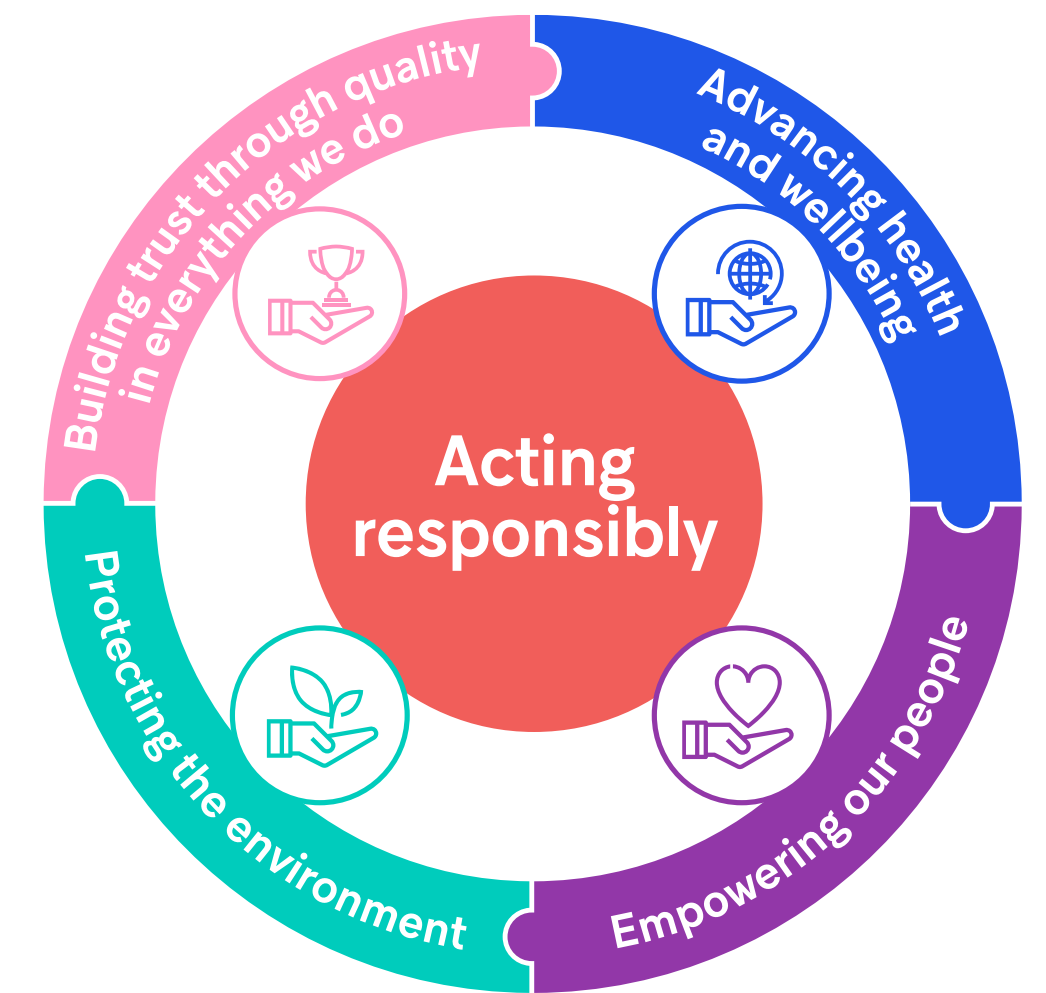


# Sustainability data summary 2023



## About the Data Summary

The Data Summary contains figures, metrics and trends related to sustainability and ESG. It is intended to assist navigation between qualitative and quantitative aspects of our sustainability performance.



## IN THIS SECTION

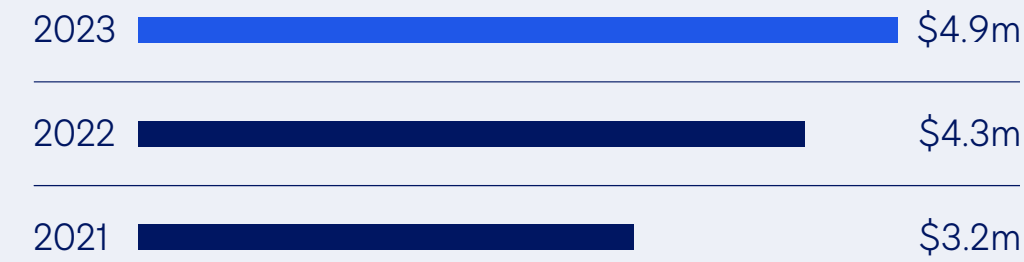
About the Data Summary .....	33
Advancing health and wellbeing .....	34
Empowering our people .....	35
Protecting the environment .....	39
Building trust through quality in everything we do .....	46



