



2025 Annual Report

of the Galenica Group
and the Galenica Ltd.

A close-up photograph of a woman with reddish hair adjusting a green knit beanie on a young child's head. The child is smiling and looking off-camera. The woman is also smiling and looking at the child. The scene is warmly lit, suggesting an indoor setting. A dog's head is visible in the bottom left corner.

Our vision

“Health and well-being are at the heart of what we do. They are the reason we give our best every day.”

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Marc Werner, CEO

Dr Markus R. Neuhaus,
Chair of the Board of Directors

"In 2025, we continued to execute our strategy with conviction and achieved positive developments in all segments."

Galenica continues to grow successfully and adds value as a network

Dear Shareholders, Ladies and Gentlemen,

In this Annual Report, we are pleased to report that Galenica is continuing to develop positively. In 2025, we have sustainably strengthened our market position, successfully launched new services on the market, and consistently advanced digitalisation in all business areas. This broad-based growth demonstrates our strength as a robust healthcare network that offers companies, partners and our patients compelling added value.

Management Report

„Thanks to our broad positioning, Galenica is successfully and future-oriented positioned in the market.“

Pioneer of integrated healthcare

We are shaping the healthcare system of tomorrow together with strong partners, drawing on the full range of our skills and expertise from the Galenica network. In 2025, we continued to execute our strategy with conviction and achieved positive developments in all segments. Thanks to our broad positioning – from pharmacies and pharmaceutical logistics to products and services, home care and now also diagnostics – Galenica is successfully and future-oriented positioned in the market. By consistently focusing on the needs of our customers and patients, we aim to have a lasting impact on the further development of healthcare and promote innovation. An important milestone was the successful entry into the diagnostics business through the acquisition of the Labor Team Group in September 2025. This leading Swiss diagnostic service provider strengthens our offering in the physician segment and opens up additional long-term potential for innovative diagnostic services in our pharmacies.

„Demand for vaccinations, for example, has increased significantly.“

Basic care strengthened in line with customer needs

Pharmacies in the Galenica network have further expanded their role as the first point of contact in the healthcare system. Galenica strategically expanded its pharmacy network through acquisitions in attractive locations. In 2025, Amavita not only celebrated its 20th anniversary, but also opened its 200th location with the acquisition in Morbio Inferiore. By the end of 2025, we had a total of 381 pharmacies. By investing in training, infrastructure, digital solutions and communication, we have further developed pharmacies as the first point of contact for acute health problems and expanded the “Consultation plus” offering. Customers and patients receive consultation and healthcare services, while the burden on the healthcare system is noticeably reduced. Demand for vaccinations, for example, has increased significantly. The latest political decisions, such as the “Cost Containment Package 2”

passed by Parliament, support this trend and lay the foundation for broader remuneration of pharmaceutical services and the development of additional consultation offerings.

„Private consultation areas provide the setting for confidential conversations.“

New pharmacy concept launched, partnerships expanded

“Consultation plus” has also opened its doors to health insurers: thanks to our high-quality consultation and healthcare services, which are standardised throughout Switzerland, our pharmacies are increasingly being positioned as entry points for various insurance models. In order to make the central role of the pharmacy everyday life even more tangible, Galenica has also developed a new concept, which Amavita has been piloting in Zurich’s Glatt shopping centre since October 2025. This concept helps to further expand consultations as a key task of the pharmacy and offers a modern customer experience: private consultation areas provide the setting for confidential conversations, self-service checkouts ensure short waiting times, and digital services are integrated directly into personal consultations. In addition, we have expanded our online drugstores offering, particularly in the over-the-counter range, with the increased investment in Puravita in December 2025.

Successful ERP modernisation for greater efficiency

Galexis reached a significant milestone in 2025: the ERP system at the Lausanne-Ecublens distribution centre has been converted, giving Galexis a pioneering role in Swiss pharmaceutical wholesale in Western Switzerland. The changeover was not only an IT project, but also a comprehensive transformation process. The insights gained from Lausanne-Ecublens are being directly incorporated into the preparations for the SAP rollout at the Niederbipp site in 2026. Alloga had already completed the SAP project in 2024 and increased efficiency by 20% in the reporting year by systematically adapting its workflows and picking processes.

„Medifilm has also made significant progress and remains an important growth driver in the Galenica home care network.“

Bundled expertise and expanded capacity in home care

Galenica has strategically bundled its offering in the home care sector. Since October 2025, the digital platforms Lifestage Solutions and HomeCare Bichsel have shared a joint management structure. This combined expertise creates a unique offering in the Swiss home care market: many years of experience in clinical nutrition paired with a digital platform that automates the ordering and billing of consumables. Medifilm has also made significant progress and remains an important growth driver in the Galenica home care network. Building on the expansion of capacity in the previous year, Medifilm put another fully integrated blister packaging machine into operation in 2025 and already began preparing a third system – an important step in meeting rising demand.

Pleasing overall result

Our focus is on consistent and long-term value creation. The Galenica Group has once again reported a pleasing annual result. It has significantly increased both its revenue (+5.5%) and adjusted EBIT (+11.3%) compared to the previous year, with all business areas contributing to this growth. The acquisition of Labor Team in September and special factors amounting to CHF 6.2 million also had a positive impact on the EBIT.

With this strong result, Galenica has clearly achieved both its revenue and EBIT forecasts for 2025. The Board of Directors will propose a dividend increase to CHF 2.50 per share to the Annual General Meeting, which corresponds to an increase of 8.7%. For 2026, Galenica expects revenue growth of between 5% and 7% and an increase in adjusted EBIT of between 6% and 8%. Excluding the extraordinary special factors of CHF 6.2 million in 2025, this corresponds to an increase in adjusted EBIT of between 9% and 11%.

„The motivation score in the Galenica network has increased consistently in recent years.“

Culture of continuous improvement and digital connectivity

Galenica increases its efficiency through a corporate culture that promotes continuous process improvements and the active participation of all employees. Not only does this strengthen operational performance and innovation, it also improves employee satisfaction. The motivation score in the Galenica network has increased consistently in recent years and reached a pleasing 78 out of 100 points in 2025. At the same time, Galenica is driving forward digitalisation along the entire value chain. With the introduction of the Data & AI Governance Board in 2025, the responsible handling of data and artificial intelligence has also been clearly defined and established. AI will help us, for example, to control demand, inventories and quality levels in logistics even more precisely or to automate reorders for pharmacies. AI will thus directly support our most important Sustainable Development Goals in future: patient safety and reliable healthcare.

Focus 2026: customer enthusiasm

The foundation for continued future success has thus been laid – with a clear focus on inspiring our customers time and time again. This is made possible thanks to the great dedication of our knowledgeable employees and our wide range of products and healthcare services. With our sustainable strategy and unique business model, we are succeeding in playing a defining role in the Swiss healthcare market. We do this in line with our social and environmental responsibility and with corporate governance based on strong values. This has also been recognised on the capital market with the positive performance of Galenica's share price in the year under review. With the launch of the Science Based Targets initiative (SBTi), Galenica is also going one step further: we are embedding our climate protection ambitions in a binding and transparent manner.

Thank you for your trust

In this Annual Report, we are pleased to present Galenica's continued positive development in detail. Our particular thanks go to everyone who has contributed to this success: first and foremost, our dedicated employees, who work with passion and professionalism every day to ensure the health and well-being of people in Switzerland. To our customers and patients who trust us with their health and rely on our products and services. And we would like to thank you, our valued shareholders, for the trust in the Galenica network. A sincere thanks also goes to our strong partners, who share our vision and work with us to shaping the integrated healthcare of the future.

Bern, 10 March 2026



Dr Markus R. Neuhaus
Chair of the Board of Directors

Marc Werner
CEO

Highlights

Overview

Galenica continues to grow in the 2025 financial year: the Galenica Group achieved strong growth with sales up 5.5% in the 2025 financial year and generated consolidated net sales of CHF 4,135.6 million.

Highlights of the 2025 financial year
Consultations and healthcare services

368,000
+29% year on year

Clinical Decision Support Checks
(Documedis CDS.CE)

553
million, +50% year on year

Employee survey – "Opinio"

78
Motivation score among Galenica
Group employees

Adjusted¹ EBIT increased by 11.3% to CHF 234.8 million. Adjusted¹ net profit from continuing operations increased by 3.0% to CHF 188.7 million. Thanks to the strong operating result, the Board of Directors will propose to the General Meeting a dividend of CHF 2.50 per share, which corresponds to an increase of 8.7%.

Highlights of the 2025 financial year

- The pharmacy network has developed dynamically through acquisitions, new openings and reorganisations.
- Demand for consultations has increased by almost 29%: 368,000 fee-based healthcare services were provided, including almost 93,000 vaccinations.
- Thanks to high demand for prescription-only medications, Galenica pharmacies grew organically by 3.3% and gained market share.
- In the Swiss consumer healthcare market, we further consolidated our leading position with sales growth of 6.2% to CHF 158.0 million.
- The "Services & Production" sector progressed positively and grew by 4%. All units – Bichsel, Lifestage and Medifilm – contributed to this growth. In 2025, Medifilm put another fully integrated blister packaging machine into operation and patient days once again increased significantly by 10%.
- With the acquisition of Labor Team in September 2025, Galenica was able to further broaden its value chain and significantly expand its range of services for physicians to include diagnostic services. The acquisition of Labor Team contributed around 1% to the Group's sales growth.
- Strong sales growth of 4.8% was achieved in the "Wholesale" sector. Both the physicians segment with growth of 3.9% and the pharmacy segment with an increase of 5.3% performed in line with the market.
- HCI Solutions continues to make a major contribution to patient safety in Switzerland, registering 553 million CDS checks (+50%) on the Documedis[®] platform in the reporting year.

¹ See definition of adj. EBIT in the section "[Alternative performance measures](#)".

Financial key figures

Net sales
in million CHF



■ Products & Care¹⁾: 1,816.4
■ Logistics & IT¹⁾: 3,332.6

EBIT adjusted²⁾
in million CHF



■ Products & Care^{1) 2)}: 175.2
■ Logistics & IT^{1) 2)}: 61.7

Number of employees
at 31 December 2025



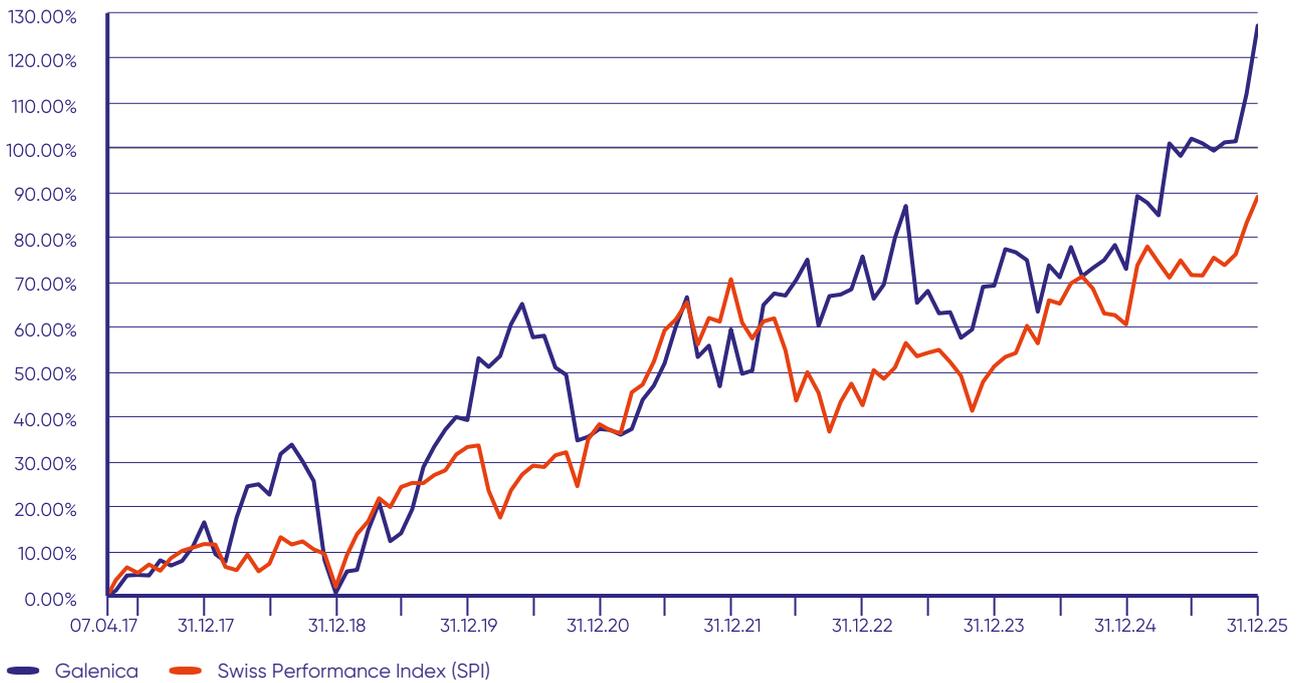
■ Products & Care: 6,271
■ Logistics & IT: 1,551
■ Group Services: 605

in million CHF	2025	2024	Change
Net sales	4,135.6	3,921.1	5.5%
Products & Care ¹⁾	1,816.4	1,700.2	6.8%
Logistics & IT ¹⁾	3,332.6	3,180.5	4.8%
EBIT	232.4	214.4	8.4%
EBIT adjusted²⁾	234.8	211.0	11.3%
in % of net sales	5.7%	5.4%	
Products & Care ^{1) 2)}	175.2	160.1	9.4%
in % of net sales	9.6%	9.4%	
Logistics & IT ^{1) 2)}	61.7	53.8	14.8%
in % of net sales	1.9%	1.7%	
Profit from continuing operations	183.9	183.7	0.1%
Profit from continuing operations adjusted²⁾	188.7	183.2	3.0%
Total assets	3,297.1	3,070.9	7.4%
Shareholders' equity	1,485.0	1,551.8	-4.3%
Equity ratio	45.0%	50.5%	
Capital contribution reserves	87.7	145.0	-39.6%
Net debt adjusted²⁾	674.8	424.1	59.1%
Debt coverage adjusted ²⁾	2.3 x	1.6 x	
Gearing adjusted ²⁾	44.7%	27.0%	
Investments in property, plant and equipment and intangible assets	61.1	72.8	-16.0%
Cash flow from operating activities adjusted²⁾	245.7	212.1	15.8%
Free cash flow²⁾	-87.4	61.0	-243.2%
Employees at reporting date (FTE)	6,558	6,119	7.2%

¹⁾ Reported for each segment not taking into account Group Services and Eliminations

²⁾ For details to the adjusted key figures refer to chapter Alternative performance measures of the Annual Report 2025

Share price performance in percent



Share information

in CHF	2025	2024
Share price at reporting date	97.70	74.35
Highest share price for the year	97.70	78.15
Lowest share price for the year	75.05	69.30
Market capitalisation at reporting date in million CHF	4,867.8	3,704.6
Earnings per share from continuing operations ¹⁾	3.67	3.67
Earnings per share adjusted from continuing operations ¹⁾²⁾	3.76	3.66
Shareholders' equity per share ¹⁾	29.73	31.07
Gross dividend per share ³⁾	2.50	2.30
– of which paid out from retained earnings	1.25	1.15
– of which paid out from reserves from capital contributions	1.25	1.15
Dividend yield ⁴⁾	2.6%	3.1%
Pay-out ratio adjusted ⁵⁾	66.5%	62.8%
Price-earnings ratio (P/E) adjusted ⁶⁾	26.0	20.3

¹⁾ Attributable to shareholders of Galenica Ltd.

²⁾ Net profit adjusted divided by average number of outstanding shares

³⁾ According to Board of Directors' proposal to Annual General Meeting of 21 April 2026

⁴⁾ Gross dividend per share in relation to the share price at reporting date

⁵⁾ Gross dividend per share in relation to earnings per share adjusted from continuing operations

⁶⁾ Share price at reporting date in relation to earnings per share adjusted from continuing operations

Non-financial key figures

Key figures

Galenica reports key employee figures on employment, occupational health and safety, training and development as well as diversity and equal opportunities. In addition, further key figures on patient safety and health as well as procurement and supply security are published.

Aspect	Unit	2025	2024
Employment			
Employees	number	8,427	7,971
Investment in training	Mio. CHF	5.9	5.9
Apprentices in training	number	966	944
Patient safety and health			
Number of healthcare services	number	368,000	286,000
Availability of medicinal products on average	%	98.6	99.0
Energy consumption			
Energy consumption within the organisation	MWh	44,334	44,278
Energy intensity within the organisation	MWh/ FTE	6.76	7.24
Emissions			
Direct and indirect GHG emissions (Scope 1+2)	tCO ₂ e	5,024	5,433
Other GHG emissions (Scope 3)	tCO ₂ e	396,400	378,700

Milestones



Roll-out of Prescription Manager

The digital assistant is now available in all Galenica pharmacies.

8th Annual General Meeting of Galenica Ltd.

All motions were approved at the AGM on 10 April 2025.



January

February

March

April

May

June

Board of Directors

Nadine Balkanyi-Nordmann is nominated to the Board of Directors as an expert in law and governance.

Annual results press conference

On 11 March 2025, we reported a strong result for the 2024 financial year.

A new news portal

Stories from the network are becoming more visible digitally, and channels are better connected.

Anniversaries

2025 was a year of two anniversaries: 20 years of Amavita and 25 years of Coop Vitality.



Read more about our milestones





Entering the diagnostics business

Galenica announces the acquisition of Swiss diagnostics provider Labor Team.

Internal succession of General Counsel

Cécile Matter (General Counsel) and Jürg Pauli (Secretary of the Board of Directors) are taking on new roles.



Investor Day 2025

Galenica welcomed analysts and investors to its Investor Day on 28 October 2025.



July

August

September

October

November

December

2026

Inspiration & dialogue

600 managers gathered in Lausanne on 26 August 2025 for the Galenica Leadership Day.

Partner event at the Stapferhaus

Experts from the Swiss healthcare system discussed how digital innovation and empathy can work together to strengthen integrated healthcare.

We are strengthening our online presence

Galenica is expanding its online offering and acquiring 80% of Puravita as of January 2026.



About this report

Overview

In 2023, Galenica introduced an integrated approach to reporting. This approach is being consistently refined in the current reporting year. The annual and sustainability reports are now even more closely interlinked, highlighting the close connection between the company's strategic direction, financial performance and the Sustainable Development Goals.

The Annual Report covers the period from 1 January 2025 to 31 December 2025. It provides information on Galenica's financial situation, business performance and strategic axis. Environmental and social aspects as well as topics that concern the management of the company are also addressed. These are essential for the company's sustainable development. The report thus reflects Galenica's long-term commitment to sustainable healthcare.

Standards and frameworks

The reporting is based on the requirements of the SIX guidelines on corporate governance and the Swiss Code of Obligations as well as internationally recognised standards and reference frameworks, including:

- IFRS Accounting Standards
- GRI Sustainability Reporting Standards
- Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)
- UN Sustainable Development Goals (SDGs)

Climate Reporting

The recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) are integrated into the 2025 Annual Report. Climate-related risks and opportunities are presented clearly and transparently for the TCFD core elements of governance, strategy, risk management, key figures and targets.

The report is available for download in its entirety in machine-readable PDF format. According to the explanations provided by the Federal Administration on machine-readable disclosure (Art. 964a et seq. CO), this interim solution is permissible under the "comply or explain" principle.

Reporting principles

The following reporting principles ensure consistent and transparent reporting:

- Accuracy
- Balance
- Clarity
- Comparability
- Timeliness
- Verifiability

Language and readability

In this Annual Report, we attach importance to gender-neutral language and easily readable, comprehensible texts. We are aware that language makes an important contribution to the promotion of equality and inclusion. That is why we strive to communicate in a respectful, non-discriminatory and appreciative manner that addresses everyone equally.

Spotlight

Pioneers in transition –
Transformation



Pharmacy of the future: the focus is on people

Since October 2025, Amavita customers in the Glatt shopping centre have been able to experience how pharmacies can provide even more customer-centric and effective support with health concerns: with personal advice, digital support and contemporary room design. The experience gained from the Amavita pilot pharmacy will be incorporated into other pilot locations that are set to open this year.



[Click here for the spotlight](#)

Spotlight

Sustainably successful –
Sustainability



Phased retirement: continuity instead of abrupt change

A career doesn't always have to be linear: The phased retirement is one way of proactively approaching a management change. The example of Ulrich Witschi and Thibaut Chapron shows how an early-planned transition can meaningfully transfer responsibility, connect generations and secure expertise in the long term.



[Click here for the spotlight](#)



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Purpose of the company

About us

Galenica is the leading healthcare provider in Switzerland and combines an extensive network of pharmacies, pharmaceutical logistics, healthcare products and digital healthcare solutions. Galenica has also been active in the diagnostics business since 2025 following the acquisition of Labor Team. Over 8,000 employees give their best every day for the well-being and health of people in Switzerland.

Our vision is the continuous advancement of healthcare in Switzerland through innovative, sustainable and patient-oriented solutions. We rely on personal, expert advice and a comprehensive range of products and healthcare services – anytime and anywhere in Switzerland.

We offer physicians and other healthcare professionals a wide range of services to support them in providing optimal care for their patients. In addition to logistics, this also includes laboratory services, efficient organisation of administrative tasks and digital applications that make day-to-day work easier and increase patient safety.

As Switzerland's largest healthcare network, we play a leading role in the market. Our aim is to sustainably strengthen our position, provide innovative services and actively shape the healthcare system of tomorrow – always in line with our social and environmental responsibilities. Our three core values – “We delight our customers”, “We act as entrepreneurs” and “We build trust” – guide us in all decisions and help us turn our vision into reality. In this way, we support people at all stages of life on their journey to health and well-being.

Our vision

Health and well-being are at the heart of what we do. They are the reason we give our best every day.

Our vision is at the heart of our strategy – the Galenica story. It is well established and guides us on our journey into the future. It is the ingredient that makes our work so meaningful.

Our values

Our three values work in conjunction as a triad and connect us across the network:

We delight our customers.

We act as entrepreneurs.

We build trust.

The three values are our compass that guides us in our actions. Whatever we do, we want to inspire our customers, act entrepreneurially and foster trust. This also applies to our employees, partners, patients, shareholders and society. The three values help us to set the right goals, make sound decisions and provide a simple basis for guiding our actions accordingly.

Our guiding principle

Our guiding principle – there for you every day, strong together – sums up our Galenica story and serves as an anchor for communicating it. It is there to inspire people and establish a sense of community – because it expresses what defines us all as the Galenica network:

"There for you every day. #StrongTogether."

Our guiding principle brings the Galenica story to life and communicates it on an emotional level to people inside and outside our company.

Our service commitment

Galenica is a network of companies that are passionate about their brands. Our top priority is to work together, share ideas and harness knowledge and skills. Because we are convinced that together, we create the greatest possible added value for our customers and partners. We are close to people, think ahead and act pragmatically. This approach informs our offerings, products and services across our entire network. It is how we meet the needs of our clients of today and tomorrow – seamlessly, efficiently and personally.

Galenica Strategy

About us

Galenica's corporate strategy focuses on four strategic areas of action, each of which has two priorities. This is what we use as a guide and how we measure ourselves. We pursue our vision consistently: to give our customers the very best every day for their health and well-being.

Megatrends identified include:

- Digitalisation
- Interconnectedness
- Changing consumer needs
- Drug shortages
- Ageing society
- Shortage of skilled workers
- Climate change



Find out more about the megatrends

The strategy – our Galenica story – is based on developments and megatrends that have been identified in Galenica's business environment and ensures that we can react flexibly to changes. This means that we are well equipped for the opportunities and challenges of the healthcare system of today and tomorrow.

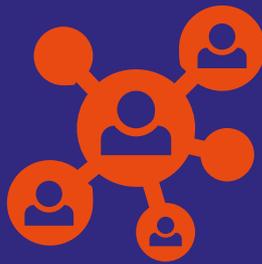
Galenica's strategy is based on exploiting the opportunities presented by megatrends while also minimising risks. By focusing on innovation and sustainability, we are positioning ourselves as a pioneer in a rapidly changing world. We take advantage of opportunities in new strategic business areas or to focus our activities that strengthen key aspects of the Galenica network and its value chain wherever these arise.

Strategic fields of action and priorities

The Galenica Story provides us with a framework that allows sufficient scope to pursue innovations or tap into new business areas – and clearly shows how we are shaping our future development. We set our priorities and goals in line with the four strategic fields of action, which contribute to sustainability. In doing so, we ensure that Galenica's strategy and activities have a positive impact on society, the environment and the economy. We pursue a sustainable growth strategy and our areas of action are backed by measurable targets. Based on this, we define the measures we need to take to be successful and competitive in the long term.

Added value in the network

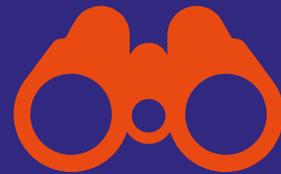
We generate value for customers and partners



Omni-Channel
Health Services & Products

Shaping the future

We are shapping the healthcare of tomorrow



Digital Health
Connecting Healthcare

Sustainably successful

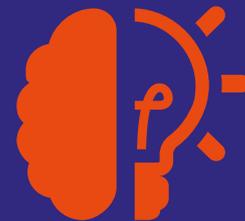
We work efficiently and effectively



Efficiency
Sustainability (ESG)

Pioneers in transition

We rethink and move forward together



Transformation
Employer of choice

Added value in the network: We generate value for customers and partners

With our wide range of healthcare services and products, we create added value for customers and partners. We systematically examine our offerings along the entire value chain and from the customer's perspective. The broad pharmacy network combined with an efficient logistics infrastructure, strengthens supply and makes the healthcare system robust. Advisory offerings and digital services ensure low-threshold access to high-quality healthcare services and relieve skilled workers of administrative tasks. Together with strong partners, we are continuing to develop our offerings and distribution channels – and making an important contribution to the integrated healthcare system for Switzerland.

Our main priorities are:

- **Omni-Channel:** We are constantly expanding and optimising our pharmacy network and linking in-person and digital customer interfaces to ensure the best customer experience regardless of time and place.
- **Health Services & Products:** We offer specialist retailers and our pharmacies first-class healthcare services and products, increase patient safety and relieve the burden on the healthcare system through home care.

Measurable objectives that we pursue: We leverage our potential as a network by strengthening our digital and physical distribution channels, increasing market share in the pharmacy sector and sales of our own products, and expanding our positions in the growth markets of home care and diagnostics.

Shaping the future: We are shaping the healthcare of tomorrow

Digitalisation plays a pivotal role in the modernisation of healthcare. We aspire to be pioneers and expand our network. Whether by optimising logistics processes, using state-of-the-art technologies in all business areas or through strategic partnerships and acquisitions – we are constantly improving and expanding our offering, making it more efficient, sustainable and innovative. In this way, Galenica creates significant added value for customers and partners and is helping to drive healthcare forward.

Our main priorities are:

- **Digital Health:** We are a leader in e-health with innovative solutions that make the digital medication process secure, efficient and user-oriented.
- **Connecting Healthcare:** We are a pioneer in logistics for the Swiss healthcare market and are committed to a fully integrated, efficient and secure healthcare system.

Measurable objectives that we pursue: We are advancing digitalisation in healthcare and making the prescription process as easy as possible for everyone involved – physicians, patients and insurance companies. Prescriptions for prescription-only medications are automatically transmitted, dispensed and billed. Together with partners, we are developing new offerings such as innovative basic insurance models and additional services for our pharmacies.

Sustainably successful: We work efficiently and effectively

More than ever, sustainability has become a central pillar of business activity. In a world of constant change, Galenica takes responsibility for the impact of its business activities on the environment, society and the economy. Sustainability and efficiency are among our key priorities. For us, this means implementing projects on time, cost-effectively and in a way that conserves resources. We also set ourselves ambitious sustainability goals.

Our main priorities are:

- **Efficiency:** We exploit synergies and simplify collaboration through standardised processes and systems. At the same time, we are investing in digitalisation, modernisation and automation wherever this creates clear added value.
- **Sustainability (ESG):** We pursue a holistic sustainability strategy with a focus on responsible supply, resource efficiency and climate protection. This involves investments in renewable energies, environmentally friendly logistics, sustainable construction, the highest standards for patient safety and transparent ESG reporting.

Measurable objectives that we pursue: We are increasing customer satisfaction, pharmacy profitability and efficiency in wholesale. We are securing the future of Galenica through our sustainable business model.

Pioneers in transition: We venture new ideas and move forward together

This is part of Galenica's DNA and our 100-year history. We take responsibility for ensuring that we will still be there for people's health and well-being in the future. An important part of this is to continuously adapt our company to changing customer needs. As an attractive employer, we promote diversity, are committed to equal opportunities and take care of our talents – in order to attract the best specialists over the long term.

Our main priorities are:

- **Transformation:** We embrace servant leadership and promote agile teams that work together across departments in flat hierarchies to drive digitalisation and customer centricity forward. We work collaboratively within modern working environments and firmly embed lean methodology and agility in our day-to-day work.
- **Employer of Choice:** We promote a development-oriented corporate culture and make decisions where expertise is greatest. Flexible working models, respectful collaboration and modern leadership principles such as flat hierarchies and role models strengthen potential development and mental health. Our working environment fosters innovation and puts our customers first.

Measurable objectives that we pursue: We strive to be attractive as an employer and measure this by the motivation and willingness of our employees to recommend us to others. Motivated employees create satisfied, loyal customers and drive our transformation forward.

Spotlight

Added value in the network –
Health Services & Products



Pharmacies as the initial point of contact for healthcare advice

Pharmacies are playing an increasingly important role in primary healthcare. Under the name "Consultation plus," Galenica pharmacies offer customers expert support for acute health problems. This also includes vaccinations and various health checks. This makes it a valuable relief for medical practices and emergency wards.



Click here for the spotlight

Spotlight

Shaping the future –
Connecting Healthcare



Labor Team: new diagnostics service in the Galenica network

With Labor Team, Galenica has acquired one of the most innovative diagnostic service providers in Switzerland. The company operates a state-of-the-art laboratory medicine and pathology facility and performs over seven million analyses annually. Automated processes increase efficiency and enable scaling. Galenica and Labor Team can now create joint offers for existing and new customers.



Click here for the spotlight



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Financial Performance Group

Management report

In the 2025 financial year, the Galenica Group generated consolidated net sales of CHF 4,135.6 million. This represents strong growth of 5.5% compared with the previous year. Adjusted¹⁾ EBIT increased significantly by 11.3% to CHF 234.8 million.

Net sales

+5.5%

Galenica Group CHF 4,135.6 million

EBIT adjusted¹⁾

+11.3%

Galenica Group CHF 234.8 million

Employees

8,427

Galenica Group

Strong sales performance

Galenica Group sales performed very pleasingly in 2025, growing 5.5% to CHF 4,135.6 million. The increase in sales is broad-based across all business areas. Galenica further consolidated its position in both the pharmacy and wholesale business. The new “Diagnostics” business area also contributed to sales growth. Sales growth was driven in particular by strong demand for prescription drugs, including GLP-1-based weight loss products, as well as dietary supplements.

By way of comparison, the Swiss pharmaceutical market grew by 5.0% in the reporting year (IQVIA, Pharmaceutical Market Switzerland, 2025). Sales volumes increased by 0.4%.

EBIT growth in line with strong sales performance

Reported EBIT increased by 8.4% to CHF 232.4 million (previous year: CHF 214.4 million). The adjusted¹⁾ operating result (EBIT) increased significantly year on year by 11.3% to CHF 234.8 million (previous year: CHF 211.0 million). In addition to strong organic growth, earnings were positively influenced by the acquisition of Labor Team in September as well as positive special factors in the amount of CHF 6.2 million. The reason for this is that sanctions in two competition proceedings were significantly lower than originally expected, which boosted earnings in the “Logistics & IT” segment.

