this section summarises our progress as of 31 December 2025 against the four TCFD pillars and 11 TCFD recommendations. Our approach follows the TCFD's All Sector Guidance. Data and records that support these disclosures are retained in accordance with the UK Financial Conduct Authority requirements for listed entities. Our disclosures are fully consistent with nine of the TCFD recommendations and partially consistent with two recommendations, as set out on pages 66 to 68, recognising that we will continue to improve and refine our implementation of the recommendations. Our TCFD and CFD disclosures have supported the awareness and integration of climate-related issues into our broader business strategy.

Compliance statement and index table

Consistency: ● Consistent ● Work in progress

Disclosure	Consistency	Status	Reference
Governance			
a) Describe the board's oversight of climate-related risks and opportunities	●	<ul style="list-style-type: none"> The Board has ultimate responsibility for Hikma's Sustainability strategy and monitors the impact of climate change on the Group and the Group's impact on the environment. Climate-related risks are considered by the Board and are included in the ERM programme. The Board also reviews progress in relation to the metrics and targets defined for climate-related risks and opportunities The Board, through the Compliance, Responsibility and Ethics Committee (CREC) receives ESG-related updates from the EVP Strategic Planning and Global Affairs – a member of the EC – and the VP of Sustainability, including climate-related risks and opportunities, progress against environment-related targets, and any changes in risk status 	Page 70
b) Describe management's role in assessing and managing climate-related risks and opportunities	●	<ul style="list-style-type: none"> Hikma's VP Sustainability leads the Group's assessment of climate-related risks and opportunities and manages these through the cross-functional TCFD Working Group, which includes relevant internal stakeholders The VP of Sustainability also oversees the implementation of the Group sustainability strategy The Environmental Sustainability Committee, chaired by two EC members including our Chief Executive Officer, oversees our climate-related action plans 	Page 70

Disclosure	Consistency	Status	Reference
Strategy			
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	●	Through climate scenario analyses (CSA), Hikma has identified and assessed climate-related risks associated with carbon pricing, energy pricing, water stress, and physical impacts on our facilities, such as floods and storms. Hikma has also evaluated climate-related opportunities, including conducting a CSA that assessed the financial opportunity of increasing onsite renewable energy capacity within our facilities.	Page 73
b) Describe the impact of climate-related risks and opportunities on the business, strategy, and financial planning	●	<ul style="list-style-type: none"> The financial impact of climate-related risks has been considered over three separate time horizons to 2050 Until 2030, which we consider to be short term for the purpose of climate-related risk analyses, the financial impact is not material under all risk and scenarios analysed Beyond 2030 and 2040, the upper bound of financial impacts from carbon pricing and extreme weather may be material under specific long-term scenarios. However, once the velocity and likelihood of these risks are considered within our risk management process, the risks do not meet our financial materiality threshold as per the definition on page 158 We incorporate climate-related risks and opportunities into our business strategy and financial planning by budgeting for energy and water-use efficiency, increasing renewable energy capacity, and working with third-party advisers and consultants 	Pages 71, 74–78
c) Describe the resilience of the organisation's strategy, considering different climate-related scenarios, including a 2°C or lower scenario	●	The results of our CSA show that climate change is not expected to have a material impact on the Group's financial viability on a short-term time horizon to 2030 under all climate scenarios analysed. Our CSA, longer-term viability statement and impairment tests are aligned through common scenario inputs. Given the limited expectations for climate-related financial impacts, and when velocity and likelihood of risk have been considered, the Group believes that its strategy is robust and will be resilient to climate change in the short-, medium- and long-term time horizons.	Pages 74–78
Risk Management			
a) Describe processes for identifying and assessing climate-related risks	●	<ul style="list-style-type: none"> We regularly review and update our climate-related risk and opportunities register including input from business stakeholder workshops, peer review benchmarking, our risk management programme, and other sources The TCFD Working Group assessed risks and opportunities from the updated risks register in terms of likelihood, velocity, and impact at Group level Relevant climate-related risks and opportunities are assessed through climate scenario analysis. Physical risks are assessed across all sites, this will include the new locations from our Xellia acquisition when the CSA is next updated 	Pages 71–73
b) Describe processes for managing climate-related risks	●	Climate-related risks are identified, assessed, and managed by teams across the organisation, steered by our Sustainability function. The risk score and our risk appetite determine the level of escalation and monitoring within Hikma's risk management framework, with significant risks being escalated into our ERM process.	Pages 71–73
c) Describe how processes for identifying, assessing and managing climate-related risk are integrated into overall risk management	●	We regularly assess climate-related risks and review TCFD alignment as part of our ERM process, where climate change is characterised as an Emerging Risk.	Pages 71–73

TCFD disclosure continued

Disclosure	Consistency	Status	Reference
Metrics and targets			
a) Disclose metrics used to assess climate-related risks and opportunities in line with strategy and risk management process	●	Metrics used to assess our climate-related risks and opportunities include Scope 1, 2 and 3 emissions, electricity consumption, emissions intensity, water consumption and waste generation among others.	Page 60
b) Disclose Scope 1, Scope 2 and Scope 3 GHG emissions and related risk	●	We disclose details of our Scope 1 and 2 and nine relevant categories in Scope 3 GHG emissions. Five Scope 3 categories have been determined to be not relevant. One category (Cat 9) is determined to be relevant but not yet calculated and we are working to introduce disclosures for these categories in our 2026 carbon footprint.	Pages 60, 62
c) Describe targets used to manage climate-related risks and opportunities and performance against targets	●	Increasing energy costs and carbon pricing presents potential risks to our business. We manage our climate-related risks, opportunities and performance against the following Scope 1 and 2 and water-related targets: – Reduce our Scope 1 and 2 GHG emissions by 25% by 2030, using a 2020 baseline – By 2026, introduce further carbon reduction targets and implement key renewable energy projects – By 2027, deliver key aspects of the ISO 46001 Water Efficiency Management System in the MENA region We currently do not have Scope 3 targets in place but proactively engage with our key suppliers to raise awareness about sustainability. We are working to improve our understanding of emissions in our value chain and have an ambition to introduce Scope 3 targets in the medium term. We will consider this disclosure as consistent once a Scope 3 target has been set and established. In addition, we are actively engaging with our value chain partners to partially mitigate the impact of carbon cost pass-through in the future.	Page 58

Key improvements in 2025

- Introduced calculations for two relevant Scope 3 categories (Category 11: Use of Sold Products and Category 12: End of Life Treatment of Sold Products) to our 2025 carbon footprint reporting which were not previously calculated

Key improvements planned for the next two years

- We will continue to assess the remaining Scope 3 categories that are considered to be relevant. Calculations are ongoing for Category 9 and are planned to be included in our 2026 carbon footprint
- We plan to refresh our Climate Scenario Analysis (CSA) in 2027. This is in line with best practice to update the analysis every

- three years to ensure it remains relevant in light of evolving climate science, policy changes, and business context
- As part of the updated CSA we will include physical risks analysis for the new locations from the Xellia acquisition – these new sites did not trigger an immediate update from our previous CSA since the locations closely align with current operations already covered within the analysis

Trigger points

In line with good risk management practice, the TCFD Technical Guidance recommends that a CSA programme should be re-assessed when the context of the organisation changes.

The following 'trigger points' have been adapted from TCFD Technical Guidance. These trigger points were assessed by Hikma as part of the CSA Programme in 2024 and have been reviewed again in 2025.

Trigger point	Assessment
1. Key location changes in a company's portfolio. If companies expand into new regions, they are likely to encounter novel physical and transition risks.	In September 2024, Hikma acquired Xellia's US-based finished dosage form business and related assets, including a manufacturing site in Bedford (OH), an R&D centre in Zagreb (Croatia) and a commercial office in Chicago (IL). These facilities will be included in future CSA assessments, however an immediate assessment of physical risks for these locations was not deemed necessary as they largely align with site locations already included within our assessments.
2. Release of updated climate scenarios and models which may impact the projections of risks and opportunities.	N/A
3. Developments in climate-related policies previously unforeseen during the original climate scenario analysis process.	N/A
4. Changes to company's strategies or operations leading to changes in the materiality of climate risks and opportunities to the business.	There have not been any significant changes to the Group's strategy or operations that change the exposure to climate-related risks in 2025. This includes the acquisition of Xellia already mentioned.

TCFD disclosure continued

Governance

Board level oversight

Our Board of Directors, led by the Chairman of the Board, oversees our environmental sustainability strategy and considers climate-related matters throughout the year. Our EVP Strategic Planning and Global Affairs and VP of Sustainability provide ESG-related updates to the Board, including climate-related risks and opportunities, progress against environment-related targets, and any changes in risk status. This occurs in scheduled bi-annual presentations and in more regular updates to the Board's Compliance, Ethics and Responsibility Committee (CREC). ESG-related initiatives have been included in our five-year capital expenditure business plan, overseen by the Board. The Board has ultimate responsibility for the Group's approach to risk management and internal control and climate related risks are included in our ERM process. The Audit Committee (the Committee) oversees risk management and internal control activities with delegated authority from the Board (see Risk Management section, page 80).

The TCFD Working Group presented the findings from the TCFD work this year to the Committee. A general progress report is sent to the Chairman of the Board three times a year. The report includes a section on TCFD-related projects progress and environmental impact reporting.