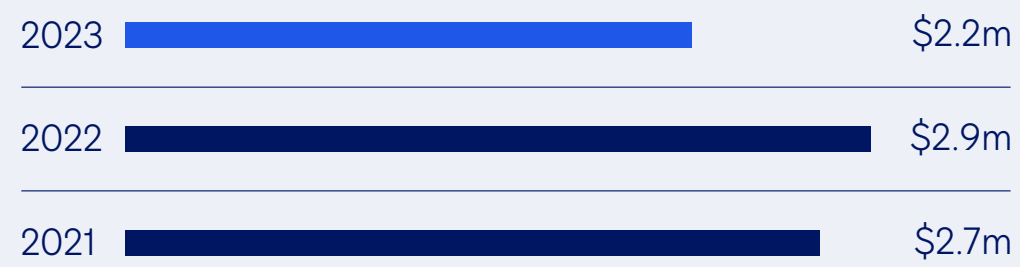
# Advancing health and wellbeing

Providing better healthcare and supporting our communities

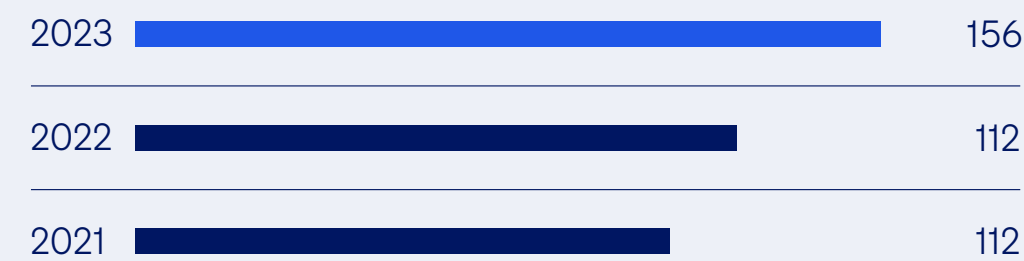
## Medicine donations by year (COGS) \$m



## Sponsorships and monetary donations



## Total community engagement activities

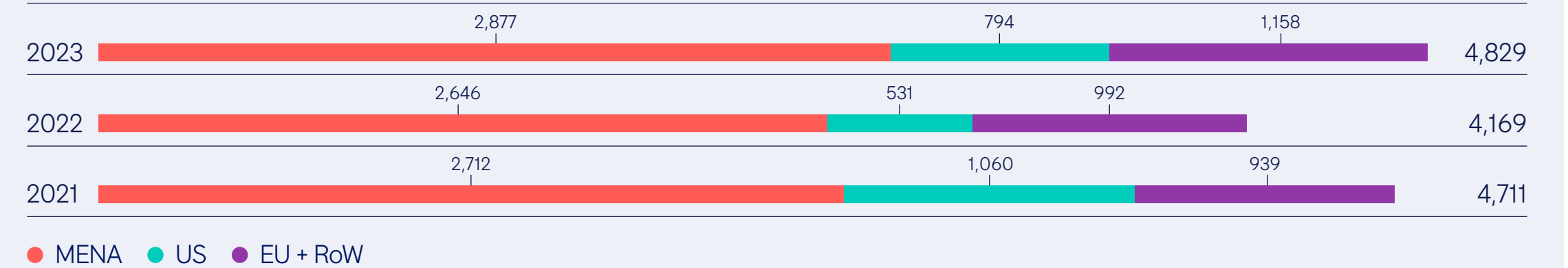


## Research and development

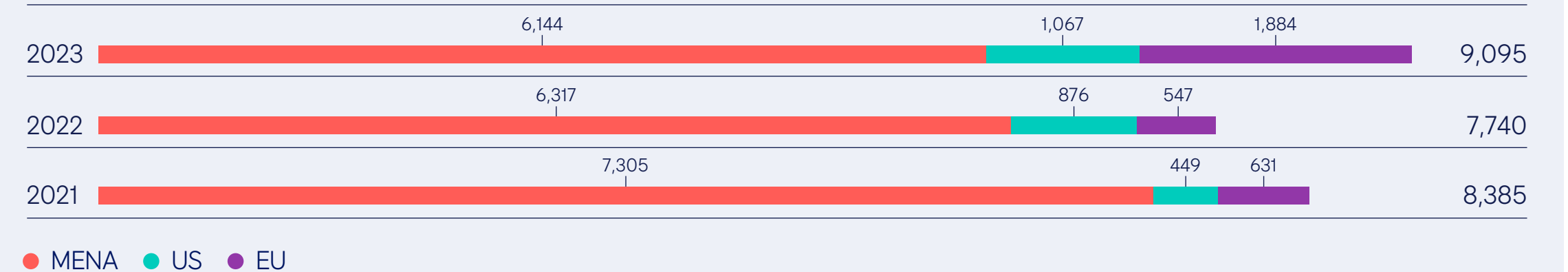
	2023 submissions <sup>1</sup>	2023 approvals <sup>1</sup>	2023 launches <sup>1</sup>
Injectables	55	87	120
US	27	31	28
MENA	21	23	25
Europe + RoW	7	33	67
Branded	47	37	32
Generics	5	4	5
<b>Total</b>	<b>107</b>	<b>128</b>	<b>157</b>

1. Pipeline projects submitted, approved and launched by country in 2023.

## Number of employee volunteers, by region



## Number of employee volunteering hours, by region





# Empowering our people

Shaping an inclusive culture where everyone can thrive

## General employee information

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

## Employee engagement (People’s Voice)

	2020	2021	2022	2023
Employee engagement score	73%	NA	NA	<b>73%</b>
Employee enablement score	64%	NA	NA	<b>69%</b>

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

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

Employee engagement (%)

**73%**

(2020: 73%)



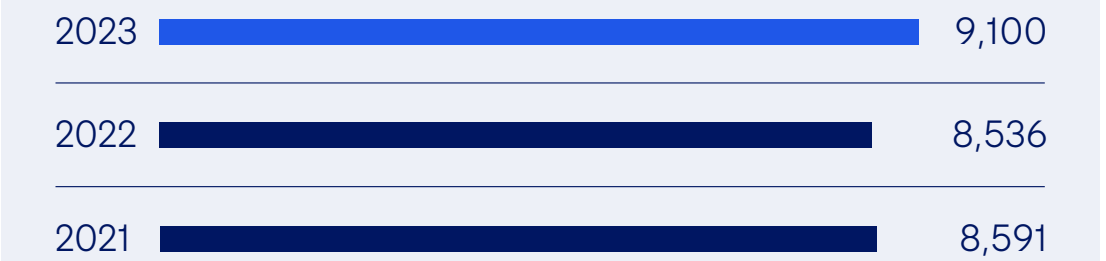
Employee enablement (%)