Adjusted¹⁾ net profit from continuing business activities increased by 3.0% to CHF 188.7 million (previous year: CHF 183.2 million). The reported net profit from continuing business activities was CHF 183.9 million (previous year: CHF 183.7 million, 0.1%). The performance of net profit was slowed by positive special factors in the previous year. On the one hand, extraordinary value adjustments of CHF 10.6 million were recognised on earn-out obligations in 2025. On the other hand, the tax-effective depreciation of investments in the previous year resulted in an extraordinarily low tax rate of 14.4%.

Balance sheet remains strong

The Galenica Group’s balance sheet remains strong. Adjusted¹⁾ net debt, adjusted for lease liabilities, increased by CHF 250.7 million compared to the end of December 2024 to CHF 674.8 million, equivalent to 2.3 times adjusted¹⁾ EBITDA. This increase is primarily attributable to

the acquisition of Labor Team in the amount of CHF 238.4 million, which was completed in mid-September 2025.

Consolidated shareholders' equity declined slightly by 4.3% to CHF 1,485.0 million. This was driven in particular by the negative change in value of the investment in Redcare Pharmacy. Due to the decrease in consolidated shareholders' equity and the higher net debt resulting from the acquisition of Labor Team, the equity ratio decreased by 5.5 percentage points to 45.0%.

High operating cash flow

At CHF 245.7 million, the adjusted¹⁾ operating cashflow in the 2025 financial year was well above the previous year's level (CHF 212.1 million). The positive cash flow performance was due to a combination of the strong financial results and a targeted focus on the management of net working capital.

Investments in property, plant and equipment and intangible assets were exceptionally low in the 2025 financial year at CHF 61.1 million (previous year: CHF 72.8 million). This was mainly attributable to the conversions and renovations of pharmacies, the expansion of logistics infrastructure at Galexis and investments in the expansion of digital infrastructure. The year-on-year decrease in investments is attributable to lower investments in connection with the ERP transition in logistics.

¹⁾ See definition in section "[Alternative performance measures](#)".

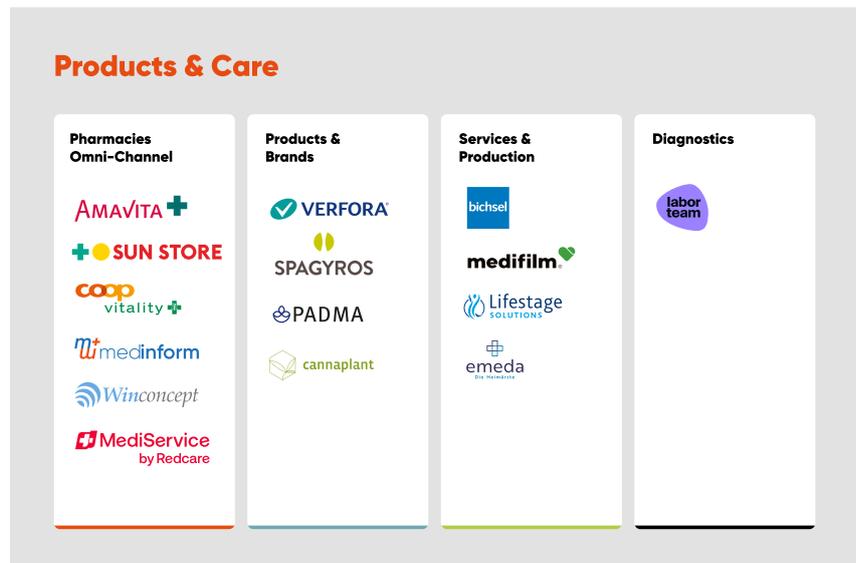
Products & Care

Management report

The "Products & Care" segment comprises the four business areas "Pharmacies Omni-Channel", "Products & Brands", "Services & Production" and "Diagnostics". The focus is on the development, marketing and sale of services and products through the various Galenica distribution channels.



Depending on their needs, end customers can benefit from their own bricks-and-mortar pharmacies, home care services, mail-order pharmacies and online shops. Galenica also supports healthcare providers such as pharmacies, drugstores, physicians, care homes, hospitals and home care organisations as a strong partner.



“Products & Care” segment key figures

The “Products & Care” segment achieved net sales of CHF 1,816.4 million (+6.8%) in the 2025 financial year. Of this, CHF 1,473.3 million (+4.9% excluding Coop Vitality and Mediservice) was attributable to the “Pharmacies Omni-Channel” business area. The “Products & Brands” business area increased sales to CHF 194.2 million (+2.1%), while the “Services & Production” business area grew by 4.0% to CHF 119.9 million. The new “Diagnostics” business area contributed CHF 40.7 million to sales growth.

The adjusted¹⁾ operating result (EBIT) increased by 9.4% to CHF 175.2 million in the 2025 financial year, while the adjusted¹⁾ return on sales (ROS) also increased to 9.6% (previous year: 9.4%).

Investments in the “Products & Care” segment amounted to CHF 23.3 million (previous year: CHF 24.7 million) and were connected with pharmacy renovations in particular.

¹⁾ See definition in section “Alternative performance measures”.



Pharmacies Omni-Channel

Pharmacies in the Galenica network have further expanded their role as the first point of contact in the healthcare system. Galenica strengthened the pharmacy network by a net figure of 5 locations through targeted acquisitions, taking the total to 381 pharmacies (with Coop Vitality). Sales in the “Pharmacies Omni-Channel” sector increased by 4.9% to CHF 1,473.3 million (excluding Coop Vitality).

Adjusted for the expansion effect of 1.6%, the area grew organically by 3.3%, which is slightly above market growth for inpatient pharmacies taking the product mix into account (Rx and OTC products: 5.3%², non-drugs segment in the consumer healthcare market: -0.8%³).

² IQVIA, Pharmaceutical Market Switzerland, 2025

³ IQVIA, Consumer Health Market Switzerland, 2025



Pharmacies are playing an increasingly important role in basic care.

Strengthening basic care and exploiting market potential

Pharmacies are the easiest way to access healthcare for many people in Switzerland: close to home, knowledgeable and effective. When experiencing acute symptoms, customers receive prompt, sound pharmaceutical assistance at pharmacies. In view of rising healthcare costs and a shortage of skilled workers, pharmacies are playing an increasingly important role in basic care. They deal with issues relating to health and well-being efficiently and take the strain off or complement the healthcare system where doing so makes sense. Politicians support this development: With cost containment package 2, Parliament expanded the remit of pharmacists in the reporting year and paved the way for certain services to be covered by compulsory health insurance in future.

With “Consultation plus”, Galenica is further advancing the status of pharmacies as the first point of contact for healthcare advice and is continuously expanding its healthcare services in a customer-oriented manner. To this end, the company has been making targeted investments in training, infrastructure, digital solutions and marketing communication for several years now. And the investments are bearing fruit: demand for fee-based consultations and healthcare services rose again year on year, increasing by around 29% to 368,000. “Consultation

plus” will be available throughout the pharmacy network by the end of 2026.



With “Consultation plus”, Galenica is advancing the status of pharmacies as the first point of contact for healthcare advice.

Collaborations and partnerships boost demand for healthcare services

Demand for vaccinations is also steadily increasing. More and more cantons are allowing a broader range of vaccinations in pharmacies, and the number of vaccinations carried out rose to around 93,000 in 2025. Influenza, COVID and TBE vaccinations were once again the most in demand. Getting teams qualified in good time as part of the “Consultation plus” offering is now enabling Galenica to meet growing demand: more than 800 Galenica pharmacists have the necessary certificate of proficiency, meaning that almost all pharmacies can offer vaccinations. In addition, Galenica expanded its collaboration with companies in the year under review: more than 120 companies – from small businesses to large companies with over 10,000 employees – gave their workforce free flu vaccinations at a Galenica pharmacy. This resulted in almost 7,000 vaccinations.

“Consultation plus” has also opened doors for health insurers: thanks to standardised services throughout Switzerland, they are increasingly positioning our pharmacies as entry points for various basic and supplementary insurance models. Cooperations with health insurers are also helping to raise awareness of “Consultation plus” in the market. In recent years, Groupe Mutuel has attracted a significant number of additional customers with its PrimaFlex model. Galenica has also concluded two further strategically important collaborations with Helsana and KPT, which will take effect on 1 January 2026. From 2026, Galenica will therefore be working with six major health insurers as part of alternative insurance models, which will enable it to reach around one million people with health insurance.



Self-check-out counters enable quick purchases.

Galenica tests new pharmacy concept

To make the central role of the pharmacy tangible in day-to-day life, Galenica developed a new concept that Amavita has been piloting at the Glatt shopping centre Zurich since October 2025. It contributes to further expanding consultation as a core task of pharmacies and offers a modern customer experience: private consultation areas create space for discreet conversations, self-check-out counters enable quick purchases, and digital services can be easily integrated into the consultation process. By combining digital and bricks-and-mortar services, Galenica is also strengthening the relevance of the pharmacy in an increasingly virtual healthcare world, where 80% of customers obtain information online before seeking advice. Further pilot pharmacies are planned for 2026; findings on customer behaviour, processes and training requirements will be taken into account when refining the concept.

Digital services for a seamless customer journey

Galenica is expanding its pharmacy offering with digital services and improving the convenience and availability of its services across all channels. The Amavita and Sun Store online shops performed positively in 2025. Click & Collect orders grew significantly faster than the market at around 50%. With the increase in investment in Puravita, announced in December, we are now expanding our online offering in the drugstore segment and, in particular, in the over-the-counter range. Launched in

early 2025, the Prescription Manager simplifies the management of prescriptions and medication orders. Customers can order medication and have it delivered to their home or a pharmacy of their choice. By the end of the year, more than 46,000 people were already using the new digital helper.

Online appointment booking via OneDoc is already well established: over 90% of Galenica pharmacies offer appointments for vaccinations and other healthcare services this platform. By the end of December 2025, almost 40% of all appointments for flu vaccinations had been booked via OneDoc – significantly more than in the previous year. Galenica also networks its offerings via the Well and Compassana health platforms, some of which are directly integrated into certain insurance models. As a partner of Well and ecosystem partner of Compassana since 2025, the services of Galenica pharmacies are available to insured people – for example, via the Symptom Checker.

Pharmacy network continues to grow

Galenica is strengthening its network in a strategic manner through acquisitions at attractive locations. In the reporting year, additional pharmacies were added, including in Lausanne, Biasca and Würenlos. Amavita not only celebrated its 20th anniversary in 2025, but also opened its 200th location. By the end of 2025, the network comprised 381 pharmacies. This corresponds to net growth of 5 pharmacies (9 acquisitions, 1 new opening, 5 restructurings). Further acquisitions took effect on 1 January 2026, including Apotheke Ryser AG, which supports and supplies numerous institutions in the Burgdorf region, and the acquisition of pharmacy pharmacieplus Salzmann in Malleray. Galenica is thus further expanding its reach in primary care and strengthening the basis for its range of services in both German-speaking and French-speaking Switzerland.

Own sales points

	31.12.2025	31.12.2024	Change
Amavita pharmacies ¹⁾	202	198	+4
Sun Store pharmacies ¹⁾	86	85	+1
Coop Vitality pharmacies ²⁾	87	86	+1
Specialty pharmacy Mediservice ²⁾	1	1	–
Majority holdings in other pharmacies ¹⁾	5	6	-1
Total own points of sale	381	376	+5

¹⁾ Fully consolidated

²⁾ Consolidated at equity

In the year under review, Galenica made targeted efforts to drive efficiency and culture in its pharmacies. The centrally managed pool of people on stand-by, for example, optimised resource planning and supported productivity as well as cost management. To ensure continuous progress, the pharmacies also applied lean methods to prioritise activities and implement improvements. Amavita's 20th anniversary also fostered participation and collaboration: employees designed the programme themselves, thereby strengthening team spirit in the long term.

Winconcept reaches an important milestone for partner pharmacies

Winconcept supports the independent operations of the Feelgood's pharmacy group with a wide range of services. In 2025, the company gained 30 new pharmacies as partners – 19 of them in German-speaking Switzerland, ten in French-speaking Switzerland and one in Ticino. This positive development was driven by an expanded offering with additional marketing, communications and healthcare services and systematic cultivation of relationships. As of 1 January 2026, the Winconcept team is supporting 202 partner pharmacies, surpassing the key threshold of 200 partner pharmacies.



Products & Brands

In the Swiss consumer healthcare market, Galenica further consolidated its leading position with sales growth of 6.2% to CHF 158.0 million. Sales growth is supported by Cooper Consumer Health products, for which Verfora has been responsible since 2025. One-time effects led to exceptionally high disposals in Switzerland and in the export business in the same period of the previous year. Export business declined accordingly by -12.6% to CHF 36.2 million in 2025.

Sales of Verfora products in the Swiss pharmacy and drugstore market decreased slightly by -0.6% due to low demand for cold and pain relief products. In the same period, the Swiss consumer healthcare market declined by -0.4%³, leaving Galenica slightly below market level due to the product mix.

³ IQVIA, Consumer Health Market Switzerland, 2025



New product lines contributed to strengthening Verfora.

Verfora enjoys continued success in its brand development

Verfora successfully continued its strategy of expanding leading brands through targeted advertising investments and product range expansions in 2025. New product lines and innovations already launched in the fourth quarter of 2024 helped strengthen the core brands. At the same time, Verfora continued its growth by taking on distribution contracts, acquiring the Cooper Consumer Health portfolio and the SVR cosmetics brand in January 2025. Complementary medicine showed pleasing growth, driven in particular by the very strong development of the Omni-Biotic® probiotic range. In terms of exports, the Southeast Asian markets for Perskindol® continued to develop positively.



Services & Productions

The “Services & Production” sector also performed positively and grew by 4.0% to CHF 119.9 million. All units – Bichsel, Lifestage and Medifilm – contributed to this growth.

Together in the home care market

Galenica has specifically bundled its offerings in the home care sector. The digital platform Lifestage Solutions and HomeCare Bichsel have been operating on the market with a joint management structure since October 2025. The combined expertise creates a unique offering in the Swiss home care market: many years of experience in the provision of clinical nutrition and a digital platform for the automated ordering and billing of consumables. The standardisation of central systems will further strengthen integrated care and progressively ease the burden on nursing staff. Customers will continue to be approached via the two existing, well-established brands, Lifestage Solutions and Bichsel.



High demand for patient-specific blister packaging.

Blister packaging further expanded and strengthened

Medifilm remained an important growth driver in the year under review and further expanded its key role in the Galenica home care network. Following the capacity expansion in the previous year, the company put another fully integrated blister packaging machine into operation in 2025 and was already preparing to roll out a third system – an important step in meeting rising demand. The number of patient days once again increased significantly by 10%, underlining the persistently high demand for patient-specific blister packaging in care homes, home care organisations and pharmacies. Medifilm works closely with the entire Galenica home care organisation; machine blister packaging is a key performance element in market development.



Diagnostics

With the acquisition of Labor Team, Galenica was able to further develop its healthcare network in September and expand it with the “Diagnostics” area. With sales of CHF 40.7 million in 2025, Labor Team contributed around 1% to the Group’s sales growth.



The business activities of Labor Team and Galenica complement each other perfectly.

Strategic expansion of the healthcare network through the Labor Team

Labor Team is the fourth largest private medical laboratory in Switzerland with a market share of around 8%. The company has approx. 350 employees and covers a wide range of services, ranging from laboratory medicine and pathology to personalised special diagnostics. In Goldach, it operates the largest central laboratory in Switzerland, supplemented by several speciality laboratories and an efficient logistics network.

Labor Team is managed by physicians and stands out on the market due to its high level of innovation and efficient, largely automated processes. In addition, the diagnostics service provider is the only laboratory in Switzerland to be certified as a “Green & Sustainable Laboratory” by the European Federation of Clinical Chemistry and Laboratory Medicine (EFLM). The company is further distinguished by its environmentally friendly transport concept that focuses primarily on bicycle couriers and rail, contributing to Galenica’s sustainable development goals.



Strategically, the business activities of Labor Team and Galenica are the perfect complement for each other. Together, both companies can add value within the network: Galenica can offer its customers innovative laboratory services and further expand its offerings in the medical market, while Labor Team has access to additional customer groups.

Logistics & IT

Management report

The "Logistics & IT" segment comprises the two business areas "Wholesale" and "Logistics & IT Services". They operate and develop the logistics and IT platforms of the Galenica Group and offer services to all healthcare providers such as pharmacies, drugstores, physicians, hospitals and care homes.



The focus is on optimising and further developing the range of logistics and services as well as innovative solutions to promote digitalisation in the healthcare market.



“Logistics & IT” segment key figures

The “Logistics & IT” segment performed well in 2025 and generated net sales of CHF 3,332.6 million (+4.8%). Of this, CHF 3,255.3 million (+4.8%) was attributable to the “Wholesale” sector and CHF 79.6 million (+2.8%) to the “Logistics & IT Services” sector.

The adjusted¹⁾ operating result (EBIT) improved by +14.8% year-on-year to CHF 61.7 million and the adjusted¹⁾ return on sales (ROS) increased from 1.7% to 1.9%. The improved EBIT performance was due to the one-off special effects of CHF 6.2 million in the year 2025, thanks to significantly lower sanctions than originally expected in two competition proceedings.

Excluding the one-off special factors in the previous year, EBIT improved by 3.2%, while the adjusted¹⁾ return on sales (ROS) fell slightly by 0.1 percentage points to 1.6% due to the inefficiencies associated with the ERP transition at Galexis.

Investments totalled CHF 18.1 million (previous year: CHF 25.8 million). These were primarily used for the gradual introduction of the new ERP software at Galexis and for the development of the digital infrastructure.

¹⁾ See definition in chapter “Alternative performance measures”.



Wholesale

In the "Wholesale" sector, sales grew by 4.8% to CHF 3,255.3 million. Both the physicians segment with growth of 3.9% as well as the pharmacy segment with growth of 5.3% performed in line with the market.

In the same period, the overall pharmaceutical market grew by 5.0%², the physicians segment grew by 3.9%² and the inpatient pharmacy segment grew by 5.3%².

² IQVIA, Pharmaceutical Market Switzerland, 2025

Increased market share in the medical and wholesale markets

Galexis can look back on a successful financial year. The pharmacies, drugstores, hospitals and physicians segments showed pleasing growth. Attendance at important pharmaceutical conferences, customer events and forums ensured market proximity and intensive dialogue with customers. The acquisition of Labor Team by Galenica also opens new growth areas in the medical market for Galexis and Pharmapool. Galexis already expanded its range with laboratory instruments and other accessories for medical practice in 2024, in order to offer integrated laboratory services for doctors in the future. In the reporting year, Galexis and Labor Team began to develop synergies in terms of services, processes and market penetration.

ERP modernisation in Lausanne-Ecublens successfully consolidated

Galexis reached an important milestone in 2025: the conversion of the ERP system at the Lausanne-Ecublens distribution centre was implemented, making Galexis a pioneer in pharmaceutical wholesale in French-speaking Switzerland. With the integrated warehouse management system SAP EWM at the heart of logistics and new, system-guided order picking solutions, the degree of automation increased to over 70%. In the second half of the year, the focus was on stabilising processes, expanding the range and fully supplying customers in French-speaking Switzerland from Lausanne-Ecublens. By the end of the year, Galexis achieved a daily delivery capability of around 99% on more than 17,000 items. The aim is to increase the volume processed in Lausanne-Ecublens by around 30% in 2026 and

increase productivity by additional 3%. For customers, this means faster and more reliable availability.



In view of growing complexity in logistics, automation and digitalisation are indispensable.

Introduction of SAP in logistics as a comprehensive transformation project

The switch to SAP in Lausanne-Ecublens was not only an IT project, but also a major transformation project that took place during ongoing operations and placed high demands on employees. In view of growing complexity in logistics, automation and digitalisation are indispensable: the increase in generics and biosimilars is raising the variety of items and the demands placed on the cold chain. Since 2020, the number of preparations in the cold zones has increased by 35%.

The introduction of SAP meant much more than a change of system: processes had to be re-learned, collaboration had to be organised differently, and an open attitude to change had to be cultivated. These changes promote efficiency, transparency and a future-facing way of working throughout the company.

The experience gained from Lausanne-Ecublens is being incorporated into preparations for the SAP roll-out at the Niederbipp site and into further organisational development. With the complete renewal of the ERP system landscape, which will be completed in 2026, Galaxis is laying the foundations for further growth and a high level of security of supply in the long term.

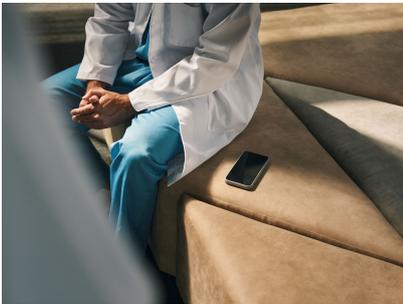


Logistics & IT Services

Net sales in the “Logistics & IT Services” area grew by 2.8% to CHF 79.6 million.

Alloga and Swiss Post enter into a strategic partnership

2025 was another successful year for Alloga. After completion of the SAP project in 2024, the company transformed its organisation using lean methods and created forward-looking, role-based structures. The consistent implementation of the efficiency programmes has once again significantly increased performance and established it in the long term. At the same time, Alloga made investments specifically in the development of its managers and employees. A strategic partnership with Swiss Post also enabled Alloga to expand its storage capacities and thus strengthen Switzerland’s security of supply with pharmaceutical products. Swiss Post is providing additional pallet spaces in the room temperature zone (15°–25°C) in the highly automated, Swissmedic-certified logistics centre in Villmergen.



Digitalisation in healthcare supports medical professionals and improves patient safety.

Compendium and Documedis: connected for better care

The digitalisation of healthcare is the core area of expertise of HCI Solutions. The company supports healthcare professionals with high-quality data and e-health solutions that improve treatment quality and patient safety. Once a printed standard work, compendium.ch is now an established digital reference with medical information for healthcare professionals and patients. A medical editorial team ensures the quality and relevance of the content.

Compendium.ch uses the Documedis[®] platform, also developed by HCI Solutions, as the basis for verified data and services. Documedis[®] is already used by more than 300 systems and applications in the Swiss healthcare system. It was presented to the eHealth community at HCI Connect in mid-November 2025 and met with great interest. HCI Solutions is thus strengthening its positioning as a digital centre of excellence within the Galenica Group. Developers can register at Documedis[®] and gain access to interfaces and services in the Galenica network, such as regarding pharmacy opening hours or ordering processes at Galexis.

The platform thus makes it easier to integrate products and services and accelerates digitalisation in healthcare. Documedis[®] supports health professionals with clinical decision support checks (Documedis CDS.CE), among other things. These make it possible to check medications for risks, duplicate prescriptions or possible allergies. Last year, the checks were used over 553 million times – a valuable contribution to improving patient safety.



Galenica is driving forward e-prescriptions together with HCI Solutions.

HCI as an expert partner for the Electronic Prescription Switzerland initiative

In autumn 2025, as part of the revision of the Therapeutic Products Act, the Federal Council announced that medical prescriptions will have to be issued and redeemed electronically in future. Galenica is driving forward electronic prescriptions (e-prescriptions) together with HCI Solutions. HCI Solutions is an expert partner for digital solutions such as the "Electronic Prescription Switzerland" initiative, which was launched jointly by the industry associations pharmaSuisse and FMH. At a roundtable initiated by Galenica in late autumn, these and other stakeholders discussed specific steps to promote e-prescriptions. There was consensus that its establishment is only possible through coordinated collaboration and consistent integration into the primary systems of physicians, hospitals and pharmacies. Customers can already redeem their e-prescriptions in the pharmacies in the Galenica network.

Responsible use of AI

By creating the Data & AI Governance Board, Galenica clearly established AI governance in 2025, taking an important step towards the implementation of the Galenica Data & AI Strategy. As a key component of the Galenica strategy, it creates transparency, gives direction and drives innovation for employees and managers, making a direct contribution to the achievement of corporate goals.

External environment

Management report

In 2025, Swiss health policy continued to be shaped by various areas of tension: curbing the rise in costs, improving the quality of supply, alleviating the shortage of skilled workers and accelerating the digital transformation. Above all, the objective of containing costs remained the focus, as healthcare spending in Switzerland continued to rise. According to the current KOF health expenditure forecast, growth will continue to increase over the next few years.



Number of employees in the Swiss healthcare sector

753,607

Full-time equivalents (2024, source: Federal Statistical Office)

Cost pressure and premium burden

In its annual forecast, the Swiss Economic Institute (KOF) at ETH Zurich predicted that healthcare expenditure in 2025 would be above the average of previous years and will continue to rise in the years to come. The main reasons are increased volumes and the rising costs of long-term care. Pharmacies make a minor contribution to growth.

According to the Helsana Report 2025, the costs of medicinal products are rising for three reasons. Firstly, there are new, high-priced special treatments, for example against cancer or for immunotherapies. Secondly, the growing and ageing population is leading to an increase in volumes and thirdly, the use of generics and biosimilars remains low.

The rising number of outpatients is also increasing the costs of premium-financed basic insurance. The introduction of standardised financing of outpatient and inpatient services from 2028 onwards will solve this problem. The EFAS key provides for standardised financing of outpatient and inpatient services. The cantons contribute at least 26.9% and the health insurers a maximum of 73.1% of the net costs. Care costs will be integrated into EFAS as of 2032.

Cost containment measures 2 strengthens the pharmacy sector

In spring 2025, the Federal Parliament approved cost containment package 2. This focuses on differentiated pricing for high-priced, high-selling medicinal products. Pricing models for medicinal products are now included in the Federal Act on Health Insurance (HIA). These allow for reimbursements, particularly for innovative therapies, which are expected to result in price reductions of 20% to 60% compared to the list price. The federal government can now set volume discounts for products with a large market volume. Once a certain sales threshold is reached, part of the sales flows back to the insurers. At the same time, a provisional fee from the date of Swissmedic approval allows faster access to medicinal products with high medical need.

Cost containment package 2 creates the legal basis for expanding services provided by pharmacists that are reimbursed by basic insurance. This concerns pharmaceutical consultations to optimise drug therapy and patient adherence. Preventive services such as vaccinations can now be covered by basic insurance.

Overall, savings of CHF 300 to 400 million per year are expected in the medium term. Exceptions for low-priced or cost-intensive drugs are intended to strengthen the security of supply. According to the Federal Office of Public Health (FOPH), the entry into force of the overall package is planned for early 2027, with individual elements being able to start before then.

Partial revision of the Therapeutic Products Act 3a

In autumn 2025, the Federal Council adopted the dispatch on the amendment to the Therapeutic Products Act (Revision 3a) and submitted it to Parliament. Prescriptions are planned to be issued and dispensed electronically in the future to reduce legibility problems, counterfeiting and multiple redemptions. The commitment to e-medication plans is intended to improve patient adherence and facilitate communication between healthcare professionals.

An electronic system for calculating drug doses for quality assurance purposes is also planned to be used in facilities providing paediatric inpatient care. Furthermore, the TPA provides clearer and more specific regulations for medicinal products for advanced therapies in order to improve access to innovative forms of treatment. The earliest possible date for entry into force is given as 2028.

Agenda for basic care

Federal Councillor Elisabeth Baume-Schneider launched the Basic Care Agenda in November 2024. The aim is for all people in Switzerland to continue to have access to high-quality basic medical care in the future. Over the course of a year of intensive collaboration, around 50 healthcare organisations have jointly compiled a technical report. This was submitted to the Head of the Federal Department of Home Affairs (FDHA) in December 2025. However, the final version is not supported by all the organisations involved. There is also criticism that essential elements of basic care, such as women’s health, are absent from the report.

Pharmacies are explicitly mentioned in the report as partners of GP practices and the intention is to include pharmacies as part of coordinated, continuous care. As part of “needs-based access” for people with acute symptoms or in need of advice, the plan is to use pharmacies to relieve the burden on GP practices, emergency call centres, emergency services and hospital emergency departments. A planned competency matrix is designed to clarify which professional group is allowed to provide which services in the event of simple complaints. Pharmacies are explicitly included in this process.

In 2026, the Minister of Health will prioritise measures that fall within the remit of the federal government. She will determine the next steps in consultation with the stakeholders concerned.



Pharmacies in Switzerland
1,830
 (2025, source: pharmaSuisse)

National digitalisation programme DigiSanté

With the start of the operational phase of DigiSanté in 2025, the digital transformation of healthcare will become a strategic focus of healthcare policy. The ten-year programme was developed on behalf of the FOPH in collaboration with the Federal Statistical Office (FSO). It aims to create a national health data space, promote the use of electronic prescriptions and e-medication plans, and measurably increase the quality, patient safety and efficiency of care. This results in new requirements for service providers and companies in terms of interoperability, data security and process standardisation as well as

new opportunities for interconnected care offerings and data-based services.

Hospitals in Switzerland

270

(2024, source: Federal Statistical Office)

Transparency and integrity

The FOPH is responsible for implementing the provisions on integrity and transparency in the Therapeutic Products Act (Art. 55 and 56 TPA). In early December 2025, it announced a clarification of practices with regard to payment in exchange for advertising campaigns by pharmaceutical companies in medical practices, pharmacies and other institutions, which is valid with immediate effect. In the opinion of the FOPH, advertising campaigns should not be paid for the market value of the advertising service, but only for the actual cost of the work performed. The FOPH understands this to mean, for example, the activation and display of an advertising screen, but not the equivalent value of the advertising shown. Many healthcare associations oppose this practical change, as there is neither a legal basis nor a need for it. It is to be expected that the legality of the practical change will have to be clarified in court.

In 2025, Parliament decided against tightening the rules by adopting a parliamentary initiative entitled “Pharmaceutical Industry and Medicine. More transparency”. This entailed tightening the TPA with regard to the disclosure of vested interests and the acceptance of “non-cash benefits”.

New compensation for services provided for the LOA V

After extensive consultation, the tariff partners Prio.Swiss and the Swiss pharmacy association pharmaSuisse submitted a revised version of the new LOA V (service-based remuneration) pharmacy tariff model to the Federal Council for final review on 1 June 2025. The Federal Council approved the LOA V (service-based remuneration) tariff model in October 2025.

The LOA V tariff model includes a more differentiated service structure, a bonus-malus system for savings, monitoring with volume brakes and new tariffs. The latter applies, for example, to substitution for generics or biosimilars, machine blister packaging and the distribution channel. It should be emphasised that blister packaging is now included in the collective bargaining agreement. Another new feature is that the mail-order business can benefit from the LOA V tariff model. As a result, the activities of pharmacies that were previously remunerated on a flat-rate basis will be broken down in a more granular way and linked more closely to the promotion of generics and biosimilars as well as cost control. The LOA V tariff model entered into force on 1 January 2026.



Physicians in Switzerland

42,602

(2024, source: Swiss Medical Association)

Weakening of the territoriality principle

As part of a consultation process, the Federal Council proposed an amendment to the HIA, whereby certain medicinal products and items can be purchased in the EEA on a physicians' prescription and paid for via basic insurance.

The consultation process ended in March 2025. While major political parties support the bill, relevant professional associations such as pharmaSuisse are opposed to it. It is unclear when the Federal Council will pass the bill over to Parliament.

In 2025, the Council of States voted against weakening the principle of territoriality on two occasions. It rejected a motion that provided for the reimbursement of medicines and medical aids purchased abroad. It was feared that domestic service providers such as pharmacies and pharmaceutical wholesalers would be disadvantaged if the motion was adopted. Security of supply would also be put at risk if purchases were systematically relocated abroad. There were also concerns that counterfeit medicines could be imported into Switzerland if purchased abroad. From a patient safety perspective, it is problematic that recalls of medicines purchased abroad are not possible on the patient's side.

The Council of States also voted against a motion that provided for pilot projects to finance medical services in neighbouring countries via basic insurance.

By definitively rejecting both motions, Parliament has strengthened the principle of territoriality.

