



Sustainability
Report 2023

Sustainability at SERB

At SERB we focus on patient care via sustainable business practices, implemented ethically, and respectful of diversity. By integrating sustainability within our business, we are helping to ensure that our portfolio of medicines continues to make a real difference in the lives of patients and their caregivers long into the future.

Focusing our efforts

Our core business is focused on health and well-being of people around the world through our efforts to acquire, develop, and manufacture medicines to the highest standards, and make them available worldwide through our secure supply chain. In addition to delivering value to society through better health, we also recognise that our business has a responsibility to address the environmental, social, and governance (ESG) challenges of our time.

In May 2022, SERB joined the UN Global Compact and we have chosen to align and focus our ESG strategy towards the [UN's Sustainable Development Goals](#) (SDGs). Our first Communication on Progress was reported to the UN in December 2023.

We have chosen to prioritise the 6 SDGs that we feel are most relevant and material to our business and our stakeholders and where we can make a meaningful difference. Through employee surveys, we also assessed which sustainability topics are of greatest importance to our employees.



While these 6 SDGs give focus to our sustainability efforts, there are additional SDGs that we have labelled as “Secondary” where our business has an impact and a responsibility, but to a lesser degree. We also aim to support the [10 principles of the UN Global Compact](#) which describe fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption.

Sustainability governance

In 2021 we formed an ESG working group, a team of employees from different functional and geographical areas to help guide and inform our ESG efforts. Each set of sustainability issues (E, S, and G) are sponsored by a member of the Group Executive Committee, with oversight provided by our CFO. Sustainability issues are of interest to our investors and are reviewed by our Board.

Quality Products

Quality is not just the name of a department; it is a companywide priority and every employee's responsibility. It is about aiming high and aspiring to attain the very highest standards in everything that we do. Our quality systems, policies, processes and procedures are in place to ensure we:

- Put patient safety first
- Satisfy all applicable compliance, legal and regulatory requirements

In 2023 we underwent 5 inspections without any critical observations being issued and with only 1 observation classified as major. Throughout the year our Quality department worked closely with our operations teams to ensure that technical and compliance challenges within our manufacturing network were managed efficiently and, where necessary, communicated to the regulatory authorities.

Making patients our priority

Making patients our priority is one of our core values. Our purpose is to be a dedicated ally to healthcare providers treating patients with critical conditions. We are driven to improve, sustain and save lives.

This year SERB continued to expand its portfolio and make its products available in new geographies. Notably, the company launched Voraxaze® and Xermelo® across Europe, supporting cancer patients. SERB also acquired Vistogard®, a supportive care product for cancer patients, and Xuriden®, a treatment for a rare metabolic disorder.

As a leader in Chemical, Biological, Radiological and Nuclear (CBRN) medical countermeasures, SERB contributed to the establishment of the RescEU CBRN strategic reserve, an EU-level stockpiling of medical countermeasures to be used in health emergencies. It was established through the EU Civil Protection Mechanism and the Health Emergency Preparedness and Response Authority (HERA).

In both 2022 and 2023 the company donated relevant products to several zones of international conflict to help save lives and alleviate the suffering of those affected by geopolitical events.

Healthcare Compliance

Our legal team, together with an outside compliance consulting group, conducted a thorough review of legacy company policies and procedures, resulting in a set of 8 new global policies that cover the essential elements of healthcare compliance, including an enhanced Anti Bribery & Anti-Corruption (ABAC) policy. The revised policies include:

- Interactions with Healthcare Professionals
- Interactions with Patients
- Interactions with Third Parties
- Publications Policy
- External Materials Policy
- Anti-Bribery & Anti-Corruption
- Conflict of Interest Policy

During 2023 there were no ABAC incidents reported and 2 minor healthcare compliance issues investigated that resulted in additional training and coaching.

Effective Policies

Because SERB Pharmaceuticals continues to grow through mergers and acquisitions, we place a particular focus on reviewing and revising our policies to ensure compliance and good governance. This year SERB developed and adopted new global policies for Contracting and Corporate Travel. We also established a new Group IT Charter containing standards, policies, guidelines, and procedures to protect the Group's digital infrastructure.