The Remuneration Committee linked environment-related targets to the three-year Long-term Incentive Plan (LTIP) and the annual bonus award for the Executive Chairman, the Executive Vice Chairman of the Board and the CEO. The targets were related to emissions reduction and approach to water stewardship. More information on metrics linked to executive remuneration can be found at pages 138 and 139.

Management level leadership

Our EVP Strategic Planning and Global Affairs, who reports directly into our CEO, heads up the TCFD Working Group that started in 2021 and consists of senior representatives from Group Risk Management, Procurement, Finance, Sustainability and Investor Relations. This group leads our internal cross-functional efforts to integrate the TCFD recommendations into our business and meets on a regular basis.

Our VP of Sustainability, who reports to our EVP of Strategic Planning and Global Affairs, sets the sustainability strategy and the alignment of TCFD findings and recommendations with the broader corporate strategy.

Our crisis and continuity teams work closely with members of the TCFD Working Group and provide insight into the potential impact of climate-related risks on our operations. In addition, external consultants help progress our understanding of Hikma's climate-related risks and opportunities. The Environmental Sustainability Committee, chaired by two EC members, meets more than annually to review metrics, progress against TCFD recommendations and our targets and oversees the development of action plans. We continue to focus on strengthening our ESG governance, including climate change, at all levels of the organisation.

Risk management

Process for identifying and assessing climate-related risks

We conduct risk identification and assessment exercises as part of the ERM process with all risk owners across the business (see page 83 for details on our risk processes). The outcomes of these reviews feed into the TCFD Working Group's assessment of the most relevant climate-related risks for Hikma. The TCFD Working Group monitors relevant current and emerging regulation, market risks, reputational risks, technology risks and acute and chronic physical risks.

The Board has overall responsibility for Climate-Related Risks and Opportunities (CRROs), while the EC provides leadership in managing them. The Sustainability management team, led by the VP of Sustainability, oversees sustainability matters and the identification of climate related risks and opportunities. The TCFD Working Group is a cross-functional group that includes senior leaders in Finance, Risk, Sustainability, Procurement, Legal and Investor Relations teams.

The VP of Sustainability oversees the identification, assessment and management of CRROs, and works with other functions including the Risk Management team to integrate them into the Group's overall risk management process. Updates to CRROs are considered on an annual basis.

CSA methodology

To regularly assess Hikma's climate-related risks and opportunities over the short, medium and long term, we conduct Climate Scenario Analysis (CSA) including financial impact assessment with support from third-party experts. These exercises assess a range of potential climate-related risks and opportunities across multiple different climate scenarios and time horizons drawing on public reference projections for changes to the climate system, socio-economic pathways, energy market dynamics, technological progress and financial risks. Since initiating CSA in 2021, we have continuously refined our approach, including the refinement of our climate scenario narratives in 2023 as informed by climate projections, per the figure below.

Our CSA methodology undergoes annual review to ensure robustness and relevance. In recent years, we have expanded the geographic boundary to assess the water stress risk of some of our larger facilities including in Columbus (OH, US), Morocco, Portugal and Tunisia. We also assessed and quantified the opportunity of developing onsite renewable energy solutions at our facilities. In 2024, an independent review of our CSA work and our efforts to align with the TCFD recommendations concluded that we have a well-developed TCFD response with year-on-year improvement and clear management processes to assess climate-related risk. The outcomes of this review are provided in the below table, showing for each step of the CSA as per TCFD guidance¹, the consistency of approach with TCFD guidelines, and how we plan to improve this in future where relevant. These efforts remain integral to our climate risk strategy in 2025, as we build on previous work to deepen understanding of our climate-related risks and opportunities to support decision-making across the business.

Sustainability, risks and opportunities, and TCFD governance



Climate scenario narratives



The Low Carbon world – Disorderly transition is considered the most relevant scenario to Hikma and those scenario assumptions have been used in financial statement preparations for alignment.

Time horizons used for CSA

Term	Years	Financial alignment
Short term	2023–2030	Include five-year Business Plan and three-year Long-term Viability Statement (LTVS)
Medium term	2031–2040	Next 8–16 years, asset life of equipment
Long term	2041–2050	Next 17–26 years, asset lifetime of properties and facilities

1. For more information on CSA guidance, refer to Task Force on Climate-related Financial Disclosures Guidance on Scenario Analysis for Non-Financial Companies (2020), https://assets.bbhub.io/company/sites/60/2020/09/2020-TCFD_Guidance-Scenario-Analysis-Guidance.pdf

TCFD disclosure continued

Step in TCFD CSA guidance	Consistency	Key improvements and next steps
Engaging stakeholders	Consistent	We will continue to engage and inform key stakeholders about any current and future developments in our CSA approach, and to ensure that our stakeholders understand the purpose of the CSA process, the key steps conducted, and the outcomes.
Problem definition	Consistent	We conducted qualitative workshops to ensure our focal question was relevant to our business strategy and priorities, and linked to our CSA work.
Assessing context and identifying driving forces and uncertainties	Consistent	We conducted a workshop engaging key stakeholders to identify our key business drivers and review the list of identified climate-related risks and opportunities. We conducted a quantitative analysis of energy pricing risk after it was flagged through the workshop as a potential missing risk.
Understanding and describing scenario outcomes/pathways and writing qualitative scenario narratives	Consistent	We produced robust scenario narratives for three separate future climate scenarios: Orderly Transition, Disorderly Transition and High Carbon Scenario. We will continue to utilise these narratives to effectively inform stakeholders across the business about identified climate risks and opportunities.
Quantification of risks, opportunities and financial impacts	Consistent	We work with third-party experts to review applied models and identify/implement improvements, as well as to review the materiality of risks and opportunities and update accordingly.
Checking quality and avoiding pitfalls	Consistent	We work with third-party experts to conduct annual health checks of our CSA work and integrate recommendations and findings accordingly. We periodically update our CSA work and refine the scenarios and models used and integrate the findings into our overall strategy.
Strategic management using scenarios	Consistent	We assess the strategic relevance of risks that have not currently undergone quantitative modelling and ensure continuous monitoring and assessment of external environment and resilience strategies.
Disclosure	Consistent	We include the following in our annual disclosures: <ul style="list-style-type: none"> – Explanation of how identified risks and opportunities were prioritised – Clearly defined conditions for risk and opportunity assessment, including clear time horizons, likelihood and magnitude – Disclosure of financial impacts of risks from the quantitative modelling – Details of the climate scenarios used – Disclosure of all time frames considered – Explanation of how CSA results are integrated into our strategy and how our strategy may change to accommodate risks and opportunities identified

Integrating risk management processes

Climate-related risks are identified, assessed, and managed by teams across the organisation. Our risk management framework (see page 82) provides a structure for significant risks to be escalated and integrated into our ERM process.

Examples of how climate-related risks are managed and integrated into existing risk management activities include:

- Longer-term viability assessment: environment and climate change related risks are included in the assessment (see page 90)

- Crisis and continuity management programme: site assessments of physical risks and controls are undertaken (see page 88)
- TCFD alignment is considered as part of the 'Reputation' principal risk
- Climate change occurrence is monitored as an emerging risk

Strategy

Risks and opportunities identified

Through our risk management framework as set out in the Risk Management section of this report, the below climate-related risks (four risks) and opportunities (one opportunity), were selected from our climate-related risk register of 16 risks and opportunities as the most relevant for further analysis based on materiality assessed through qualitative assessment and stakeholder engagement.

Physical risks

- Impact of extreme weather events, specifically the impact of severe floods and storms
- Impact of chronic changes to the natural environment, specifically the impact of increased water stress

Transition risks

- Impact of carbon pricing, including carbon pricing mechanisms, carbon pass-through costs in the supply chain and the increased cost of raw materials
- Impact of energy pricing

Climate-related opportunities

- Impact of pursuing renewable energy solutions globally, including through generation, power purchasing agreements, and an active energy supply management strategy

Basis for determining materiality of climate-risks and opportunities

To assess the relevant climate-related risks and opportunities, the financial impact assessment of the Climate Scenario Analysis, as per the methodology outlined in the Risk Management section, are integrated into our Enterprise Risk Management system. We then apply a risk scoring matrix that considers likelihood, velocity of risks (the timescale for the risk impact to be felt), financial impact, and a wide variety of possible impacts including, but not limited to, delivery of strategic objectives, patient safety, product quality, reputation, continuity of supply, management time and effort to remediate. Once these factors are applied, the resulting risk scores and financial impacts are considered against our determined financial materiality benchmark used in

reporting, set at 5% of core profit before tax. In the most recent assessment based on 2024 financial data, this threshold was \$31 million. In the context of this climate risk assessment approach, the CSA results do not exceed our climate-related financial materiality threshold under all risks and scenarios analysed. While the upper bound of financial impact from carbon pricing and extreme weather events do exceed the threshold in the long-term under specific scenarios, after applying the scoring for their likelihood and velocity, their assessed materiality is significantly reduced and falls below the threshold. We will continue to monitor all relevant climate risks, and update materiality assessments to account for changes to impact, likelihood or velocity, ensuring mitigation measures are appropriate to ensure our long term resilience to climate-related risks.

The climate projections, scenarios and time frames used to assess each of the relevant climate-related risks and opportunities are outlined in the following table.