Completed consultations

Many consultations were held on health policy proposals in 2025, some of which are laid out below:

Direct counterproposal to the popular initiative “Yes to the security of medical supply”

There are wide-ranging problems with the supply of important medical goods. At the federal level, there is a lack of responsibility and thus a lack of action. With the direct counterproposal, the Federal Council is aiming to close this gap at the constitutional level, while simultaneously strengthening existing supply structures. The expansion of the federal government’s remit takes account of the popular initiative’s main concern, which is justified. The aim is to alleviate the causes of supply problems.

Numerous organisations took part in the consultation on the counterproposal to the popular initiative “Yes to the security of medical supply”, the majority of which supported the counterproposal. However, some organisations are calling for certain amendments. The Federal Council’s dispatch is expected to be adopted in the course of 2026.

New Ordinance on individual identification features and safety precautions on the packaging of medicinal products for human use

The draft ordinance stipulates that individual identification features and safety precautions are to be applied to the packaging of prescription-only medicinal products. These are intended to prevent counterfeiting and the illegal marketing of medicines in the legal supply chain. Many associations are critical of the imposition of this obligation.



Outlook for 2026

Cost trends in healthcare remain the central topic of healthcare policy. The focus is on solutions to strengthen the security of supply, which remains at risk due to the shortage of skilled workers and medicinal products. Measures to curb basic insurance premiums and the high losses being made by many hospitals are controversial.

General topics

Structural change, hospital crisis and outpatient treatment

The hospital landscape is facing profound structural change: many are suffering from financial deficits, investment backlogs and a shortage of skilled workers, while at the same time certain locations have an excess of capacity. Analyses are proceeding on the assumption that, without far-reaching transformation, the system could reach its limits due to rising demand and a shortage of staff. Policy to promote outpatient treatment is intended to help reduce staff-intensive inpatient treatment, but requires the targeted expansion of outpatient structures, tariffs and coordination models.

Shortage of skilled workers and demographic change

The shortage of skilled workers remains one of the biggest challenges in the healthcare sector and continued to intensify in 2025 – particularly in general practice, nursing and long-term care. Studies and care reports point to thousands of vacancies and an increasing lack of primary care providers and qualified nurses. At the same time, the need for services is increasing due to an ageing population and more chronic conditions. The focus is therefore shifting to efficiency improvements – for example through the implementation of the nursing initiative, more attractive healthcare professions, new interprofessional care models and easing strain through digitalisation and reassignment of tasks (e.g. expanded services in pharmacies).

Regulation of pharmaceuticals

The Federal Council is aiming to reduce the administrative burden on companies and review existing regulations to this end. As part of the Business Cost Relief Act, it has stipulated that, among other things, pharmaceutical regulations are to be reviewed for potential opportunities to ease strain on the system. A “sectoral study” commissioned by the FOPH is expected to be published in the second half of 2026.

Planned consultations

In 2026, the Federal Council announced two consultations that are relevant for the Galenica Group:

Partial revision of the Therapeutic Products Act 3b

The partial revision of the TPA 3b is intended to lower the hurdles faced by the mail-order business. A doctor’s prescription is currently required in advance for every order. It will now be possible to order non-prescription medicinal products without a doctor’s prescription. Mail-order companies will continue to ensure appropriate expert advice and the documentation of all relevant information.

Strict regulations imposed by cantonal pharmacists regarding home delivery of medications are to be eased. This will allow pharmacists to deliver non-prescription medicinal products to the homes of known customers.

The partial revision of the TPA 3b is not expected to enter into force until next decade at the earliest.

Federal Act on the Digital Health Data Space

The Federal Council is expected to open the consultation process on the “Federal Act on the Digital Data Space for Health” in the second half of 2026. This is designed to be a cross-sectional framework act and is intended to lay the foundation for the establishment of central services to support data flows without discontinuities between media types in the areas of treatment, billing, research and public health. It aims to define the framework for infrastructure, basic services and secondary use.

New legislative consultations

Electronic Health Records Act

In the fourth quarter of 2025, the Federal Council passed the dispatch on the Act on Electronic Health Records (E-GD, elektronisches Gesundheitsdossier) over to Parliament. The E-GD replaces the previously little-used electronic patient record and goes far beyond that in terms of structure, organisation and use. The plan is to give all residents a health record automatically unless they actively opt out. In addition, the intention is for all service providers to work with it in future. The E-GD relies on a central technical infrastructure procured by the federal government, while the cantons ensure its operation and range of services. The federal government may also delete data in the E-GD that has been entered incorrectly.

It is to be assumed that a referendum will be held on the E-ID Act and that the population will vote on the bill. As the second vote on an electronic identity (E-ID) in September 2025 was close, with 50.39% of votes in favour, it seems to be a great challenge to win a majority of the population over to the bill. It is currently unclear whether and how Parliament will amend the bill in order to increase the chances of its adoption.

Risk management

Management report

Galenica has implemented a comprehensive risk management system that aims to identify and assess potential risks at an early stage. We use a structured risk matrix to identify strategic and operational risks and assess them according to their probability of occurrence and their potential financial and reputational impact. We regularly review and adjust our risk management measures to enable us to respond to changing risks. These measures ensure that we achieve our corporate goals and secure our long-term stability and reputation.



Galenica defines risk as the possibility of an event or action leading to immediate financial loss or other negative consequences. Our risk management process supports the Board of Directors, the Executive Committee and the respective management teams of the Group companies in identifying and assessing potential risks in good time and taking the necessary preventive measures. The goal of this process is to identify, assess and reduce significant risks at all management levels

and to manage them while making conscious use of the opportunities the process provides.

A strong risk culture within the company is important to us. To raise awareness of risks, we hold regular training courses and workshops in which employees learn to identify risks at an early stage and take appropriate measures.

Group-wide risk management

Group-wide Galenica Risk Management (GRM) comprises the systematic identification, assessment and management of risks. Regular risk analyses help us to identify potential threats to our business processes in good time. These analyses involve assessing the probability of occurrence and the potential impact of each risk. Based on these assessments, we develop risk mitigation measures, such as implementing control mechanisms and contingency plans. In addition, we continuously monitor our risk landscape and adapt our strategies to respond flexibly to new challenges.

Responsibilities and processes

Our risk managers and the Risk Committee are responsible for the strategic planning and implementation of risk management. The risk management is integrated into Galenica's organisational structure, which means that processes for identifying, assessing and managing risks are defined and integrated into day-to-day operations. The Galenica Board of Directors receives a summary of the most important risks and measures from the Executive Committee at least twice a year and approves the GRM. Suggestions for risk assessments and measures are implemented as part of the subsequent risk management process.

The risk management process is managed centrally by the Controlling unit, while the operational units are responsible for risk management in their respective areas. Specifically, the specialists responsible for each risk area survey, categorise and assess the risks every year in spring and take measures accordingly. This standardised process is based on a risk matrix in order to identify the most important strategic and operational risks as well as their possible financial and reputational effects and assess them according to their probability of occurrence and potential impact.

Most important risk clusters and measures (pursuant to Art. 964a et seq. CO)

Galenica categorises risks into different risk clusters for a structured and targeted analysis. A detailed risk description is prepared for each risk cluster, including the nature of the risk, the potential causes and the potential impact on the company. These descriptions are based on predefined criteria and include both qualitative and quantitative evaluations.

Specific risk mitigation measures are then developed. These measures include preventive strategies to avert risks, as well as reactive plans to minimise the impact in the event of their occurrence. Examples of measures of this kind include implementing control mechanisms, training employees and developing contingency plans. Regular reviews and adjustments of the measures ensure that they are always up to date and effective.

This systematic approach enables us to ensure that the relevant risks are identified and appropriately addressed to ensure the long-term stability and success of our business. In 2024, we included climate-related risks in Galenica risk management as a separate risk cluster. Reporting on this can be found in the [“Climate report \(according to TCFD\)”](#) section.

Risk cluster	Risk description	Measures
Market regulation	Cost-cutting measures by political bodies or regulatory restrictions such as price reductions for medications or other services and products covered by statutory health insurance.	Detailed analysis of the impact of any measures and legislative proposals and development of mitigation measures.
Competitors	Shortage of skilled workers and high staff turnover.	Development of mitigation measures.
Operational infrastructure and IT security	Failure of technical systems and jeopardisation of delivery readiness.	Regular maintenance and adherence to maintenance schedules. Renewal of facilities, control systems and maintenance contracts with key suppliers.
	Cyberattacks on core IT infrastructures and the associated loss of sensitive data and business interruption.	Regular group-wide awareness training programme.
Patient safety	Incorrect delivery/dispensing of medication (incl. blister packaging) to patients (health risk), damage to patient due to an internal process error.	Ongoing development of the quality management system in the pharmacy, including training.
Data protection	Data protection incident due to unauthorised access or unintentional disclosure of personal or sensitive data.	Regular group-wide awareness training programme.
Employees	Lack of development opportunities for employees.	Further development of training and continuing professional development concepts and identification of development opportunities via suitable channels.
Procurement market	Delivery delay/availability of products/raw materials.	Safety Stock initiative in collaboration with pharmaceutical companies to ensure supply. Forward-looking planning and increased inventory coverage for sensitive medicinal products/raw materials.
Climate-related risks	Operational restrictions, including staff shortages, due to rising temperatures and cooling requirements in pharmacies and logistics as well as increasing operating costs due to climate action regulations.	Protective measures, such as cooling, for employees; operational and medication safety measures.

Internal control system

As part of its risk management system, Galenica operates an internal control system (ICS) to ensure reliable internal and external financial reporting and to prevent misstatements and errors about business transactions. The ICS offers the necessary processes and controls to ensure that risks in connection with the quality of the company's financial reporting can be identified and managed in good time. A thorough review of the existence of the processes and controls of the Galenica ICS is carried out annually by the external auditors at the time of the interim audit. The results of these reviews are reported to the Audit and Risk Committee. Management takes appropriate measures to continuously improve business processes in the areas of purchasing, procurement, investment, sales, human resources, general financial management and reporting, and IT controls.

Internal Audit

Internal Audit carries out audits of operational and strategic risk management and the ICS in accordance with the audit plan determined by the Audit and Risk Committee. It carries out audits, analyses and interviews throughout the Group and supports the Service Units in achieving their objectives by ensuring an independent assessment of the effectiveness of internal control processes. Internal Audit prepares regular reports on the audits carried out and reports directly to the Audit and Risk Committee in writing. The activities of Internal Audit are conducted through contracts issued to external service providers.

Outlook 2026

Management report

Galenica is continuing to focus on measures that contribute to its four strategic areas of action. This is how we orientate and measure ourselves. We consistently pursue our vision: to give our customers the best every day for their health and well-being.

The entire Leadership Team of Galenica



The Executive Committee of the Galenica Group including members of the extended Executive Committee¹⁾ (from left to right): Julian Fiessinger, CFO; Arianne Hasler, Chief People & Culture; Stephan Mignot, Chief Pharmacies Marketing; Andreas Koch, Chief Wholesale & Logistics; Iris Müller¹⁾, Chief Communications Officer; Virginie Pache Jeschka, Chief Pharmacies Sales; Jürg Pauli¹⁾, Chief Sustainability, Public Affairs & Transformation; Dr Thomas Szuran, Chief Products & Home Care; Daniele Madonna, Chief Pharmacies Category Management & Health Services; Lukas Ackermann, Chief IT & Digital Business; Barbara Wälchli¹⁾, Group General Counsel and General Secretary (until 31 October 2025); Marc Werner, CEO. (Not pictured: Cécile Matter, Group General Counsel since 1. November 2025.)



Products & Care

- The pharmacy network will continue to be optimised and strengthened through acquisitions. With the takeover of Apotheke Ryser Ltd. on 1 January 2026 – an established retail pharmacy with additional home care business – our portfolio will be expanded to include a profitable location with strong regional roots, and our presence in primary care will be further expanded.
- We are rolling out the “Consultation plus” offering to all Galenica pharmacies and developing and improving it in line with customer needs. New healthcare services are being standardised and included in the service portfolio throughout Switzerland. At the same time, we are investing specifically in the training and development of our employees – with the focus on customer enthusiasm.
- The new pharmacy concept, which was first implemented and successfully piloted at Glatt shopping centre, is now being rolled out to other locations. In 2026, the focus will be on French-speaking Switzerland, where we will not only open the first Sun Store pharmacy with the new concept, but are also test it at locations of different sizes – from pharmacies in shopping centres to village pharmacies and neighbourhood pharmacies.
- Galenica is continuing to invest in the expansion of its Omni-Channel offerings. The focus is on increasing the use of the Prescription Manager, continuously developing customer portals and providing targeted digital customer guidance towards “Consultation plus” services.
- In the Products & Brands sector, Verfora will gradually expand its product portfolio and further strengthen its leading position in the Swiss consumer healthcare market.
- In the home care sector, we are further expanding our services for home care organisations and nursing homes. The combined expertise of HomeCare Bichsel and Lifestage Solutions is creating a unique offering: HomeCare Bichsel with its many years of experience in clinical nutrition and a strong network, is complemented by the digital platform from Lifestage Solutions, which simplifies processes and makes care more efficient.
- Due to the continuing high demand for blister packaging solutions, Medifilm will further increase capacity by the end of 2026 and ensure a stable supply to meet customer demand while maintaining consistently high quality standards.
- Labor Team is continuing to systematically pursue its growth strategy in the diagnostics sector, thereby further increasing the utilisation rate of its highly automated central laboratory. In addition, numerous potential synergies are opening up within the Galenica network, particularly in terms of access to additional medical customers.



Logistics & IT

- In the third quarter of 2026, Galexis will switch its warehouse management system in Niederbipp to SAP EWM. This means that both distribution centres – Niederbipp and Lausanne–Ecublens – will have modern, high-performance and scalable systems. They will also form the basis for the future use of AI in logistics. Initial fields of application such as item allocation, capacity planning, forecasting and customer service have already been defined.
- Galexis is already well established in the wholesale trade of medicines for physicians and holds a leading market share of around 31%. In addition to its existing range of medicines and products for the medical market, Galexis can also support the growth of Labor Team by purposefully leveraging its established access to potential new customers.
- Compendium is the most frequently visited platform in Switzerland for information on all aspects of medicinal products. In spring 2026, HCI will launch the latest version of Compendium, which will consistently place the patient at the centre and further increase patient safety thanks to the integration of CDS.CE (clinical decision support). Compendium has an AI chatbot to support specialists in finding suitable solutions. Developers of software in the healthcare sector will also gain practical insights into the new functions at HCI Connect events, allowing them to easily integrate these functions into their software.

Guidance 2026

For the 2026 financial year, Galenica expects sales growth of between 5% and 7%. In terms of adjusted¹⁾ EBIT, Galenica projects an increase of between 6% and 8%. Adjusted for positive special factors in the previous year, this corresponds to an increase in EBIT¹⁾ of between 9% and 11%. Galenica strives for strong yet sustainable dividend growth and plans a dividend for 2026 at least at the previous year's level.

¹⁾ See definition of adj. EBIT in the section "[Alternative performance measures](#)"

Spotlight

Pioneers in transition –
Employer of choice



GALivida: Focus on health, diversity and inclusion

Galenica launched the GALivida healthcare programme in 2025, combining health, diversity and inclusion. We take a wide range of measures to promote the health of our employees and prevent accidents. In order to make mental health visible, a pilot project – the “Mental Health Days” – was carried out for the first time in November 2025. The response shows: the offer meets a real need.



Find out more

Spotlight

Sustainably successful –
Efficiency

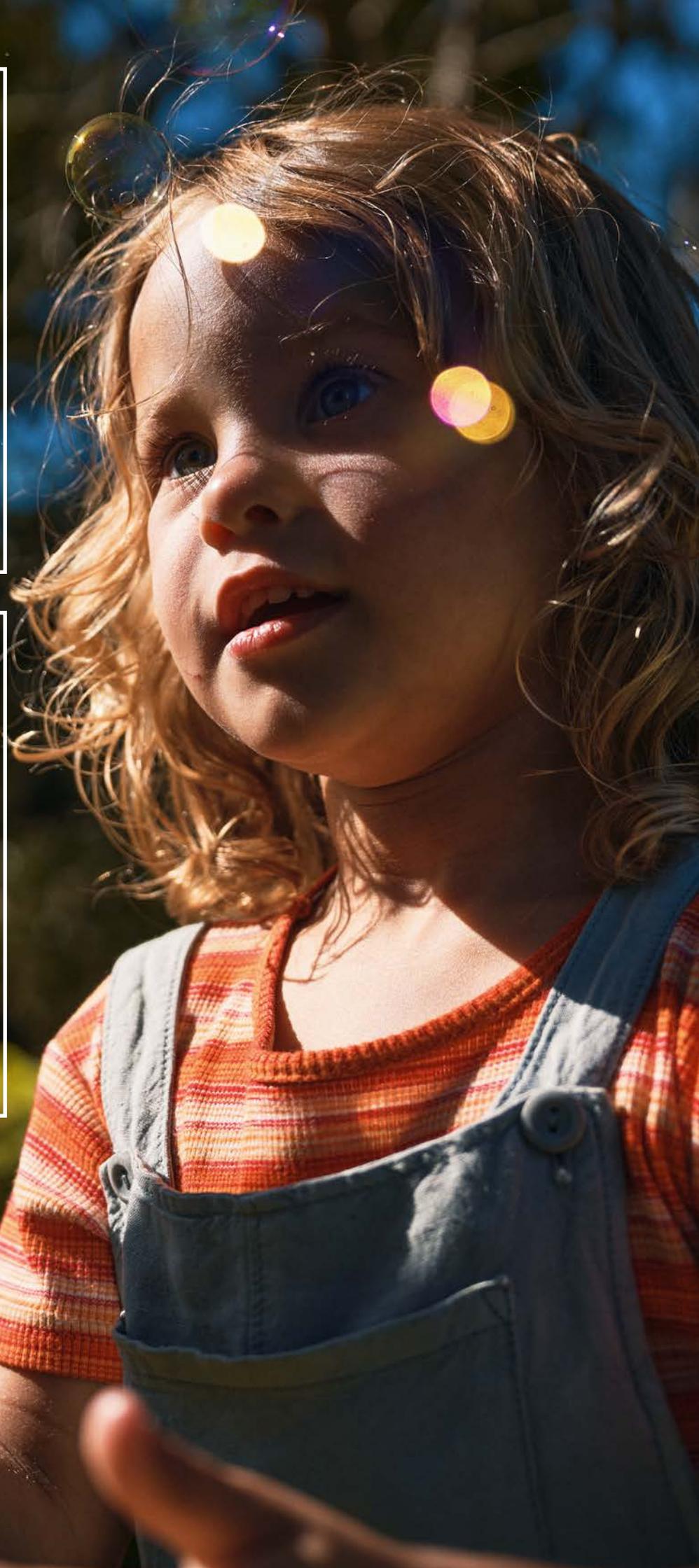


A site reinvents itself

With the launch of the new warehouse management system in Lausanne-Ecublens, Galexis is systematically aligning its logistics with efficiency and long-term performance. Around 250 employees jointly implemented the challenging SAP transition, supported by a cultural change that started early. End-to-end processes, greater efficiency and batch traceability thus ensure a new level of quality.



Read our spotlight



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“Sustainability is our service commitment to the Swiss healthcare system”

Report on Non-Financial Matters

How is sustainability achieved in a company that works day in and day out for an integrated healthcare system for Switzerland? In this interview, the Chair of the Board of Directors of Galenica, Dr Markus R. Neuhaus, and CEO Marc Werner talk about responsibility, vision and specific measures. They explain why sustainability is not merely a strategic obligation for Galenica, but rather a factor that sets it apart – and how innovation, collaboration and clear goals shape the path to continued success and health in future.

GRI 2-22

Galenica speaks of the “integrated healthcare system of the future”. Is sustainability an obligation or a vision in this context?

Dr Markus R. Neuhaus, CBD: Both. Today, sustainability is both a strategic prerequisite and an important distinguishing feature. Our economic success is based on societal, social and environmental responsibility. Sustainability in all its dimensions is a key component of Galenica’s core business. The most important topics include patient safety and a reliable supply of medicines in Switzerland. The Board of Directors bears ultimate responsibility for all sustainability matters – including the climate – and ensures that these are integrated into the strategic axis.

Marc Werner, CEO: Operationally, this means that we have a group-wide Sustainability Committee headed by Jürg Pauli, Chief Sustainability, Public Affairs & Transformation. The people with responsibility in this area in the Galenica network collaborate across departments and are responsible for implementing the measures. Objectives are set and coordinated centrally. In this way, we consistently pursue our ambitions based on clear KPIs. I am convinced that sustainability can only be achieved by working together. It must be supported by everyone and regularly placed on the agenda of the Executive Committee.



Dr Markus R. Neuhaus, CBD

What does ESG mean from a patient's perspective – aside from just reports and ratings?

CEO: Patient safety – and thus the social aspect of ESG – is our core Sustainable Development Goal. We rely on the highest quality standards and digital innovations to ensure the safety of our patients at all times. These include consistent compliance with GDP (Good Distribution Practice) guidelines in pharmaceutical logistics, regular audits and digital solutions such as Documedis[®], which help to avoid medication errors. In 2025, healthcare professionals triggered 553 million CDS.CE Checks; by 2030, we aim to reach 1 billion. Another focus is on continuously increasing customer satisfaction. The high level of employee satisfaction measured in 2025 will help us in this regard.

CBD: Security of supply is our second priority. More than 700 medical products are currently unavailable in Switzerland – ranging from simple painkillers to antibiotics and medicines for complex therapies. The causes are manifold and mostly global. In order to guarantee the best possible supply of available medications – our target is 99% on average – Galenica is investing in renewing the infrastructure of logistics companies. Through digitalisation and automation, we are improving planning security and availability. In addition, we are working with industry partners and authorities to strengthen resilience in the event of supply bottlenecks. These include collaborations such as the Safety Stock Initiative with Sandoz and compulsory stock reserves for critical therapeutic products that Alloga manages on behalf of the pharmaceutical industry.

What else is needed to achieve the Sustainable Development Goals?

CBD: Close alignment between investment decisions, management culture and sustainability strategy. Established standards are needed along the entire supply chain so that social, ethical and environmental requirements are taken into account and Galenica can stand up for its values as a company.

CEO: Our focus is on the best employees, strong partners and a forward-looking corporate culture. We invest heavily in collaboration and transformation. This includes positioning the pharmacy as the initial point of contact for healthcare advice – in order to relieve the burden on other service providers, including emergency wards. We are expanding consultation services and cooperating with health insurers, thus making an important contribution to stabilising healthcare costs and ensuring high-quality care.

"We are committed to reducing our greenhouse gas emissions in the future in line with the Science Based Targets."

Dr Markus R. Neuhaus
CBD

What are the most important environmental goals – and where does Galenica stand today?

CBD: We report in accordance with the GRI Standards and structure our sustainability focus according to the principle of dual materiality. We are committed to reducing our greenhouse gas emissions in the future in line with the Science Based Targets and thus making an active contribution to limiting global warming to 1.5°C. This ensures that our reduction path meets the requirements of the Paris Climate Agreement.

CEO: We take the environment and climate into account in our day-to-day business. When performing renovations, we focus on energy efficiency, short transport routes through local partners and renewable energy sources such as solar panels on the roofs of our logistics centres. Our vehicle fleet is gradually being converted to renewable drive systems. When renovating our headquarters as well as in the pharmacies, we reuse construction materials and furniture and focus on sustainable materials.

"In our pharmacies, operational management can also be taken over by a pharmacy specialist."

Marc Werner
CEO

Being an attractive employer is also one of Galenica's strategic objectives and contributes to sustainability. What does that mean specifically?

CBD: As Chair of the Board of Directors, it is important to me that the compensation policy is clear, transparent and strategically aligned. It must promote performance and sustainable value creation, be in line with the market and at the same time provide incentives for long-term corporate goals. Forward-looking succession planning is just as crucial: we think in the long term and insist that key positions be secured by internal managers with strong track records. For me, broad leadership skills and a resilient talent base, innovation and a performance culture that makes Galenica successful in the long term are important for continuity.

CEO: We embrace servant leadership and forge attractive development paths. In our pharmacies, operational management can also be taken over by a pharmacy specialist. At the same time, we create modern working environments, such as those at our headquarters in Bern, that foster motivation and collaboration. Diversity is key to us – whether in terms of language, culture, age or gender. Women account for more than 55% of our leadership positions, for example. The health of our employees is our priority – our initiatives are designed to prevent workplace injuries, reduce sickness absences, and create a safe and supportive working environment.



Marc Werner, CEO

What is the difference between Galenica’s management of ESG topics and “compliance only”?

CBD: Integration. Responsibility for sustainability is not limited to one isolated department but is borne by the entire company. From the Board of Directors to the Governance, Nomination and Sustainability Committee and the Sustainability Committee: goals, risks and opportunities are discussed several times a year – and are thus actively managed.

CEO: Ongoing training programmes on topics such as artificial intelligence, compliance and data protection are a prerequisite for minimising risks and seizing opportunities safely. We rely on this educational approach and consistently uphold responsible behaviour. This boosts innovation, efficiency and trust among customers and partners – and secures our competitiveness in the long term.

What are your next steps for Galenica in terms of sustainability?

CDP: We ensure that both business risks and environmental and social impacts are taken into account by precisely implementing targets, taking regular steps to double down on dual materiality and transparently disclosing ESG value contributions. At the same time, we aim to achieve net zero emissions by 2050 and align our reduction pathways in line with the Science Based Targets (SBTi).

CEO: We are driving forward our transformation in order to inspire customers. To achieve this, we are expanding our healthcare services and extending digital offerings that strengthen the healthcare system and increase convenience for service providers and customers. And we take care of our employees.

And on a personal level, what drives you?

CBD: Responsibility towards society, customers, investors and employees – and the conviction that acting sustainably brings value to the company.

CEO: That we strengthen trust with every step: the best advice, the most suitable product, at the right time, on the most sustainable path – for the well-being and health of people in Switzerland.

Business model

Report on Non-Financial Matters

Galenica is active in the healthcare industry and offers healthcare services and products throughout Switzerland. Its customers include patients, pharmacies, drugstores, physicians, hospitals, care homes, home care organisations, health insurers and pharmaceutical companies.

GRI 2-6
Art. 964b para. 2 no 1.
CO

The business activities of the Galenica Group comprise two segments.

"Products & Care" segment

The "Products & Care" segment comprises four business areas with offerings for patients and end customers of pharmacy services, as well as offerings for business customers and partners in the healthcare industry.

"Logistics & IT" segment

The "Logistics & IT" segment comprises the two business areas "Wholesale" and "Logistics & IT Services". They operate and develop the logistics and IT platforms of the Galenica Group and offer services to all healthcare providers such as pharmacies, drugstores, physicians, hospitals and care homes.

The value chain of the Galenica network comprises the production, logistics, marketing and sale of products and services in the healthcare market.

Inputs

Financial capital

- Equity/shareholders
- Liabilities

KPIs

2.3x Net debt

Produced capital

- Buildings (owned/rented)
- Infrastructure (transport/IT)
- Production equipment (internal/external)
- Vehicle fleet (own/partner)

KPIs

15% Vehicles with alternative drive systems

381 Pharmacies

CHF 61.1 million Investments in property, plant and equipment and intangible assets (capex)

Intellectual/innovation capital

- Brands
- Distribution licences
- Proprietary software
- Investments in digital services
- Specialist staff

KPIs

>80 Own and partner brands

CHF 6.5 million Investments in proprietary software

Human capital

- Number of employees
- Training/further education
- Personnel expenses
- Cultural development

KPIs

8,427 Employees

CHF 610.6 million Personnel expenses

CHF 5.9 million Investments in further education

Social capital

- Strong long-term partnerships
- Regulators
- Suppliers
- Customers

KPIs

>2,500 Suppliers

>45 Memberships in associations

Ecological capital

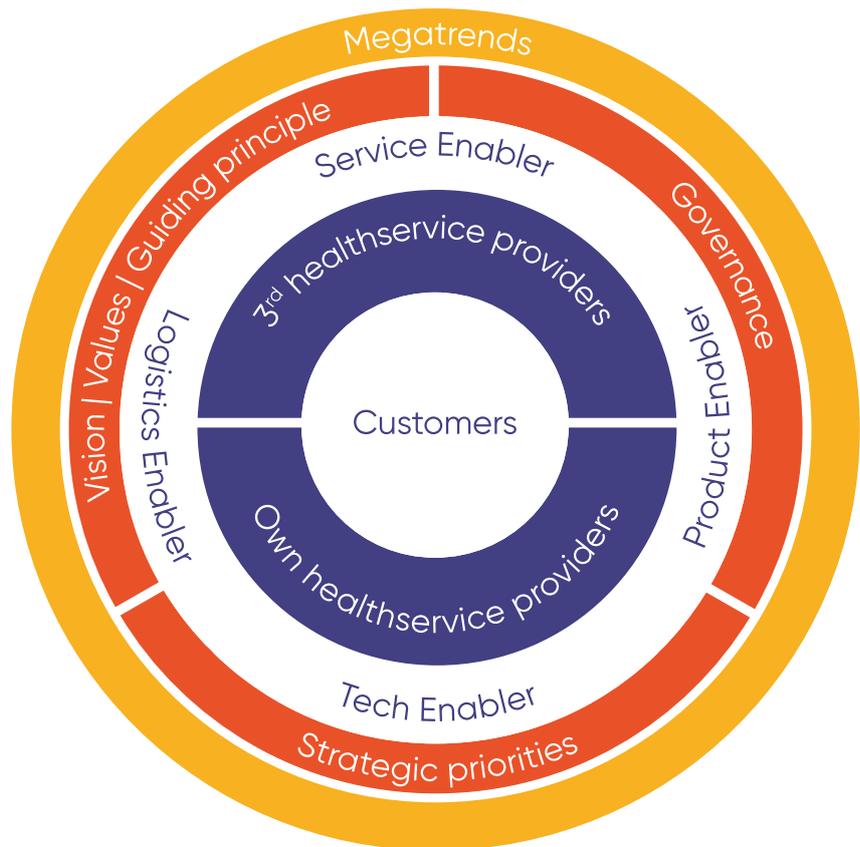
- Energy use
- Fossil fuels
- Renewable resources
- Water
- Land

KPIs

100% Electricity from renewable sources

15% Renewable drives for vehicle fleet

Business model



Outputs/Impacts

Financial capital

- Sales/profit
- Operating Cash Flow
- Dividend

KPIs

- 5.7% ROS
- 2.6% Dividend yield

Produced capital

- Pharmacy network
- Products
- Security of supply/procurement

KPIs

- 98.6% Availability of medicinal products

Intellectual/innovation capital

- Healthcare services in pharmacies
- Licensing of own software
- Consistent customer experience
- Efficient processes
- Patient safety
- Prevention
- Generics substitution

KPIs

553 million CDS.CE checks
368,000 Health services performed

Human capital

- Employee satisfaction
- Motivation
- Employer attractiveness
- Safe working environment

KPIs

12.7% Turnover rate
59.9% Women in management
0.1% Absence rate of work-related injuries
78 Motivation score
27 eNPS

Social capital

- Broader product range
- Remuneration of health insurers
- Efficiency gains
- Expansion of expertise
- Representation of interests
- Long-term contracts
- Integrity in supply chains
- Reputation
- Customer satisfaction

KPIs

>10 Partnerships with health insurers
78.8% Net Promoter Score (degree of target achievement)

Ecological capital

- Emissions
- Water consumption

KPIs

24,499 MWh Electricity consumption
5,024 tCO₂e GHG emissions (Scope 1+2)

Outcomes

Contribution to the SDGs



Our sustainability approach

Report on Non-Financial Matters

Sustainability is an integral part of Galenica’s corporate management. This is based on the steadfast belief that proactive and responsible action contributes significantly to the long-term economic success of a company and has an impact both within and outside a company.