SDG	SDG Goal	Ambitions	Achievements 2023
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>Ensure healthy lives and promote well-being for all at all ages</p>	<ul style="list-style-type: none"> • Focus on rare diseases and niche medicines where there is large unmet need • Be a global leader in the provision of medical countermeasures • Expand availability of our treatments to new geographies • Provide medical education that improves awareness of diseases and conditions 	<ul style="list-style-type: none"> • Health Emergency Preparedness and Response Authority (HERA) rescEU stockpile • Launch and reimbursement of Voraxaze across Europe • Acquisition of Xuriden, a treatment for a rare metabolic disorder • Support for patient advocacy groups
 <p>5 GENDER EQUALITY</p>	<p>Achieve gender equality and empower all women and girls</p>	<ul style="list-style-type: none"> • Promote non-discrimination on the basis of gender • Ensure women's representation and effective participation at all levels of management • Support the education and early career development of women and girls, especially in relevant science and technology fields. 	<ul style="list-style-type: none"> • First report of the company's gender pay gap
 <p>10 REDUCED INEQUALITIES</p>	<p>Reduce inequality within and among countries</p>	<ul style="list-style-type: none"> • Foster a diverse and inclusive workplace. • Support programmes and charities providing healthcare and developing capabilities in developing countries 	<ul style="list-style-type: none"> • First employee Diversity and Inclusion week • Charitable donation to charities working in developing countries including Groupe Franco-Africain d'Oncologie Pédiatrique • Product donation in support of MédicAéro mission to Madagascar

First Diversity and Inclusion Week

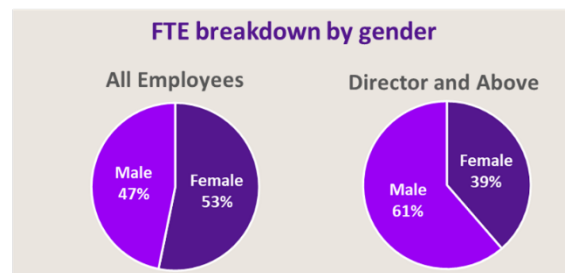
In September we held our first annual Diversity and Inclusion week; an opportunity to celebrate diversity in all its forms, and to foster an open and inclusive culture where employees understand and learn from each other. The week included a mix of 'live' online events and guest speakers as well as site-specific events and activities. In addition to learning from the personal experiences of our own employees, external guest speakers covered topics including neurodiversity and active bystander training.



Gender Pay Gap

Women make up 53% of our employees, and 39% of senior leadership positions. While men and women are always paid the same amount for doing work of equal value, the pay gap arises because there is not an equal distribution of men and women at all levels of the organisation. Our first group-wide gender pay gap analysis showed that on average men earn 9.6% more than women.

Acknowledging that our Executive Committee (ExCo) is mostly men, and includes some of our highest paid executives, we also calculated the pay gap for the rest of the organisation. The figure excluding the ExCo shows pay as very near parity, with men on average earning just 0.18% more than women.



Charitable Giving

SERB has a track-record of supporting charitable organisations and charities in healthcare and education.

Notable charitable corporate donations in 2023 included:

- Aphasia Association
- CAMHS (Young Minds)
- Cardigan Cancer Care
- EcoTree
- Epilepsy Society (UK)
- Groupe Franco-Africain d'Oncologie Pédiatrique (GAOFP)
- Little Princess Trust
- Make a Wish Foundation
- Médicaéro
- Men's Shed Association (*community development*)
- Mitzvah Circle of Philadelphia
- MND Australia (Motor Neurone Disease)
- West Wales Prostate Cancer Support Group
- Young Epilepsy (UK)

Engaged Employees

We believe every employee plays an important role in bringing products to market and delivering meaningful benefit to patients. We conduct 6-monthly anonymous employee surveys to assess satisfaction, line manager interactions, and strategic alignment as well as to collect employees' ideas and feedback. Our 2023 survey showed improvement in almost every category, with questions about satisfaction and strategic alignment reaching new highs. 65% of employees would recommend SERB to a friend as a great place to work, over 70% say they're kept informed about what's happening in the business, and 77% see a clear link between their work and the company's goals.

Supporting our communities

This year the ESG group lead a new initiative to encourage employees to be involved in their local communities. Under our new Volunteer Day policy, employees are given the option to take one day of paid time off each calendar year to participate in a charity program or activity of a local community organisation.

In addition to independently organised volunteering, site-wide volunteer events included packing essential items for people in need in the Philadelphia area, cleaning up a Care Farm in Wales for adults with autism and learning needs, sorting produce at a foodbank in France and another in South Australia, and site improvements at a community farm outside London offering programmes for people with disabilities.

In the programme's first year, 65 employees participated in site-organised volunteering or independently organised charity work. Our goal is for 100 participants in 2024.