**69%**

(2020: 64%)



## Number of employees

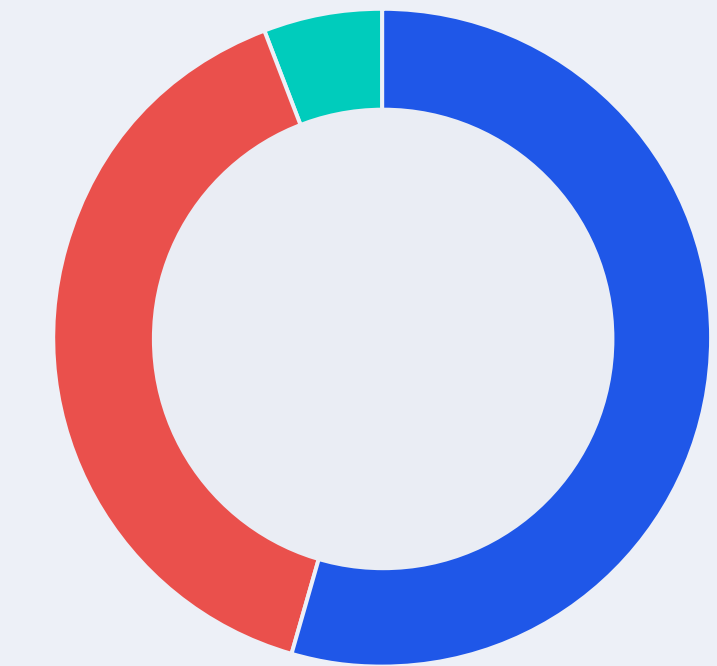


Empowering our people *continued*

**Recruitment, retention and promotion**

	2021	2022	2023
Number of new employee hires	<b>1,033</b>	<b>1,289</b>	<b>1,595</b>
– Men	638	665	<b>869</b>
– Women	386	501	<b>634</b>
– Unspecified gender	9	123	<b>92</b>
Voluntary turnover	<b>875</b>	<b>1,040</b>	<b>991</b>
– Voluntary turnover – Men	527	587	<b>559</b>
– Voluntary turnover – Women	346	429	<b>393</b>
– Voluntary turnover – unspecified gender	2	24	<b>39</b>
Voluntary turnover rate	<b>10%</b>	<b>12%</b>	<b>11%</b>
– Voluntary turnover rate – Men	6%	7%	<b>6%</b>
– Voluntary turnover rate – Women	4%	5%	<b>5%</b>
– Voluntary turnover rate – unspecified gender	0%	0%	<b>0.4%</b>

**Number of new employee hires: 2023**



Men	869 (54%)
Women	634 (40%)
Unspecified gender	92 (6%)

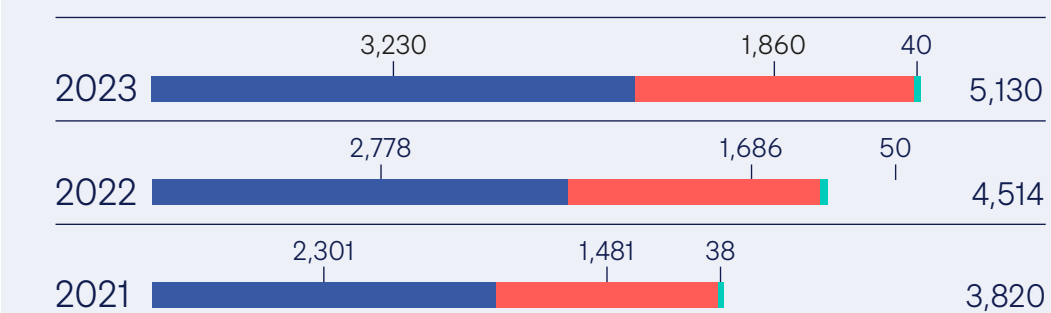
Empowering our people *continued*

**Learning and development<sup>1</sup>**

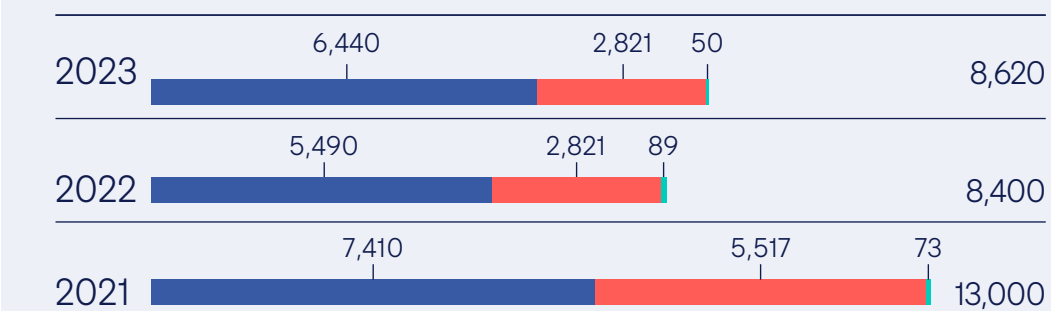
	2021	2022	2023
Average hours of training	7.6	8.1	<b>7.1</b>
– Men	7.6	7.9	<b>7.1</b>
– Women	7.7	8.5	<b>7.4</b>
– Unspecified gender	NA	NA	<b>1.2</b>
Active users across learning platforms	3,820	4,400	<b>5,130</b>
– Men	2,301	2,708	<b>3,230</b>
– Women	1,481	1,643	<b>1,860</b>
– Unspecified gender	38	49	<b>40</b>
Video-based learning hours completed	13,000	8,400	<b>8,620</b>
– Men	7,410	5,490	<b>6,440</b>
– Women	5,517	2,821	<b>2,130</b>
– Unspecified gender	73	89	<b>50</b>
Instructor-led learning hours	47,000	55,000	<b>52,760</b>
– Men	31,725	34,447	<b>32,250</b>
– Women	15,145	20,497	<b>20,490</b>
– Unspecified gender	130	56	<b>20</b>
Number of active Continuing Education Scholarships for employees	NA	25	<b>22</b>