Our sustainability principles

Our economic success is based on taking responsibility for society and the environment.

This conviction is reflected in the three key sustainability goals of the Galenica Group. Supported by the Executive Committee, they form an essential part of the Group’s corporate culture.

Value of the company

We increase the value of the company in the long term by having a sustainable impact.

Employees

We oblige our employees to act responsibly and ensure they have a safe, flexible and supportive working environment.

Resource efficiency

We use resources sparingly and efficiently and reduce negative environmental impacts.

With these guiding principles, we educate and motivate employees to continuously increase our resource efficiency, capacity for innovation and, ultimately, competitiveness. On the other hand, the lively, ongoing dialogue with the various stakeholders helps to identify requirements and expectations at an early stage and to maintain Galenica’s strong reputation.

Our key sustainability topics are integrated into our corporate vision and strategic fields of action and are therefore part of our [corporate strategy](#).

GRI 2-12, 2-13, 2-14, 2-17
Art. 3 CPO

Sustainability organisation

Sustainability at Galenica is organised in a multi-level manner and is not relegated to a separate department. Sustainability is coordinated via the Sustainability Committee (SC), while responsibility is divided across multiple different levels.

Sustainability organisation structure

Management



Planning and coordination



Implementation



GRI 2-16

Sustainability and its associated responsibilities are discussed by the various committees at regular intervals several times a year.

- The Board of Directors, which approves the Sustainable Development Goals and monitors the progress of target achievement, discussed the topic of sustainability and climate matters four times in 2025, taking into account the assessment of the Governance, Nomination and Sustainability Committee (GNSC).
- The Sustainability Committee (SC) met four times with all members in attendance in the reporting year. The focus was on the climate risk analysis, SBTi, the materiality analysis, customer satisfaction and employee health. In between the full meetings, several meetings were held in individual working groups to discuss the progress of the Sustainable Development Goals and the implementation of measures that were further specified or already implemented directly in the responsible areas in 2025.
- The aspects relevant to the Executive Committee for the implementation of the sustainability strategy were introduced and discussed in this committee by the Chief Sustainability, Public Affairs & Transformation at least four times a year. No critical matters were reported to the Board of Directors during the reporting year.

GRI 2-14, 3-1, 3-2
Art. 964b para. 2 no 1.
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Materiality analysis and matrix

As in 2023, we again carried out a materiality analysis based on the principle of double materiality in the reporting year. This ensures that we continue to focus on sustainability topics that are relevant to Galenica. The resulting updated materiality matrix was reviewed and approved by the Executive Committee and the Board of Directors.

The starting point for the process was a list of around 40 topics consisting of sustainability standards, legal requirements on non-financial reporting, the important topics to date and a peer analysis. This information was broken down into 13 potentially relevant areas, which largely coincided with the previous ones. The selection of topics was checked and confirmed in interviews with industry experts for completeness. Internal and external stakeholders – including investors, partners, suppliers, employees and associations – assessed the potentially important topics from two perspectives based on an online survey in accordance with the principles of double materiality:

- Financial relevance for Galenica (outside-in perspective)
- Relevance for the social, environmental and economic environment of Galenica (inside-out perspective)

The results of the survey are visualised in the matrix below. A topic is considered material if it has a medium to high impact on the environment and society or is of medium to high business relevance. On this basis, ten topics were classified as material. These have been divided into the areas of “Focus” and “Manage” for further strategic prioritisation. The “Focus” topics are of particular strategic relevance to Galenica’s business model. Three of the topics examined are below the threshold and are not currently among the material topics, but will continue to be monitored.

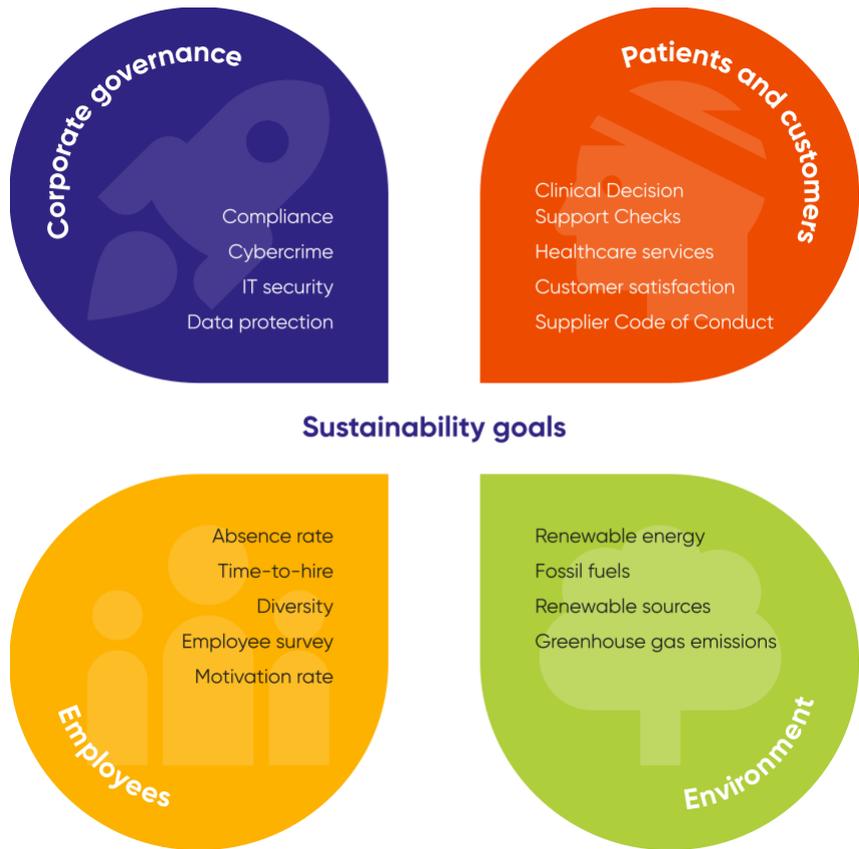
Further information on managing the material topics can be found in the [Sustainability organisation](#) section and in the [GRI Report](#).

Note on the graphic: Click on the different icons in the graphic for interactive information.



Our Sustainable Development Goals

The Sustainability Committee defined specific Sustainable Development Goals, which were approved for the first time by the Board of Directors in late 2021. Since then, these goals have been regularly monitored and modified. Following the revision in 2024, the Sustainability Committee reviewed the goals again in the reporting year and fleshed them out in greater detail – in particular the environmental targets, which are now defined as science-based climate targets in accordance with the requirements of the Science Based Targets initiative (SBTi). The Executive Committee and the Board of Directors have approved all the changes.



Corporate governance

We raise **awareness of compliance** issues among our employees at least six times a year, tailored to the respective target group.

We raise **awareness of data protection** among our employees at least six times a year, tailored to the respective target group.

We raise **awareness of IT security and cybercrime** among our employees at least six times a year, tailored to the respective target group.

We achieve an annual **service level of 99%** in the pharma sector.

Patients and customers

We will increase the use of **Clinical Decision Support Checks (CDS.CE)** to 500 million by 2025 and 1 billion by 2030.

We expect our suppliers to comply with the **Supplier Code of Conduct** and verify this with at least 10 random checks per year.

Customer satisfaction is at the centre of all activities. The satisfaction of end customers is systematically measured by their willingness to recommend us to others (rNPS) and the gap compared to the average of the competition is determined.

We will increase the number of **healthcare services** provided by 10% each year until 2027 (base year 2023).

Employees

Employee survey **“Opinio”**: The aim is to achieve a participation rate of over 75% and a motivation rate of between 75 and 80.

We are **reducing** the **time-to-hire** by 10% by 2027 (base year 2023 for Pharmacies Sales, 2024 for all other areas).

We will improve diversity in all units and group companies, keeping the proportion of **women in management positions** at 50% and increasing the proportion of women in senior management to 33% by 2027.

We will **reduce** the **absenteeism rate** due to occupational accidents and illnesses (physical and mental) by 10% (base year 2023).

Environment

Galenica commits to reducing absolute **Scope 1 and 2 GHG emissions** 65% by 2035 compared to 2023 base year.

We commit to setting science-based targets for 72% of our **supplier volume**, measured by emissions in categories 1 (purchased goods and services) and 4 (upstream transport and distribution) by 2030.

We are committed to achieving **net zero by 2050**, in line with Switzerland’s national climate targets.

Specifically, the following changes were made to the target wordings in the reporting year:

For all three targets in the area of corporate governance, the phrase “several times a year” was replaced with the specific number of times the measures are carried out. This makes the target easier to measure and makes the extent to which the target is achieved more meaningful.

In order to link the material topic of “security of supply and procurement” with a Sustainable Development Goal, the target “We will achieve an annual service level of 99% in the pharma sector” has now been set. We had already identified this figure in the past, but had not linked it to a specific goal.

The target has been adapted to the topic of the “employee survey”. Instead of a continuous annual increase, which is capped, we set a target minimum value. We have also provided the motivation rate with a specific value range, which makes this key figure more relevant. The aim is to maintain the high level of motivation.

In addition to the proportion of women in management positions (management and senior management), the goal relating to equality and diversity was extended to include the target of 33% in senior management in order to embed the spirit of this ambition in senior management positions, too.

From 2026, we will also require consistent compliance with the Supplier Code of Conduct in addition to the annual review of at least 10 suppliers. Violations will result in appropriate action being taken based on the findings.

After completing a full Scope 3 screening for the first time in 2024, we devised science-based reduction targets across all scopes in 2025. The previous energy and emissions targets will be replaced by these new targets, which are currently being validated by SBTi. As a result, the base year is being adjusted from 2021 to 2023.

With the measures taken and implemented in 2025, we were able to achieve most of our targets. Due to new or revised processes and expanded data bases, some targets will be slightly delayed or have been adjusted based on new insights.

Further information on progress towards our Sustainable Development Goals can be found in the GRI Report.

Progress of the sustainability goals

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Dialogue with stakeholders

Meaningful stakeholder engagement is characterised by continuous two-way communication and depends on the goodwill of all those involved. To promote successful collaboration, we rely on regular dialogue via various communication channels. This allows the various stakeholder groups to proactively voice their concerns and expectations of the company at any time. We address the resulting topics and shape further dialogue in line with the current challenges and needs of our stakeholders. This ensures that the topics are relevant to the target group and that the dialogue brings added value for both sides. The Executive Committee regularly discusses the concerns and priorities of the various stakeholder groups and reports to the Board of Directors. In this way, stakeholder concerns are incorporated into the decision-making process as far as possible.

Stakeholder group	Why we are committed	How we are committed	Topics discussed in 2025
Customers	– Increase customer satisfaction	– Customer surveys	– Satisfaction with healthcare services
	– Determine potential for improvement		– Low-threshold access to healthcare services
Shareholders	– Increase trust in the company	– Dialogue at AGM	– Galenica’s role in Swiss healthcare
	– Cashflow	– Annual communication via Annual Report	– Further development of the company
	– Galenica as an attractive and secure investment	– Investor Day and roadshows – Direct investor dialogue	– Innovation and new business areas
Suppliers	– Continuous improvement process in quality management	– Code of Conduct for Suppliers	– Quality aspects
	– Transparency	– Direct dialogue between purchasing and delivery partners	– Costs and prices
	– Providing a seamless service	– Satisfaction survey of key suppliers	– Innovations
	– Supply chain integrity	– Safety Stock Initiative	– Supply chain integrity
	– Ensuring ability to deliver		– Product availability
Scientific institutions	– Promoting young talent	– Financing of the Chair of the University of Bern (Pharmacy) – Co-financing of Professorship of Practice at ETH Zurich	– Quality of teaching
	– Training for healthcare professions	– Lectures on vocational training	– Attractiveness of healthcare professions (retail pharmacy)
Current and potential employees	– Attracting and retaining qualified employees	– Active recruitment	– Galenica as an attractive employer
	– Employee satisfaction and motivation	– Fringe benefits – Fair employment conditions – University marketing/events – Position Galenica as an employer of choice	– Attractiveness of healthcare professions
Authorities and associations	– Political influence	– Membership of association boards	– Galenica’s role in Swiss healthcare
	– Ensuring sustainable business operations	– Regular dialogue with relevant associations – Meetings with politicians, authorities	– Opportunities and risks of liberalisation in the healthcare sector – Costs/cost containment

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Memberships of associations and interest groups

Galenica is involved in various healthcare and industry associations in order to represent its interests. Membership in these organisations allows us to help shape the framework conditions for Galenica and strengthen our network. In addition, we gain new insights into our business activities through exchanges with other companies and organisations. In the period under review, Galenica was a member of the following associations and interest groups:

- ASSGP**, Association of the Swiss Self-Medication Industry
- Association QualiCCare**, Association for the Improvement of Quality in Treatment of Chronic Diseases in Switzerland
- ASTAG**, Swiss Commercial Vehicle Association
- Avenir Suisse**, Switzerland’s liberal think tank
- Blistersuisse**, the association of major professional blister packers in Switzerland
- Freedom Healthcare Alliance**
- CAP**, Centre d’Animation des Pharmaciens de Suisse
- FAMH**, Association of Swiss Laboratories
- Fédération des industries Alimentaires Suisses (FIAL)**
- FMH**, professional association for continuing medical education
- GESKES**, Society for Clinical Nutrition in Switzerland
- Gesellschaft für Marketing**, Marketing Society
- GIRP**, European Healthcare Distribution Association
- GRIP-Pharma**, Groupement Romand de l’Industrie Pharmaceutique
- GSASA**, Swiss Association of Public Health Administration and Hospital Pharmacists
- GS1 Switzerland**, organisation for standards and solutions as the basis for digitalisation
- Helvecura Genossenschaft**, compulsory storage organisation for therapeutic products
- IHE Suisse**, association for technical data exchange in healthcare
- Interessengemeinschaft eHealth**, e-health interest group
- International Federation of Clinical Chemistry and Laboratory Medicine (IFCC)**
- KEIS**, Verein Kunststoffentorgung in der Schweiz (Association for Plastic Disposal in Switzerland)
- Medswiss.net** Sponsoring Association, Swiss umbrella association of medical networks
- pharmalog**, Swiss Pharma Logistics Association
- pharmaSuisse**, Swiss Association of Pharmacists
- Refdata**, Refdata Foundation
- SANI**, Swiss Association of Nutrition Industries
- SanteneXt**, the Do Tank of the Swiss healthcare system
- ScienceIndustries**, Business Association for Chemistry-Pharma-Biotech
- SGSH**, Swiss Society of Hospital Hygiene
- Sitem-Insel AG**, research and development activities
- SKW**, Swiss Cosmetics and Detergent Association
- SSCC**, Swiss Society of Clinical Chemistry
- Swiss Healthcare Startups**, leading networking organisation for the Swiss healthcare ecosystem
- Swiss Medtech**, Swiss Medical Technology Association
- Swiss Society for Medical Informatics**
- GFH**, Healthcare Retailers Association
- VEZ**, Electronic Payments Association
- VGUA**, Association of Independent Pharmacies
- VIPS**, Association of Pharmaceutical Companies in Switzerland

VSV, Swiss Mail-order Trade Association

VSVA, Association of Swiss Mail-Order Pharmacies SMVO, Swiss Medicine Verification Organisation

SVKH, Swiss Association for Therapeutic Products in Complementary Medicine

Swishholdings, Association of Industrial and Service Groups in Switzerland

VNL Switzerland, Verein Netzwerk Logistik e.V. (Network Logistics Association)

VWG, National Economic Society of the Canton of Bern

Our contribution to the Sustainable Development Goals

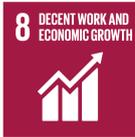
The Sustainable Development Goals (SDGs) form the global reference framework for sustainable development. The Galenica Group is committed to the SDGs. As the largest network in the Swiss healthcare market, we make an important contribution to SDG 3 (Good health and well-being). This goal is at the heart of our business activities and is in line with our vision of doing the best for the health and well-being of our customers every day. In addition, our corporate activities contribute to SDG 5 (Gender equality), SDG 8 (Decent work and economic growth), SDG 13 (Climate action) and SDG 16 (Peace, justice and strong institutions).



The safety, health and well-being of our patients are our top priority. We reinforce this self-image with several Sustainable Development Goals that relate to the following material topics: patient safety, health promotion and security of supply and procurement. The physical and mental health of our employees is also a high priority at Galenica. This is why we take targeted precautions to protect the health and safety of all employees in the workplace.



We are committed to diversity and equal opportunity. The Galenica network brings together people from more than 85 countries and all age groups. Three quarters of our employees are women. Our Code of Conduct states that we do not tolerate any discrimination or harassment. With the Sustainable Development Goal on this topic, we are aiming to improve diversity in all areas and companies and to retain or increase the proportion of women in management positions.



We strive to offer attractive jobs both to bring in and retain the necessary specialists in healthcare professions and IT, and to purposefully promote the next generation of young talent. Our employees are key to our success. We consistently promote employee motivation and development by offering our employees attractive and fair employment conditions, modern and flexible working models and various programmes and opportunities for further development. Through all these measures, we are supporting and contributing to sustainable labour and economic growth in Switzerland. We measure our ambition based on two specific Sustainable Development Goals.



We promote the use of renewable energies in distribution and the use of public transport and electric cars by our employees. We endeavour to increase energy efficiency and are investigating the installation of solar panels. We have also set specific targets for reducing greenhouse gas emissions and replacing fossil fuels, which we measure and report through several targets in this area.



With digitalisation in healthcare, the importance of IT security and data protection is increasing. Galenica protects patient and customer data as well as internal information against unauthorised access and loss. We attach great importance to conducting our business activities in an ethical and legal manner. All of our business activities are conducted in accordance with applicable laws, and respect for human rights is non-negotiable for us. We also ensure that human rights are upheld and require our suppliers to comply with the Supplier Code of Conduct. With all these measures, we strengthen trust and contribute to an inclusive society and strong institutions.

Climate report (according to TCFD)

Report on Non-Financial Matters

In addition to the impact of our business model on the environment, we are also looking at the extent to which environmental impacts and climate change affect our locations, operations and value creation along the entire value chain, or may in the future. As part of our legal obligations, we therefore report on the impact of climate-related risks and opportunities in accordance with the guidelines of the Task Force on Climate-related Financial Disclosures (TCFD) and the measures to proactively manage these.

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Governance

The analysis of climate-related risks and opportunities is integrated into Galenica's existing governance processes. Details on the responsibilities of the Board of Directors and the Executive Committee can be found in the chapter [Sustainability organisation](#).

Strategy

Galenica regularly analyses the impact of climate-related risks on the Group. In accordance with the TCFD recommendations, we draw a distinction between physical risks from climate and weather events as well as transition risks or opportunities from decarbonisation and the associated legal, social, economic and technological changes. These may influence our business activities, strategy and financial planning through the necessary measures to reduce CO₂. At the same time, climate-related opportunities may also arise, for example through efficiency gains and increased competitiveness. Climate-related risks and opportunities are systematically identified, categorised and assessed.

Risks are assessed qualitatively and categorised according to probability of occurrence and financial impact. In addition, the risks and opportunities are classified on a time scale: short-term (1–3 years), medium-term (3–10 years) or long-term (10+ years).

Factoring in different scenarios

When analysing climate-related risks and opportunities, we take into account various climate scenarios. Drawing on a data-based scenario analysis, the assessment of the future impact of the identified risks and opportunities on the business strategy was refined. To assess resilience to climate change, we consider three different scenarios that are based on the Intergovernmental Panel on Climate Change scenarios and are considered an international standard. These are each made up of a projection on the development of society and the economy (known as "shared socioeconomic pathways", e.g. SSP1) and an associated figure on the greenhouse gas-induced heating output (e.g. 2.6):

- The **"below 2°C"** scenario corresponds to SSP1-2.6, which assumes global warming of below 2 degrees Celsius by the end of the century. SSP1-2.6 implies the most consistent climate-related transition of the economy and is therefore crucial for the analysis of transition risks.
- The **"business as usual"** scenario corresponds to SSP2-4.5, which assumes global warming of just under 3 degrees Celsius, and describes a middle ground.
- The most drastic climate change trend is represented by the **"above 4°C"** scenario (SSP5-8.5), which is suitable for an in-depth examination of physical risks.

"Below 2°C" scenario – SSP1-2.6

International cooperation promotes joint climate action and the efficient use of resources. A comprehensive switch to renewable energies and the introduction of circular economies reduce emissions and material consumption. Business and society are oriented towards sustainable practices, meaning that companies align their business models accordingly.

- Greenhouse gas emissions are drastically reduced in order to keep global warming below 2°C.
- Tends to be associated with high transition and lower physical risks.

"Business as usual" scenario – SSP2-4.5

This scenario is characterised by limited international cooperation and only gradual climate action. The energy supply remains heavily dependent on fossil fuels, while renewable alternatives are only slowly introduced. Production models remain predominantly linear and resource-intensive, while recycling is limited. The economy and consumption are still oriented towards conventional practices and sustainable decisions are only made some of the time.

- Greenhouse gas emissions remain high and global warming forecasts are well above 2°C, tending towards almost 3°C.
- Some intensified transition and physical risks.

Extreme value scenario – SSP5-8.5

International cooperation is weak and technological innovation focuses on efficiency and productivity rather than sustainability. The energy supply remains dominated by fossil fuels, with a strong focus on economic growth and high consumption. Sustainability plays almost no role, resource-intensive consumption grows steadily.

- Emissions continue to rise, leading to massive warming of 4°–5°C and extreme climate risks.
- Tends to be associated with low transition risks, but high physical risks.

Climate-related risks and measures

The risks identified in this way and their potential impact on Galenica are summarised in the following table.

Climate-related risks and measures

Category	Risk/opportunity	Impact description
Extreme weather and flooding (physically acute)	Disruptions in the supply chain due to extreme weather events and flooding	Upstream supply chain and own sites
		Loss of sales or increase in costs due to supply problems with medicines, loss of suppliers, disruption in the supply chain, building and material damage, logistics interruptions 1) medium term; 2) medium; 3) medium
	Operating restrictions due to rising temperatures	Own operations
		Lower sales/cost increase due to increasing staff shortages due to heat (in logistics and pharmacies), lower productivity, potential shortening of opening hours 1) medium term; 2) medium; 3) medium
Cooling requirements in pharmacies and logistics	Own operations	
	Increased energy costs, increased staff costs (skills) Requirement for cooling systems (due to rising temperatures) 1) short term; 2) high; 3) high	
Temperature rise and heat stress (physically chronic and acute)	Climate-related health and behavioural changes among consumers	Downstream supply chain
		Lower sales: Absence/reduced impact or postponement of allergy or flu season. People avoid cities and therefore visit pharmacies less (shift offline > online, resulting in lower margins), yet generally increasing demand for medical support due to environmental challenges and demographics 1) short term; 2) medium; 3) medium
	Increase in manufacturing costs for OTC drugs due to regulation	Upstream supply chain
		Increasing regulation: increasing taxes and prices (certain raw materials or increased transport requirements, ESG EU criteria, electricity prices, CO ₂) 1) short term; 2) medium; 3) medium
Policy	Rising operating costs due to climate action regulations	Own operations
		Higher energy and operating costs Further regulations (CO): corresponding increase in staffing costs 1) short term; 2) high; 3) medium
	Deteriorating transport conditions for delivery services due to CO ₂ taxes	Downstream supply chain
		CO ₂ tax on transport services could reduce the gross margin for pharmacies. 1) short term; 2) high; 3) medium
Market	Increasing sustainability requirements of business customers	Downstream supply chain
		Increasing costs due to higher demands from the market and the deployment of staff 1) medium term; 2) high; 3) medium
	Innovation in working models triggered by climate change	Own operations and downstream supply chain
		Changes in working time models required by climate change 1) long-term; 2) high; 3) medium
Opportunity	Offers in response to changing disease patterns due to climate change	Downstream supply chain
		Higher temperatures lead to new diseases or diseases that were previously unknown within the scope of our preparations or deterioration of health, especially among vulnerable people. This increases the demand for services and products in pharmacies. 1) medium term; 2) high; 3) medium
	Improved reputation due to focus on sustainability	Own operations and downstream supply chain
		Sustainability as part of the value proposition: Galenica is perceived as an attractive employer and business partner 1) medium term; 2) medium; 3) medium

1) Time horizon: short-term = 1-3 years; medium-term = 3-10 years; long-term = >10 years
2) Probability of occurrence: Low = low probability <30%; Medium = possible 30% to 70%; High = very likely >70%
3) Financial impact (cash-out): Low <5 million; Medium 5-15 million; High >15 million;

Impact of climate-related risks and opportunities

The assessment shows that most risks are of a physical nature, such as flooding or landslides, which may cause acute disruptions in pharmacies and in the supply chain. For the Group's own locations, software-based risk values were used to prioritise floods, extreme weather and extreme temperatures, which reflect river floods, storms and heat, among other things. For example, the extreme value scenario shows that the number of tropical nights and the duration of heat waves will more than double, particularly in the south and east of Switzerland and in urban areas (heat island effect).

Chronic physical risks due to long-term temperature changes could impact the entire value chain, especially the production of OTC medicines such as phytomedicine, which could necessitate a relocation of production.

In addition, climate-related changes could lead to productivity losses in the company's own operations and have more serious financial consequences, such as changes in disease patterns or climate-related behavioural changes among consumers. This could lead to lower sales or higher costs due to increased staff shortages caused by heat. However, Galenica could also take advantage of opportunities in the long term if it prepared in good time for new patterns of behaviour or disease. This requires timely investment in alternative sales channels, such as an increased focus on online consultations or the manufacturing and distribution of new medicines.

In the transition to a lower-carbon economy, Galenica may also be exposed to political, legal or market economy risks in order to fulfil the requirements to mitigate and adapt to climate change. The most significant risk is increasing regulation, in particular the CO₂ tax and other regulatory requirements, such as ESG reporting. This affects Galenica's entire value chain and could result in higher purchasing and operational costs as well as shrinking margins and service losses.

Sustainability as a competitive advantage

Opportunities can arise if Galenica takes effective climate action and successfully adapts its business model and strategy to the challenges of climate change. CO₂ taxes could serve as a catalyst for innovative logistics and distribution models. Galenica could improve its customer service, particularly through advanced last-mile concepts that optimise delivery frequencies. Electric vehicle fleets and energy-efficient commercial buildings may also increase the attractiveness of the company as a responsible and forward-thinking business partner.

Galenica has embedded sustainability as a core principle in its corporate strategy and is therefore well prepared for future demands from politicians, customers and partners. These efforts could be key to attracting and retaining talent and fostering stable long-term business partnerships. Overall, sustainability as part of Galenica's value proposition could become a driver for innovative solutions and offerings in an increasingly environmentally conscious market economy.

Resilience taking into account different scenarios

Galenica acknowledges the importance of sustainability and recognises both the opportunities and risks that climate-related changes entail. By taking a proactive and strategic approach, the company ensures that it is prepared for future challenges while at the same time having the opportunity to seize opportunities as they arise.

The analysis shows that Galenica is exposed to both climate-related risks and opportunities. While the "business as usual" scenario (above 2°C) entails risks for the company's infrastructure and supply chain security, these impacts are further in the future and allow Galenica to take preventive action. Galenica is focussing on maintaining a financially sound foundation, a diversified supply chain and protecting and upgrading its sites against climate-related physical risks such as flooding.

The extreme value scenario shows the locations and regions in Switzerland where the physical risks may be most acute. Based on this, Galenica will continue to develop adaptation and action plans and will be able to strategically assess the regional demand for healthcare goods and services in future in a more specific way.

The "below 2°C" scenario, and thus the decarbonisation of the economy, also involves some risks. However, Galenica estimates that their financial impact will be moderate. In addition, the company is well positioned, having already integrated sustainability and climate considerations into its corporate strategy and implementing measures to increase energy efficiency and reduce operational emissions. This enables Galenica to mitigate transition risks while also laying the foundations to harness potential climate-related opportunities.

Risk management

In 2024, climate-related risks were identified for the first time in accordance with TCFD guidelines and integrated into the Group's risk management process. This first step was based on an analysis conducted during a workshop involving relevant functions from across the Group. The results were incorporated into a risk matrix, which, like the other 13 risk clusters, served as the basis for approval by the Executive Committee and the Board of Directors in autumn 2024.

In the 2025 reporting year, our assessment of climate-related risks went into yet greater depth. A tool-based, quantitative analysis was carried out for the first time for the physical risks. The tool used relies on science-based climate scenarios and enabled a detailed location analysis within the Group. In doing so, we considered different scenarios to assess the potential impact of extreme weather events and long-term climate change on our sites.

Climate-related risks are managed as part of group-wide Risk Management (GRM), as described in the management report (see [Risk management](#)). Specific responsibilities have been defined for the newly introduced "Climate Risks" risk cluster. The specialist areas Sustainability and Controlling work closely together to regularly monitor climate-related risks and make adjustments if necessary. Risk mitigation measures – such as site analyses or scenario analyses – are part of the established risk management process.

Climate risks are assessed based on the same criteria as other strategic and operational risks and included in the risk matrix. The results feed into the half-yearly reporting to the Executive Committee and the Board of Directors and are approved in line with the other risk clusters. This ensures that climate-related risks are continuously monitored and taken into account as part of company-wide risk management.

Key figures and targets

CO₂ emissions are the key figure for Galenica's climate management. Reducing them not only helps to mitigate climate change, but also reduces the physical risks that may arise from extreme weather events. In addition, a consistent reduction in emissions reduces the transition risks arising from regulatory requirements and market changes. The defined reduction targets are therefore an integral part of our climate transition plan, which is described in detail in the following section.

Transition plan: Galenica's path to net zero emissions

The identification of climate-related risks and opportunities encourages Galenica to reinforce sustainability as an integral part of its corporate strategy and to systematically reduce its CO₂ emissions. In line with Switzerland's national climate targets, we are committed to achieving net zero emissions by 2050. To achieve this goal, we have defined science-based interim targets (near-term targets as defined by the Science Based Targets Initiative (SBTi)) that are currently in the validation phase at SBTi. These interim targets lay the foundation for our pathway to decarbonisation and ensure that our climate strategy is aligned with global efforts to limit global warming to 1.5°C.

Targets

- Galenica commits to reducing absolute Scope 1+2 greenhouse gas emissions by 65% by 2035 (base year 2023).
- Galenica is committed to ensuring that 72% of its supplier volumes, measured against emissions in categories 1 (purchased goods and services) and 4 (upstream transport and distribution), will have scientifically sound targets by 2030.

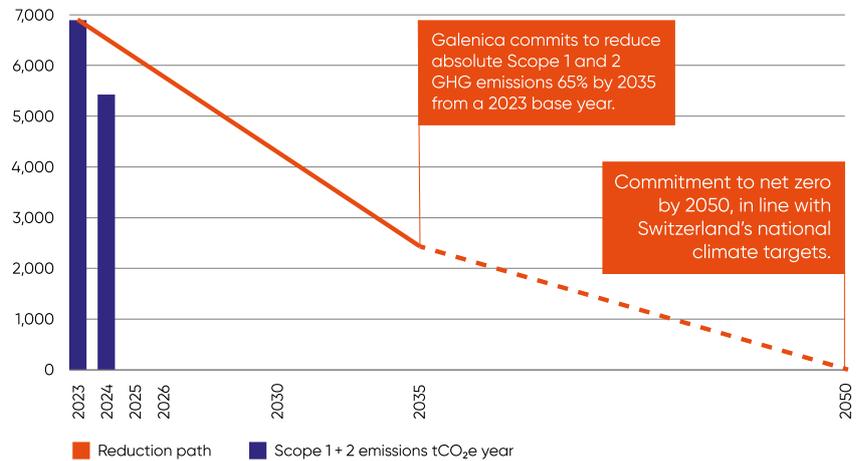
In order to achieve these goals and increase Galenica's resilience to climate-related risks, the Group has addressed sustainability – and therefore also climate-related issues – centrally: Sustainability in all its forms is firmly rooted in the corporate strategy and an integral part of the measures working towards the decarbonisation of the Group. In 2026, Galenica also plans to develop an in-depth climate strategy that includes the reduction of total greenhouse gas emissions (all scopes) by 2050.