Health and Safety

We understand our responsibility to protect the health and safety of our employees. We conduct regular risk assessments, audits and training. We aim to record all accidents and incidents resulting from work-related activities for anyone engaged by SERB either in full-time employment or as a contractor. This includes activities such as driving on company business and incidents that occur on supplier or customer sites. In 2023 we recorded 0.11 injuries per 100,000 hours worked (compared to 0.13 injuries / 100,000 hours in 2022).

Environmental KPIs 2022 and 2023

In 2023 we worked to better assess our carbon footprint by working with a partner to assess our Scope 1, 2 and 3 emissions for our full portfolio, and through a carbon footprint analysis of the two biologic products manufactured in our Wales and Australian facilities. Comparing 2022 and 2023, we were pleased to see a 3% reduction in total CO₂ equivalent emissions per employee.

	2022	2023
Energy		
Renewable energy as a % of total energy consumption	36%	42%
Greenhouse gas emissions¹		
Total CO ₂ equivalent generated (tonnes)	40,000	41,400
CO ₂ equivalent generated (tonnes) scope 1	4,777	3,966
CO ₂ equivalent generated (tonnes) scope 2	78	55
CO ₂ equivalent generated (tonnes) scope 3	35,136	37,365
CO ₂ equivalent (tonnes) per employee	99	96
Waste		
Total waste from our production sites ² (tonnes)	89.6	91.0
Waste recycled	56.7	57.3
Waste to landfill	32.9	33.7
<i>Of which, hazardous waste</i>	<i>32.3</i>	<i>33.0</i>
Water³		
Total water consumed production and research sites (megalitres)	18.7	12.3

Scope 1 includes fuel burnt directly at a premises controlled by SERB, such as gas or oil used to supply heat or hot water.

Scope 2 are emissions associated with electricity supplied to the premises used by the company.

Scope 3 applies to all emissions associated with all goods and services purchased by the company.

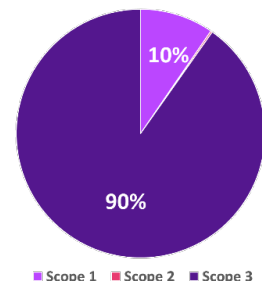
¹ Calculated with the Carbometrix platform and GHG Protocol. See back page for notes on methodology.

^{2,3} Waste and water data is from our manufacturing sites in Australia and UK

Determining our Scope 3 emissions

We worked with Carbometrix, a third-party provider for carbon accounting, to develop a more comprehensive understanding of our total carbon footprint, encompassing our full portfolio, and for the first time including Scope 3 emissions from the raw materials and services we use, the contract manufacturers we work with, and the commuting patterns and business travel of our employees. Where possible this assessment relied on physical data, and any gaps were filled with estimations based on monetary data and other benchmarks. The resulting carbon footprint was calculated using the GHG Protocol Corporate Accounting and Reporting Standard.

This assessment gave us a much clearer view of our environmental impact, as we now estimate that Scope 3 emissions account for as much as 90% of our total carbon footprint. Benchmarking shows that on a per revenue and per employee basis, our total CO₂e emissions have been in line with the median pharmaceutical firm (as determined by reports published with CDP, ADEME, and Carbometrix).



While it is very difficult to calculate these emissions precisely, we were unsurprised to see that 62% of our emissions are attributable to purchased products and active pharmaceutical ingredients (APIs). Pharmaceutical production generally has significantly more environmental impacts than basic chemical production (on a kilogram-per-kilogram basis) as their production processes involve consumption of large amount of energy, reagents and consumables. We plan to work with our suppliers to obtain more specific per-product data so that we can work together to reduce these emissions.

Carbon Footprint Assessment of in-house manufacturing

In 2023 SERB conducted a full carbon footprint assessment of our two biologic products manufactured in-house, covering Scope 1, 2, and 3 emissions. CroFab® and DigiFab® generate a significant proportion of our carbon footprint and represent areas of activity that are most within our control.

The assessment considered all items consumed on our Wales and Australia sites in 2022 including overheads, transportation, and an estimate of CO₂e emissions of a significant third-party contract manufacturer involved in the fill and finish of these products. At this time, our assessment did not include production of the antigen used in our CroFab product, nor did it include staff transportation or distribution or use of the product. The analysis shows that each vial of CroFab accounts for 257kg of CO₂e and each vial of DigiFab accounts for 18kg CO₂e, with the difference attributable to difference in volume of protein content per vial between the two products.