Risks	Climate Projections ¹	Associated climate scenario narrative			Timeline	Last assessed
		Low carbon world Orderly	Low carbon world Disorderly	High carbon world		
Physical risks						
Impact of storms	– NOAA and Bank of England 1.5°C, 2°C, 4°C, based off various NGFS Scenarios	–	Y	Y	2030, 2040, 2050	2021
Impact of floods	– IPCC RCP4.5 (~2.4°C), IPCC RCP8.5 (4°C)	–	Y	Y	2030, 2040, 2050	2023
Impact of water stress	– IPCC RCP 1.9, IPCC RCP 2.6, IPCC RCP 7.0, IPCC RCP 8.5 – Aqueduct Water Risk Atlas 4.0	Y	Y	Y	2030, 2040, 2050	2024
Transition risks and opportunities						
Impact of carbon pricing	– IEA APS, IEA NZE, IEA STEPS	Y	Y	Y	2030, 2040, 2050	2023
Impact of energy pricing	– EnerData EnerFuture database (EnerBase, EnerBlue, EnerGreen) ²	Y	Y	Y	2030, 2040, 2050	2023
Impact of pursuing Renewable Energy (RE) opportunities		Y	Y	Y	2030, 2040, 2050	2024

1. CBES = Climate Biennial Exploratory Scenario, IEA = International Energy Agency, IPCC = Intergovernmental Panel on Climate Change, NGFS = Network for Greening the Financial System, NOAA = National Oceanic and Atmospheric Administration, RCP= Representative Concentration Pathways, NZ= Net-zero, NZE=Net-zero emissions, APS=Announced Pledges Scenario, STEPS= Stated Policies Scenario

2. EnerData provides climate scenario specific energy pricing projections

TCFD disclosure continued

CSA results for relevant climate-related risks and opportunities

The CSA results for each of the climate-related risks and opportunities that are most relevant to Hikma, are summarised below. This includes the financial impacts (costs shown reflect prices at the time of analysis without adjustment for inflation), timeframes, calculation basis and Hikma's level of resilience for each risk and opportunity. These findings are the results of the latest CSA exercise undertaken for each risk and opportunity, more details of which can be found in the Risk Management section of this report.

	Financial impact – range across scenarios			Climate scenario narratives used
	2030: Short term	2040: Medium term	2050: Long term	
1. Transition risks				
Impact of carbon pricing Reflected as potential increase in procurement costs in assessed categories due to carbon fee, if unmitigated (not cumulative, annual)	\$3m – \$10m	\$7m – \$40m	\$8m – \$76m	Low Carbon world – Orderly transition Low Carbon world – Disorderly transition High Carbon world

How did we calculate the potential financial impact of carbon pricing?

We used SE Advisory Services' Carbon and Energy Pricing Tool, which is informed by academic research, CDP data, and publicly available carbon price projections from the International Energy Agency. Cost exposure is calculated based on projected carbon and energy prices, combined with Hikma's projected consumption of relevant goods and services.

How would this risk affect operations and financial planning?

Direct emissions from Hikma's purchased goods and services will be regulated by (future) carbon pricing mechanisms, climate regulation and carbon tax. Carbon pass-through costs from third parties in our supply chain, who are subject to carbon pricing (such as transport, distribution suppliers) will have an indirect impact on our cost base. Raw materials and packaging costs may increase due to climate-related constraints on plastics, labour and energy. We incorporated the following categories in our analysis: finished and semi-finished goods, upstream transport, energy, API, packaging, excipients, and intermediates.

Our diverse global presence (North America, Europe, MENA) sees varying degrees of sustainability advancement in our manufacturing countries, which necessitates constant monitoring and agile adaptation to evolving market conditions. It is anticipated that European operations face a higher risk from carbon pricing due to the expansion of the EU Emissions Trading System framework, however other regions such as China and MENA may also become exposed.

In the short term, increasing carbon prices do not exceed Hikma's materiality threshold in the context of climate-related risk under all scenarios analysed. In the medium and long-term, while the potential financial impact from carbon pricing does exceed the threshold under the Low Carbon world – Orderly transition scenario, after the consideration of velocity and likelihood is applied through our Enterprise Risk Management process, this risk is not considered material. This assessment reflects both the likelihood of the Low Carbon Orderly transition scenario, which is deemed to be low, as well as the medium to longer-term horizon which allows Hikma significant time to implement measures to address the risk should it materialise.

How are we managing this risk?

We routinely look at ways to manage our procurement costs and offset price increases. Our sustainable procurement programme aims to better understand the carbon impact of purchased goods and services. As a key mitigation strategy, we engage with key material suppliers to understand their carbon reduction objectives and the activities they are undertaking to move to renewable energy and increase energy efficiency in their operations. Through supplier engagement, we expect to be able to partially mitigate the impact of carbon cost pass-through in the future. In addition, our expansion of renewable electricity opportunities across our facilities globally also supports the mitigate of carbon pricing risk longer term by reducing emissions associated with electricity consumption. In our CSA, we calculated different potential mitigation scenarios, where the impact of carbon pricing would be constrained. While current exposure is low, it is expected that carbon costs will increase over the coming decade as more countries establish carbon prices. We continue to monitor developments.

What is our level of resilience to this risk?

We consider our level of resilience to the risk of carbon pricing over the short, medium and long term to be high. This is based on robust governance structure that includes Executive-level leadership in environmental sustainability and Board-level responsibility of the issue. Moreover, we have in place Group-wide targets and teams at the site level to identify and capitalise on relevant opportunities that emerge.

	Financial impact – range across scenarios			Climate scenario narratives used
	2030: Short term	2040: Medium term	2050: Long term	
2. Transition risks				
Impact of energy pricing Reflected as potential increase in procurement costs in assessed categories due to carbon fee, if unmitigated (not cumulative, annual)	\$3m – \$12m	\$7m – \$19m	\$14m – \$25m	Low Carbon world – Orderly transition Low Carbon world – Disorderly transition High Carbon world

How did we calculate the potential financial impact of energy pricing?

We used SE Advisory Services' Carbon and Energy Pricing Tool, which is informed by price projections from the EnerData EnerFuture database. Cost exposure is calculated based on projected energy prices, combined with Hikma's projected consumption of electricity and natural gas.

How would this risk affect operations and financial planning?

It is not certain that Hikma will face increasing energy costs over time, as governments have not pledged to implement policies directly intended to increase the cost of electricity and natural gas. However, limiting factors such as increasing energy demand because of population growth, technology and renewable energy investment, in combination with interrupted supply because of natural disasters, conflicts and limited metals may increase energy pricing in our value chain. The financial impact relates to the potential change in Hikma's energy cost from a 2022 baseline, reflecting an increase in energy cost for electricity and natural gas at our manufacturing sites and offices.

In both Low Carbon world scenarios, electricity prices rise through 2030 but tend to fall sharply afterwards, counterbalancing the impact of increased consumption. To further improve the modelling, transition to lower carbon energies should be included, as well as increased on-site generation capacity, which would reduce consumption and cost exposure.

How are we managing this risk?

Hikma is continuously evaluating opportunities to transition to renewable energy in each of our three regions (North America, Europe, MENA). To date, we have onsite solar capacity in Jordan, Kingdom of Saudi Arabia (KSA), Morocco and Portugal; and are considering further solar installations in Jordan and Cherry Hill, US. Opportunities differ in potential, depending on the maturity of the markets that we operate in and the required financial investments. Where price increases might occur, Hikma may choose to accelerate site and country-specific adjustments to substitute natural gas for electricity and vice-versa, based on the relative price of available energy sources. Future modelling should account for this possibility.

What is our level of resilience to this risk?

We consider our level of resilience to the risk of energy pricing over the short, medium and long term to be high. This is based on our robust governance structure that includes Executive-level leadership in environmental sustainability and Board-level responsibility of the issue. Moreover, we have in place Group-wide targets and teams at the site level to identify and capitalise on relevant opportunities that emerge.

TCFD disclosure continued

Financial impact – range across scenarios
2030: Short term 2050: Long term Climate scenario narratives used

3. Physical risks			
	2030: Short term	2050: Long term	Climate scenario narratives used
Increased frequency of extreme weather events, in particular the impact of severe floods and storms Reflected as potential event cost, including inventory loss & operational disruption caused by extreme weather event (not cumulative, one-off events or annual)	No impact anticipated	\$9 – 65m – one-off (storms) \$1 – 3.4m – annual (storms) \$14m – one-off (floods)	Low Carbon world – Disorderly transition High Carbon world

How did we calculate the potential financial impact of storms?

To calculate the potential financial impact of severe storms, we used data from the ThinkHazard database, the National Hurricane Centre and the National Oceanic and Atmospheric Administration portal to determine climate-related risk exposure baselines at Hikma's key operational sites (identified either by sales or climate risk exposure). A financial impact matrix was developed with degrees of asset and inventory loss or damage, and the length of operational shutdown was assumed based on the qualitative and quantitative narrative for each storm category in the Saffir-Simpson Hurricane Wind Scale. The one-off financial impact figures for storms represents the aggregate impact of potential storm events across all key operational sites assessed, where the upper limit represents the total combined impact of the worst possible storm event occurring at each of Hikma's key operational sites. The financial impact of storms was also calculated on an annual basis through to 2050, which provides a much lower impact value when compared to the one-off event analysis.

How did we calculate the potential financial impact of floods?

Hikma sites and key supplier sites were screened for both pluvial and coastal flood risk using the Aqueduct Flood Hazard Maps. In addition, a 15 km radius around Hikma sites was screened for indirect pluvial flooding risk. Financial modelling was conducted using operational disruption and loss from inundation at the facility. The potential financial impact refers to a one-off event with the most material impacts describing a 1/1000 flood event at Hikma's vulnerable sites. The impacts of such an event are largely consistent across all climate scenarios analysed and fall below Hikma's materiality threshold.