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

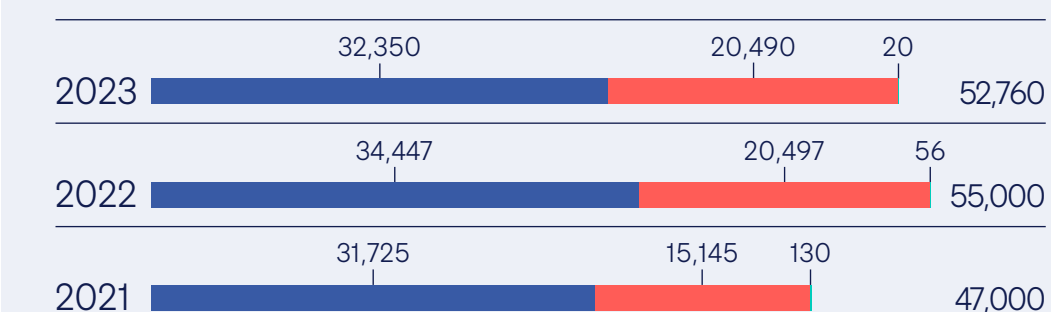
**Number of active employee users across learning platforms**



**Number of video-based learning hours**



**Number of instructor-led learning hours**




● Men ● Women ● Unspecified gender

Empowering our people *continued*

DEI Target<sup>1</sup>

**35%**

Achieve a minimum of 35% women on the Executive Committee and their direct reports<sup>1</sup>



**Diversity, equity and inclusion<sup>2</sup>**

	2021	2022	2023
Number of full time employees – Women	2,977	2,968	<b>3,123</b>
– Percent of total headcount	35%	35%	<b>35%</b>
Number of women in Managerial levels <sup>3</sup>	297	309	<b>345</b>
– Percent of total headcount	28%	29%	<b>30%</b>
Number of women in Professional and Worker levels <sup>4</sup>	2,692	2,613	<b>2,773</b>
– Percent of total headcount	36%	36%	<b>36%</b>
Number of Board members appointed that are women	3	5	<b>5</b>

**Ethics and compliance<sup>2</sup>**

	2021	2022	2023
Percentage of employees that have conducted Code of Conduct training	98%	98%	<b>98%</b>

**Employee health and safety<sup>2</sup>**

	2021	2022	2023
Number of lost time incidents (LTIs) <sup>5</sup>	103	94	<b>85</b>
Lost time incident rate (LTIR) <sup>5</sup>	1.37	1.32	<b>1.01</b>
Number of fatalities	0	0	<b>0</b>
Fatality rate	0	0	<b>0</b>

1 Subject to applicable laws, these targets are not intended to act as quotas or preferences and selections will continue to be based on merit

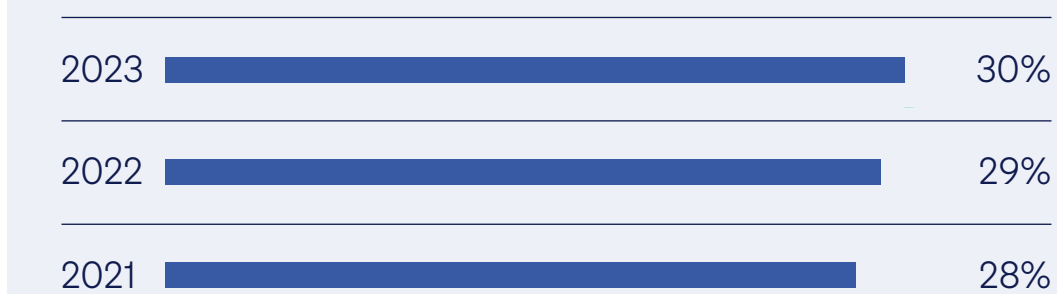
2 Calculations exclude employees at the International Pharmaceutical Research Centre (IPRC) and Arab Medical Containers (AMC) in Jordan, in line with our reporting criteria.

3 Managerial roles represent employee levels F-I.

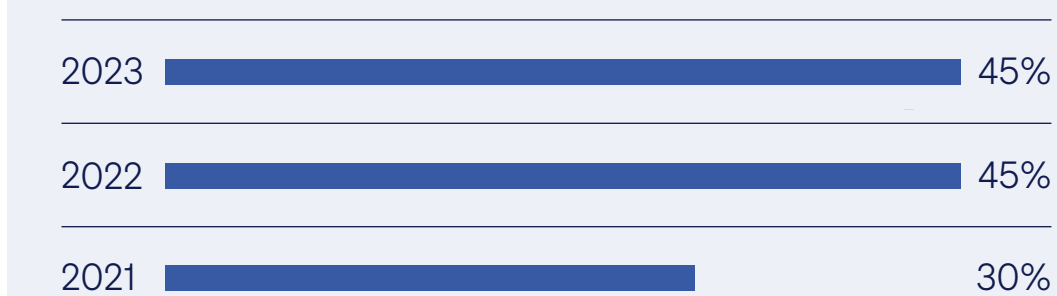
4 Professionals and workers represent employee levels A-E

5 LTI and LTIR for 2021 and 2022 have been restated to align with our most recent sustainability reporting criteria, available at [www.hikma.com/responsibility](http://www.hikma.com/responsibility)