This assessment has helped quantify which activities contribute most to the carbon footprint of these products, and where there might be opportunities for improvement. The use of sheep is the largest contributor of emissions and largely fixed by our process, however this assessment has highlighted potential opportunities to reduce our carbon footprint by focusing on:

- Reducing fertiliser use through lower intensity farming methods
- More efficient use of oil on our Wales site
- Identifying CO₂e lost through waste, lost yield and scrap

Investing in Renewable Energy Infrastructure

In 2023 we installed solar panels on available roof surface areas of our Wales manufacturing plant. These panels are now generating 5% of the energy needs of these facilities, with the remainder of third party purchased from renewable sources. This follows installation of solar panels on our major buildings in Australia in 2016.



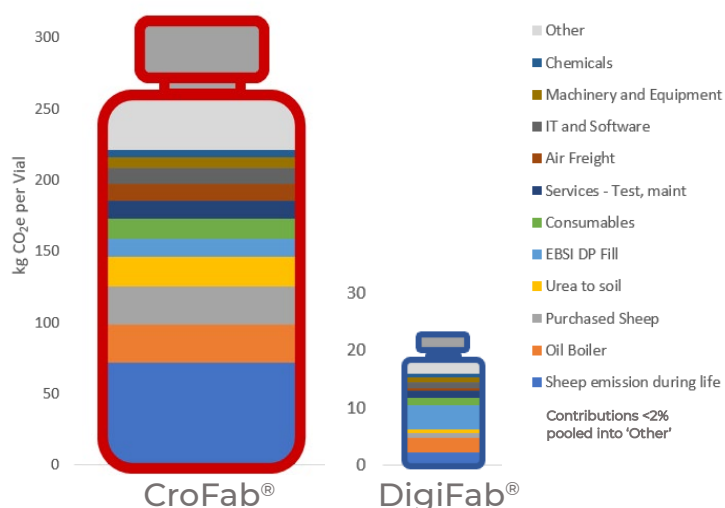
Eco-efficiency

With a philosophy of continuous improvement, we regularly look for opportunities to improve our efficiency to help manage the planet's finite resources.

This year through improved land management and agricultural practices we reduced the amount of fertiliser (urea) to grow feed for our sheep by 41% moving from 89 tonnes in 2022 to 52 tonnes in 2023.

As our manufacturing process is highly water-intensive, our Wales facility brought a new water treatment system online that is designed to reduce our consumption.

Estimated CO₂e per vial of two SERB manufactured biologic products



SDG	SDG Goal	Ambitions	Achievements 2023
	<p>Ensure sustainable consumption and production patterns</p>	<ul style="list-style-type: none"> • Reduce waste through process and supply chain efficiency. • Consider environmental impact of our operations and suppliers to identify opportunities for improvement. 	<ul style="list-style-type: none"> • Reduced fertiliser (urea) use on production farm by 40% • Installation of new water treatment system in Wales manufacturing facility
	<p>Take urgent action to combat climate change and its impacts</p>	<ul style="list-style-type: none"> • Measure and report Scope 1, 2, and 3 emissions. • Make a quantifiable reduction of greenhouse gas emissions while maintaining portfolio of life-saving medicines. 	<ul style="list-style-type: none"> • Full capture of Scope 1, 2, and 3 • Carbon footprint assessment of internally manufactured products • Solar panels installed at Wales Manufacturing facility
	<p>Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</p>	<ul style="list-style-type: none"> • Ensure compliance systems, policies, and training to prevent bribery or corruption 	<ul style="list-style-type: none"> • Completed a thorough third-party review and update of our compliance and anti-bribery and corruption (ABAC) policies • No ABAC incidents reported • 2 minor healthcare compliance issues investigated and addressed • In 2022 SERB joined the UN Global Compact and in 2023 filed its first Communication on Progress

Notes on methodology for greenhouse gas calculations

Emissions are calculated per calendar year for the full SERB Pharmaceuticals group. CO₂e emission calculations are based on physical data such as purchased APIs whenever possible. Material composition of finished drug product purchased from CMOs was estimated for products representing 89% of purchased product by weight using existing emission factors. Where specific emissions and lifecycle data for APIs was unavailable, emissions were estimated at 336 kgCO₂e/kg based on the carbon footprints of 28 comparable APIs identified in a literature review. Efforts are underway to gather supplier-specific data on purchased products for future reports. Other estimates are based on monetary data. The main sources of emission factors used in this report include the ecoinvent database v3.9 (2022), ADEME's Base Carbone®, ADEME's Base Impacts®, BEIS/DEFRA, and Carbometrix internal R&D. Carbon footprint (Scope 1, 2, and 3) are computed according to the GHG Protocol Corporate Accounting and Reporting Standard.

Learn more at:
serb.com/responsibility