Antibiotice

Sustainable Procurement Policy

2024

I. Introduction

Antibiotice S.A. integrates sustainability principles throughout its entire supply chain, recognizing that procurement decisions directly influence the company's environmental, social, and ethical performance.

As a pharmaceutical manufacturer with a significant impact on society and public health, we acknowledge our responsibility to collaborate only with partners who uphold high standards of compliance, integrity, and accountability.

This policy establishes the framework for implementing sustainable supplier management, in line with the company's commitments, including adherence to the Science Based Targets initiative (SBTi – Committed), as well as the requirements of Commission Delegated Regulation (EU) 2023/2772 (ESRS).

II. Objectives

The objectives of this policy address four essential dimensions:

1. Reducing Environmental Impact

Antibiotice prioritizes suppliers that provide products and services with a low carbon footprint, recyclable materials, energy-efficient solutions, and sustainable packaging. We also optimize logistics and promote waste reduction practices in line with circular economy principles. The collection and reporting of environmental data across the supply chain contribute to achieving the company's climate targets (GHG Scope 3 – upstream).

2. Promoting Ethical and Social Practices

The company complies with international and national legislation regarding human rights and working conditions, strictly prohibiting forced labour, child exploitation, and any form of discrimination. Preference is given to partners who comply with applicable legislation on human rights, fair labour practices, and the prohibition of forced labour or child exploitation.

Ethical compliance is monitored through periodic audits and rigorous assessments. Partners are required to adopt the Business Partners Code of Conduct, and alignment with its standards is regularly verified.

3. Ensuring Access to Safe Pharmaceutical Products

Procurement activities are conducted to support the availability of raw materials and critical services required for the production of safe and effective medicines, while improving access to quality products, especially in vulnerable communities. Suppliers are selected based on certifications and robust quality management systems. Collaboration is also encouraged for initiatives that improve healthcare infrastructure and disease prevention.

4. Transparency, Accountability, and Compliance

The supplier selection process is transparent and properly documented, while ESG performance is monitored and communicated to stakeholders. The information collected is integrated into the annual double materiality assessment, in accordance with European sustainability reporting standards.

III. Scope

This policy applies to all procurement activities carried out by Antibiotice S.A., including raw materials and active pharmaceutical ingredients (API), excipients and packaging materials, industrial goods, technical and logistics services, as well as indirect procurement.

Related documents supporting the implementation of this policy include the Business Partners Code of Conduct, the Environmental Policy, the Integrity Plan of Antibiotice S.A. for the implementation of the National Anti-Corruption Strategy, and the Quality Policy.

IV. Sustainability Criteria

Suppliers are assessed and selected based on the following dimensions:

- **Environmental sustainability**: responsible and/or certified resource use, waste reduction through recyclable or reusable packaging, and provision of relevant GHG Scope 3 emissions data.
- **Social and ethical practices**: compliance with international standards regarding human rights and working conditions, implementation of occupational safety measures, and adherence to the Business Partners Code of Conduct.
- **Economic responsibility**: selection of suppliers based on the optimal balance of quality, cost, and risk, as well as identification and mitigation of operational vulnerabilities to ensure supply chain resilience.

V. Supplier Assessment and Monitoring

Antibiotice S.A. has implemented a formal supplier sustainability assessment system, which also includes the analysis of issues related to respect for workers' rights within the value chain. The assessment is carried out through a dedicated questionnaire sent to relevant suppliers and partners, with the purpose of collecting information regarding their policies and practices related to working conditions and employee protection.

The questionnaire covers, among other aspects, policies prohibiting forced labour and child labour, equal opportunities and non-discriminatory treatment, respect for employees' contractual rights, occupational health and safety, grievance mechanisms, professional training programmes, workplace accident reporting, the right to freedom of association, and the existence of collective bargaining arrangements.

The information obtained is used to build an initial overview of suppliers' labour practices and to support the next steps in structuring the sustainability assessment process across the value chain.

Supplier Assessment Targets 2025-2028

Antibiotice S.A. has established clear objectives for the gradual expansion of ESG supplier assessments and for integrating sustainability criteria into all contracts and business relationships.

- **Phase I** (**2025–2026**): Assessment of the sustainability performance of suppliers covering 80% of the total procurement value;
- **Phase II** (**2026–2028**): Assessment of the sustainability performance of suppliers within the 80-90% segment of the annual procurement value;
- **Phase III** (**2028–2029**): Re-assessment of suppliers covering 90% of the annual procurement value.

The assessment process is carried out through the collection of non-financial data from suppliers via dedicated platforms or proprietary questionnaires, generating more detailed and standardized information on their environmental, social, business ethics, and sustainable procurement performance. This approach enables the gradual reduction of reliance on indirect estimates and increases the comparability of data from year to year.

VI. Business Partners Code of Conduct

Antibiotice has implemented the adoption process for the Business Partners Code of Conduct, which includes communicating the document to partners, integrating it into contractual relationships, collecting adherence declarations, and introducing the Code as a separate clause in all commercial contracts starting in June 2025.

Objectives related to partners' adherence to the principles of the Code of Conduct:

- 2025: signed by 65% of partners
- 2026: signed by 80% of partners
- 2027: signed by 90% of partners

By achieving these objectives, the company aims to strengthen the integration of ESG criteria into the supply chain, reduce risks, and capitalize on sustainable opportunities, while supporting a responsible and transparent procurement policy.

VII. Transparency and Reporting

Sustainable procurement indicators are reported annually and include the percentage of suppliers assessed from an ESG perspective, the percentage of contracts containing ESG clauses, the level of signature of the Business Partners Code of Conduct, Scope 3 emissions data, and the results of supply chain risk analyses. This information is included in the Sustainability Report and externally verified.

VIII. Compliance

All employees involved in procurement processes must comply with this policy. Non-compliance may lead to disciplinary measures or termination of relationships with suppliers.

Reporting Violations

Any breach may be reported via email at sustenabilitate@antibiotice.ro or by following the instructions set out in the Procedure for Receiving, Reviewing and Resolving Reports of Legal Violations, drafted in accordance with Law No. 361/2022 on the protection of public interest whistleblowers, ensuring confidentiality and whistleblower protection.

IX. Continuous Improvement

This policy is reviewed every three years, or whenever necessary, based on internal assessments, updates to international standards, and consultation with stakeholders.

This policy was revised in November 2025.

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