**Percentage of employees in Managerial roles that are women<sup>2</sup>**



**Percentage of women on the Board of Directors**





# Protecting the environment

Minimising our impact on the planet

Target

## 25%

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



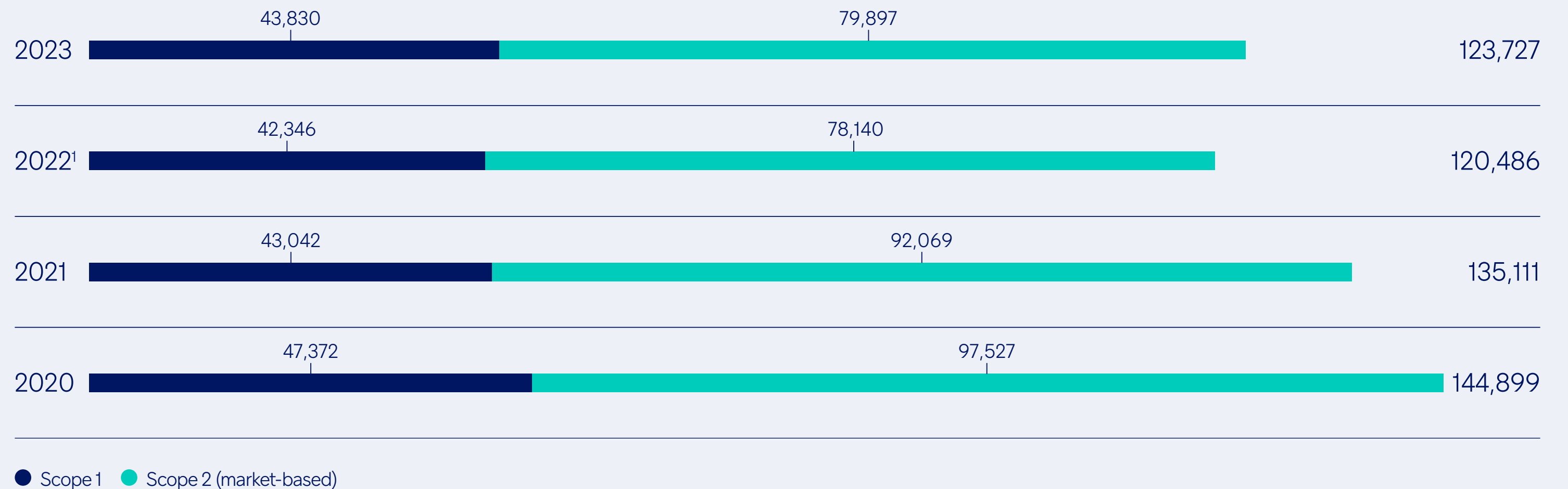
### GHG emissions<sup>1</sup> (tCO<sub>2</sub>e)

	2020	2021	2022 <sup>1</sup>	2023 <sup>2</sup>
Scope 1 – Combustion of fuel and operation of facilities	47,372	43,042	42,346	<b>43,830</b>
Scope 2 (market-based) – Electricity	97,527	92,069	78,140	<b>79,897</b>
<b>Total Scope 1 and 2 emissions (market-based)</b>	<b>144,899</b>	<b>135,111</b>	<b>120,486</b>	<b>123,727</b>
<b>Year-on-year change in Scope 1 and 2 emissions (market-based)</b>	N/A	(7%)	(10%)	<b>3%</b>
<b>Change in Scope 1 and 2 emissions (market-based) since base year 2020</b>	N/A	(7%)	(17%)	<b>(15%)</b>
Scope 2 (location-based) – Electricity	94,949	84,708	79,601	<b>83,536</b>