How would this risk affect operations and financial planning?

Extreme weather events impacting our facilities might cause interrupted manufacturing or supply of key resources. They may impact national infrastructure and could lead to power outages, restrictions on access for the supply chain and workforce leading to downtime, lost sales, fines and ultimately reputational damage. Extreme weather events may also impact critical suppliers leading to downtime, lost sales, fines, and reputational damage. While no sites were identified with direct exposure to inundation risk, more research is needed to assess the indirect inundation risk.

We conducted an analysis of the financial impact of an extreme storm impacting a site in the US. Through this analysis, we concluded that the potential financial implications of physical risks under the worst-case scenario High Carbon world (for extreme weather events) are anticipated to remain minimal through at least 2030. In the longer term, out to 2050, there is increased risk from extreme weather events particularly in a High Carbon scenario. The potential financial impacts for such one-off events do exceed the materiality threshold for Hikma when potential impact at all vulnerable sites is combined. However, after velocity (timescale) and likelihood of such events are considered through our Enterprise Risk Management process, this risk does not meet our materiality threshold. Nonetheless we will continue to monitor these risks and actively introduce mitigation measure as required to minimise potential financial impacts due to extreme weather as much as possible.

How are we managing this risk?

With the insights from our modelling and understanding that these risks are not significant to our sites at this stage, we will continue to engage with our operational facilities teams in the highest risk regions to ensure our business continuity and recovery processes are fit for purpose.

What is our level of resilience to this risk?

The findings of our long-term viability analysis for extreme weather indicates that our broad geographical footprint provides us with a robust level of resilience for extreme weather events in one location.

Financial impact – range across scenarios
2030: Short term 2050: Long term Climate scenario narratives used

4. Physical risks			
	2030: Short term	2050: Long term	Climate scenario narratives used
Impact of water stress Reflecting both potential change to total water cost and loss from production downtime (not cumulative, annual)	\$1.2m – \$1.3m	\$3.6m – \$5.5m	Low Carbon world – Disorderly transition Low Carbon world – Orderly transition High Carbon world

How did we calculate the potential financial impact of water stress?

Water stress is the ratio of total water withdrawals against available renewable surface and groundwater supplies. Increased water stress is a risk when reduced water availability impacts Hikma's operational requirements. This risk was quantified by modelling the potential future cost of water and potential EBIT loss due to production downtime because of water rationing. Total future water costs in our CSA consist of municipal water supply costs and water tanker costs (including fuel price projections). We assumed that the cost of municipal and tanker water change proportionally to water stress and a production site's water consumption will increase proportionally to the growth rate. At the same time, the number of days with a lack of access to water supply increases proportionally to the degree of water stress and the site's water storage mitigation. All total costs are based off future water consumption projected using the Hikma production growth rate.

How would this risk affect operations and financial planning?

Given that water is used for cleaning in our manufacturing processes, we consider water stress a risk. Water stress is likely to increase in the future due to increases in demands for water from growing populations and industry and from a decrease in fresh water supply due to climate change. Shortage and potential rationing of water could lead to disrupted operations and financially impact Hikma both through increased cost of water supply and from loss of EBIT from production downtime. Only direct and tangible financial impacts have been assessed in the 2023 and 2024 CSAs. Other consequences such as impacts on the workforce, increased political unrest or conflict, and impacts to third parties have not been assessed, but Hikma acknowledges them. Our CSA initially focused on four countries (Jordan, Saudi Arabia, Algeria and Egypt) in 2023, and expanded its focus to include Columbus (OH, USA), Morocco, Portugal and Tunisia. This ensured that all countries that we determined as water stressed are included in our analysis (Algeria, Egypt, Jordan, Morocco, Saudi Arabia and Tunisia). The analyses show that Hikma faces potential water stress in both baseline and future projection scenarios, resulting in increased water costs and potential loss of EBIT due to production downtime. At this stage, impact figures are not currently material and are partially mitigated by storage capacity.

How are we managing this risk?

To mitigate the risk of water shortage, we hold onsite storage capacity and have multiple water supply options at many sites. Other mitigation actions include implementing water reduction and saving initiatives on site. Our executive remuneration and both short-term and long-term incentive goals support good water management at all Hikma's sites in MENA (where water stress is most apparent) by establishing water management systems, processes and targets, and implementing opportunities for efficient water use. More information on metrics linked to Executive Remuneration can be found at .

What is our level of resilience to this risk?

We consider our organisation to have a high level of resilience on this issue due to our robust governance of environmental sustainability, our management of water-related issues at the global, regional and site levels and our focus on water-related goals and targets to drive more efficient consumption in water-scarce regions.

TCFD disclosure continued

Financial impact – range across scenarios

2030: Short term 2040: Medium term 2050: Long term Climate scenario narratives used

5. Climate-related opportunity	2030: Short term	2040: Medium term	2050: Long term	Climate scenario narratives used
Impact of pursuing renewable energy (RE) solutions Reflected as the potential financial benefit for Hikma to generate its electricity through onsite RE generation and RE-based Power Purchasing Agreements (PPAs), (cumulative 2030–2050, not annual)	\$85m – \$109m	\$176m – \$213m	\$244m – \$267m	Low Carbon world – Disorderly transition Low Carbon world – Orderly transition High Carbon world

How did we calculate the potential financial impact of pursuing RE solutions?

The analysis focused on answering the question: 'What would be the financial benefit for Hikma to pursue RE solutions through onsite electricity generation, as opposed to continuing to purchase electricity from the grid?' To answer this question, we compared the cost of onsite RE generation with the projected cost of electricity under different scenarios. We conducted a comparative analysis using scenario-specific energy consumption and cost data from previous carbon and energy pricing analyses for 24 sites, including only sites with over one GWh of annual consumption. These figures were compared with a technology-specific Levelised Cost of Electricity (LCOE)¹ for developing solar and wind (onshore and offshore) capacity across the countries of the 24 prioritised sites. The difference indicates the potential cost savings in three scenarios across short-, medium- and long-term. The figures represent estimates based on desktop research that utilised various assumptions to generate estimated savings over the relevant time horizons.

How would this opportunity affect operations and financial planning?

As most of our energy consumption is sourced from electricity, our previous analyses on carbon and energy pricing shows that the development of onsite RE capacity is an opportunity. Of this capacity, onsite solar generation has the largest savings potential. To date, we have onsite solar capacity in Jordan, KSA and Portugal; and are considering further solar installations in Jordan and Cherry Hill, US.

How are we managing this opportunity?

In 2024, we expanded solar generation in our Salt facility which also provides our MENA Head Office in Amman with green electricity through wheeling². We also installed solar generation in the Kingdom of Saudi Arabia (KSA) and Morocco. For more details on the actions we have taken and are taking to increase renewable energy consumption and generation, please see the 'Protecting the Environment' section on page 58.

Resilience of our strategy

The results of our CSA show that climate change is not expected to have a material impact on the Group's strategy or financial viability for the time horizon to 2030. Beyond 2030, the upper bound of financial impact from carbon pricing and extreme weather events do exceed the threshold for financial materiality in the long-term under specific scenarios. However, once the timescale over which these risks could materialise (their velocity), as well as their likelihood (for example a 1 in 1000-year flood across all vulnerable sites) is considered, their assessed materiality is significantly reduced and falls below our threshold. Nonetheless, we continue to implement measures which support the mitigation of these risks including supplier engagement to reduce carbon cost pass-through of carbon pricing, as well as ensuring our business continuity and recovery processes are fit for purpose in regions exposed to extreme weather events. As such, we consider our current level of resilience to all climate-related risks analysed to be high over the short, medium and long term. We will continue to monitor all relevant climate risks, and update materiality assessments to account for changes to impact, likelihood or velocity, ensuring mitigation measures are appropriate to ensure our long-term resilience to climate-related risks.

The outcomes from our Double Materiality Assessment (DMA) that was completed in 2025 (see page 42) evaluated shorter time horizons compared to the CSA that looked at longer time horizons. As such, our assessment of the impact of climate change from our CSA work aligns with the DMA in the short-term, as climate change was found not to be financially materiality for the Company through to 2030. However, water management was determined to be impact and financially material under the DMA, whereas the financial impact of water stress was not found to be material through the CSA. This is due to the DMA also considering the value chain and reputational considerations of water stress in local communities, while the CSA focused solely on a specific consideration of incremental water costs in MENA due to water rationing resulting from water stress. The results of both analyses support Hikma's ongoing assessment of risks and therefore are key to ensuring the long-term resilience of our strategy.

Our CSA, longer-term viability statement and impairment tests are aligned through common scenario inputs. We will continue to strengthen our monitoring metrics and understand where we need to improve our mitigation controls. Our model inputs in the CSA do not include mitigating actions on the part of Hikma, our suppliers, governments, or others, and cover time horizons well beyond our current business planning. We recognise that climate-related risks and opportunities will continue to develop over a significantly longer period and believe that we will be able to adapt our strategy and respond appropriately to emerging climate-related risks and opportunities that could have a material impact on the Group. We recognise that even with measures in place for mitigation and adaptation, climate-related risks cannot be fully mitigated, and some residual risk will remain. However, we will continue to identify and mitigate our material risks as far as possible and will build clear action plans and ownership to address any gaps and ensure our long-term resilience.