Integration into the corporate strategy: Sustainability is firmly rooted in the corporate strategy, the business model and the strategic areas of action and priorities. The strategic priority of "Efficiency" in particular aims to use resources sustainably and reduce CO₂ emissions. The definition of group-wide objectives and measures forms the framework for resource-conserving and efficient operations.

Initiatives to reduce operational emissions: In order to mitigate potential climate risks and take advantage of the opportunities, Galenica is striving to continuously reduce its operational emissions (Scope 1+2). The activities focus on the following areas:

- Use of renewable energies: From 2025, Galenica will obtain electricity from renewable sources at all operating sites. To this end, Galenica relies on its own photovoltaic systems and heat pumps, among other things.

- Increased energy efficiency: When undertaking renovations, Galenica focuses on measures to increase energy efficiency, such as the renovation and insulation of roofs.
- Reduction of fuel consumption: In distribution, Galenica is increasingly relying on vehicles with more efficient or renewable drive systems. Vehicle capacity utilisation is also being optimised.



Reduction of Scope 3 emissions

In 2024, Galenica carried out a first complete screening of its Scope 3 emissions. In the current year, the inventory of Scope 3 emissions was further refined and fully disclosed for the first time.

The initial screening served as the basis for developing a reduction path to net zero, the associated measures and for examining a possible SBTi commitment. The main instrument in the efforts made to date in the supply chain has been the Code of Conduct for Suppliers, which also covers environmental aspects. Since 2025, Galenica has been conducting random checks to ensure compliance with the Code.

More information on the management of greenhouse gas emissions and the detailed measures and KPIs can be found in the section on [energy and climate](#) protection.

GRI report

Energy and climate protection

Report on Non-Financial Matters

Galenica is committed to using energy as efficiently as possible and to purposefully reducing the associated environmental impacts and climate-related risks. At the heart of this are the strategic priorities "Efficiency" and "Sustainability", which pool together group-wide initiatives for the sustainable use of resources – with the clear aim of continuously reducing the CO₂ emissions of the entire Galenica Group.



GRI 3-3
 Art. 964b para. 1 CO
 Art. 964b para. 2 no. 4
 CO

For Galenica, energy is a key factor in the day-to-day operation of logistics centres, pharmacies and IT infrastructure. High quality requirements, compliance with good distribution practices (GDP) and the "same day" distribution of medicines throughout Switzerland require a considerable energy input. Energy consumption and the associated emissions have a direct impact on the environment and society. At the same time, climate change brings with it risks and opportunities for business success. This is why we are committed to reducing energy use and the resulting greenhouse gas emissions along the entire value chain as far as possible.

Impacts, risks & opportunities	Characterisation
Energy use and associated greenhouse gas emissions are the main driver of climate change.	Negative, actual Entire value chain
By reducing greenhouse gas emissions in its own operations and along the value chain, Galenica can nevertheless contribute to meeting the federal government's climate targets.	Positive, potential Entire value chain
Regulatory developments concerning CO ₂ levies and stricter energy efficiency requirements can lead to rising costs in connection with energy consumption and emissions.	Risk, in-house operations
Rising global temperatures, extreme weather events and resource shortages, for example, can lead to interruptions in the supply chain or compromise business operations.	Risk, entire value chain
Improvements in the energy efficiency of in-house operations and the introduction of renewable energies can reduce dependence on volatile energy markets.	Opportunity, in-house operations

GRI 3-3
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CO

Our objectives

In line with Switzerland's national climate targets, we are committed to achieving net zero emissions by 2050. To ensure this goal, we have set science-based interim targets (near-term targets according to the SBTi), which are currently undergoing validation by the SBTi.

Goal	Status	Target year	Measurement parameter	2025	2024
Galenica commits to reduce absolute Scope 1 and 2 GHG emissions 65% by 2035 from a 2023 base year	↗	2035	tCO ₂ e reduction to base year (market-based)	-27%	-21%
Galenica also commits that 72% of its suppliers by emissions covering purchased goods and services and upstream transportation and distribution will have science-based targets by 2030	↗	2030	% supplier commitments	54%	n/a

- ↗ Realistic
- Partially delayed/critical
- ↘ Critical
- = Achieved
- × Not achieved

GRI 3-3
Art. 964b para. 2 no. 2-3
CO

Our management approach

The transition plan – and thus the consistent management of our energy consumption and the associated emissions – is at the core of managing our climate change-related impacts, risks and opportunities. The topic is therefore also embedded in various functions and processes within the Group.

Transitionsplan

The Galenica Group aims to achieve net zero greenhouse gas emissions by 2050 at the latest. To achieve this objective, science-based interim targets (SBTi) have been defined and are currently in the validation phase. For Scope 1 and Scope 2, the aim is to reduce absolute emissions by 65% by 2035 (base year 2023). In Scope 3, we strive to have at least 72% of our emissions falling under the categories 3.1 and 3.4 covered by science-based CO₂ targets set by our suppliers by 2030. The roadmap includes specific milestones and measures that are reviewed annually and adjusted if necessary.

We are focusing on a wide range of measures to implement the transition plan:

- Electrification and transformation of the vehicle fleet and optimising delivery routes
- Increasing energy efficiency in buildings and infrastructure through technical and structural measures
- Purchase of 100% renewable electricity
- Introduction and further development of a group-wide supplier engagement programme to involve suppliers in the climate strategy

The progress of the individual measures is measured annually based on defined KPIs (e.g. absolute emission reduction, proportion of renewable energies, number of suppliers with science-based CO₂ targets) and published in the sustainability report.

The Executive Committee of the Galenica Group is responsible for implementing and managing the transition plan. Operational implementation is carried out by the respective companies and sites, whereby the energy-intensive sites in particular – Alloga in Burgdorf, Galexis in Lausanne-Ecublens and Niederbipp as well as the Bichsel Group in Interlaken – have defined mandatory reduction pathways for energy consumption together with the Energy Agency of the Swiss Private Sector (EnAW) and the Swiss Federal Office of Energy (SFOE).

The above sites have implemented energy measures in 2025 that will be effective in the future, including:

- Galexis Lausanne-Ecublens: 85,948 kWh/a and 152.6 tCO₂/a
- Galexis Niederbipp: 368,572 kWh/a and 97.1 tCO₂/a
- Alloga: 4,855 kWh/a and 0.047 tCO₂/a

The entire reduction pathway, cumulative to 2034, envisages savings of 1,219 MWh and 0.801 tCO₂ at Alloga, 5,259 MWh and 967 tCO₂ at Galexis Niederbipp and 3,199 MWh and 1,895 tCO₂ at Galexis in Lausanne-Ecublens.

Target attainment is supported by group-wide guidelines and management instruments, such as an Environmental Code of Conduct, which gives all employees specific recommendations on saving energy and using natural resources sparingly at work and when travelling.

As the central steering body, the Sustainability Committee monitors progress and ensures compliance with targets. The integration of climate-related risks and opportunities into Group risk management also ensures the holistic management and continuous development of the transition plan (see [climate report](#)).

Sustainability in the vehicle fleet

Our vehicle fleet is the biggest driver of our Scope 1 and 2 emissions. We have set ourselves the goal of promoting the use of renewable energies in distribution logistics and embedding this in our distribution strategy. Our first priority is using delivery vehicles with alternative drive systems (biogas, electric). If this is not possible, we strive to increase energy efficiency by using vehicles with high energy classes. The drivers also regularly take part in driver training sessions in which they are made aware of environmentally conscious driving practices. These principles also apply to logistics service providers, which has a positive effect on our Scope 3 emissions.

As part of the switch to alternative drive systems, in 2025 we introduced another e-delivery vehicle with GDP standard and corresponding charging infrastructure at the Galexis distribution centre in Lausanne-Ecublens. As a result, at the end of 2025 two vehicles powered by biogas and one electrically powered GDP delivery vehicle were in use – out of a total fleet of 168 GDP vehicles. The conversion of the vehicle fleet to alternative drive systems entails a number of challenges: the limited range and long charging cycles of vehicles and cargo compartment refrigeration units result in an efficiency of only around 50% compared to their service life. From a financial perspective, too, the higher procurement costs are also hampering the rapid company-wide roll-out of a GDP fleet.

In order to increase the energy efficiency of conventional vehicles, our joint venture partner Health Supply is limiting their maximum speed. In lorry deliveries, our pre-wholesale and wholesale partner companies are increasingly using commercial vehicles that meet the highest emission standards (currently Euro VI) and delivery routes are continuously optimised with regard to efficiency (avoidance of empty drives, etc.) in order to make the service provided to customers as sustainable as possible. As a result, well over 100,000 km were saved in 2025, including at Galexis, despite growing transport volumes.

Galenica also supports sustainability initiatives for logistics companies within the framework of associations (e.g. GS1) and in collaboration with authorities and other public institutions (e.g. hospitals). Moreover, the proportion of alternatively powered personal company vehicles is being steadily increased.

Vehicle energy consumption declined further year-on-year to a total consumption of 14,054 MWh, which is equivalent to a decline of 6.1% on the previous year.

Focus on increasing energy efficiency during renovations

To reduce our heat consumption, we continually explore ways to increase the energy efficiency of our buildings and infrastructures. In doing so, we rely on various technical and structural measures that are tailored to the local conditions.

These include the use of district heating, improved insulation, for example the thermal insulation and optimised air compressors in operation at Alloga, as well as energy-efficient construction methods such as the Minergie Eco concept implemented by Lifestage Solutions. Heat pumps are also used at several locations – for example, Galexis in Niederbipp and Alloga in Burgdorf use groundwater as an energy source. In addition, state-of-the-art measurement and control technology ensures precise management and optimisation of energy use at Galexis in Niederbipp. In the reporting year, with consumption of 4,161 MWh, we were able to save around 400 MWh (previous year 4,567 MWh) in electricity purchases, while maintaining our own PV consumption at around 1,650 MWh. Due to a lightning strike, the interruption-free supply of power to the data centre was damaged and had to be supported by the emergency generator (consumption: 938 MWh).

At Galexis in Lausanne-Ecublens, too, we were able to reduce heat consumption (total 474 MWh) by 59 MWh in the reporting year (previous year 533 MWh) by switching to district heating. The district heating is generated by wood pellets and has replaced natural gas heating.

Thanks to these measures, the Galenica Group's heat consumption was further reduced in the reporting year: in 2025, heat consumption amounted to 5,781 MWh (2024: 5,973 MWh).

However, the heat supply to our pharmacy locations can only be influenced to a limited extent, as these are mostly located in rented properties and structural or technical modifications cannot be carried out directly by Galenica. Consequently, the resulting emissions are included in our Scope 3 emissions.

Maximising the share of renewable electricity

Electricity is the most important energy source within the Galenica Group and – excluding heat pumps and electric vehicles – accounts for around 56% of our total energy consumption. Due to the central role of electricity, it was particularly important to decarbonise this area at an early stage. In 2025, Galenica's electricity consumption rose to 24,499 MWh (previous year: 23,341 MWh), which corresponds to an increase of 5.0%. Our companies cover a certain portion of their needs with a variety of renewable energy sources. At six locations, we can obtain some of our electricity from solar panels on the roofs of the buildings. At the Galexis and Bichsel sites, these PV systems are owned by the company. We cannot use all of the solar power we generate ourselves (2025: 1,646 MWh) for our own needs. In 2025, we therefore fed 468 MWh of solar energy back into the grid. Hydropower accounts for the majority of our renewable electricity supply. In 2025, Bichsel purchased 100% hydropower directly from the electricity supplier. Galenica purchases guarantees of origin for certified hydropower every year for its remaining operational and administrative sites. For 2025, we already purchased guarantees of origin for 17,500 MWh in the reporting year. Together with the companies' direct procurement, this results in a share of renewable electricity in total consumption of 89% (this basis was used to calculate the market-based emissions for the reporting year).

In 2021, we set ourselves the goal of sourcing electricity exclusively from renewable sources for our own operation by 2025. To achieve this goal, we will purchase guarantees of origin in the first quarter of 2026 to cover the remaining electricity supply. This approach means that 100% of our electricity supply will come from renewable sources such as hydropower and solar energy.

GRI 302-1, 302-2, 302-3,
302-4
Art. 964b para 2 no. 5
CO

Total energy consumption

Total energy consumption within the Galenica Group increased marginally in the reporting year compared to the previous year (44,334 MWh vs. 44,278 MWh in 2024), which, however, corresponds to an increase of just 0.1%. Relative to the size of the company, energy consumption actually decreased, with energy intensity falling by 6.6%.

Aspect	GRI Disclosure	Unit	2025	2024 ¹⁾	2023 ¹⁾ (Base Year)
Energy consumption within the organisation ▶	302-1	MWh	44,334	44,278	46,048
- Non-renewable sources	302-1	MWh	20,282	21,931	32,189
- Renewable sources	302-1	MWh	24,051	22,347	13,859
- Electricity consumption	302-1	MWh	24,499	23,341	23,557
- Heat energy consumption	302-1	MWh	5,781	5,973	7,661
- Vehicle energy consumption	302-1	MWh	14,054	14,964	14,830
- Employees at reporting date (FTE)		FTE	6,558	6,119	5,907
Energy intensity within the organisation	302-3	MWh/FTE	6.76	7.24	7.80
Energy consumption outside of the organisation ▶	302-2	MWh	26,055	28,013	25,105
- Upstream transport and distribution	302-2	MWh	16,485	18,466	13,528
- Leased real estate	302-2	MWh	9,569	9,547	11,578

▶ 2025 Data externally assured (limited assurance)

¹⁾ Values restated (compare note calculation basis)

GRI 305-1, 305-2, 305-4,
305-5
Art. 964b para. 2 no. 5
CO
Art. 3 CPO

Reduction of operational emissions (Scope 1+2)

In the reporting year, operational emissions (Scope 1+2) were reduced from 5,433 tCO₂e to 5,024 tCO₂e. This corresponds to a decrease of 7.5% compared to the previous year or 27.2% compared to the base year 2023. The main reasons for the year-on-year reduction are lower refrigerant losses and a more environmentally friendly electricity mix (market-based approach) with lower emission factors.

Thanks to the use of a wood pellet heating system at the temporary headquarters in Bern, biogenic emissions (out of scope) increased by around 57.5% to 394 tCO₂e.

Aspect	GRI Disclosure	Unit	2025	2024 ¹⁾	2023 ¹⁾ (Base Year)
Direct and indirect GHG emissions (Scope 1+2) ▶		tCO₂e	5,024	5,433	6,901
Scope 1: fuels and combustibles	305-1	tCO ₂ e	4,854	5,150	5,865
Scope 2: electricity and district heat (market-based approach)	305-2	tCO ₂ e	171	283	1,036
- Employees at reporting date (FTE)		FTE	6,558	6,119	5,907
Intensity of GHG emissions (Scope 1+2)	305-4	tCO₂e/FTE	0.77	0.89	1.17
Scope 2: electricity and district heat (location-based approach)	305-2	tCO ₂ e	1,459	2,240	2,188

▶ 2025 Data externally assured (limited assurance)
¹⁾ Values restated (compare note calculation basis)

GRI 305-3, 305-4, 305-5
Art. 964b para. 2 no. 5
CO
Art. 3 CPO

Scope 3 emissions

In 2024, as part of our sustainability strategy, we carried out a comprehensive Scope 3 screening for the first time to systematically record the indirect greenhouse gas emissions resulting from Group processes and flows of goods. This was based on actual consumption data and activity-based values from 2023, supplemented by estimates based on standards and statistical data. At the start of 2025, Scope 3 screening was harmonised and refined to align with the scope of consolidation for financial accounting. This made it possible to cover approx. 98% of Scope 3 emissions.

The results clearly show that category 1 “Purchased goods and services” accounts for the largest share of upstream and downstream emissions, making up 92% of total Scope 3 emissions. Other relevant categories are “Capital goods” (category 2), “Fuel and energy-related activities” (category 3), “Upstream transportation and distribution” (category 4), “Employee commuting” (category 7), “Upstream leased assets” (category 8) and “Investments” (category 15).

As Scope 3 emissions account for almost 99% of total emissions along Galenica’s value chain, their reduction is key to the Group’s climate protection strategy.

Aspect	GRI Disclosure	Unit	2025	2024 ¹⁾	2023 ¹⁾ (Base Year)
Scope 1+2: Direct and indirect GHG emissions ▶	305-1	tCO₂e	5,024	5,433	6,901
Scope 3: other GHG emissions ▶	305-3	tCO₂e	396,400	378,700	374,000
Category 1 – Purchased goods & services	305-3	tCO ₂ e	364,000	343,000	339,000
Category 2 – Capital goods	305-3	tCO ₂ e	14,000	18,000	19,000
Category 3 – Fuel- and energy-related activities	305-3	tCO ₂ e	1,300	1,300	2,000
Category 4 – Upstream transportation & distribution	305-3	tCO ₂ e	5,600	6,100	4,800
Category 7 – Employee commuting & home office	305-3	tCO ₂ e	4,500	4,100	4,000
Category 8 – Upstream leased real estate	305-3	tCO ₂ e	1,800	1,800	1,900
Category 15 – Investments	305-3	tCO ₂ e	5,200	4,400	3,300
- Employees at reporting date (FTE)		FTE	6,558	6,119	5,907
Intensity of GHG emissions (Scope 3)	305-4	tCO₂e/FTE	60.45	61.89	63.31

▶ 2025 Data externally assured (limited assurance)

¹⁾ Values restated (compare note calculation basis)

Scope 3 target and roadmap

Based on a refined Scope 3 screening, Galenica has defined a strategic target – a key component of our climate strategy – and a roadmap. The target is in line with the requirements of the Science Based Targets initiative (SBTi) and focuses on supplier engagement. For the particularly emission-relevant categories 1 (“Purchased goods and services”) and 4 (“Upstream transportation and distribution”), we have set ourselves the target of ensuring at least 72% of our emissions in categories 3.1 and 3.4 are covered by science-based CO₂ targets that have been implemented by our service providers and suppliers by 2030.

To achieve this goal, suitable processes and structures must first be established – an aspect that is also reflected in our roadmap. The focus here is on establishing a supplier engagement programme, which will govern systematic collaboration with our suppliers in the area of climate protection from 2026. In addition to supplier engagement, we are striving to improve the basis for calculating Scope 3 emissions, for example by gradually integrating supplier-specific information.

During the evaluation phase for a supplier engagement programme, current coverage was determined for the first time in summer 2025 using consumption data from 2024. According to this first analysis, in the summer of 2025, 54% of supplier volume (measured by category 1 “Purchased goods and services” and 4 “Upstream transportation and distribution”) had science-based climate targets.

Scope 3 - Roadmap

2024	2025	2026	2027-2030
- Full Scope 3 screening	-Adjustment of Scope 3 screening -SBTi objective	-Establishment of supplier engagement programme -Expansion of the calculation for product emissions	-Implementation of supplier engagement -Improving the database: from screening to inventory

Supplier Code of Conduct

As part of our Scope 3 management, the existing Supplier Code of Conduct is a key tool for reducing indirect greenhouse gas emissions along the value chain. Our supply partners undertake to limit the emissions from their activities as far as technically and economically possible and to regularly review their environmental behaviour to ensure that it complies with the law. They are guided by the goals of sustainable value creation and the responsible use of resources and comply with all relevant regional, national and international environmental regulations. The Supplier Code of Conduct must be signed by all supply partners. Compliance with the requirements is checked annually on a random basis (further information can be found in the chapter [Supply chain integrity](#)).

Adapted mobility concept from 2026

In addition to the targets set for categories 1 and 4, Galenica has already developed a targeted concept to reduce emissions in category 7, “Employee commuting”. Galenica promotes the use of public transport and electromobility through financial contributions towards commuting costs and location-specific mobility concepts, for example at its headquarters in Bern or at Galexis in Lausanne-Ecublens. Here, the available parking spaces were reduced as part of renovation work and employees were actively encouraged to form carpools and use public transport. The group-wide company car policy was amended in favour of e-mobility as early as 2022. Furthermore, no new company vehicles will be procured from 2026 onwards – with the exception of vehicles for sales representatives. To further increase the use of public transport, Galenica will be offering all employees a Half Fare travelcard as of 2026.

Patient safety

Report on Non-Financial Matters

The safety and health of patients is our top priority. With personal, expert advice and a unique range of products and healthcare services, we support our patients in all situations, promote their well-being and enable people of all ages to lead healthy lives. We are committed to ensuring the quality of our products along the entire value chain. Quality management systems and digital solutions help employees increase patient safety.



GRI 3-3
 Art. 964b para. 1 CO
 Art. 964b para. 2 no. 4
 CO

Patient safety first and foremost means ensuring the quality and safety of our products and services along the entire value chain, from the supply chain to infrastructure and processes, right through to the targeted training of our employees. A key contribution is made by the professional advice provided in our pharmacies, where our specialists support the safe and effective use of medicines based on medical history, triage and individual support. Digitalisation also plays an important role. Thanks to state-of-the-art technologies such as clinical decision support systems, we strengthen patient safety and support healthcare professionals in making medication-related decisions.

Impacts, risks & opportunities	Characterisation
Medication errors or losses in the quality of medications can have serious consequences for the health of patients.	Negative, potential Downstream value chain
By preserving and ensuring the quality of its products, advice and services, Galenica is able to contribute to the healthy lives of its patients – and thus make an important contribution to the well-being of the Swiss population.	Positive, potential Downstream value chain
Through the targeted use of digital solutions, processes can be made more efficient and patient safety and well-being can be further enhanced.	Opportunity, in-house operations + downstream value chain
Medication errors or losses in the quality of medications and the resulting health risks for patients can pose legal and reputational risks for Galenica.	Risk, in-house operations

GRI 3-3
 Art. 964b para. 2 no. 5
 CO

Our objectives

We strive for the highest possible level of patient safety and customer satisfaction. Our aim is to ensure trustworthy and effective healthcare through safe products, reliable processes and professional advice.

Goal	Status	Target year	Measurement parameter	2025	2024
We will increase the use of Clinical Decision Support Checks (CDS.CE) to 500 million by 2025 and 1 billion by 2030.	↗	2030	Number of CDS.CE checks (Clinical Decision Support)	553 million ▶	369 million
Customer satisfaction is at the centre of all activities. The satisfaction of end customers is systematically measured by their willingness to recommend us to other (rNPS) and the gap compared to the average of the competition is determined. The ambition is to achieve an rNPS target of 100% every year.	x	Every year	Target achievement rNPS	78.8% ▶	95.50%

▶ 2025 Data externally assured (limited assurance)

- ↗ Realistic
- Partially delayed/critical
- ↘ Critical
- = Achieved
- x Not achieved

GRI 3-3

Art. 964b para. 2 no. 2-3

CO

Our management approach

To ensure patient safety, all Galenica Group companies have an extensive quality management system (QMS). Responsibility for this lies with the responsible person of the individual company.

Alloga, Medifilm, Mediservice, UFD and HCI Solutions are certified in accordance with ISO 9001 for quality management systems. Galexis and the companies in the Pharmacies division also work with process management systems that comply with ISO 9001 requirements, but are not currently certified. Bichsel and HCI Solutions meet the requirements of ISO 13485 for medical device manufacturers. Compliance with ISO standards is ensured by means of regular audits.

The Bichsel Group also meets the following requirements: Its quality management system (QMS) is based on the ICH-Q10 guideline, which was published specifically for pharmaceutical quality management systems. Bichsel holds operating licences for the manufacture and wholesale of medicinal products in accordance with the Therapeutic Products Act. For quality control purposes, the company carries out numerous chemical and microbiological analyses every day to check end products, raw materials and packaging materials.

Due to the high requirements in the manufacture of bottled, terminally sterilised and biological medicinal products, official inspections are generally carried out at Bichsel every two years. Inspections involve checking whether the statutory Good Manufacturing Practice and Good Distribution Practice requirements are being sufficiently adhered to. Following the inspection in April 2025, the Bichsel Group was issued with the GMP and GDP certificates applied for.

A new quality management system (QMS) has been in use since 2024 to ensure quality in the Amavita, Sun Store and Coop Vitality pharmacies. The QMS comprises mandatory work instructions (SOPs) for central processes such as drug production and dispensing, data protection, hygiene and disposal. Compliance is regularly checked through audits, test purchases, anonymous calls and inspections by cantonal pharmacists. In addition, our pharmacists receive regular training on the legal principles applicable to pharmacies. In 2025, 110 people completed this training course. For specialised services such as checks or vaccinations, they complete certified training courses, following which they are awarded certificates of competence. In addition, all pharmacy employees have completed quality training on a self-study basis in accordance with their area of responsibility.

Verfora offers training sessions for pharmacies when new medications are launched in order to promote employees' skills and ensure patient safety and health. In 2025, Verfora held 125 training sessions for around 17,000 pharmacy assistants and pharmacists. The number of participants has thus increased by more than 50% compared to the previous year.

GDP guidelines for good distribution practice

We also set the highest standards in logistics to ensure patient safety. Alloga, Galexis, UFD, Pharmapool, Verfora and the Bichsel Group are obliged to consistently comply with the international rules of good distribution practice for medicinal products (Good Distribution Practice (GDP) guidelines). This is intended to prevent counterfeit medicinal products from entering the legal supply chain and to ensure the quality and integrity of the products along the entire distribution chain. The ambient temperature of the medicinal products is continuously monitored from the place of manufacture to delivery; in the event of deviations, measures are initiated immediately in accordance with GDP guidelines. Compliance with these requirements is regularly checked by the regional therapeutic products inspectorates on behalf of Swissmedic.

The GDP guidelines also apply to all logistics service providers contracted by us. In addition to the official controls carried out by Swissmedic, the quality departments of the Galenica companies also check compliance with the guidelines.

Regular employee training on GDP guidelines is carried out in-house and the corresponding process documentation is updated on an ongoing basis. In the context of process and quality management, internal improvement measures based on customer feedback and complaints are also actively initiated and implemented with the aim of continuous improvement.

Uninterrupted cold chain for medications

All Wholesale and Logistics companies, as well as Medifilm, Mediservice and Bichsel, provide an uninterrupted cold chain for the inspection, storage and transport of temperature-sensitive drugs. At Alloga, this also applies to so-called ultra-deep-freeze logistics, in other words, storage and dispatch at -80°C , the required temperature for a new generation of cancer drugs. Alloga and Galexis also use paraffin-filled cooling elements, which ensure a more stable temperature of the medicinal products over the transportation period.

Galexis, UFD, Pharmapool and the Bichsel Group operate their own vehicle fleets with a total of 178 delivery vans (up to 3.5 tonnes) and three lorries (14 to 22 tonnes). All vehicles are GDP-compliant and are fitted with an air conditioning system in the loading space, which is vital for the safe transport of medicinal products.

Continuous monitoring of all products

Product safety is checked and ensured using a variety of approaches. The relevant companies check the competence of the contract manufacturers by means of initial and regularly recurring audits. In the course of this, compliance with the GMP guidelines is assessed so that safe products for the patient can be produced at all times. The products are examined before being placed on the market to ensure that they have been manufactured and tested in accordance with the GMP guidelines and that they meet all applicable specifications. As with all medications, there is also preclinical and clinical data for Verfora products, which guarantees the safety and efficacy of the products.

GRI 416-1, 416-2

Pharmacovigilance: forwarding of reports

Following market launch, pharmacovigilance is the focus: Bichsel and Verfora continuously monitor all products and analyse reports of side effects. All employees are obliged to forward such reports in full and on time. Information on the course, dosage and effects is documented and action taken if necessary. New employees receive a checklist on what to do in the event of side effects and receive appropriate training. Annual training for all employees complements this procedure. In addition, Verfora systematically checks advertisements and advertising posters to ensure they are correct and regularly analyses products in the laboratory until the end of their service life in order to identify quality deviations at an early stage.

Aspect	Unit	2025	2024	2023
Pharmacovigilance: forwarding of reports of side effects				
- compliance with deadline for forwarding a report of side effects	%	93	91	97

In 2025, Verfora employees met the deadline for the internal forwarding of reports of side effects in 93% of cases (target: >90%). At Bichsel, the responsible parties met the deadline for forwarding reports of side effects to the authorities in 100% of cases. No violations were identified in the reporting year that would have compromised patient safety in connection with products or services.

Art. 964b para. 2 no. 5
CO

Increased patient safety thanks to e-medication solution

To avoid medication errors, HCI Solutions provides key master data for the Swiss healthcare market and develops digital solutions in the area of e-health. With the process-integrated solution Documedis®, the company makes a significant contribution to a safe and efficient healthcare system by offering specific e-health applications and services relating to the medication process.

Documedis® is an e-health platform based on INDEX data and is already integrated into the medication process in pharmacy, physician and hospital software. Among other things, it offers Clinical Decision Support Checks (Documedis CDS.CE), which healthcare professionals use to check medications for risks, duplicate medications or allergies. There are currently 14 such CDS.CE Checks available. Documedis CDS.CE thus supports service providers when prescribing new medications or when supplementing existing medication.

Since 2023, the Documedis® Vaccination module has been supplementing the platform with functions for documenting and checking vaccinations.

Documedis CDS.CE is key to patient safety: the checks show whether the planned medication involves risks that can be eliminated before it is dispensed to the patient.

In 2025, 553,282,298 CDS.CE Checks¹⁾ were carried out by service providers, which corresponds to an increase of 50% (previous year: 368,813,628). Target achievement by 2025 and 2030, respectively, is realistic.

In order to increase the number of CDS Checks, HCI held various workshops with clinic information providers.

¹⁾ ► 2025 Data externally assured (limited assurance)

Art. 964b para. 2 no. 5
CO

Customer satisfaction

The satisfaction of our customers is at the heart of all our activities. To measure these, the net promoter score (NPS) provided by customers of the Amavita, Sun Store and Coop Vitality pharmacies is used and the distance compared to the average of the competitor is calculated. The NPS (Net Promoter Score) is a key figure that measures the extent to which customers recommend our pharmacy formats to others. The data collection process takes the form of a twice-yearly representative online market survey and involves asking over 2,000 pharmacy customers about their level of satisfaction and whether they recommend the pharmacy brand they use.

To increase customer satisfaction, Galenica invested in the education and training of pharmacy teams in 2025. The focus was primarily on conveying the importance of satisfied customers for long-term success and the implications of this on the behaviour of pharmacy staff during customer interactions.

Target achievement for 2025 is 78.8%¹⁾, meaning the annual target was significantly missed. For competitive reasons, Galenica does not disclose the actual figure or the gap to the best competitor.

¹⁾ ► 2025 Data externally assured (limited assurance)

Health promotion

Report on Non-Financial Matters

Galénica aims to be the first point of contact for healthcare advice for people in pharmacies, digitally or at home, thereby guaranteeing nationwide, low-threshold access to healthcare services. This objective is clearly formulated in the corporate vision: "Health and well-being are at the heart of what we do. They are the reason we give our best every day." It sums up what makes our work across the Galénica network so meaningful.



GRI 3-3
Art. 964b para. 1 CO
Art. 964b para. 2 no. 4
CO

For us, health promotion means being the initial point of contact for health advice for everyone. In addition to the provision of medication and treatment advice, this also includes healthcare services – easily accessible and affordable, whether in pharmacies, digitally or at home. Digital solutions such as healthcare apps or connected healthcare platforms can strengthen personalised healthcare advice in this regard and thus complement existing services in a meaningful way.