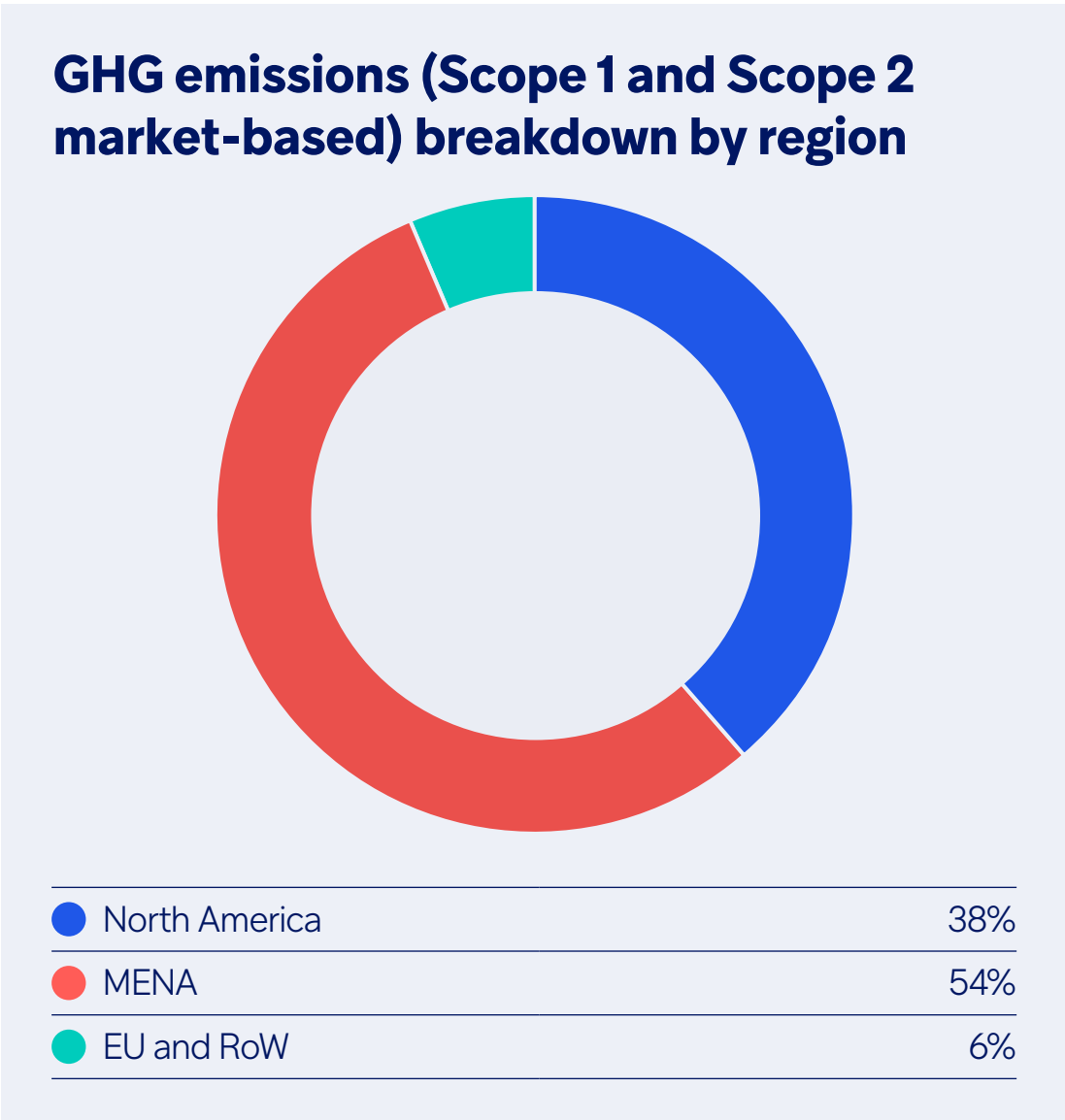
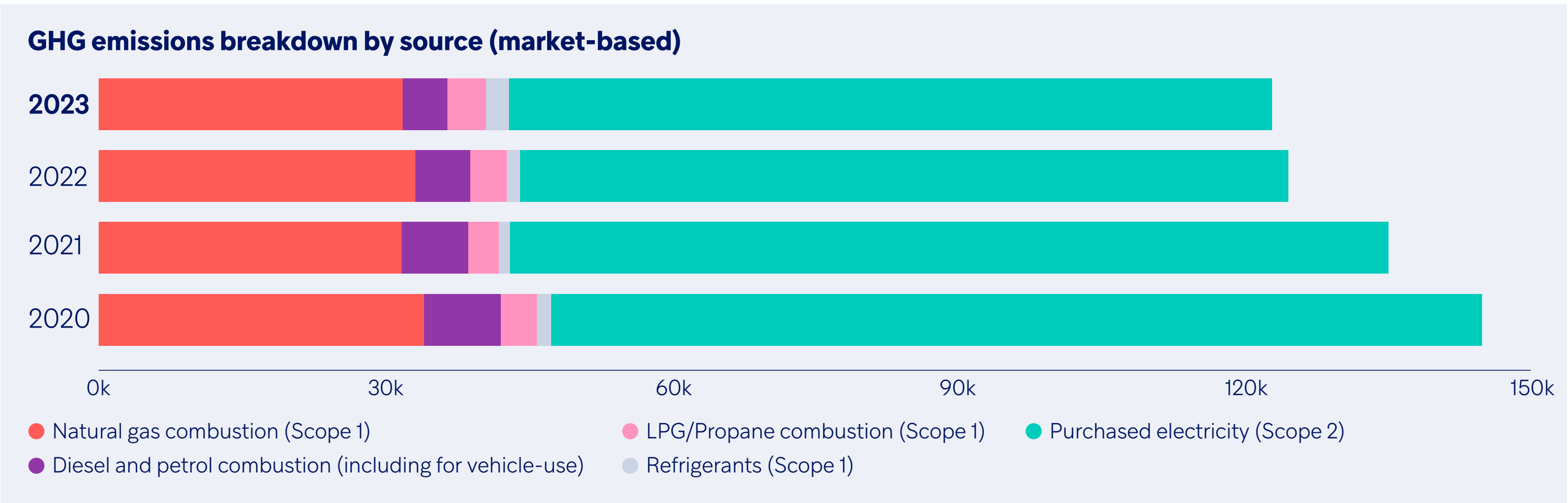
1 Emissions for 2022 have been restated as we continue to improve our monitoring and analysis of environmental metrics

2 Emissions for 2023 are updated from the Annual Report 2023 data, updating the Q4 estimates and reflecting actual consumption and emissions for the 2023 full year

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



Protecting the environment *continued*





**Protecting the environment** *continued***Emissions intensity**

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

<b>Emissions intensity: revenue (\$m)<sup>1</sup></b>	2021	2022	2023
Scope 1 and 2 emissions (market-based) / Group revenue	47.1	43.1	<b>43.0</b>
Scope 1 and 2 emissions (location-based) / Group revenue	50.0	49.5	<b>44.3</b>
<b>Emissions intensity: headcount<sup>2</sup></b>	2021	2022	2023
Scope 1 and 2 emissions (market-based) / headcount	15.7	14.4	<b>13.6</b>
Scope 1 and 2 emissions (location-based) / headcount	14.9	14.6	<b>14.0</b>

**UK Office emissions<sup>3</sup>**

	2021	2022	2023
Emissions total (tCO <sub>2</sub> e)	187	202	<b>65</b>
As percentage of Group	0.13%	0.16%	<b>0.05%</b>

1 Emissions intensity by revenue is calculated using Group-wide revenue (\$m)

- Group revenue 2021: 2,553
- Group revenue 2022: 2,517
- Group revenue 2023: 2,875

2 Emissions intensity by headcount is calculated using Group-wide headcount

- Group headcount 2021: 8,700
- Group headcount 2022: 8,800
- Group headcount 2023: 9,100