1. The LCOE is the discounted lifetime cost of building and operating a generation asset, expressed as a cost per unit of electricity generated (£/MWh). It covers all relevant costs faced by the generator, including predevelopment, capital, operating, fuel, and financing costs. This is sometimes called a life-cycle cost, which emphasises the 'cradle to grave' aspect of the definition – Source: UK Government Department for Energy Security and Net Zero; <https://assets.publishing.service.gov.uk/media/6556027d046ed400148b99fe/electricity-generation-costs-2023.pdf>

2. Wheeling refers to the transportation of energy from a generation site to a user through the existing municipal grid

Metrics and targets

As we continue to grow, we remain dedicated to minimising our environmental footprint. We are actively measuring and managing our energy and water consumption and are regularly reviewing opportunities to improve efficiency. We acknowledge the environmental impact of manufacturing and delivering medicines and are committed to the efficient and responsible management of energy, water, and waste within our organisation and throughout our value chain. To sustain our success, it is crucial that we manage resources responsibly and consider the long-term environmental impacts in the places where we do business.

Metrics to assess climate-related risks and opportunities

We monitor our Scope 1, Scope 2 and relevant Scope 3 emissions, as well as metrics related to the consumption of energy. This data is included in the Sustainability section (pages 60 and 62). We will continue to develop our methodology for calculating our Scope 3 emissions categories that are relevant but not yet calculated. The development of onsite RE capacity presents an opportunity for our business and we monitor the percentage of RE-sourced energy, both onsite and purchased. In addition, as part of the 'Reputation' principal risk (see page 86), we monitor our performance against external ESG ratings.

Executive Remuneration

We have adopted carbon and water-related targets as part of management's yearly bonus and Long-Term Incentive Plan (LTIP). More details can be found in the Annual report remuneration section on page 118.

The table below indicates the metrics we have in place that are linked to our climate-related risks and improve our understanding of the impacts of these risks. More details on the progress against our targets is available in the Sustainability section.

Transition risks	Targets	Relevant metrics
Impact of carbon pricing	Reduce Scope 1 and 2 GHG emissions by 25% by 2030, using a 2020 baseline See page 60 for more information on our 2030 target and progress achieved to date – Our ambition by 2026, is to introduce further carbon reduction targets and initiate key renewable energy projects	– Absolute emissions Scope 1, 2 (Location-based and market-based) – Emissions intensity (revenue and headcount) Scope 1, 2 (Location-based and market-based) – Absolute emissions Scope 3 in category 1 (purchased goods and services) and category 4 (upstream transportation)
Impact of energy pricing	No target set	– Absolute energy consumption – Energy consumption mix – Percentage renewable energy generated/purchased
Physical risks	Targets	Relevant metrics
Increased frequency of extreme weather events	No target set	– Proportion of facilities in an area subject to flooding or storms – Number of sites with business continuity plans that cover impact of severe weather events
Impact of water stress	Achieve good water management at Hikma's MENA sites. Our 2027 target is to deliver key aspects of the ISO 46001 Water Efficiency Management System in the MENA region See page 138 and 139 for more information on our target and progress achieved to date	– Change in m ³ water withdrawal – Change in m ³ water consumption in countries with high water stress – Change in m ³ water discharge – Change in m ³ water treatment – Progress of water efficiency measures – Water consumption intensity Water consumption metrics will be provided in our upcoming Sustainability Report 2025.
Opportunities	Targets	Relevant metrics
Energy cost opportunity	No target set	– Cost of standard electricity and fuels – Cost of renewable solutions

We are committed to continuously evaluating our environmental impacts and to implementing mitigations and capitalising on opportunities. In 2026, we will continue to enhance and refine the metrics we use to monitor risks and opportunities and expand the robustness of our analyses.

Risk management

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Risk management

In 2025, we aligned risk assessments more closely with business objectives to better manage threats and take advantage of opportunities.

Risk management framework

Risk context

Our purpose is to put better health within reach, every day for healthcare professionals and their patients. We bring patients across North America, MENA and Europe a broad range of generic, specialty and branded pharmaceutical products.

The future is uncertain and carries risks for our business. These risks may be threats or opportunities related to our strategy and delivery of our goals, our activities and processes, the expectations of our stakeholders, or our key relationships and dependencies.

Find out more about the internal and external context for risk management for the Group in the 'Our strategy' (pages 6–7), 'Our business model' (pages 10–11), 'Our markets' (pages 18–19) and 'Our stakeholders' (pages 22–27) sections of this report.

Risk strategy

Effective management of risk is fundamental for the long-term success of the Group. We operate an Enterprise Risk Management (ERM) framework to ensure that we are comprehensive and structured in our approach. The framework enables a thorough view of our risk exposure to be developed, which informs our decision-making and improves our strategic, tactical, operational

and compliance processes. The approach enables us to fulfil our obligations and provides assurance that our activities are appropriately controlled.

Risk appetite

The Board determines the nature and extent of the principal risks it is willing to take and communicates this through the Group risk appetite.

The risk appetite sets out how management is expected to manage risk, including clear limits and tolerances on risk exposure for each of the principal risks. It forms the foundation of the ERM framework and guides management decision-making across the Group. The risk appetite is reviewed twice a year at Board level and is monitored by management on an ongoing basis.

Risk governance

The Board has ultimate responsibility for the Group's approach to risk management and internal control. The Audit Committee oversees risk management and internal control activities with delegated authority from the Board.

The Audit Committee reviews the principal and material risks facing the Group, considering different sources of assurance, including executive management, internal audit, and external audit. The Chair of the Audit Committee is a standing member of the Compliance, Responsibility and Ethics Committee (CREC) to ensure connection

between the Board Committees with primary risk oversight responsibilities.¹

Internal audit provides independent assurance of the Group's internal control environment. For more details on our internal audit approach see page 115.

The Group Risk Management function enables and drives effective risk management practices, guides global risk owners in assessing and reporting their risks, coordinates emerging risk assessments, and establishes connections and partnerships across the organisation to promote and develop a responsible risk culture.

Compliance and Internal Control and Assurance functions with professional expertise in managing risk and internal control in specialist areas are in place across the organisation.

The CEO and Executive Committee have direct ownership of risk management for the Group. Risk management accountability is fully embedded within their executive responsibilities.

As part of the risk governance framework, Executive Committee and Leadership Council members, and other senior executives are assigned responsibility for specific principal risks. Together, they coordinate risk management activities across the organisation to manage risk exposure in line with the risk appetite.

¹ Full committee terms of reference are available on www.hikma.com

Risk management activities

Risk management activities occur at all levels of the organisation. The ERM framework provides structure for these activities to ensure consistency of approach, consolidation, alignment to the risk appetite and monitoring of our risk exposure across the Group.

The Group Risk Management function coordinates regular risk assessments to review management of risks we already know about, and to identify, analyse and evaluate new and emerging risks. These assessments are consolidated through the Group Risk Management function and reported to the Executive Committee by the global risk owners.

Compliance and internal control functions, and internal audit, also conduct regular formalised risk assessments in relation to their mandates.

Summarised reports and key outcomes of risk assessments are reviewed by management teams, the Audit Committee and Board.

In addition to these core reporting processes, various other risk management activities occurred during the year.

Risk management in practice

Our ability to effectively manage risk enables delivery of our objectives. To ensure we are action-oriented in managing threats and opportunities we categorise our risks considering significance of exposure and the opportunity for management action.

An example of risk management in practice is seen in the case study on the next page.

Strategic risks

Group-level strategic risk assessments are conducted by the Executive Committee and Board of Directors. A formal review is conducted on an annual basis to consider threats and opportunities related to our strategy from internal and external perspectives and over various time horizons.

Emerging risks

Emerging risks are those that are newly identified and have the potential to become significant risks for the Group, those that may already be well known but are rapidly changing, or those that are developing over a longer term that may have significant impact on our ability to achieve our objectives.

Often driven by forces outside our control, emerging risks may be mitigated by existing control frameworks but are assessed to determine if any aspects fall outside current processes or if the controls in place may become inadequate as the risk develops.

Our approach involves establishing cross-functional teams to assess the threats and opportunities, recognising these may develop over an extended timeframe. The risk assessment methods deployed vary and may involve engaging with external experts, scenario modelling, engagement with existing risk mitigation programmes, and development of new risk mitigation and control strategies that will be sustainable over the longer term.

We scan for emerging risks in a wide array of domains, including economics and geopolitics, social and demographic, technology, legal and regulatory, environment and sustainability, global and local workforce, and business and competitive environment. We focus our emerging risk assessments and monitoring according to likelihood, impact and velocity.

Examples of emerging risks that are most closely monitored include geopolitical instability, development of artificial intelligence, uncertainty related to global trade policies, evolving regulatory requirements, and physical and transitional climate change-related risks and opportunities, see TCFD section on pages 66–79 for more details.

Internal control activities

In 2025, we revised our internal control framework in preparation for the implementation of the UK Corporate Governance Code (the Code) Provision 29 requirements for a declaration of effectiveness of the material controls at 31 December 2026.

Overseen by the Audit Committee the Internal Controls and Assurance function advanced the Group's programme of controls to manage its material risks. Control frameworks, standard operating procedures and related policies were formalised and embedded across the organisation.

The Internal Control and Assurance team reinforced the rigour of documentation standards expected when operating these controls.