Impacts, risks & opportunities	Characterisation
Low-threshold and affordable access to Galenica’s advisory and healthcare services can contribute to the health and well-being of patients and thus of the Swiss population.	Positive, potential Downstream value chain
Galenica is able to increase sales by expanding the healthcare and advisory services offered in pharmacies.	Opportunity, in-house operations
Galenica’s wide range of services – including on digital channels – gives it opportunities to reach patients more easily and quickly and thus tap into new sales markets.	Opportunity, in-house operations
Cooperation with health insurance companies supports the positioning of pharmacies as an important point of contact for the healthcare system, relieving the burden on the healthcare system as a whole.	Opportunity, in-house operations and downstream value chain

GRI 3-3
Art. 964b para. 2 no. 5
CO

Our objectives

We strive to guarantee low-threshold access to healthcare services throughout Switzerland. We currently measure this target based on the number of healthcare services provided in pharmacies.

Goal	Status	Target year	Measurement parameter	2025	2024
We will increase the number of healthcare services provided in our pharmacies by 10% each year until 2027 (base year 2023)	↗	2027	Increase in % compared to previous year	28.7%	32.4%

- ↗ Realistic
- Partially delayed / critical
- ↘ Critical
- = Achieved
- × Not achieved

GRI 3-3
Art. 964b para. 2 no. 2-3
CO

Our management approach

Particularly in view of the ageing population, preventive health care and prevention are important measures to promote the well-being and health of the Swiss population. With our wide range of healthcare services and a broad product range, we create added value for customers and partners. A key aspect of this is providing high-quality and interesting services – whether in person at the pharmacy, digitally or at home. This is centrally anchored in our strategy with the fields of action “Added value in the network” and “Shaping the future”.

The range of healthcare services provided by pharmacies can be divided into the following categories.

- Acute symptoms: Customers with acute symptoms receive the necessary advice from the pharmacy and, if necessary, the appropriate medication, including prescription medication. Advice is straightforward and cost-effective and helps patients to recover.
- Vaccinations: Vaccination is another approach to health promotion. In addition to flu and tick vaccinations, in many cantons other vaccinations such as tetanus, whooping cough and shingles can also be administered at pharmacies. In all cases, the suitability of the

vaccine is clarified and advice given prior to vaccination. Companies are also showing ever more interest in the option of getting flu vaccines in pharmacies. In 2025, we were able to establish partnerships with more than 120 companies that offer free flu vaccinations to their workforce as part of their health initiatives. Thanks to Documedis[®] Vaccination and Vac Check from HCI Solutions, pharmacies can document vaccinations digitally and check vaccination status electronically. On this basis, clients can be provided with comprehensive advice and recurring vaccination appointments can be scheduled.

- Prevention: Pharmacies in the Galenica network offer various preventive checks in this area – including HerzCheck[®] (CardioTest), blood pressure and blood sugar measurements as well as allergy tests. The results are discussed directly in person so that customers can be provided with targeted advice and referred if necessary.

The range of healthcare services is subject to continuous development. This goes hand in hand with further training for specialist staff, with measures to promote awareness of the services offered and with investments in discreet consultation zones.

Pharmacies as the first point of contact

Pharmacies have recently become a key pillar of basic healthcare in Switzerland. In Switzerland, a pharmacy supplies an average of around 5,000 inhabitants, making it the first and most frequent point of contact for many people when it comes to health topics. This proximity to the population is a great strength. This is because the more concerns that can be resolved at the pharmacy, the greater the relief for the entire system – from family doctor practices to emergency wards. This is also increasingly being recognised by policymakers, which is why pharmacies have been given additional competencies in recent years.

We therefore invested at an early stage in the transformation from pure product sales and dispensing medications to advice and healthcare services.

“Consultation plus” is one of the keys to customer enthusiasm – and to value creation. It is a holistic communication and positioning concept for existing and future healthcare services.

“Consultation plus” is not a new service, but a holistic approach to developing and positioning healthcare services in Galenica pharmacies.

To strengthen the role of pharmacies as a central point of contact for health topics, Galenica is working on new care models and the customer experience in pharmacies. To this end, a new pharmacy concept is being developed that links advice, room design and digital support more closely. The first Amavita pharmacy based on the new concept was opened as a pilot in the reporting year. Here, we are gaining a lot of insights into customer behaviour, which will allow us to further develop the concept accordingly and redesign other pharmacies.

In order to strengthen the pharmacy as a central point of contact, especially for consultation and healthcare services, several communication measures were implemented in 2025. For example, patients’ digital journeys were optimised for finding information and

booking appointments, and on-site communication efforts in pharmacies were also stepped up.

The figures show that there is strong demand among customers for both consultation and healthcare services. In the 2025 financial year, 368,000 fee-based advisory and service consultations were held in Galenica pharmacies, 28.7% more than in the previous year. The focus is on consultations for common health topics such as urinary tract infections, skin problems, conjunctivitis and erectile dysfunction.

Art. 964b para. 2 no. 5
CO

Healthcare services

Aspect	Unit	2025	2024 ¹⁾	2023 ¹⁾ (Base Year)
Healthcare services ▶				
Number of healthcare services	number	368,000	286,000	216,000
Increase of the number of healthcare services compared to prior year	%	28.7	32.4	

▶ 2025 Data externally assured (limited assurance)
¹⁾ Values restated (compare note calculation basis)

GRI 203-2

Cooperation for low-threshold and affordable access

Galenica relieves the burden on the healthcare system with straightforward and cost-effective consultation services provided directly in pharmacies. This is one of the reasons why we have succeeded in convincing health insurers in recent years to include pharmacies as entry-level partners in alternative insurance models – similar to the role of telemedicine or family doctors. Several of the largest health insurance companies are already among our cooperation partners and provide consultation and healthcare services as part of numerous insurance models. In the reporting year, for example, we were able to further develop our partnerships with Assura, GroupeMutuel, KPT and AXA. We will continue to pursue this approach in order to expand existing partnerships and enter into new ones.

Attractive workplace

Report on Non-Financial Matters

Employees are crucial to the success of the Galenica Group. Therefore, as an attractive employer, Galenica offers its employees modern employment conditions and benefits. Galenica also promotes an open and inclusive corporate culture as well as modern workplaces and forms of collaboration.



GRI 3-3
Art. 964b para. 1 CO
Art. 964b para. 2 no. 4
CO

We are committed to creating a working environment that attracts, nurtures and retains talent over the long term. Key elements of employee retention include an appreciative corporate and management culture as well as a wide range of training and development opportunities. In addition, modern and flexible employment conditions, such as workplace design and contemporary working practices and models are offered.

Impacts, risks & opportunities	Characterisation
A modern working environment, flexible working hours and modern working models, especially in pharmacies, can have a positive impact on the health, well-being and social environment of Galenica employees.	Positive, potential Own operations
An appreciative corporate culture can contribute to employee satisfaction.	Positive, potential Own operations
Vocational training and continuing professional development of employees contribute to the qualifications of Galenica staff and offer future prospects.	Positive, potential Own operations
Non-compliance with legal and employment regulations could lead to legal proceedings and sanctions with financial consequences.	Risk, own operations
A shortage of qualified employees may reduce Galenica’s productivity and competitiveness.	Risk Own operations
Modern forms and models of work, an appreciative corporate culture and training and development opportunities can strengthen employee motivation, retention and satisfaction, which may in turn have a positive impact on employee turnover and Galenica’s innovativeness.	Opportunity, own operations
Attractive working conditions and fair pay can strengthen Galenica’s position as an attractive employer on the labour market and attract qualified employees.	Opportunity, own operations

GRI 3-3
Art. 964b para. 2 no. 5
CO

Our objective

Galenica aims to create a working environment that inspires, nurtures and retains employees over the long term.

Goal	Status	Target year	Measurement parameter	2025	2024
The participation rate should be above 75 percent. The motivation rate between 75 and 80 percent.	=	Every year	Motivation rate Participation rate	78/100 (motivation) ▶ 82% (participation) ▶	76/100 (motivation) 76% (participation)
We are reducing the time-to-hire by 10% by 2027. (base year 2023 for Pharmacies Sales, 2024 for all other areas)	↗	2027	Time-to-hire	Overall: 63 days (-29%) Pharmacies: 61 days (-3%)	Overall: 89 days Pharmacies: 92 days

▶ 2025 Data externally assured (limited assurance)

- ↗ Realistic
- Partially delayed/critical
- ↘ Critical
- = Achieved
- × Not achieved

GRI 3-3
GRI 2-30
Art. 964b para. 2 no. 2-3
CO

Our management approach

People & Culture is responsible for organising and designing an attractive workplace at Galenica. In 2023, the Chief People & Culture joined the Executive Committee, which also strengthened the topic strategically. Implementation is carried out by the entire leadership team in accordance with Galenica’s “Servant Leadership” management culture. The Galenica Group’s personnel policy is based on the corporate values and defines mandatory guidelines for group-wide human resources management. The key elements of a modern and appreciative working environment in terms of dealing with employees and expectations of their conduct are embedded in the Code of Conduct. In addition, the Personnel and Working Time Regulations govern important aspects such as working hours, salary and personnel insurance. In order to promote work-life balance, Galenica offers flexible

working time models, part-time work and work-from-home options, as well as extended parental leave arrangements that go beyond the statutory requirements. Galenica is not subject to collective bargaining agreements, but offers all employees fair and attractive employment conditions.

People & Culture is an important partner for transformation and cultural development within the organisation. Its focal points include advice and coaching for managers, promoting young talent, targeted and sustainable personnel development, establishing services relating to occupational health and promoting an inclusive corporate culture. Positioning Galenica as an attractive and modern employer (employer of choice) is critical in the context of the shortage of skilled workers as well as in terms of attracting young talents. Other relevant topics include the promotion and use of new working forms and methods as well as efficiency gains through the digitalisation of HR processes. After all, an attractive working environment is important for retaining existing employees.

Appreciative corporate culture

A well-established, appreciative corporate culture is key for Galenica in order to promote collaboration, trust and direction in day-to-day work. The three key values – We delight our customers, We act as entrepreneurs and We build trust – form the basis for a common understanding of how employees interact and work together.

To anchor this culture in day-to-day life and strengthen dialogue, Galenica relies on a variety of communication platforms. Personal, direct dialogue between employees from all language regions and nations is actively promoted through physical and digital formats such as information events, management meetings and the G-Net intranet. Additionally, the digital employee magazine “Spot” is published, which can also be accessed externally and gives partners and family members an insight into the world of Galenica. During the “Discover Galenica” induction day, new employees also gain a comprehensive insight into the history, culture and strategy of the Galenica Group and its companies.

Another expression of our dialogue-oriented corporate culture are the staff committees, which serve as important points of contact for employees to submit their concerns. They facilitate dialogue with the Executive Committee on topics of general interest and are consulted on relevant personnel issues. The works committee, consisting of the presidents of all staff committees, meets twice a year with the Chief People & Culture – if necessary, also with other members of the Executive Committee to discuss overarching issues and incorporate the employee perspective into strategic decisions.

GRI 401-1

Key personnel figures, such as employee turnover, are collected and analysed across the Group on a monthly basis.

Art. 964b para. 2 no. 5
CO

“Opinio” employee survey

The “Opinio” employee survey is a permanent fixture at Galenica. Since 2020, it has been carried out annually rather than just every three years, and has been online since 2023. This enables us to respond more quickly and in a more targeted manner to changes in employee satisfaction and motivation. For example, in the aftermath of the 2024 survey, several measures were implemented over the course of the 2025 financial year, particularly at divisional and team level. Examples include transferring more personal responsibility to logistics employees through appropriate measures such as lean training at Galexis, the targeted use of MS Teams within pharmacy teams and holding various workshops on servant leadership and key skills.

For the 2025 “Opinio”, 82%¹ of all employees took part in the survey, which corresponds to an increase in the response rate of 6 percentage points. The motivation score in the Galenica network has increased by 2 points compared to the previous year and stands at 78¹ out of a possible 100 points. This represents a very pleasing result. Another metric is the eNPS (employee Net Promoter Score (recommendation)). This stands at 27 points, which is significantly better than the previous year (20 points) and well above the average for the retail trade.

¹ ▶ 2025 Data externally assured (limited assurance)

GRI 404-3

Regular performance reviews

At Galenica, discussions with employees are held not only once a year, but also at several points throughout the year as part of a “dialogue” process. All employees with permanent contracts not only receive structured feedback on their work and development prospects during these meetings, but also the opportunity to contribute their own ideas and goals. Continuing education and training plays a key role here – both in terms of individual development and in terms of strengthening competencies within the company. The discussions create space for mutual feedback, strengthen the relationship between managers and employees and contribute to motivation and long-term loyalty.

Recruitment strategy/retention of skilled workers

In Switzerland, the retention of qualified employees represents a major challenge, particularly in the healthcare professions and IT. In addition to the scarcity of employees, the requirements in terms of training and skills are constantly increasing. For Galenica, retaining specialist staff plays a key role, particularly in the Pharmacies unit, as pharmacies need to be managed by good, qualified staff. As the Swiss healthcare system becomes increasingly digitalised, Galenica is becoming more dependent on IT and e-commerce professionals.

Recruitment activities have been centralised across the Group since 2023. In addition to positioning itself as a versatile and modern employer, the increased presence on social media also strengthens access to talented young people.

The promotion and retention of employees within the company as well as the recruitment of skilled workers outside the company are therefore essential. This also enables Galenica to contribute to sustainable labour and economic growth in Switzerland. The key instrument for meeting these challenges is the recruitment strategy. This includes measures relating to the company's image as an employer, its positioning and university marketing for students.

Galenica primarily aims to establish contact with pharmacy students while they are still at university and encourage them to pursue a career within the Galenica Group.

In the reporting year, cooperation with the Universities of Bern, Geneva, Basel and Zurich and the ETH was further expanded. The assistant year programme has been optimised both in terms of content and through more attractive employment conditions.

For the target group of IT specialists, the recruitment and search methodology has been further developed in line with this specific target group. This included the expansion of the social media channel LinkedIn and the targeted development of recruiting skills in the area of active sourcing. As a result, several positions were successfully filled through direct contact with internal specialists, which resulted in significantly shorter filling times.

The key metric in connection with recruitment is "time-to-hire". Data on this is collected monthly in order to check the implementation of the recruitment strategy and the achievement of objectives.

In 2025, the average time to hire across the Group was 63 days (previous year: 89 days) – a reduction of 29%. In the Pharmacies Sales division, the time-to-hire was reduced by 3% compared with the base year of 2023 to an average of 61 days.

Employer image

By defining an employer promise, we strengthened our positioning as an attractive employer in the reporting year. This helps us attract and retain the best talents in the healthcare market and beyond. It is based on the Galenica Story, the needs of the target groups and the perception of existing employees. Together, these elements form the foundation of our employer brand.

GRI 404-2

Promoting employee knowledge and exchange

The continuous development of employees is a key component of Galenica's corporate culture. With the group-wide "Move" personnel development programme, Galenica strategically promotes specialist skills, leadership qualities and personal development. The "Move" seminars are predominantly designed and conducted by internal employees. This strengthens internal expertise, promotes the exchange of knowledge and offers valuable job enrichment through active participation. In 2025, Galenica conducted 47 modules with 634 employees.

Galenica also offers talent management programmes across the Group and at all levels.

- “Explore Galenica”: Talented individuals at employee level are given the opportunity to develop personally and professionally, get to know the Galenica Group better and expand their network. In 2025, 12 employees took part in the programme.
- The “Expert Galenica” talent management programme is for employees at management level and managing directors. The participants design their own personal course of development and are supported by individual workshops along their learning path. In 2025, 22 employees took part in the “Expert Galenica” talent management programme.
- The “Executive Galenica” talent programme, aimed at members of the Senior Management, was also launched for the first time in 2025. Participants benefit from personal and professional development facilitated by external coaches or training partners. The participants engage in project work to develop strategically relevant business cases. This programme is another important addition to our medium- to long-term internal succession planning.

“Pharmacies” training and development

The creation of the “Pharmacies Academy” in the reporting year marked a major step towards providing centralised continuing education and training opportunities for pharmacy employees. This offer will be available from 2025 on the e-progress learning platform and is supported by revised and harmonised processes. In future, training priorities will be aligned with Galenica’s strategic objectives in collaboration with stakeholders.

The following training and education programmes are key to the development and retention of specialist staff in pharmacies:

- CAS in management: In collaboration with the University of Basel, Galenica offers a degree programme in operational management. 17 employees successfully completed this course in 2025.
- FPH Retail Pharmacy: This further training is required by law for pharmacists who manage a pharmacy. Galenica covers the costs and promotes participation. 105 employees completed the course in 2025.
- FPH patient history in primary care: This further training strengthens participants’ ability to diagnose simple diseases and dispense prescription medications. 750 pharmacists earned this certificate of competence in 2025.
- Other programmes: These include the FPH certificate in vaccinations, training on rapid antigen tests and an e-learning module on the use of software in primary care. In 2025, 899 employees held the certificate of proficiency in vaccination.

Galenica also supports employees with external training by giving them financial aid and/or allowing them the time, provided that the training is related to their current role and offers added value for the company.

Training and education

In total, Galenica invested around CHF 5.9 million in employee training in the reporting year.

Training and education

Aspect	Unit	2025	2024	2023
Investment in training	Mio. CHF	5.9	5.9	6.0
Apprentices in training	number	966	944	896
Completed apprenticeships in year under review	number	327	222	268

Training apprentices

Galenica is heavily committed to young talents: in 2025, the Group trained 966 apprentices – 854 young women and 112 young men – at its companies. Of these, 327 completed their apprenticeships, many with flying colours. Having qualified, 219 apprentices have since become Group employees.

Introduction of a new trainee programme

Galenica has been offering a trainee programme for talented young individuals since 2025. The trainee programme offers university graduates a route into the corporate world and thus the opportunity to get to know Galenica from a variety of perspectives. In the process, they purposefully prepare themselves to develop for future key roles. Over the course of twelve months, eight trainees work in two exciting departments, develop on a personal level and network across the Group. In this way, we sustainably promote talented young people and recruit them for Galenica in the long term.

Employee profit-sharing programme

Galenica shares the success of the company with all employees. The bonus is calculated based on the Group result compared with the previous year. Every year, employees of Galenica living in Switzerland have the opportunity to purchase between 20 and 80 Galenica shares at a preferential price, regardless of their employment level. In 2025, 18.0% of employees participated in the programme (previous year: 15.0%). These shares are blocked for three years after the date of purchase.

Members of the Senior Management (SMT) and Management (MT) receive a profit-sharing bonus pro rata to the annual bonus. This is dependent on attaining quantitative and qualitative targets. The share-based remuneration programme LTI (see Remuneration report) for members of the Executive Committee and certain members of the SMT is geared towards long-term performance, whereby remuneration is withheld for a period of three years. Since 2023, Galenica has had joint bonus-related goals for the Executive Committee, members of the Senior Management and Management. As well as financial targets, these also relate to customer and employee satisfaction and are intended to strengthen the concept of networking and the focus on social objectives.

GRI 2-7, 2-8, 401-1

Employment

Aspect	GRI Disclosure	Unit	2025	2024	2023
Employees ¹⁾ ▶	2-7	number	8,427	7,971	7,902
by gender	2-7				
- women	2-7	number	6,311	5,958	5,916
- men	2-7	number	2,116	2,013	1,986
by degree of employment	2-7				
- full-time	2-7	number	4,727	4,511	4,459
- full-time (women)	2-7	%	64.8	65.0	64.5
- part-time (<90%)	2-7	number	3,700	3,460	3,443
- part-time (women)	2-7	%	87.8	88.1	n/a
- non-guaranteed hours	2-7	number	317	303	293
- non-guaranteed hours (women)	2-7	%	57.1	78.1	72.7
Employee Turnover ▶	401-1	%	12.7	10.8	12.0

▶ 2025 Data externally assured (limited assurance)
¹⁾ Number of employees (headcount) as of 31 December

Galenica continued to grow in 2025. At the end of 2025, the Galenica Group had 8,427 employees, an increase of 5.7% on the previous year. The growth can be explained, among other things, by the acquisition of the Labor Team group. All employees work in Switzerland, which we regard as one region. The data is exported and consolidated from the various personnel management systems. The workforce of the Galenica Group does not undergo significant seasonal fluctuations.

The proportion of women is around 75% and has remained relatively constant over the past five years. 44% of employees work part time, i.e. with a workload below 90%. The proportion of part-time employees has remained stable. The proportion of managers (management and senior management level) among all employees increased slightly in 2025 to 10%. From 2020 to 2025, the proportion of female managers rose from 51% to 55%. Employee turnover at Galenica was 12.7% in 2025, up by close to 2% points on the previous year. The turnover rate of 12.7% refers to resignations; taking into account retirements and cases of deaths, employee turnover stands at 13.4% for the 2025 financial year.

In addition to the company’s own employees, temporary employees are also recruited on an hourly basis if necessary, particularly in logistics and transport. These are sourced via partners and are under contract with them. More detailed information on temporary employees is not available as it is not recorded in all our personnel systems. There are seasonal fluctuations during the reporting year, with temporary employees being particularly in demand prior to the Christmas trading period. Most of the business activities are carried out by employees of the Galenica Group.



Galenica does not provide a breakdown of newly hired employees by region. Furthermore, due to the different personnel systems, there is no breakdown of employee turnover by age group, gender or region.

Health and safety at work

Report on Non-Financial Matters

Galenica is committed to protecting the physical and mental integrity of its employees in the workplace and endeavours to identify potential health risks at an early stage and to ensure a swift return from illness or accident. A safe and healthy workplace increases employee satisfaction and efficiency. We are convinced that by avoiding accidents and work-related illnesses, we can save significant costs.



GRI 3-3
Art. 964b para. 1 CO
Art. 964b para. 2 no. 4
CO

The health of employees is a top priority at Galenica. Appropriate measures are aimed at preventing physical and psychological damage and actively promoting health in the workplace, especially in areas with an increased risk of accidents, such as Wholesale & Logistics and Pharmacies. We strive to avoid health risks and enhance the overall well-being of our employees. Rapid reintegration after an illness or accident helps to promote personal well-being while minimising costs.

Impacts, risks & opportunities	Characterisation
In all business areas, work can influence the economic, psychological and emotional situation of employees.	Negative, potential Own operations
Particularly in logistics, workflows can lead to physical injuries.	Negative, potential Own operations
A high absenteeism rate due to accidents or occupational diseases would impair Galenica's productivity – and thus also its economic performance.	Risk, own operations
Depending on the nature and severity, misconduct in this area can have consequences under employment law, result in high staff turnover or penalties and damage Galenica's reputation as an employer.	Risk, own operations
A safe working environment and the promotion of employee health can support employee retention. This in turn increases the productivity of the company and reduces the costs associated with staff turnover.	Opportunity, own operations

GRI 3-3
Art. 964b para. 2 no. 5
CO

Our objective

We strive to minimise any negative impact on the physical or mental health of our employees as much as possible.

Goal	Status	Target year	Measurement parameter	2025	2024
We will reduce the incidence of occupational accidents and illnesses (physical and mental) by 10%. (base year 2023)	→	2027	Absence rate (comparison of target hours/lost hours)	occupational accidents: 0.1% illnesses: 4.48%	occupational accidents: 0.10% illnesses: 4.05%

- ↗ Realistic
- Partially delayed / critical
- ↘ Critical
- = Achieved
- × Not achieved

GRI 3-3, 403-1, 403-4
Art. 964b para. 2 no. 2-3
CO

Our management approach

We take a holistic approach that encompasses safety in day-to-day operations as well as the long-term health promotion of our employees. The protection of health and safety is set out in the [Code of Conduct](#). People & Culture bears responsibility and regularly analyses employee absences to support the implementation of appropriate measures.

We put in place measures to protect employee health and maintain safety in the workplace pursuant to the directives of the Federal Coordination Commission for Occupational Safety (FCOS). At the end of 2024, Galenica developed a company-wide workplace health management (WHM) concept – with the involvement of a diverse group of employees on relevant WHM topics – and introduced it in the reporting year. In addition, feedback is collected on selected measures such as health training or mental health offers.

Galenica promotes health and well-being through flexible working models, paid breaks, a family-friendly policy and the option of purchasing additional days of holiday. Depending on the activity,

procedures to support ergonomics and other measures complement this approach.

Employee representation at Galenica is organised on several levels – from local representatives to the works committee, which is in direct contact with the Executive Committee. The committees represent the interests of employees and raise concerns on topics such as working conditions, health protection and HR policy.

GRI 403-2, 403-3, 403-5
GRI 403-6

Long-term health promotion

The holistic approach at Galenica brings together workplace health management and issues relating to diversity and inclusion under one roof.

The services are divided into four thematic areas: "Occupational health and safety", "Absence management", "Workplace health promotion" and "Diversity and inclusion". These cover aspects of health care, employee services, protection of personal integrity, anonymous external advice centres, equal opportunities, training and absence management.

As a preventive health protection measure, we offer a health check to all permanent employees aged 40 and over. Checks are carried out by the external partner Health & Medical Service Ltd. In 2025, 35 employees took advantage of the offer. Galenica also offers all employees a free flu vaccination every year. Pharmacy staff, as a particularly exposed group, also benefit from the COVID vaccination offer.

A wide range of health-related training programmes, e.g. resilience, managing one's own health or psychological safety, is available to employees. In addition, partnerships have been established with fitness and wellness providers and hotels, where employees benefit from special conditions.

As well as physical health, at Galenica we also aim to focus on mental health. With the "Mental Health Days", we launched an initial pilot project in the reporting year with the aim of raising employee awareness of the topic.

Galenica also operates a system of preventive case management in collaboration with the daily sickness allowance insurance in order to identify potential health risks for employees and introduce appropriate measures before an absence occurs. If an absence has already occurred, the classic system of case management applies: this tool is deployed within the first 30 days of absence. The top priority is to ensure that the employee can return to work quickly following an illness or accident.

Galenica is working with the organisations Movis and Carelink to improve health protection. Carelink offers emergency psychological support in crisis situations, for example following a robbery of a pharmacy. Movis offers support for employees in various areas of life, including in protecting their personal integrity as well as to coping with stress and preventing burnout.

The total number of cases of long-term absences (>30 days) due to mental illness is known. In order to ensure anonymity, however, Galenica only receives the proportion of cases due to mental illness from the daily allowance insurance records in the event of a large number of cases. The exact illness-related reason for the absence is unknown. This means that no conclusions can be drawn and privacy protection is guaranteed.

Compared to the previous year, the number of cases due to mental illness continued to rise. However, with an increase of 13.7%, the increase compared to the increase between 2023 and 2024 was significantly lower.

GRI 403-2, 403-3, 403-5

Occupational safety and accident prevention

To ensure the safety of our employees, safety officers have been appointed in the Pharmacies and Wholesale & Logistics divisions who are responsible for the implementation and further development of occupational safety practices. In the pharmacies, two specially trained employees perform this role. Crisis management processes define group-wide contact persons for each business area. Fire protection officers and help teams at all sites also ensure evacuation safety and first aid.

Due to the increased risk of accidents, Galexis and Alloga have an integrated reporting system for safety incidents that includes systematic absence management to identify safety-relevant situations and systematically record and present accident reports transparently. Reports are submitted via the online form. Interviews on returning to work after prolonged absences and in the event of conspicuous absences are an integral part of this system. Together with Suva, regular training courses on accident prevention and safety culture are offered – including courses on ergonomics and tripping hazards. Galexis and Alloga have been members of the Suva Safety Charter since 2024.

External safety consultants conduct safety audits at least every two years to regularly review the safety systems, particularly in the Wholesale & Logistics division. At Alloga and Galexis, internal safety audits (inspections) are also carried out on a monthly basis with the corresponding department heads, and measures to improve occupational safety are identified and documented. In the reporting year, 204 audits were carried out across all operational departments. These aim to make employees aware of operational risks.

Awareness-raising measures were carried out to reduce the number of workplace accidents, including driving safety and ecodrive courses for drivers, elimination of tripping hazards during deliveries, poster campaign “Clever solution saves time and pain”, remodelling of postal shipping area with a focus on improved conveyor technology and ergonomics and adaptation of the crate loading point to improve ergonomics. Organisational (e.g. process or storage space optimisation) and personal (e.g. conduct, order, training) measures were also implemented.

GRI 403-9, 403-10
 Art. 964b para. 2 no. 5
 CO

Work-related injuries and illnesses

Aspect	GRI Disclosure	Unit	2025	2024	2023 (Base Year)
Accidents	403-9	number	932	1,089	1,233
Occupational accidents	403-9	number	149	195	215
Absence rate of work-related injuries (accidents)	403-9	%	0.10	0.10	0.09
Non-occupational accidents		number	783	894	1,018
Illnesses	403-10				
Cases of illness (long-term, entitled to daily sickness benefits)	403-10	number	453	499	419
Absence hours due to illness	403-10	number	657,834	571,887	546,097
Absenteeism rate	403-10	%	4.48	4.05	3.97
Case Management					
Return to work rate		%	75	76	67

Equality and diversity

Report on Non-Financial Matters

The diversity of our employees is a key success factor for us. The Galenica network comprises people from over 85 countries and of all ages – around three quarters of whom are women. Diversity not only strengthens our innovative strength, but also our attractiveness as an employer.



GRI 3-3

Art. 964b para. 1 CO

Art. 964b para. 2 no. 4

CO

For Galenica, equality and diversity mean a varied and inclusive corporate culture that offers all employees the same opportunities and development prospects – regardless of age, ethnic origin, nationality, gender identity, religion, world view, sexual orientation or social origin. This includes respectful interaction, concepts for protecting personal integrity in the workplace and ensuring equal pay.

Impacts, risks & opportunities	Characterisation
A working environment that promotes diversity and equal opportunities can help employees feel comfortable and valued.	Positive, actual & potential Own operations
By promoting equality and diversity beyond its own organisation, Galenica can indirectly contribute to the elimination of discrimination in society as a whole.	Positive, actual & potential Entire value chain
By ensuring diversity and equal opportunities, Galenica can be perceived as an attractive employer and the company can reach a larger group of potential employees.	Opportunity Own operations
A diverse workforce can positively influence the diversity of ideas, working methods and methods, which can increase Galenica’s innovative capacity and success.	Opportunity Own operations

GRI 3-3
Art. 964b para. 2 no. 5
CO

Our objective

Our aim is to continuously improve diversity in all areas and companies of the Galenica Group and to permanently maintain the proportion of women in management at 50% and to increase it to 33% in senior management by 2027.

Goal	Status	Target year	Measurement parameter	2025	2024
We will improve diversity in all units and group companies, keeping the proportion of women in management positions at 50% and increasing the proportion of women in senior management to 33% by 2027.	↗	Every year	Proportion of female managers (MT) and Senior Management (SMT)	59.9% (MT) ▶ 31.6% (SMT) ▶	58.2% (MT) 31.3% (SMT)

▶ 2025 Data externally assured (limited assurance)

- ↗ Realistic
- Partially delayed/critical
- ↘ Critical
- = Achieved
- × Not achieved

GRI 3-3
Art. 964b para. 2 no. 2-3
CO

Our management approach

Employees are the foundation of Galenica’s success. This is why the People & Culture department actively promotes a respectful and safe working environment. There is zero tolerance for discrimination and harassment of any kind. All Galenica employees have the right to the protection of their personal integrity in the workplace. With this focus in mind, supplement 5 to the Personnel Regulations and the Galenica Group Code of Conduct were developed. This supplement complies with the current guidelines of the State Secretariat for Economic Affairs (SECO). Further information on the Code of Conduct can be found in the section [“Ethical business conduct”](#).

GALivida programme: promoting diversity, inclusion and health

An appreciative approach to diversity increases the well-being of employees because they feel respected and have a sense of belonging. This sense of belonging can reduce stress, increase motivation and decrease the risk of psychological distress, which has a positive impact on mental and physical health. With our holistic GALivida programme, we implement group-wide measures to promote diversity, inclusion and the health of our employees. The further development and

implementation of GALivida is a participatory process, involving working groups made up of volunteer employees from different areas and companies.