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

Protecting the environment *continued*

**GHG emissions, Scope 3 (tCO<sub>2</sub>e)<sup>1</sup>**

Scope 3 category <sup>4</sup>	Category description	2021	2022	2023
1	Purchase of goods and services	636,171	740,412	<b>799,426</b>
2	Capital goods	48,054	46,913	<b>47,343</b>
3	Fuel & energy related activities not included in Scope 1 or Scope 2	33,550	34,175	<b>30,246</b>
4	Upstream transportation and distribution <sup>3</sup>	20,226	26,725	<b>27,322</b>
5	Waste generated in operations (including water)	1,171	4,058	<b>3,105</b>
6	Business travel	731	1,177	<b>7,469</b>
7	Employee commuting	–	7,881	<b>10,241</b>
<b>Total<sup>2</sup></b>		739,903	861,341	<b>952,152</b>

1 Limited assurance of the Sievo Oy CO<sub>2</sub> analytics module and methodology by EY. The full assurance statement can be found at [www.hikma.com/responsibility](http://www.hikma.com/responsibility)

2 Changes in Scope 3 emissions totals between years is partially due to the introduction of new emissions categories to our reporting boundary

3 Includes Category 9: Downstream transportation and distribution

4 Categories determined to be relevant but not yet calculated include; Category 11: Use of sold products, Category 12: End of life treatment of sold products and Category 15: Investments



## Protecting the environment *continued*

### Methodology and assurance

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

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

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

Scope 1:

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

Scope 2:

- Purchased electricity – standard
- Purchased electricity – renewable

For reporting in this Sustainability Report, we have updated the data published in our Annual Report 2023 to include actual data for October to December 2023. This replaces the estimates that were included for those months.

We continue to refine and improve how we monitor and manage our emissions. In this context, we have restated our 2022 emissions by -3% as we continue to improve our monitoring and analysis of environmental metrics. More information on this restatement and our data management methodology can be found here [www.hikma.com/responsibility](http://www.hikma.com/responsibility).

We have internal sustainability reporting criteria for key metrics which guide our sustainability reporting. The criteria define our reporting boundary and conditions for restatements, and establish a unified

hierarchy for estimating consumption where actual data are not available. Our emissions calculation contains no material omissions, as determined by the reasonable level of assurance received on this data. In some cases, where any month's data is missing, it has been estimated using the following methodology: using data from one year prior to the month to be estimated or previous year as proxy, calculate an average daily consumption over that period and apply that to the number of days within the month to be estimated.

EcoAct was engaged by Hikma to provide independent third-party reasonable verification of its direct (Scope 1) and indirect (Scope 2 and selected Scope 3) GHG emissions, as detailed in this report. Based on the data and information provided by Hikma and the processes and procedures followed, it is EcoAct's verification opinion that the following GHG emissions totals are fairly stated and free from material error for 2023.

Verified emissions by EcoAct include:

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

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

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

Protecting the environment *continued*

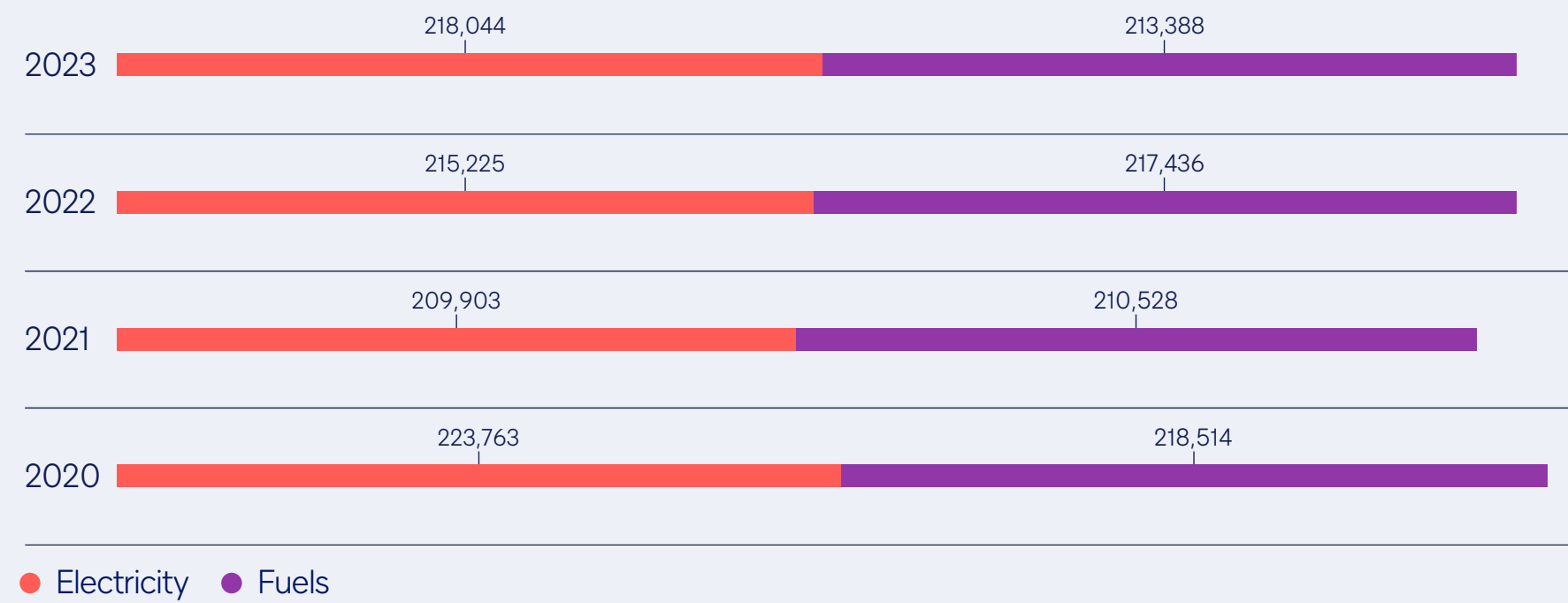
**Energy consumption (MWh)**

	2020			2021			2022 <sup>1</sup>			2023 <sup>2</sup>		
	UK	Rest of the world	Total	UK	Rest of the world	Total	UK	Rest of the world	Total	UK	Rest of the world	Total
Electricity	129	223,634	223,763	125	209,778	209,903	<b>116</b>	<b>215,109</b>	<b>215,225</b>	<b>168</b>	<b>217,876</b>	<b>218,044</b>
Fuels	871	217,644	218,514	882	209,646	210,528	<b>882</b>	<b>216,554</b>	<b>217,436</b>	<b>21</b>	<b>213,367</b>	<b>213,388</b>