Other compliance and internal control functions across the Group develop and manage internal control systems, frameworks and processes for their areas of focus as part of risk mitigation strategies, to meet internal and external expectations, and to ensure compliance with regulatory requirements.

Priorities for 2026

In 2026 we will continue to develop connections and partnerships between compliance and internal control functions, and external parties to provide greater assurance for the Group.

In line with Provision 29 of the Code, a risk-based testing programme is being launched in 2026 to provide rolling assurance over the effectiveness of material controls. This programme will consolidate assurance outcomes and will support the Board's annual review and declaration on the effectiveness of Hikma's risk management and internal control framework.

We will continue to develop sustainability and climate-related risk assessments, drive integration with business planning processes, and ensure alignment for existing and upcoming regulations, see the 'Sustainability reporting readiness' section on page 45 for more details.

Risk management and internal control across the organisation

Complementary management units perform and provide assurance over risk management and internal control through standards, accountability and oversight. Independent and external assessments are additional sources of information for management.

Front-line management	Compliance and internal control	Executive accountability	Independent assurance	Board oversight
Operational activity	Corporate Compliance	Executive Committee	Internal audit	Board of Directors
	Quality Compliance			
	Group Risk Office	Global risk owners	External assessments	Audit Committee
Management reviews	Internal controls and assurance			
	Other compliance teams	External advisers	External audit	Compliance, Responsibility and Ethics Committee

Risk management continued



Principal risks and uncertainties

The Group faces risks from a range of sources that could have a material impact on our financial commitments and ability to trade in the future.

The Board performs robust assessments of strategic, operating and emerging risks for the Group, considering our risk context, and input from executive management.

In 2025, we mitigated risks related to internal changes with CEO and senior leadership transitions, and restructuring of the R&D function.

We managed external macroeconomic and geopolitical volatility by diversifying our direct materials sourcing, and managing our inventory levels to mitigate cost and lead time pressures.

The Board determined that the principal risks facing the Group have not materially changed over the year and that there are no new principal risks to be added.

During the year, the Group refined certain principal risk names and descriptions to enhance clarity and alignment with underlying risk drivers. These refinements do not represent changes to the Group's risk profile. The principal risk 'Market dynamics and commercial environment' was formerly described as 'Industry dynamics', and the principal risk 'Crisis and business disruption' was formerly described as 'Crisis and continuity management'.

The set of principal risks should not be considered as an exhaustive list of all the risks the Group faces. Certain risk factors are outside the control of management.

The Board recognises that the principal risks are dynamic and that management of these risks must be continuous as the risk environment changes.

The Board defines qualitative and quantitative conditions related to each principal risk which establishes the risk appetite, and alignment to these conditions are monitored throughout the year.

Through this process the Board is satisfied that the principal risks are being managed appropriately and consistently within the Group's target risk appetite.

Effective management of these risks is directly linked to the performance of our strategic KPIs (see pages 16–17) and the delivery of the strategic priorities outlined on pages 6–7.

The principal risks are set out below with examples of management actions that help to control the risk; the actions described do not include all actions taken by management.

Market dynamics and commercial environment

Risk description	Management actions
Changes in competitive dynamics, pricing and reimbursement environments, regulatory and policy interventions, macroeconomic and geopolitical conditions, societal expectations, and shifts within the pharmaceutical value chain may adversely affect the commercial viability of the Group's markets and business models. The Group's ability to execute and adapt its commercial strategy in response to these changes may also impact performance.	<ul style="list-style-type: none"> – Rebranded Generics segment to Hikma Rx to reflect its focus on providing differentiated and complex (Rx) medicines – Continued to prepare for significant new long-term contract manufacturing agreement in Hikma Rx business – Developed and launched key differentiated injectable product (Tyzavan®) – Continued to develop partnerships and secure contract manufacturing business, see pages 14 and 20 – Accelerated growth in Europe in new and established markets by addressing shortage situations to increase diversification of segment – Progressed validation phases of new manufacturing plants in Morocco, Algeria and Tunisia to enhance production capacity – Initiated construction phase of new facility in KSA – Diversifying Branded product offering to address demand related to chronic diseases

Product pipeline

Risk description	Management actions
The selection, development, registration, and successful commercialisation of new products aligned with market needs, regulatory requirements, and the Group's strategy are subject to scientific, regulatory, commercial, and execution uncertainties that may affect future growth and competitive performance.	<ul style="list-style-type: none"> – Transformed R&D into a global function based on technology platform, see page 49 for further details – Globalised and standardised product selection process to improve allocation of capital – Embedded centralised processes for nitrosamines, extractables and leachables testing and remediation – Focus in Injectables on growth areas of specialty (e.g. Ready-to-use / ready-to-administer), peptides/polypeptides and oligonucleotides, and 2-phase systems (e.g. suspensions, emulsions, long-acting injectables) – Developed capabilities internally and through partnerships to advance respiratory, nasal, semi-solid and liquids pipeline execution – Continued to develop pipeline portfolio serving MENA market by introducing more diabetes, oncology, GI and CNS products

People

Risk description	Management actions
The ability to attract, develop, retain, and effectively deploy talent, leadership, organisational structures, and governance processes is critical to business performance, strategic execution, and the long-term success of the Group.	<ul style="list-style-type: none"> – Managed transition of senior leaders and executed succession plans across the different regions and functions – Supported in the reorganisation of R&D to become a global function, enhancing collaboration and achieving synergies across the Group – Developed a Career Management framework for core functions that provides clear pathways for professional growth, outlining required qualifications to empower colleagues to own their development – Launched and expanded a mentoring programme to enable continuous and proactive efforts to foster a growing mentoring culture within Hikma, and facilitate knowledge exchange between mentors and mentees, see page 56 – Optimised US and Europe operating models to strengthen efficiency and accountability between central functions and local sites

Managing strategic risk with investment in operational infrastructure

Strategic opportunity

Targeted investment across the manufacturing and supply network represents a strategic opportunity to strengthen access to key markets with localisation requirements, expand capacity for both our own drug manufacturing and CMO partnerships, improve access to medicines, and increase supply-chain resilience.

The strength of our balance sheet enables us to deploy capital in these infrastructure investments, aligned to our capital allocation framework, supporting long-term growth and competitiveness. Over the period 2021–2025 the Group invested more than \$800m through capital expenditure.

The Group's overall efficiency in converting capital into returns is reflected in a 5-year core ROIC of 16.5%.

Strategic assessment

Strategic operational infrastructure investment opportunities are assessed through an iterative process involving the Board, Executive Committee, and cross-functional teams. This includes collaboration across global engineering, operations, CMO partnerships, and commercial to ensure alignment between strategic objectives, operational feasibility, and market needs.

Progress

Progress has been delivered over multiple planning and investment cycles, resulting in a phased portfolio of operational investments. Initiatives are progressing at different stages of maturity across MENA (Tunisia, Algeria, KSA), Europe (Portugal, Italy), and the United States (Bedford, Columbus), supporting both near-term capacity needs and longer-term network resilience.

Vision

Through this strategy and its execution, we are building a manufacturing network that is more resilient to disruption and provides us with opportunities. Balancing local production with scalable capacity enables us to adapt to changing demand, support supply continuity during shortages, and be agile to take advantage of commercial opportunities. Ongoing investment and optimisation strengthen resilience, meet market access requirements, and support sustained access to medicines across regions.

Risk management continued

Reputation

Risk description	Management actions
The reputation of the Group depends on building and maintaining trusted relationships with our stakeholders. Adverse events, changing expectations, or misalignment between stakeholder perceptions and business activities may affect relationships, regulatory confidence, and long-term value.	<ul style="list-style-type: none"> – Communicated on a regular basis with investors and analysts with over 250 engagements, through investor relations calls, meet with management events, including site visit to manufacturing facility in Columbus, Ohio, and at conferences – Continued to communicate our progress against our business strategy and acting responsibility framework, leveraging our digital communication channels to engage external and internal stakeholders – Improved our MSCI ESG rating and maintained our scores across other indices – Continued to develop sustainability reporting capabilities to meet upcoming regulatory requirements – Hosted key US government representatives at our Columbus, Ohio site to highlight the investment being made by Hikma in domestic manufacturing – Provided Executive Committee and Board members with third-party perception studies to gauge investor sentiment

Ethics and compliance

Risk description	Management actions
Maintaining a culture underpinned by ethical decision-making, with appropriate internal controls to ensure that staff and third parties comply with our Code of Conduct, associated policies and procedures, as well as all applicable legislation, is fundamental to the Group.	<ul style="list-style-type: none"> – Rolled out updated conflict of interest process – Implemented enhanced compliance programme for engagement with healthcare professionals (HCPs) and healthcare institutions (HCIs) – Further enhanced third-party due diligence systems and processes – Continued to develop modern slavery and human rights controls in partnership with Procurement, Legal and HR functions – Strengthened the speak up line, grievance mechanisms, and investigation policies and procedures in line with evolving regulatory requirements and whistleblowing acts