GRI 406-1

Protection of personal integrity in the workplace

Bullying, discrimination and sexual harassment are examples of problematic behaviour that can lead to violations of personal integrity. A violation of personal integrity in the workplace affects the well-being of the person concerned and puts their health and ability to work well with others within the company at risk. As an employer, Galenica is legally obliged to protect the privacy of its employees pursuant to the Swiss Code of Obligations (CO). The Galenica Group does not tolerate any violations of personal integrity; it prohibits all forms of bullying, sexual harassment, discrimination, violence and threats, and is committed to non-violent and harassment-free interactions at all levels of the hierarchy. New employees receive appropriate training when they join the company. The content of the online training is also integrated into the internal compliance framework of Legal Services, which ensures ongoing awareness-raising. To protect their personal integrity, employees have the option of contacting their People & Culture contact person or the external advice centre Movis if necessary. Due to the protection of personal integrity, no official statistics are kept on reported cases in the People & Culture area. Depending on the case, individual measures are agreed and implemented – serious violations can also lead to dismissals without notice.

GRI 405-2**Equal pay**

Pursuant to the requirements of the Federal Act on Gender Equality (GEA), in 2021 Galenica carried out an equal pay analysis using the Logib method for companies with more than 100 employees. In 2023, Galenica voluntarily commissioned another comprehensive analysis. The analysis shows that the principle of "equal pay for equal work" is met in all ten companies surveyed. Nine out of ten companies surveyed have also received the "We pay fair" label. The fact that one company did not receive the label is due to imbalances in the distribution of roles. Imbalances in the distribution of roles can lead to employees being divided into the same hierarchical levels and competence levels that are only comparable to one another to a limited extent due to their different roles.

The aspect of equal treatment and diversity among employees is key for Galenica. That is why Galenica is committed to continuous improvement in this area as well. It is planned to carry out the voluntary equal pay analysis on a regular basis.

The statutory formal review of the equal pay analysis was carried out by the statutory auditor Ernst & Young Ltd. According to their reports, the analyses comply with legal requirements in all respects.

GRI 405-1

Diversity of governance bodies and employees

Aspect	GRI Disclosure	Unit	2025	2024	2023
Board of directors	405-1	number	7	6	7
by gender ▶	405-1				
- women	405-1	%	57.1	50.0	42.9
- men	405-1	%	42.9	50.0	57.1
by age	405-1				
- < 30 years	405-1	%	–	–	–
- 30 – 50 years	405-1	%	14.3	16.7	14.3
- > 50 years	405-1	%	85.7	83.3	85.7
Executive Committee	405-1	number	9	9	8
by gender ▶	405-1				
- women	405-1	%	22.2	22.2	25.0
- men	405-1	%	77.8	77.8	75.0
by age	405-1				
- < 30 years	405-1	%	–	–	–
- 30 – 50 years	405-1	%	55.6	44.4	37.5
- > 50 years	405-1	%	44.4	55.6	62.5
Senior Management	405-1	number	133	134	144
by gender ▶	405-1				
- women	405-1	%	31.6	31.3	31.2
- men	405-1	%	68.4	68.7	68.8
by age	405-1				
- < 30 years	405-1	%	0.7	–	–
- 30 – 50 years	405-1	%	56.4	58.2	56.2
- > 50 years	405-1	%	42.9	41.8	43.8
Management	405-1	number	675	637	595
by gender ▶	405-1				
- women	405-1	%	59.9	58.2	56.6
- men	405-1	%	40.1	41.8	43.4
by age	405-1				
- < 30 years	405-1	%	4.1	4.2	2.4
- 30 – 50 years	405-1	%	64.2	64.1	66.7
- > 50 years	405-1	%	31.7	31.7	30.9
Employees ¹⁾	405-1	number	7,236	6,888	6,862
by gender ▶	405-1				
- women	405-1	%	77.0	78.1	78.6
- men	405-1	%	23.0	21.9	21.4
by age	405-1				
- < 30 years	405-1	%	35.4	37.1	37.4
- 30 – 50 years	405-1	%	43.6	42.0	42.4
- > 50 years	405-1	%	21.0	20.9	20.2

▶ 2025 Data externally assured (limited assurance)

¹⁾ Without temporary employees

Ethical business conduct

Report on Non-Financial Matters

As a company operating in the healthcare market, the Galenica Group bears a social responsibility towards customers, patients, partners, employees, shareholders and the general public. This also means that Galenica is required to adhere to the applicable laws at all times, respect fundamental values and commit to ethically sustainable action.



GRI 3-3

Art. 964b para. 1 CO

Art. 964b para. 2 no. 4

CO

Commitment to compliance with the law and guidelines, as well as to acting with integrity, is a fundamental part of Galenica's corporate culture and a constant focus of our corporate management. The obligation to comply with the law during day-to-day operations begins with every employee. This is how we contribute to a peaceful and inclusive society.

Impacts, risks & opportunities	Characterisation
Unethical business practices have a direct negative impact on employees, customers and suppliers or can harm their interests.	Negative, potential Entire value chain
Ethical and transparent corporate governance can lead to more fairness and responsibility, which can strengthen trust in the company and the industry in general.	Positive, potential Entire value chain
Unethical conduct can lead to legal risks in connection with corruption and anti-competitive conduct, which can result in financial and reputational damage.	Risk In-house operations

GRI 3-3
Art. 964b para. 2 no. 5
CO

Our objectives

We pursue the clear objective of consistently preventing any form of breaches of the law, corruption and unethical behaviour. In order to live up to this requirement, we rely on a preventive and effective compliance system, which is geared in particular towards regular, target group-oriented training and awareness-raising measures for employees.

Goal	Status	Target year	Measurement parameter	2025	2024
We raise awareness of compliance issues among our employees at least six times a year, tailored to the respective target group.	=	Every year	Number of measures	9	7

- ↗ Realistic
- Partially delayed/critical
- ↘ Critical
- = Achieved
- × Not achieved

GRI 2-23, 2-24, 2-25,
2-26
GRI 3-3
Art. 964b para. 2 no 2-3
CO

Our management approach

For Galenica, compliance forms the basis of trust, integrity and sustainable corporate success. We are committed to act with integrity and consistent compliance with all relevant laws, guidelines and standards – including internal and industry codes. These include, for example, legal requirements arising from therapeutic product, data protection, health insurance, labour, antitrust, tax and criminal law as well as international standards such as ISO 14001 or Good Distribution Practice. In addition, we uphold human rights in all our business activities. The Legal Department of the Galenica Group advises all companies and divisions on the correct interpretation and application of legal provisions. It also supports the implementation of new legal provisions within the company. In addition, Galenica Group employees increasingly have access to digital tools that help them to act in compliance with the law.

GRI 2-1, 2-9, 2-10, 2-11,
2-15
GRI 2-18, 2-19, 2-20

Corporate governance

The Galenica Group attaches great value to responsible and ethical corporate governance. Galenica Ltd., the ultimate parent company, has its registered office at Untermattweg 8, 3027 Bern, Switzerland. Galenica is listed on the SIX Swiss Exchange and has subsidiaries in Switzerland, Germany and Austria. Details of the Group structure can be found in the [Corporate Governance Report](#). In order to uphold responsible corporate governance, the organisation of the Board of Directors as the supreme

management body is clearly regulated. In addition, binding rules and processes ensure that no conflicts of interest arise. Further information can be found in the [Corporate Governance Report](#). In addition, the remuneration policy and the procedures for determining remuneration are also transparent. The performance evaluation process and the remuneration systems for the Board of Directors and the Executive Committee are described in detail in the [Remuneration Report](#).

GRI 2-15, 2-23, 2-24
Art. 964b para. 1 CO

Code of Conduct

The central instrument is the [Code of Conduct](#) of the Galenica Group, which, in addition to the relevant legal provisions, sets out the ethical rules and standards that all employees must uphold. It was approved by the Audit and Risk Committee of the Board of Directors and must be accepted by all employees as part of the employee handbook upon commencement of their employment. Among other things, the Code includes provisions on conflicts of interest, insider dealing or corruption, as well as on environmental protection. The Code also contains clear commitments to human rights, such as fair working conditions, the exclusion of child or forced labour, discrimination and the health and safety of employees. The Code of Conduct thus contributes to the removal of taboos from certain grey areas.

Managers are responsible for addressing and dealing with specific conflict situations in day-to-day business.

The Pharmacies division also has a specific code of conduct, which serves as a binding internal work instruction devised to ensure the pharmaceutical independence of pharmacists at all times and thus to always give priority to the health and wishes of patients.

GRI 205-3, 206-1
Art. 964b para. 1 CO

Prevention of corruption and anti-competitive behaviour

As Switzerland’s largest healthcare network, combating corruption and preventing anti-competitive behaviour are key issues for Galenica. Both topics are governed by the [Code of Conduct](#). In addition to the Group’s Code of Conduct and that for [Suppliers](#), the [Anti-Corruption Policy](#) also sets out principles and guidelines for combating corruption and governs their implementation by employees and business partners of the Galenica Group. Any form of corrupt conduct towards or bribery of public officials and private individuals, whether directly or via third parties, is prohibited. Galenica has a zero-tolerance approach to corruption and bribery on the part of employees, partners, suppliers and representatives of third parties.

The Galenica Group is not aware of any cases of corruption in the reporting year. Furthermore, there were no new legal actions due to anti-competitive behaviour or violations of anti-trust and anti-competitive law.

GRI 2-27, 205-2

Training on compliance and ethical conduct

To ensure compliance and ethical conduct, we rely on a comprehensive approach in the areas of prevention, detection and response. Training and awareness-raising measures on laws, guidelines as well as internal and industry codes, and policies are a key tool for prevention. The aim is

to train employees on the various topics several times a year in a way that is appropriate for the target group they represent.

In 2025, nine compliance awareness-raising measures and training sessions were carried out, thus achieving the target. In addition, these training sessions were supplemented by additional measures, including targeted internal communications, the development of legal maps, continuous improvement and the development of new processes and templates. In doing so, we raise awareness of compliance and promote principled conduct in our day-to-day work.

In 2025, all Galenica Group companies acted in compliance with the law. In the two competition-related proceedings already underway prior to the reporting year, the sanctions imposed were significantly lower than originally expected.

GRI 2-16, 2-25, 2-26

Whistleblower reporting office

The Whistleblower Reporting Office plays a decisive role in uncovering unethical behaviour and breaches of the law. Internal and external stakeholders may raise concerns about Galenica's business activities through the external [Whistleblower Reporting Office](#). This offers all employees and business partners the opportunity to anonymously report suspected breaches of the rules. All reports are investigated. Reports of corruption and bribery must also be reported to the committee appointed by the Board of Directors. As well as this, various channels and points of contact are available to employees through which they can report concerns or matters of key importance. These include the People & Culture department, staff committees, the employee survey and annual staff appraisals. The Executive Committee deals with key and critical points from the employee survey or the staff committee and introduces effective measures.

In 2025, an incident of discrimination was reported via the Whistleblower Reporting Office. The internal investigations had already been initiated, meaning the necessary steps for clarification and implementation could be taken promptly.

Data protection and IT security

Report on Non-Financial Matters

As a healthcare service provider, both data protection and information security are top priorities at Galenica. We ensure that the personal rights and privacy of customers, patients, employees and other persons are protected at all times. We take appropriate security measures to protect both, this sensitive data and internal company information from unauthorised access, manipulation or loss.



GRI 3-3

Art. 964b para. 1 CO

Art. 964b para. 2 no. 4

CO

With the ongoing digitalisation of the Swiss healthcare system, the importance of data protection and information security as well as the legal requirements for handling data are growing. The aim of data protection is to protect the privacy of those people whose data is processed. Information security ensures the protection of sensitive information through effective measures.

We determine our security measures based on the risks that may arise from unauthorised access, unauthorised modification, loss or unavailability of information and attacks on our infrastructure – both for data subjects and for the Galenica Group.

We build trust among all stakeholders by ensuring that the principles of data protection, in particular with regard to transparency and security, are adhered to

Impacts, risks & opportunities	Characterisation
Data protection and data security incidents can compromise the privacy of customers, patients and employees, have financial, legal or contractual consequences and damage trust in Galenica in the long term, both among business partners and the general public.	Negative; potential In-house operations
Establishing strong data protection and security standards builds trust among customers, patients and business partners and strengthens Galenica's reputation as a responsible healthcare provider.	Positive; differentiation and trust advantage in the market
Cyber attacks on Galenica's IT systems can affect the availability and integrity of business-critical processes, particularly in logistics and pharmacies, and require additional measures to stabilise and secure operations.	Risk, potential In-house operations
Proactive information security strategies and investments in resilience increase operational security and enable a stable digital transformation process that supports new services and efficiency gains.	Opportunity, potential In-house operations, downstream value chain

GRI 3-3
Art. 964b para. 2 no. 5
CO

Our objectives

We not only pursue the goal of protecting sensitive data and information through technical security standards, but also take organisational measures, such as raising awareness among our employees. We carry out information campaigns and provide training on how to handle data in compliance with data protection regulations as well as on identifying possible cyber attacks, for example, and supporting information security.

Goal	Status	Target year	Measurement parameter	2025	2024
We raise awareness of data protection among our employees at least six times a year, tailored to the respective target group.	=	Every year	Number of measures	12	9
We make our employees aware of IT security and cybercrime at least six times a year, tailored to the respective target group.	=	Every year	Number of measures	14	11

- ↗ Realistic
- Partially delayed / critical
- ↘ Critical= Achieved
- × Not achieved

GRI 3-3
Art. 964b para. 2 no. 2-3
CO

Our management approach

The topics of data protection and information security are highly relevant at Galenica and are distinctly embedded in organisational terms.

The Chief Information Security Officer (CISO) is responsible for information security. The underlying responsibilities and governance structures are regularly reviewed and, if necessary, adapted to current

regulatory and organisational requirements. The CISO chairs the IT Security Board, which acts as an advisory body. The Board supports the strategic focus of the information security measures, ensures the reconciliation of interests between IT and the business units and coordinates security-relevant topics as well as measures implemented by the Board members in their respective areas. In addition, the Board decides on measures to be taken in the event of critical vulnerabilities or risks. The aim is reliable and efficient information security across the Group. The Board meets quarterly and has been active since 2023.

To ensure data protection, Galenica has a professionally qualified, independent and impartial internal data protection officer. In addition, the interdisciplinary Data & AI Governance Board was established in 2024 to create clear framework conditions for the responsible use of data and AI applications and ensure the coordination of governance requirements with Galenica's data strategy and values. The Board is chaired by the internal Data Protection Officer, supported by experts from Information Security, Enterprise Architecture, Data Strategy, AI and a member of the Executive Committee.

Clear guidelines and processes govern operations

The objectives of information security are set out in several target group-specific policies and regulations. The Information Security Policy defines the objectives of the information security programme, the relevant competencies and responsibilities as well as the information security principles of the Galenica Group. The Policy applies to all companies of the Galenica Group and forms the basis for all information security directives. General rules for using ICT devices and applications are set out for all internal and external employees or consultants in the Acceptable Use Policy.

Galenica records and manages governance and risk management issues as part of an information security management system (ISMS). Part of this is a central risk register in which identified vulnerabilities are recorded, evaluated and assigned to the responsible product teams for attention.

Galenica has an established incident response process designed to deal with security incidents in a structured manner. The process governs the roles, responsibilities and procedures in the event of an incident and ensures coordinated collaboration with internal units and external partners, including the Security Operations Center

The Data Protection Policy forms the overarching framework for ensuring compliance with data protection principles and requirements in connection with processing data which is subject to confidentiality protection, and is supplemented by regulations and directives on specific topics. All employees and other auxiliary persons are obliged to comply with the Data Protection Policy. Data security incidents are handled and data protection risks addressed in close coordination with Information Security and Risk Management.

Raising awareness and employee training

People are one of the greatest risk factors in connection with cyber attacks, as many cyber attacks target employees, for example by means of fraudulent e-mails (phishing). The cooperation of all employees is therefore required to ensure information, data and IT security. New employees are made aware of the key elements of the ICT user regulations on their induction day.

Regular e-learning courses are the key tool for promoting safety awareness. We provide specific modules on topics such as data security, phishing and dealing with cyber threats. These e-learning courses are complemented by phishing simulations, which further raise awareness and help to measure and understand the effectiveness of the various awareness-raising topics.

Fourteen awareness-raising measures were carried out on the subject of information security. This year's highlights included the hosting of three live security events – two webinars and a series of short films on security published on the intranet – as well as the launch of an InfoSec page on the intranet to raise awareness of information security issues among all employees.

The responsible handling of data and awareness of specific data protection issues are also ensured through training courses and a transparently structured information platform. The data governance managers, who were appointed in 2023, are the first point of contact in the corporate divisions and Group companies. They are regularly informed about developments, trained and supported in advance.

In 2025, a total of twelve awareness-raising measures were carried out on the subject of data protection. The focus was on strengthening the responsible data culture through personal interaction with employees, visiting the data governance teams at eleven Group companies and holding an all-day workshop for all data governance managers, as well as further increasing accessibility and transferring knowledge by offering the transparently structured information platform in four languages and developing new training courses.

GRI 418-1**Regular review**

To ensure compliance with legal provisions and high standards in the handling of data and information, Galenica continuously monitors ongoing developments in legislation and practices relating to data protection, information security and regulations applicable to the use of digital technologies.

Regular internal and external reviews ensure that information security and data protection risks can be identified at an early stage, assessed through standardised means and addressed.

In the reporting year, there were no substantiated complaints relating to data protection breaches, and there were no official investigations into cases of data theft or loss.

Security of supply and procurement

Report on Non-Financial Matters

Supply bottlenecks in the pharmaceutical supply chain are becoming more and more frequent worldwide, including in Switzerland. We make every effort to ensure the greatest possible availability of medicinal products in order to guarantee the reliability of supplies to the population. We work closely with suppliers to ensure the greatest possible availability of medicines. An IT-based scheduling system also helps us to optimise procurement and logistics processes.



GRI 3-3
Art. 964b para. 1 CO
Art. 964b para. 2 no. 4
CO

The global availability of medicines is an increasing challenge – including in Switzerland. The COVID-19 pandemic has clearly shown how disruptions in global supply chains can exacerbate local bottlenecks. The reasons for this include the highly centralised production at only a few locations as well as quality problems or failures in the value chain. We counter these risks by continuously optimising our procurement and logistics processes in order to strengthen the resilience of our supply chain and ensure the reliable supply of medicinal products to the population.

Impacts, risks & opportunities	Characterisation
Supply bottlenecks or failures or quality problems in the value chain can lead to a lack of supply of medicinal products to patients. This can have consequences for the health and well-being of the Swiss population.	Negative, potential Downstream value chain
Yet another contribution to security of supply is the preparation of medicines in pharmacies, which enables individually required medications to be made available quickly – especially in the event of supply bottlenecks or special patient needs.	Positive, potential In-house operations and downstream value chain
Disruptions or interruptions in the supply / supply chain can lead to lower sales for Galenica.	Risk Upstream supply chain
Supply bottlenecks, failures or gaps can weaken relationships with partners and also have a negative impact on Galenica's reputation.	Risk In-house operations and downstream supply chain

GRI 3-3
Art. 964b para. 2 no. 5
CO

Our objectives

The reliable supply of medicinal products to the general public is a top priority for us. We are therefore committed to maintaining the availability of these products at the highest possible level.

Goal	Status	Target year	Measurement parameter	2025	2024
We achieve an annual service level of 99% in the pharma sector.	x	Every year	service level	98.6%	99.0%

- ↗ Realistic
- Partially delayed / critical
- ↘ Critical
- = Achieved
- x Not achieved

GRI 3-3
Art. 964b para. 2 no. 2-3
CO

Our management approach

The way the company works with its suppliers can impact the resilience of the supply chain or cause supply bottlenecks. Causes of the increasing supply bottlenecks include centralised manufacturing at just a few locations in the world as well as failures and quality problems in the value chain. As a leading fully integrated healthcare provider, Galenica depends on the ability of manufacturers to deliver. As a result, the reliable procurement and supply of medicines to the population are becoming increasingly important for Galenica. The challenges posed by the COVID-19 pandemic have further reinforced the relevance of reliable procurement and a reliable supply chain. A reliable supply of medicines is crucial to the health and well-being of the Swiss population. The main responsibility for this issue lies with the Galaxis purchasing organisation.

Scheduling system and cooperation

Galenica works closely with suppliers to ensure the greatest possible availability of medicines. An IT-based scheduling system helps Galenica optimise its procurement and logistics processes. In addition, monthly communication takes place between pharmacies, Category

Management, Logistics and Purchasing in order to ensure responses to changing market situations can be initiated quickly.

The “Safety Stock” initiative launched at the end of 2022 was continued in 2025. The initiative is a joint solution between Galaxis and Sandoz intended to increase the safety stocks of Sandoz generic medicines for treating chronic diseases in order to bridge short- and medium-term supply bottlenecks in Switzerland in the best possible way. This extended inventory range enables a successful response to temporary supply shortages in the market.

Responding to critical bottlenecks in good time

The logistics companies of the Galenica Group review the inventory range in the pharmaceutical sector on a daily basis, enabling them to respond in good time to bottlenecks and increased demand. In the event of critical bottlenecks or increased demand for certain products, logistics companies quickly adapt their operations. The delivery of non-essential products, such as cosmetics or perfumes, is temporarily discontinued if this is necessary to guarantee the supply of essential products. In addition, the amount that each customer can order is reduced to prevent panic buying.

Availability of medications

Aspect	Unit	2025	2024	2023
Reliable procurement and supply chain				
Service level: Availability of medicinal products on average	%	98.6	99.0	98.8

The availability of medications is a major global challenge and naturally also affects the Swiss market. This makes it all the more important that medications that are available in principle or will be available again can be delivered to service providers as quickly as possible. Here, Galenica’s logistics operations are able to make and keep over 98.6% of these medications available throughout Switzerland within 24 hours.

Supply chain integrity

Report on Non-Financial Matters

Galenica is committed to ensuring that, in addition to the companies in the network, their business partners also comply with international and national laws, standards, industry-specific standards and human rights. With these measures, we strive to ensure that all business practices are carried out ethically and responsibly – all to strengthen the trust of our customers and partners and make a positive contribution to society.



GRI 3-3
 Art. 964b para. 1 CO
 Art. 964b para. 2 no. 4
 CO

Supply chain integrity means taking sustainability aspects into account when procuring raw materials, goods and services. These include local procurement, environmental and social criteria, in particular compliance with labour and human rights, the prohibition of child labour, the exclusion of forced or compulsory labour and due diligence when dealing with conflict minerals in the upstream supply chain.

The purchase of medicinal products accounts for the largest share of procurement volumes. Galenica procures these products through a broad supplier structure.

Impacts, risks & opportunities	Characterisation
Failure to adopt a responsible procurement policy can have a negative impact on the environment and on respect for human and labour rights along the entire supply chain.	Negative, potential Entire value chain
Through responsible procurement, Galenica can contribute to ensuring decent work, fair wages and equality in the supply chain.	Positive, potential Entire value chain
Supply chain management and the procurement of raw materials/products are an important cost and risk factor for Galenica and thus influence the company's economic success.	Risk In-house operations
Failure to comply with due diligence obligations in the supply chain may have legal and reputational consequences for Galenica.	Risk In-house operations

GRI 3-3,
GRI 308-1, 308-2
GRI 414-1, 414-2
Art. 964b para. 2 no. 5
CO

Our objectives

We are committed to responsible procurement that upholds environmental and social standards along the entire supply chain.

Goal	Status	Target year	Measurement parameter	2025	2024
We require our suppliers to comply with the Supplier Code of Conduct and verify this with at least 10 spot checks per year.	=	Every year	Number of spot checks	12	11

- ↗ Realistic
- partially delayed / critical
- ↘ Critical
- = Achieved
- × Not achieved

GRI 3-3
Art. 964b para. 2 no. 2-3
CO

Our management approach

Ensuring integrity in the supply chain is a key concern for us. This ensures decent work, fair wages and equality in the supply chain, which has a positive effect on the industry and promotes sustainable economic growth in Switzerland.

GRI 2-23, 2-24, 2-25
GRI 308-2, 414-2

Supplier Code of Conduct

One of our key tools is the [Supplier Code of Conduct](#). The aim of the Code is to increase transparency in the company's own supply chain and thus ensure that it can fulfil its own responsibilities. The Code of Conduct refers to internationally embedded human rights standards and the applicable core conventions of the International Labour Organization (ILO) and contains, in particular, guidelines on compliance with labour and human rights, ethical business practices, fair wages and environmental, health and quality regulations. The Code of Conduct applies to suppliers, service providers and consultants of the Galenica Group. It is available on the company website and forms an integral part of all newly concluded contracts. The Legal Department is always involved and regularly reviews the contract templates of the Galenica

Group to check for compliance risks. Purchasing department employees also receive training covering the content of the Code of Conduct.

One of our objectives is to check compliance with our Supplier Code of Conduct on an annual basis by means of spot checks. In 2024, standardised supplier surveys were conducted using random sampling for the first time. This supplier audit was also carried out in 2025, the results of which were positive. Of the 12 reviews performed, 11 were signed or confirmed. A multinational company referred to its own Code of Conduct, which is consistent with ours. Measures were also drawn up in the event of non-compliance with the Code.

GRI 2-26

Integrity through whistleblowing

Internal and external stakeholders may raise concerns about Galenica's business activities through the external [Whistleblower Reporting Office](#). This offers all employees and business partners the opportunity to anonymously report suspected breaches of the rules. All reports are investigated. Violations result in sanctions. No suspected cases were reported in the reporting year.

GRI 408-1, 409-1 Art. 964j CO DDTrO

Due diligence obligations and transparency in relation to minerals and metals from conflict-affected areas, child labour and forced and compulsory labour

Galenica fulfilled its audit obligations regarding the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour in 2025. In particular, internal and external investigations were carried out to determine the extent to which Galenica is affected by conflict minerals and child labour. There are no points of contact with conflict minerals, which is why Galenica is exempt from its reporting obligations in this regard.

Galenica has written to the most important suppliers with regard to child labour and had them documented. As part of this random inspection, the place of manufacture of the products was requested and checked against the UNICEF Child Labour Index. In the case of risk countries, further documentation and on-site audits were requested. Investigations have shown that there are no reasonable grounds to suspect child, forced or compulsory labour and Galenica is therefore also exempt from its reporting obligations in this regard.

Calculation basis

Report on Non-Financial Matters

Through systematic data collection and analysis, we aim to provide transparent insights into our environmental, social and economic impacts.

GRI 2-3

Reporting principles

Galenica's sustainability reporting is carried out annually and covers the period from 1 January to 31 December 2025. This report was approved by the Board of Directors on 5 March 2026 and published on 10 March 2026. It follows the Global Reporting Initiatives (GRI) 2021 Standards, supplemented by the requirements of the revised Swiss Code of Obligations (Art. 964a et seq.) and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

The [GRI content index](#), the [TCFD index](#) and the [Transparency on non-financial matters index](#) provide an overview of the relevant disclosures.

The list of material topics based on the principle of dual materiality was drawn up in 2023 and revised in the current financial year and is disclosed in the [Our sustainability approach](#) section of the annual report.

GRI 2-2, 2-3

Organisational system boundaries

The sustainability report of Galenica Ltd. covers all subsidiaries that are fully consolidated in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). Associated companies and joint ventures are excluded from this in principle; any deviations from this principle are disclosed under the corresponding key figure.

Further details on the Group companies can be found in [note 31 "Group Companies"](#) to the consolidated financial statements. Exceptions to the scope of this reporting are explicitly marked.

Acquisitions and divestments

Newly acquired or sold companies in the current financial year are not included in the key figures unless this is explicitly stated in the notes to the report. Accordingly, no data is included for the Labor Team Group, which was acquired on 9 September 2025.

Data collection process

Each key figure is based on defined internal guidelines, processes, controls and responsibilities. The data originates either from the internal systems of the Galenica Group or, if necessary, from the systems of third

parties. Unavailable data is estimated in line with recognised processes and industry standards.

Assumptions and estimates

For each estimate used, the underlying method is disclosed in the following sections.

GRI 302-1, 302-2, 305-1,
305-2, 305-3
Art. 3 CPO

Data on our environmental impact

As Galenica is constantly optimising the system of environmental indicators and gradually expanding the system boundaries (due to primarily inorganic corporate growth), the data are only comparable to a limited extent from year to year.

Greenhouse gas emissions (CO₂, CH₄, N₂O, HFCs and PFCs, excluding NF₃ and SF₆, for which there is no consumption) are calculated in accordance with the Greenhouse Gas (GHG) Protocol. The consolidation approach of financial control is used to define the organisational boundaries, which means that all companies and sites over which Galenica exercises financial control are taken into account.

Greenhouse gas emissions from joint ventures and associated companies are recognised under Scope 3, Category 15 (Investments), as there is no financial control.

GRI 302, 305

Energy and emissions

The detailed underlying data for individual energy consumption is described in the following sections on the emissions survey.

GRI 302-1, 302-2, 302-3,
302-4

Consolidation and recognition of energy consumption

Energy consumption within the organisation is divided into three main categories:

Electricity consumption includes purchased electricity (except for electric vehicles and heat pumps). In addition, any self-generated electricity is included in this category (unless used for the operation of heat pumps). This category also includes emergency power from heating oil and diesel generators and a heating oil-powered sprinkler pump.

Heat consumption includes the use of natural gas, heating oil (excl. sprinkler pump), district heating and electricity for heat pumps for space heating.

Vehicles' energy consumption includes energy consumption in connection with the use of the company's own vehicle fleet. This involves diesel, petrol, compressed natural gas (CNG) and electricity.

The proportion of renewable and non-renewable energy sources consumed is also shown. The following energy sources are assumed to be renewable: self-produced and self-used solar energy; purchased hydropower energy or grid electricity covered by guarantees of origin;

district heating; biogenic components in diesel (assumption: 7%) and compressed natural gas (CNG; assumption: 20%).

GRI 305-1, 305-2, 305-4,
305-5
GRI 2-4

Data collection & conversion factors for emissions under Scope 1+2

The emissions from activities and energy consumption associated with the company's own operations are calculated and recognised methodically using the definitions in accordance with the Greenhouse Gas Protocol (GHG Protocol; World Resources Initiative (WRI) and World Business Council for Sustainable Development (WBCSD)).

Scope 1 – Fuels and refrigerants

Scope and underlying data

Galenica Group companies collect individual data on their consumption of heating oil, (compressed) natural gas, wood pellets, diesel, petrol and refrigerant leaks. The energy sources are used for space heating and transport, as well as for emergency power generation. Heat consumption for rented properties is not recognised under Scope 1 as Galenica has no financial control over it.

Conversion and emission factors used

The greenhouse gas emissions resulting from energy consumption are calculated using recognised conversion and emission factors (heating oil, natural gas, diesel, petrol: Swiss greenhouse gas inventory from the Federal Office for the Environment; biogas, biodiesel, wood pellets: UK Department for Environment, Food & Rural Affairs). The global warming potentials of the IPCC are used to calculate the greenhouse gas effect of refrigerant losses.

Calculation methodology and key assumptions

The resulting greenhouse gas emissions are calculated separately for each data point of energy consumption. Biogenic components in diesel used (assumption: 7% biodiesel) and CNG (assumption: 20% compressed biomethane) and wood pellets are not recognised in the scope.

Restatements

In the reporting year, heating fuels consumed in rented properties (heating oil, natural gas) were no longer accounted for within the organisational boundaries. As a result, the related emissions are no longer included in Scope 1, but now in Scope 3, Category 8. The adjustment was also made retroactively for the base year and the 2024 financial year. In addition, minor value adjustments were made for 2024 in line with delayed data submissions.

Scope 2 – Purchased electricity and district heating

Scope and underlying data

The electricity consumption data for Group companies is collected centrally by a service provider and reported to Galenica. Group companies also collect individual data on the consumption of heat pumps, consumption from district heating and the mileage of electric vehicles in kilometres. Heat consumption for rented properties is not recognised under Scope 2 as Galenica has no financial control over it.