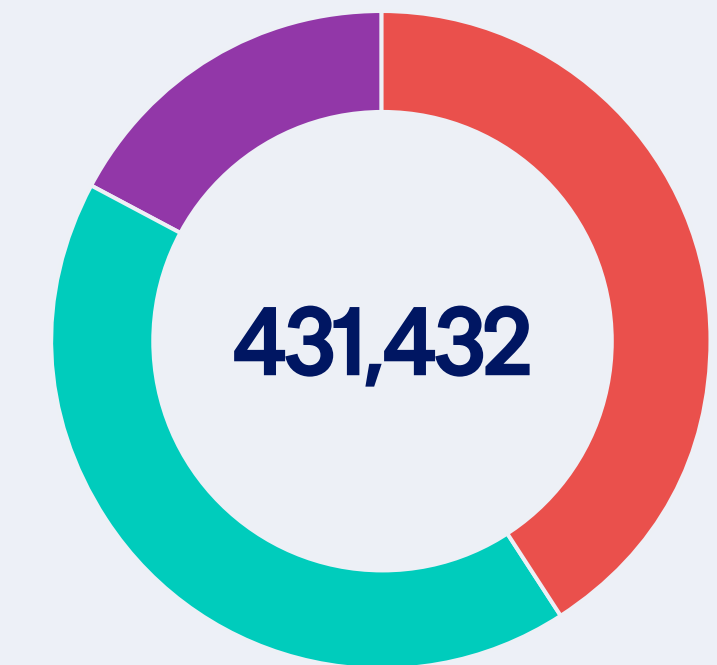
1 Emissions for 2022 have been restated as we continue to improve our monitoring and analysis of environmental metrics

2 Emissions for 2023 are updated from the Annual Report 2023 data, updating the Q4 estimates and reflecting actual consumption for the 2023 full year

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



**Energy consumption (MWh) by region – 2023**



North America	41%
MENA	42%
EU and RoW	17%

Protecting the environment *continued*

Target

# 2025



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

**Water and waste consumption by region (m<sup>3</sup>)**

		2021	2022	2023
<b>Water</b>				
Extracted water consumption	m <sup>3</sup>	1,064,479	1,175,224	<b>1,231,312</b>
Treated water consumption	m <sup>3</sup>	73,306	80,100	<b>45,370</b>
Discharged water consumption	m <sup>3</sup>	689,533	853,279	<b>1,050,915</b>
<b>Waste generated</b>				
	Tonnes	8,890	13,275	<b>14,876</b>

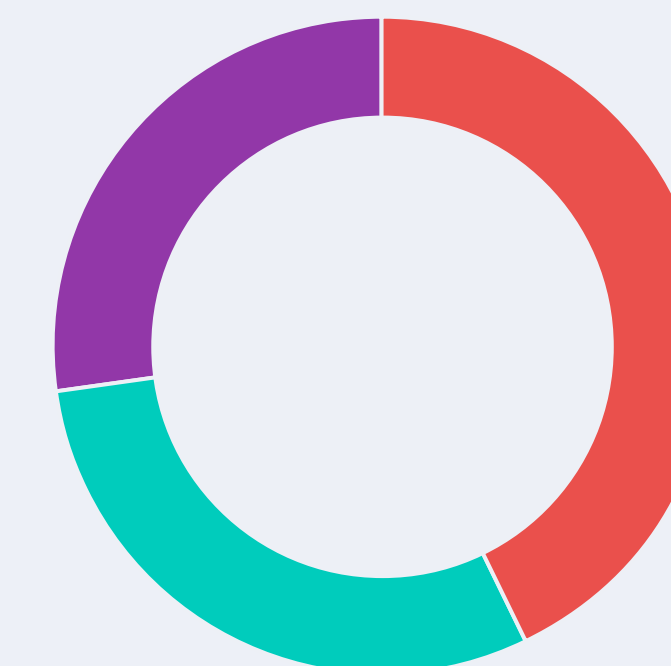
Note: Our data collection of waste and water is a work in progress, which we continue to refine and improve

**Sustainability-related certifications**

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

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

**Water consumption by region (m<sup>3</sup>) – 2023**



North America	43%
MENA	30%
EU and RoW	27%



# Building trust through quality in everything we do

Upholding ethical standards and acting with integrity

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

Governance	2021	2022	2023
External audits	116	118	<b>129</b>
Internal audits	28	26	<b>24</b>

## Worldwide pharmacovigilance compliance with reporting requirements

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

## Percentage spend on local suppliers

Local suppliers represent the majority of our spend.

We assessed markets representing more than 90% of our total spend, and maintained an average of 59%-60% spend on local suppliers between 2021 and 2023. We recognise that supporting local suppliers drives socio-economic development for our markets, and we aim to maintain a strong local presence and supplier base.

## Sustainable screening for social and environmental compliance

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

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

	2022	2023
Suppliers screened for environmental criteria (percentage of annual spend)	39%	<b>49%</b>