Information and cyber security, technology and infrastructure

Risk description	Management actions
Ensuring the integrity, confidentiality, availability and resilience of data, securing information stored and/or processed internally or externally from cyber and non-cyber threats, while maintaining and developing technology systems that enable business processes and infrastructure that supports the organisation effectively is critical to the secure and effective operation of the Group.	<ul style="list-style-type: none"> – Continued to monitor opportunities and threats related to artificial intelligence (AI) and machine learning (ML) systems through AI Advisory Board – Developed additional cyber resilience measures for alternative communications in the event of system disruption – Completed external assessment of information security maturity aligned to the industry-standard National Institute of Standards and Technology (NIST) cyber security framework and the Capability Maturity Model Integration (CMMI) maturity model, improving maturity score by 18% from prior assessment – Continued to enhance cyber security detection and response capabilities – Further strengthened protection of operating technology environments – Ran externally facilitated cyber exercise with the Leadership Council and senior management – Continued progress with IT Continuity assessments and disaster recovery preparedness

Legal, regulatory and intellectual property

Risk description	Management actions
The requirements of, and changes in, laws, regulations, enforcement priorities, litigation exposures, sanctions regimes, contractual obligations, and intellectual property frameworks may affect the Group's operational flexibility, financial performance, strategic initiatives, shareholder value, business integrity, and reputation.	<ul style="list-style-type: none"> – Concluded settlement of the vast majority of opioid-related lawsuits and continued to defend remaining lawsuits in North America, see page 191 – Finalised settlements that resolved all outstanding claims and lawsuits related to an alleged anticompetitive agreement with Jazz Pharmaceuticals related to Hikma's authorized generic sodium oxybate product – Monitored and managed litigations, disputes, and investigations related to our global operations, including those that are material to the Group, see page 207 – Continuous monitoring and assessment of developments in global legal and regulatory landscape and potential impacts on the Group – Continued to secure, maintain, and enforce patents and other intellectual property where appropriate to protect the Group's proprietary assets – Strengthened corporate governance practices to ensure transparency, accountability, and ethical conduct within the organisation – Provided legal support and oversight for successful product acquisitions and other strategic transactions, ensuring they are completed smoothly and in compliance with all legal requirements – Launched and delivered regular colleague training on legal and compliance topics, including economic trade sanctions and modern slavery and human trafficking, to raise awareness, ensure regulatory compliance, and promote ethical and responsible conduct across the organization

Inorganic growth

Risk description	Management actions
The identification, valuation, and execution of acquisitions, divestments, licensing, or other business development activities are subject to strategic, financial, operational, and integration uncertainties that may affect long-term value creation.	<ul style="list-style-type: none"> – Closed the acquisition of the rights to a portfolio of Takeda brands for the MENA region and began implementing the integration plan – Identified a range of business development and investment opportunities to achieve Hikma growth strategy – Extensive due diligence of each opportunity with external support for risk assessment, valuation, and execution of transactions – Extensive Board engagement to review opportunities proposed by the Executive Committee to ensure strategic alignment – Post-acquisition performance (financial and non-financial) monitored closely to ensure integration and delivery on business plan – Post-transaction reviews highlighted opportunities to improve effectiveness of processes – Continue to grow our pipeline through business development (BD) and enhance the effectiveness of BD teams by adding additional resources – Global product selection integrates in-house and external development for pipeline opportunities – Announced expanded partnership with Celltrion in MENA for a further six biosimilars

Active pharmaceutical ingredient (API) and third-party risk management

Risk description	Management actions
Maintaining the availability of supply, quality and competitiveness of API purchases and ensuring effective understanding and control of third-party risks are fundamental to the Group.	<ul style="list-style-type: none"> – Reviewed our supply chains and sourcing options based on geopolitical constraints and renegotiated with our suppliers in response to US tariffs to minimise impact on patients – Increased % of API covered by alternate sources – Improved our business intelligence to identify opportunities for cost reductions – Continued to increase our numbers of suppliers under strategic partnership – Continued to enhance third-party management system with automation of Supplier Code of Conduct acknowledgement, ongoing third-party risk monitoring, and introduction of IQ+Vitals, a tool to enhance our ability to perform sustainability assessments with nearly 75% of our annual procurement spend now covered

Risk management continued

Crisis and business disruption

Risk description	Management actions
The Group may be affected by sudden disruptions and gradual change, including natural catastrophe, economic turmoil, cyber event, operational issue, conflict, security, health and safety, pandemic, political crisis, and regulatory intervention. Effectively developing, maintaining and adapting capabilities and processes to anticipate, prepare for, respond and adapt to such events, is vital to ensure resilience of the organisation.	<ul style="list-style-type: none"> – Managed external macroeconomic and geopolitical volatility by diversifying our direct materials sourcing, and inventory levels to mitigate cost and lead time pressures. – Tested response plans in light of events (e.g. Middle East tensions impacting logistics, Iberia power outage, operational events) and training scenarios – Updated Group and local crisis management plans and guides for specific scenarios – Reviewed and refreshed business impact analyses and business continuity plans for all operational facilities, incorporating assessments of climate change-related threats – Engaged with insurance providers to align business continuity planning with underwriter risk analysis – Strengthened integration with IT Continuity and Disaster Recovery programme to increase business resilience to technology-related disruption, including development of alternate operating procedures programme – Reviewed and upgraded site emergency response arrangements and capabilities across our facilities

Product quality and safety

Risk description	Management actions
Maintaining compliance with current Good Practices for Manufacturing (cGMP), Laboratory (cGLP), Clinical (cGCP), Compounding (cGCP), Distribution (cGDP) and Pharmacovigilance (cGVP) by staff, and all relevant third parties involved in these processes is fundamental for the Group.	<ul style="list-style-type: none"> – Hikma Quality Council provides oversight and shares best practice across the Group including regulatory intelligence – Drove a strong quality and safety culture across the organisation through global initiatives, reinforced by regular communications from senior executives – Ensured continuous monitoring and assessment of quality and safety risks and quality critical incidents via the Group wide Notification to Management process – Ongoing oversight of cGMP compliance of Hikma facilities as well as third parties supplying finished goods, APIs, raw materials, packaging components and other GMP services – Maintained robust governance and quality oversight of Pharmacovigilance (PV) through cross functional Drug Safety and PV Quality Committees including adapting to newly introduced and enhanced regulatory requirements while sustaining a strong track record of successful routine regulator PV inspections – Strategically in sourced key PV activities to build internal capability, reduce external dependency, and ensure continuous global product safety surveillance, enabling early detection of emerging risks or changes to the overall risk-benefit balance – Enhanced the global PV quality management system through expanded use of validated systems, supported by structured, automated training curricula for PV team members, improving standardisation, efficiency, and regulatory compliance

Financial control and reporting

Risk description	Management actions
Effectively managing income, expenditure, assets and liabilities, liquidity, exchange rates, tax uncertainty, debtor and related activities, and reporting accurately, in a timely manner, and in compliance with statutory requirements and accounting standards is fundamental to the Group.	<ul style="list-style-type: none"> – Launched the Hikma group controls programme to mitigate material risks and established internal systems for reporting on minimum standard set of controls for finance and related processes to enable disclosure against Provision 29 of the Code, see page 111 – Further formalised the Fraud detection and prevention programme – Expanded shared service centre for core finance processes – Refinanced through debt market and loan agreements to maintain balance sheet strength, see page 193 – Successfully refinanced our \$500m Eurobond, with an improved credit rating of BBB from BBB- under Fitch Ratings and S&P Global Ratings, providing confidence to investors in Hikma's financial health – Approved the Group Capital Allocation Framework to provide a transparent framework for shareholder returns and align capital decisions with long-term strategic goals

Going concern and longer-term viability

In accordance with the UK Corporate Governance Code Provisions 30–31 and other regulatory disclosure requirements, going concern and longer-term viability assessments are provided.

Assessment of position and prospects

The Group's current and forecast financial positions are used to assess the going concern position and longer-term viability.

The position and prospects of the Group are assessed at Executive Committee meetings and at the end of the financial year. The assessments consider strategic and operational updates, principal and emerging risks, financial reporting and forecasting from the Chief Financial Officer, and the business plan. The business plan and forecasts are developed to reflect our current position, specific risks and uncertainties facing the business, and known changes to our organisation and business model.

The Executive Committee assesses the future strategic positioning of Hikma as a company in the context of the changing business environment. Aspects of this analysis are shown in 'Our markets' (see pages 18–19).

These various assessments are presented to the Audit Committee and Board of Directors for independent scrutiny of management's assumptions and modelling approach. The Board also receives regular updates on operational, strategic and financial matters from executives.

Financial position

The financial position of the Group as at 31 December 2025 was:

- net cash flow from operating activities in the year was \$436 million
- overall net debt was \$1,387 million (1.6 times core EBITDA)
- available borrowing capacity was \$1,050 million of committed undrawn long-term facilities (see Note 30 of the Group consolidated financial statements on page 195). These facilities are well-diversified across the subsidiaries of the Group and are with a number of financial institutions

Covenants on major financial debt arrangements are suspended while the Group retains its investment grade status from two rating agencies. As of 31 December 2025 the Group's investment grade rating was affirmed by S&P and Fitch, with an upgraded rating compared to prior years.

Future prospects

The Group's base case forecasts take into account reasonably possible changes in trading performance, including those that may arise related to various inflationary effects, currency volatility, facility renewal sensitivities, and maturities of long-term debt.

Assumptions

Financial modelling for the business plan and the going concern and viability assessments is subject to assumptions related to:

- launch and commercialisation of new products
- market share and product demand rates
- maintenance of certain product prices
- political and social stability
- ability to increase operational efficiency and reduce central costs
- effective tax rate being within the current guidance range
- ability to refinance existing debt upon maturity (for longer-term viability)

Going concern

For the purposes of assessing the going concern position, the base case and a forecast including severe but plausible downside risks were analysed over a period longer than 12 months from the date of signing the financial statements.

The analysis shows that Hikma is well-placed to manage its business and financial risks successfully despite current uncertainties and confirms that the going concern basis should be used in preparing the financial statements.

The Directors reviewed and challenged management's forecasts, downside assumptions and mitigation strategies, and believe that the Group is adequately placed to manage its business and financing risks successfully.

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for a period longer than 12 months from the date of signing the financial statements and therefore continue to adopt the going concern basis in preparing the financial statements, with no material uncertainties.



Severe but plausible downside risk scenarios are used to test the viability of the Group."

Risk management continued

Longer-term viability

Viability period

The longer-term viability of the Group is assessed for a period longer than for the going concern analysis.

The Directors determined that a three-year period, ending on 31 December 2028, constitutes an appropriate period over which to provide its viability statement.

This is the timeframe for acquisitions and business development opportunities to become integrated into the business, and for pipeline products to contribute as marketed products. Forecasts are more accurate in the near term than in the long term and this limitation also applies to our viability assessments.

Stress testing, modelling and sensitivity analysis

The Group's strategic objectives, principal risks (PR), assessments of longer-term emerging risks (ER), management input, real-world examples and the financial modelling assumptions set out above were used to develop severe but plausible risk scenarios that could adversely impact the business.

Certain risk scenarios were not considered financially material for the purposes of this assessment. This included a scenario involving climate-change-related risks of disruption from extreme weather events affecting certain Group facilities, resulting in property damage and business interruption (see also our disclosures related to climate change on pages 66–79).

The following scenarios were assessed as severe but plausible, with additional realistic but extremely severe adjustments applied for sensitivity analysis.

Longer-term viability scenarios

- **Scenario 1:** Market dynamics and commercial environment (PR): Potential significant levels of price erosion over and above business plan assumptions
- **Scenario 2:** Market dynamics and commercial environment (PR): Potential significant adverse performance of strategic products due to competitive threats
- **Scenario 3:** Product pipeline (PR): Potential extensive delays to product launches
- **Scenario 4:** Ethics and compliance (PR): The implications of a systemic failure of the corporate compliance programme leading to a regulator investigation were explored, including reputational impact, fines and legal fees, loss of sales, remediation expenses, and additional compliance costs
- **Scenario 5:** Product quality and safety (PR): A prolonged regulator-imposed restriction of a major US FDA-inspected manufacturing site was modelled, factoring in loss of sales and remediation expenses, as well as a reduction to operating costs
- **Scenario 6:** Crisis and business disruption (PR): Escalation and development of situations of political and social instability in MENA markets were assessed with loss of sales recognised
- **Scenario 7:** API and third-party risk management (PR): Significant disruptions to our raw and packaging materials supply chain were modelled
- **Scenario 8:** Information and cyber security, technology and infrastructure (PR): Impacts of a ransomware attack affecting endpoints and ERP systems were modelled with potential loss of sales, general business interruption, and response and remediation costs
- **Scenario 9:** Legal, regulatory and intellectual property (PR): Potential for financial loss as a result of ongoing legal proceedings, see page 207

Longer-term viability analysis

The consequences of each of these severe but plausible risk scenarios were modelled over the forecast period and the impacts on EBITDA, ability to meet our debt obligations, and cash flow were determined.

A combined scenario of additional price erosion (Scenario 1), significant adverse performance of key products (Scenario 2) and extensive launch delays (Scenario 3), in line with the going concern assessment assumptions, was also Combinations of these scenarios occurring were also assessed for this exercise.

The analysis shows that although the scenarios are severe, they do not threaten the viability of Hikma. Headroom was comfortably maintained throughout the viability period for each of the risk scenarios and scenario combinations.

The analysis did not rely on management actions that could be taken in the circumstances to reduce the impact and consequences of the risk events. Such actions, the ongoing implementation of the Enterprise Risk Management (ERM) programme and other risk mitigation initiatives, and investment in infrastructure and change initiatives are anticipated to continue to enhance organisational resilience and support longer-term viability.

The outcome of these various quantitative and qualitative assessments leads management to believe that Hikma is resilient to downside risk scenarios over the three-year period. This is largely as a result of our financial position (in particular our strong balance sheet and low levels of debt) and is supported by the fact that our business is well-diversified through geographic spread, product diversity, and large customer and supplier bases. Further details are provided in the 'Our strategy' (pages 6–7), 'Our business model' (pages 10–11), and 'Our markets' (pages 18–19) sections of this report.

The Directors reviewed and challenged management's longer-term viability analysis and confirm that they have a reasonable expectation that Hikma will be able to continue in operation and meet its liabilities as they fall due and over the viability period.



**Our assessments show
that Hikma is resilient to
downside risk scenarios."**



Non-financial and sustainability information statement

The table below summarises our position on matters relevant to the Non-Financial Reporting Directive, in line with the requirements of sections 414CA and 414CB of the Companies Act 2006. All references made are to publicly accessible information.

	Summary	Further information and policies
Our business model	<ul style="list-style-type: none"> Our diversified business model allows us to respond to the many opportunities and risks we face, while delivering value for our stakeholders 	<ul style="list-style-type: none"> Our business model, pages 10–11
Principal risks	<ul style="list-style-type: none"> Our risk management framework is designed to ensure we take a comprehensive view of risk. This includes financial and non-financial risks that may impact our business and stakeholders 	<ul style="list-style-type: none"> Risk management, pages 82–83
Environmental matters	<ul style="list-style-type: none"> We are committed to making our operations more energy efficient and environmentally responsible We continue to improve the way we monitor our impacts, pursuing projects that reduce our environmental footprint We have put in place a target to reduce our Scope 1 and 2 GHG emissions by 25% by 2030, using a 2020 baseline We are aligning our internal processes and our public disclosures to be consistent with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations We are aligned with the disclosure requirements of Climate Related Financial Disclosures (CFD) as articulated in the Companies Act Board-level oversight of environmental sustainability Environmental matters are incorporated in our risk management framework We promote environmental sustainability in our supply chain 	<ul style="list-style-type: none"> Protecting the environment, pages 58–62 TCFD, pages 66–79 Supplier Code of Conduct¹
Employees	<ul style="list-style-type: none"> Our employees have always been at the heart of everything we do. As the driving force behind Hikma's growth and success, our people are our most valuable asset We are committed to investing in the development of our workforce and in protecting their health and safety We have 9,400 employees across North America, MENA, Europe and ROW 	<ul style="list-style-type: none"> Stakeholder engagement: employees, pages 22–27 Empowering our people, pages 52–56 Code of Conduct¹ Upholding ethical standards and acting with integrity, pages 63–64 Group Environmental, Health and Safety Policy Statement¹ Principal risk: People, page 85

1. Our public policies, codes and statements are available on www.hikma.com

	Summary	Further information and policies
Social matters	<ul style="list-style-type: none"> In all of our markets, we work to meet social needs locally and improve lives. We have developed programmes in key areas to address social challenges: <ul style="list-style-type: none"> providing better health supporting education helping people in need Where our activities relate to other social matters, we seek to understand the perspective of all stakeholders, determine our role and make clear our position based on our values and purpose 	<ul style="list-style-type: none"> Stakeholder engagement, pages 22–27 Advancing health and wellbeing, pages 46–51 Product quality and safety, page 49 Addressing drug shortages in the US¹ Animal testing position¹ Principal risk: Reputation, page 86 Access to medicines, pages 46–48 Tax strategy statement¹
Respect for human rights	<ul style="list-style-type: none"> We respect and uphold the principles of the Universal Declaration of Human Rights both within Hikma and across our value chain We object in the strongest possible terms to the use of any of our products for the purpose of capital punishment 	<ul style="list-style-type: none"> Upholding ethical standards and acting with integrity, pages 63–64 Code of Conduct¹ Supplier Code of Conduct¹ Modern Slavery Act Policy Statement¹ Use of products in capital punishment¹ Principal risk: Reputation, page 86
Anti-bribery and corruption	<ul style="list-style-type: none"> Our Compliance, Responsibility and Ethics Committee (CREC) leads our efforts to strengthen anti-bribery and corruption policies and manage associated risks As a publicly-listed company on the London Stock Exchange, we abide by the regulations of the UK Listing Authority. We operate in compliance with the UK Bribery Act 2010, the Foreign Corrupt Practices Act as well as local laws and regulations 	<ul style="list-style-type: none"> Upholding ethical standards and acting with integrity, pages 63–64 Code of Conduct¹ Supplier Code of Conduct¹ Speak up channels¹ Principal risk: Ethics and compliance, page 86 CREC report, pages 116–117
Non-financial KPIs	<ul style="list-style-type: none"> We monitor the position, performance and impact of Hikma across a wide range of financial and non-financial KPIs. Non-financial KPIs are used to measure progress towards our strategic priorities (pages 16–17), our exposure to risks (pages 84–88), and are in place in other areas throughout the organisation as part of Hikma's long-term sustainable growth strategy and our commitment to helping people and improving the communities in which we operate 	<ul style="list-style-type: none"> GHG emissions reduction target, page 58 Protecting the environment, pages 58–62 Employee engagement and enablement, page 17 Audit Committee report, pages 111–115 CREC report, pages 116–117 Diversity disclosures, page 99

The Strategic report was approved by the Board of Directors and signed on its behalf by:

Said Darwazah
Executive Chairman and CEO
25 February 2026