Conversion and emission factors used

The greenhouse gas emissions resulting from energy consumption are calculated using recognised emission factors (district heating: UK Department for Environment, Food & Rural Affairs; grid power Switzerland: International Energy Agency (IEA; international electricity trading was taken into account), hydropower Switzerland: [Alig, M., Tschümperlin, L., & Frischknecht, R. (2017). Greenhouse gas emissions of the electricity and district heating mixes in Switzerland according to the GHG Protocol. Commissioned by Sustainerv GmbH, UBS Fund Management, Swiss Post and pom+ Consulting. treeze Ltd., Uster.] p. 7, Table 3.1; Domestic production > Renewables > Hydropower (consumer electricity mix), Scope 2 (value normalised to 100%).

Calculation methodology and key assumptions

Galenica purchased 17,500 MWh of guarantees of origin for hydropower from Europe for the 2025 financial year. These are purchased from Swenex – Swiss Energy Exchange Ltd. as unbundled energy attribution certificates and certified by Pronovo Ltd. These certificates are split between Group companies in such a way that they contribute an equal percentage for each reported form of electricity consumption – which means that electricity consumption is already split accordingly to reflect hydropower and grid electricity purchases. This does not apply to electric vehicles, which, due to a lack of detailed information, are assumed to be charged via external charging infrastructure using grid electricity available in Switzerland (based on average availability). The energy provided is calculated on the basis of aggregate mileage with a vehicle efficiency factor of 0.42694 kWh/km.

The resulting greenhouse gas emissions are calculated separately for each data point associated with energy consumption. For calculations involving the “location-based” approach, the emission factor for average grid electricity in Switzerland is applied to all electricity consumption. For the “market-based” approach, a lower emission factor is used for the certified hydropower share specific to the type of production in Switzerland.

Restatements

In the reporting year, district heating purchases in rented properties were no longer accounted for within the organisational boundaries. As a result, the related emissions are no longer included in Scope 2, but now in Scope 3, Category 8. The adjustment was also made retroactively for the base year and the 2024 financial year. In addition, minor value adjustments were made for 2024 in line with delayed data submissions. In particular, the estimated value used for 2024 for electricity consumption of pharmacies was replaced by effective consumption data.

GRI 305-3**GRI 2-4****Data collection & conversion factors for emissions under Scope 3**

The emissions from activities and energy consumption in Galenica's value chain are calculated and recognised methodically using the definitions in accordance with the Greenhouse Gas Protocol (GHG Protocol Corporate Value Chain Standard; World Resources Initiative (WRI) and World Business Council for Sustainable Development (WBCSD)).

Unless explicitly stated, the data used to calculate Scope 3 emissions is not based on information provided by suppliers or other partners.

Although some Scope 3 categories were calculated by Galenica, they turned out to be insignificant overall. They are therefore excluded from reporting. This applies to emission sources for the disposal of own waste (Category 5), business trips (Category 6), downstream transport and distribution (Category 9), product usage (Category 11) as well as the disposal of products at the end of their life cycle (Category 12).

Due to the numerous assumptions and estimates, Scope 3 values are rounded (for values $\geq 10,000$ to the nearest 1,000 tCO₂e, values between 1,000 and 10,000 to the nearest 100 tCO₂e).

Category 1 – Purchased goods and services**Scope and underlying data**

The financial expenses for goods and services purchased in the reporting year serve as the basis for calculating upstream emissions from the supply chain. These correspond to the financial reports of all companies directly referred to in the consolidated financial statements for the reporting year. The expenses are categorised according to the area of activity of the respective supplier or service provider and in line with the NACE classification (Version 2.0).

Emission factors

The emission factors used come from the EXIOBASE database (in tCO₂e/million euro, 2020) and are assigned to the NACE classes. Currency conversion is based on the ECB reference rates and the harmonised consumer prices provided by the Federal Statistical Office (FSO).

Calculation methodology and key assumptions

Financial expenses are categorised by the type of goods and services and multiplied by emission factors from the EXIOBASE database (expenditure-based calculation method). The factors (in tCO₂e/million euro) are converted to Swiss francs and adjusted for inflation since the EXIOBASE base year. The conversion rates come from the European Central Bank (ECB) and the inflation rates from the Federal Statistical Office (FSO).

Restatements

This key figure was reported for the first time in the reporting year. The comparative figures from the base year and the previous year are calculated using the same method.

Category 2 – Capital goods

Scope and underlying data

The financial expenses for investments in capital goods in the reporting year serve as the basis for calculating upstream emissions from the supply chain. These correspond to the financial reports of all companies directly referred to in the consolidated financial statements for the reporting year. The expenses are categorised according to the area of activity of the respective supplier or service provider and in line with the NACE classification (Version 2.0).

Emission factors

The emission factors used come from the EXIOBASE database (in tCO₂e/million euro, 2020) and are assigned to the NACE classes. Conversion is based on the ECB reference rates and the harmonised consumer prices provided by the FSO.

Calculation methodology and key assumptions

Financial expenses are categorised by the type of goods and services and multiplied by emission factors from the EXIOBASE database. The factors (in tCO₂e/million euro) are converted to Swiss francs and adjusted for inflation since the EXIOBASE base year. The conversion rates come from the European Central Bank (ECB) and the inflation rates from the Federal Statistical Office (FSO).

Restatements

This key figure was reported for the first time in the reporting year. The comparative figures from the base year and the previous year are calculated using the same method.

Category 3 – Fuel- and energy-related activities

Scope and underlying data

The so-called “well-to-tank” (WTT) emissions from the procurement of energy sources at Galenica are not included in Scope 1 and 2 and are therefore recognised under Scope 3 – Category 3. The underlying data corresponds to the aggregate energy consumption (see Scope 1-2).

Emission factors

Upstream greenhouse gas emissions from the purchase of energy sources are calculated using recognised emission factors (UK Department for Environment, Food & Rural Affairs). The market-based method was used to calculate upstream emissions for renewable electricity, according to which no WTT emissions are generated and emissions from grid losses are zero or negligible.

Calculation methodology and key assumptions

The emissions are calculated from the consumption data for the energy sources and multiplied by the corresponding “well-to-tank” emission factors. The underlying assumptions correspond to those used for energy consumption (Scope 1-2).

Restatements

This key figure was reported for the first time in the reporting year. The comparative figures from the base year and the previous year are calculated using the same method.

Category 4 – Upstream transport & distribution

Scope and underlying data

The Group companies Galexis, Alloga and Pharmapool collect individual data on the diesel consumption of their transport service providers. In addition, Galenica calculates raw data for goods procured by suppliers themselves. This information includes the mode of transport (truck, boat and air), weight and distance ex works from the supplier for the manufacturing companies Bichsel, Spagyros, Padma and Verfora as well as for the wholesalers Galexis, Pharmapool and Unione. Other Group companies do not procure any transport services from third parties themselves and do not have any relevant incoming goods that are delivered directly by third parties.

Emission factors

The greenhouse gas emissions resulting from the energy consumption of transport service providers are calculated using recognised conversion and emission factors (direct emissions: Swiss greenhouse gas inventory from the Federal Office for the Environment; well-to-tank (WTT) emissions: UK Department for Environment, Food & Rural Affairs). Factors from the Mobitool database (Version 3.0; truck: goods transport, diesel, fleet average; ship: goods transport, container ship; aircraft: goods transport, aircraft, average) are used to estimate transport emissions by suppliers. These also take into account upstream emissions for transport.

Calculation methodology and key assumptions

The resulting greenhouse gas emissions for each Group company are calculated for the diesel consumption of the transport service providers (2025: in total 92.8% of emissions in Category 4). A distinction is made between emissions from Health Supply and other service providers. Biogenic components in diesel used (assumption: 7% bio diesel) are not recognised in the scope. The transport performance of suppliers is calculated in tonne-kilometres (weight × distance) and the ratio of the different modes of transport is estimated. It is assumed that the goods will be transported by average trucks, container ships and aircraft (see Mobitool database).

Restatements

A value adjustment of Health Supply's diesel consumption for 2024 also leads to a significant increase in fuel consumption by service providers (in MWh) and the corresponding emissions compared to the published value. In the reporting year, this key figure is reported for the first time including deliveries by third parties and WTT emissions. The comparative values from the base year and the previous year are adjusted using the same method.

Category 7 – Employee commuting & home office

Scope and underlying data

The calculation takes into account all modes of transport that are, on average, relevant to commuters in Switzerland according to the Swiss Confederation's statistical survey. Galenica does not have its own calculation bases with regard to means of transport and commuting distances. Emissions from work on days spent working from home are also taken into account. The calculation is based on the key employee figures from the Human Resources department expressed in full-time equivalents.

Emission factors

The emission factors for the use of cars (fleet average), motorcycles (petrol, fleet average), railways (Swiss railways, regional and long-distance transport average), public transport by road (urban bus (13 m), hybrid diesel, single-decker), e-bikes (average), bicycles (conventional, urban) and working from home (Work@Home, green electricity mix CH, based on an 8-hour day) come from the Mobitool database (Version 3.0). These also take into account upstream emissions for their use.

Calculation methodology and key assumptions

The calculation uses the statistical breakdown between modes of transport according to the survey by the Federal Statistical Office (FSO) on commuter mobility in Switzerland. In addition, the statistical mean for the average commuting distance is used. Two commuting journeys are assumed for each working day. The number of working days in question is calculated as statutory working days minus weekends, public holidays and leave. The more people work from home, the lower the number of journeys.

Restatements

This key figure was reported for the first time in the reporting year. The comparative figures from the base year and the previous year are calculated using the same method.

Category 8 – Upstream leased real estate

Scope and underlying data

At Galenica, emissions from the use of leased assets arise from the heating of rented spaces, particularly in pharmacies. As Galenica has no control over this energy consumption, the corresponding greenhouse gases are not included in Scope 1 and 2. Some Group companies collect data on heat consumption via the landlord in the same way as the energy consumption they monitor themselves. The heat consumption of 9 sites as well as the type of heating and its size are recorded on the basis of the retail space (2025: total 99.0% of relevant energy consumption for emissions in Cat. 8).

Emission factors

The greenhouse gas emissions caused by heat consumption are calculated using recognised conversion and emission factors (heating oil and natural gas: Swiss greenhouse gas inventory from the Federal Office for the Environment; wood pellets, district heating: UK Department for Environment, Food & Rural Affairs; heat pump: International Energy Agency (IEA; international electricity trading was taken into account)).

Calculation methodology and key assumptions

For pharmacies, heat consumption is extrapolated for all sites based on a representative sample of sites. Assuming that pharmacies are heated to a similar level on average, this is done via the ratio of the total space associated with the samples to the total retail space for all pharmacies.

Restatements

The previous methodology for recording heat consumption has been revised. The premises are leased at most Galenica sites, so it has no direct influence on heat generation. In line with the recommendations of REIDA (Real Estate Investment Data Association), a non-profit organisation for investment properties in the Swiss real estate market, Galenica therefore does not seek to control emissions from the energy sources used by landlords. From this reporting year, the corresponding greenhouse gases will therefore be recognised under Scope 3. In all cases where Galenica purchases its own energy sources from producers, the resulting emissions are reported under Scope 1 (heating oil, natural gas, wood pellets) and Scope 2 (district heating, heat pump).

This adjustment results in a restatement of the previous year's figures. In 2023, emissions from the use of heating oil (503.8 tCO₂e), natural gas (730.1 tCO₂e), district heating (638.2 tCO₂e) and heat pumps (0.6 tCO₂e) were moved from Scope 1+2 to Scope 3, Category 8. For 2024, the shift amounted to 724.6 tCO₂e for heating oil, 675.4 tCO₂e for natural gas, 339.4 tCO₂e for district heating and 0.7 tCO₂e for the use of heat pumps.

Category 15 – Investments

Scope and underlying data

The calculation takes into account all associated companies and joint ventures according to the financial statements that are not already included in Scope 1 or Scope 2. The data is based on the financial information included in the consolidated financial statements of the Galenica Group in accordance with IFRS. Investments are classified according to industry activity (retail trade excl. motor vehicles, transport services, health and social services, education and other services).

Emission factors

The emission factors used come from the PCAF database (Partnership for Carbon Accounting Financials, in tCO₂e/million euro, 2019). Conversion is based on the ECB reference rates and the harmonised consumer prices provided by the FSO.

Calculation methodology and key assumptions

The emissions financed by investments are calculated methodically in accordance with the guidelines of the Partnership for Carbon Accounting Financials (PCAF) using the approach for business loans and unlisted equity interests. Economic activity data is used to calculate the relevant shares of emissions of the companies that are not included in Galenica's scope of consolidation for financial control purposes. The factors (in tCO₂e/million euro) are converted to Swiss francs and adjusted for inflation since the PCAF base year. The conversion rates come from the European Central Bank and the inflation rates from the Federal Statistical Office.

Restatements

This key figure was reported for the first time in the reporting year. The comparative figures from the base year and the previous year are calculated using the same method.

- GRI 2-7, 2-8
- GRI 401-1, 401-10
- GRI 403-9, 403-10
- GRI 405-1
- GRI 2-4

Data on our employees and diversity among staff

The key figures on the number of employees (GRI 2-7) include all companies of the Galenica Group with a majority holding as of 31 December 2025 (including apprentices, interns and temporary employees).

However, more detailed key figures on employees, such as information on diversity (GRI 405-1), employee turnover (GRI 401-1), accidents (GRI 403-9) and illnesses (GRI 403-10), refer exclusively to companies that are fully integrated into the Galenica Group HR system, and the necessary information is available. For this reason, employees of the Labor Team Group in particular are not included in the detailed disclosures for 2025. Detailed key figures on employees cover 95.6% of the total employee population.

Data on employee turnover

Employee turnover is determined in two stages. On the one hand, employee fluctuation is determined on the basis of resignations, but also takes into account retirements (ordinary and early) and deaths.

Data on the "Opinio" employee survey

The "Opinio" employee survey is conducted annually by an external body in a standardised online format. In 2025, the survey took place between 14 October and 14 November, based on the number of employees as of September. All employees were surveyed, including apprentices and interns, but excluding temporary and external employees. Data from the "Opinio" employee survey also includes associated companies and joint ventures Coop Vitality, Coop Vitality Management, Curarex swiss, Mediservice and Emeda as well as employees of the Galenica Pension Fund. However, companies that are not fully integrated into the Galenica Group's HR system, such as the employees of Aquantic, the newly acquired Labor Team Group and Dr. A&L. Schmidgall are not included. A total of 9,032 employees were surveyed.

The key figure for employee motivation is calculated from the arithmetic average of 16 questions from the "Opinio" employee survey. This average is then converted into a scale from 0 to 100.

Customer satisfaction data

Twice a year, an external market research institute is commissioned to survey the Net Promoter Score (NPS) by means of representative market surveys. Data is collected via online interviews as part of panels. Data is collected from over 2,000 pharmacy customers who are asked how likely they are to recommend a pharmacy format to others. People answer with a number between 0 (highly unlikely) and 10 (highly likely). Responses between 0-6 are classed as "detractors", 7-8 are classed as "indifferent" and 9-10 are classed as "promoters". To calculate the NPS, the percentage of "promoters" is subtracted from the percentage of "detractors". The NPS can therefore be between -100 (very poor) and

+100 (very good). The regular Net Promoter Score (rNPS) positions the NPS of Galenica in relation to the NPS of competitors. For competitive reasons, Galenica does not disclose the actual figure or distance to the best competitor.

The NPS is collected for the Amavita, Sun Store and Coop Vitality pharmacy formats and is included in the key figure accordingly. The measurement point relevant to the achievement of the objective is the average of the two measurements in the year. The degree of target achievement is based on the calculated rNPS for the second measurement point compared to the rNPS target defined by the Board of Directors.

Data on number of healthcare services

The healthcare services disclosed are provided in the Amavita, Sun Store and Coop Vitality formats' pharmacies and charged to the customer via the healthcare system. A Pharmacode is stored for each service. This way, the number of healthcare services performed can be calculated and monitored accordingly. Values are rounded to the nearest thousand.

Restatement

The definition of the number of healthcare services was adjusted in 2025. In the past, the focus was on the number of services provided in acute care (primary care). From 2025, a broader view was taken, which includes services in the areas of vaccination services and other healthcare services such as heart checks and wound care. The previous year's figures have been adjusted accordingly in accordance with the new definition.

GRI 2-4

Correction or restatements of information

The report includes detailed disclosures on key environmental, social and governance figures, including definitions, methods used and relevant assumptions, in particular in the area of key environmental figures and restatements where necessary.

We strive to keep the definition and calculation of our key sustainability figures consistent over time. Nevertheless, key figures or targets may be adjusted to best reflect our strategic priorities or changes to standards. In such cases – as well as in the case of material corrections from the previous year – the comparative figures are restated accordingly. The decision on a restatement is based on an overall assessment of the impact on the report.

Unless otherwise stated, the published key figures refer to the financial year and to actual data for the period January to December. Due to unavailability of data, some estimates have to be made.

GRI 2-5

Independent audit

Ernst & Young Ltd. was appointed by Galenica to perform a limited independent audit of selected key figures in the GRI report. Ernst & Young Ltd. is also the external statutory auditor of the [Remuneration report](#), the [consolidated financial statements](#) in accordance with IFRS and the [statutory financial statements of Galenica Ltd.](#)

Further details on the audit can be found in the [independent assurance report](#).

All audited figures in the sustainability reporting are marked in the report with the symbol ►.



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To the Board of Directors of
Galenica Ltd., Bern

Berne, 5 March 2026

Independent Assurance Report on selected KPIs in the Sustainability Report 2025

We have been engaged to perform assurance procedures to provide limited assurance on selected disclosures, indicators and non-financial information (including GHG emissions) included in Galenica AG's and its consolidated subsidiaries' (the Group's) Sustainability Report 2025 included in the Annual Report (the Report) for the reporting period from 01 January 2025 to 31 December 2025.

Our limited assurance engagement focused on selected disclosures, indicators and non-financial information (including GHG emissions) (the Indicators) presented in the Report and the Content Index of the Report and marked with the check mark ►.

We did not perform assurance procedures on other information included in the Report, other than as described in the preceding paragraph, and accordingly, we do not express a conclusion on that information.

Applicable criteria

The Group defined as applicable criteria (the Applicable Criteria):

- As defined by the Group and summarized in the Disclosure chapters and the chapter "Calculation basis"
- Global Reporting Initiative Sustainability Reporting Standards (GRI Standards)

A summary of the standards is presented on the GRI homepage.

Inherent limitations

The accuracy and completeness of selected disclosures, indicators and non-financial information (including GHG emissions) are subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. In addition, the quantification of the non-financial matters indicators is subject to inherent uncertainty because of incomplete scientific knowledge used to determine factors related to the emissions factors and the values needed to combine e.g. emissions of different gases. Our assurance report should therefore be read in connection with the Group's "Calculation basis" chapter including its definitions and procedures on non-financial matters reporting therein.

Responsibility of the Board of Directors

The Board of Directors is responsible for the selection of the Applicable Criteria and for the preparation and presentation, in all material respects, of the selected disclosures, indicators and non-financial information (including GHG emissions) in accordance with the Applicable Criteria. This responsibility



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includes the design, implementation, and maintenance of internal control relevant to the preparation of the Report that are free from material misstatement, whether due to fraud or error.

Independence and quality control

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies ISQM 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibility

Our responsibility is to express a conclusion on the disclosures, indicators and non-financial information (including GHG emissions) based on the evidence we have obtained.

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the selected disclosures, indicators and non-financial information (including GHG emissions) are free from material misstatement, whether due to fraud or error.

Summary of work performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

The Greenhouse Gas (GHG) quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs. Additionally, GHG procedures are subject to estimation (or measurement) uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

Our limited assurance procedures included, amongst others, the following work:

- Assessment of the suitability of the Applicable Criteria and their consistent application
- Interviews with relevant personnel to understand the business and reporting process, including the sustainability strategy, principles and management



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- Interviews with the Group's key personnel to understand the sustainability or non-financial reporting system during the reporting period, including the process for collecting, collating and reporting the disclosures, indicators and non-financial information (including GHG emissions)
- Checking that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Applicable Criteria
- Analytical review procedures to support the reasonableness of the data
- Identifying and testing assumptions supporting calculations

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusions.

Conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the selected disclosures, indicators and non-financial information (including GHG emissions) in the Report of Galenica AG have not been prepared, in all material respects, in accordance with the Applicable Criteria.

Ernst & Young Ltd

Mathias Zeller
Executive in charge

Daniel Zaugg
Partner

Spotlight

Added value in the network –
Omni-Channel



Majority stake in Puravita

At the start of January 2026, Galenica increased its investment in Puravita from 34% to 80%. In doing so, we are strengthening our position in the pharmacy and drugstore segment and systematically expanding the digital business with one of the largest online product ranges in Switzerland (over 45,000 products). Puravita is very well positioned and impresses with its excellent customer focus.



Read our spotlight now

Spotlight

Shaping the future –
Digital Health



Galenica is committed to e-prescriptions

Digitalisation is gaining momentum in healthcare. Electronic prescriptions are an important lever on the path to a connected healthcare system. With HCI Solutions as a competence partner, Galenica is actively involved in the launch of digital solutions such as e-prescriptions, thus helping to shape this development.



Click here for the spotlight



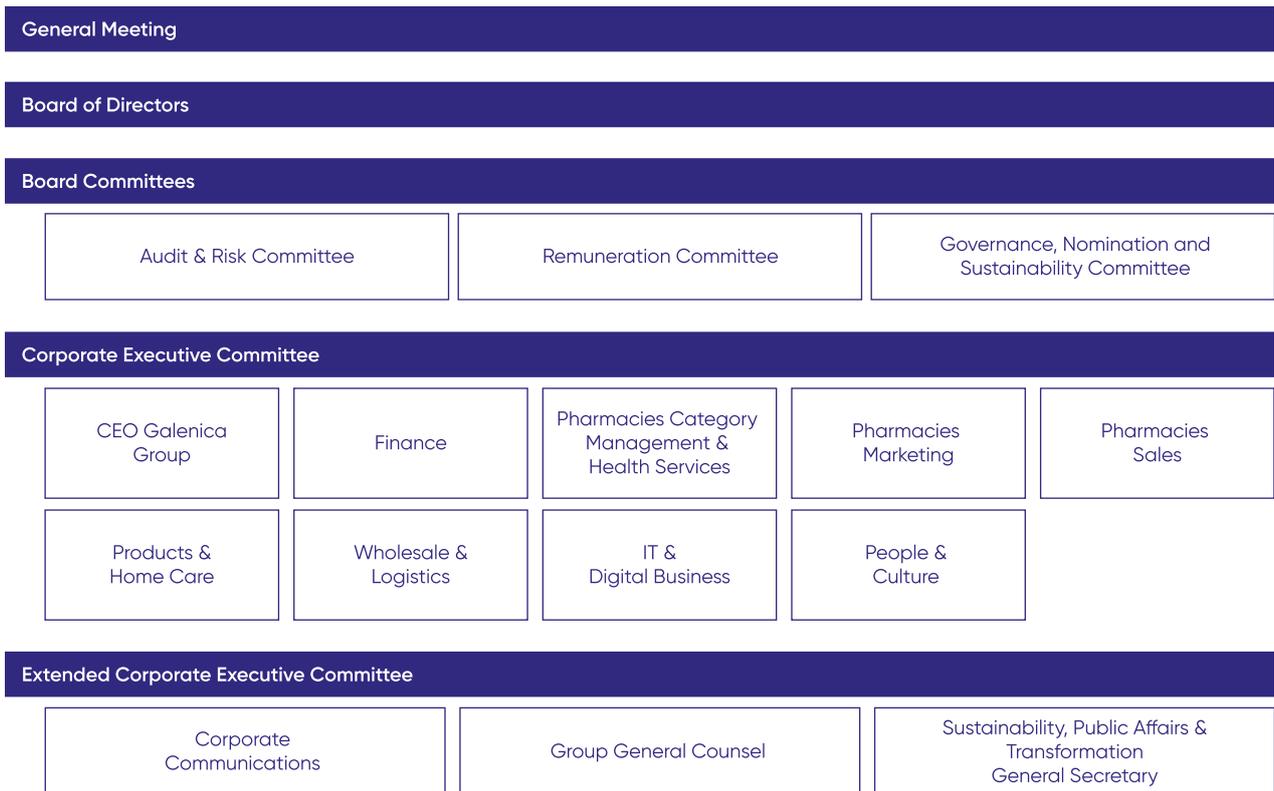
Governance

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Corporate Governance

Governance

The Corporate Governance report outlines the structures, processes, and regulations on which well-functioning corporate governance at Galenica is based. Galenica meets the requirements of Swiss law and those stated in the SIX Swiss Exchange Directive on Information relating to Corporate Governance (Directive Corporate Governance) and follows the recommendations of the Swiss Code of Best Practice for Corporate Governance of *economiesuisse*. The structure of this Corporate Governance report is based on the SIX Swiss Exchange Directive Corporate Governance. The remuneration and profit-sharing for top management are disclosed in a separate Remuneration report, Chapter Remuneration awarded for 2025 and 2024.



Group structure and shareholders

Structure of the Group

Galenica is headquartered at Untermattweg 8, 3027 Bern, Switzerland. It is a corporation under Swiss law and, as a holding company, owns all the companies in the Galenica Group directly or indirectly. Galenica has been listed on the SIX Swiss Exchange since 7 April 2017 (ticker symbol: GALE). Shares in Group companies are not publicly traded.

The Group’s structure and the consolidated subsidiaries and associates are shown in the Consolidated financial statements 2025 (Note 32, Group companies). The [Articles of Association](#) of Galenica, the [Organisational Regulations](#) and the [charters of the](#) committees of the Board of Directors can be accessed on the [Galenica website](#).

Shareholders

As at 31 December 2025, Galenica had 20,123 registered shareholders, four of which, according to documents submitted to Galenica and the SIX Swiss Exchange, were major shareholders holding 3% or more of the voting rights in Galenica Ltd.

Major shareholders as at 31 December 2025 (holding 3% or more of the voting rights)

Shareholders	Number of shares	Shares in %
UBS Fund Management (Switzerland) AG, Switzerland	5,487,581	11.0
Alecta Pensionsförsäkring, Sweden	2,000,000	4.0
BlackRock, Inc., USA	1,579,198	3.2
Swisscanto Fondsleitung AG, Switzerland	1,533,324	3.1

No other shareholder disclosed exceeding the 3% threshold of shares.

The transactions disclosed to the Stock Exchange Disclosure Office pursuant to Article 120 of the Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (FinMIA) can be viewed on the Disclosure Office website of the [SIX Exchange Regulation](#).

As of 31 December 2025, the pension fund of the Galenica Group was not registered.

Cross shareholdings

Galenica has no cross shareholdings in companies outside the Galenica Group.

Number of registered shareholders as at 31 December 2025

Number of shares	Shareholders	Shares in %
1 - 100	4,692	0.5%
101 - 1,000	13,022	9.8%
1,001 - 10,000	2,154	11.1%
10,001 - 100,000	210	13.1%
> 100,000	45	26.9%
Total registered shareholders/shares	20,123	61.4%
Unregistered shares		38.6%
Total		100.0%

Registered shareholders per type as at 31 December 2025

	Shareholders in %	Shares in %
Individual shareholders	94.8%	35.2%
Legal entities	5.2%	64.8%
Total	100.0%	100.0%

Registered shareholders per country as at 31 December 2025

	Shareholders in %	Shares in %
Switzerland	96.0%	82.6%
Germany	2.2%	0.9%
USA	0.1%	4.8%
GB	0.1%	8.8%
Other countries	1.6%	2.9%
Total	100.0%	100.0%

Structure of the share capital

Share capital

As at 31 December 2025, the fully paid share capital of Galenica amounted to CHF 5,000,000, divided into 50,000,000 registered shares, each with a nominal value of CHF 0.10. Galenica shares (securities no. 36 067 446, ISIN CH036 067 446 6) are listed on the SIX Swiss Exchange. As at 31 December 2025, 49,824,384 shares were outstanding (not including treasury shares). The market capitalisation amounted to CHF 4,867.8 million. With regard to dividend entitlement and voting rights see chapter [Shareholders' rights to participate](#) below.

Capital band and conditional capital in particular

According to Article 3b of the [Articles of Association](#), the share capital may be increased by a maximum of CHF 500,000 by the issuance of a maximum of 5,000,000 fully paid registered shares with a nominal value of CHF 0.10 each, through the voluntary or compulsory exercise of conversion rights and/or option rights granted in connection with the issuance of bonds or similar financial market instruments of the Company or one of its Group companies on national or international capital markets. As of 31 December 2025, Galenica had no conditional capital. Furthermore, Galenica has no capital band.

Changes in the capital

Information about changes in the share capital, reserves during the last three financial years and distributable profit during the last three financial years can be found in the [Financial statements 2025](#) of Galenica Ltd., Note Shareholders' equity.

Participation and dividend-right certificates

Galenica has no participation or dividend-right certificates.

Registration of shareholders

Buyers of shares are entered in the shareholders' register upon request as shareholders with voting rights if they declare explicitly that they have acquired the shares in their own name and for their own account (Article 6(1) of the [Articles of Association](#)).

Registration and limitations on transferability

The Board of Directors may refuse registration in the shareholders' register if purchasers do not declare explicitly, upon request, that they have acquired the shares in their own name and for their own account. The Board of Directors is also authorised to cancel any entries in the shareholders' register that came about on the basis of incorrect information or to change these into entries without voting rights, and vice versa (Article 6(5) of the [Articles of Association](#)).

Registration of nominees

A nominee may be registered with voting rights up to a limit of 2% of the share capital entered in the commercial register. Shares in excess of this limit can only be registered if the nominee in question discloses the name, address, and number of shares of the person for whose account the nominee holds 0.5% or more of the share capital entered in the commercial register (Article 6(2) of the [Articles of Association](#)). Galenica has signed an agreement of this nature with three nominees.

Convertible bonds and options

Galenica has no outstanding convertible bonds, nor has it issued any options.

Board of Directors

Board of Directors

Board Committees

Audit & Risk Committee	Remuneration Committee	Governance, Nomination and Sustainability Committee
------------------------	------------------------	---

The Board of Directors of Galenica is responsible for the overall management and ultimate supervision of the Group. It determines the strategic goals, the general ways and means to achieve them while harmonising strategy, risks, and financial resources, and issues instructions and oversees the managers responsible for conducting the company's businesses. The Board of Directors pursues the aim of increasing enterprise value on a sustainable basis and ensures a balanced relationship between management and control (corporate governance). It decides on the Group's medium-term planning, budget, and annual objectives. The values and essential framework of the company's activities are also determined by the Board of Directors. For the Board of Directors, sustainability is of central importance and bears ultimate responsibility for the economic, environmental and social impact of the Galenica Group. The Board of Directors approves the sustainability goals and monitors progress in achieving them. With regard to personnel, the Board of Directors is responsible for the selection and deselection of the members of the committees, the CEO, and the members of the Corporate Executive Committee, as well as the organisation of the remuneration system.

The specific duties of the Board of Directors of Galenica are based on the Swiss Code of Obligations (in particular Article 716a CO), the company's [Articles of Association](#) and its [Organisational Regulations](#). Pursuant to the Articles of Association, the Board of Directors consists of five to nine members (Article 17(1) of the [Articles of Association](#)).

The Board of Directors consisted of seven members as of the end of 2025.

Board of Directors competence and evaluation

In selecting the members of the Board of Directors, care is taken to ensure that the relevant competences for Galenica’s activities are represented and that the necessary specialised expertise is available. The Board of Directors evaluates current and prospective members of the Board according to a competence matrix to ensure that an appropriate mix of relevant skills and experiences are represented. Particular attention is paid to diversity and complementarity.

In 2022, an assessment was carried out with external support (Thomas Hammer, Board Consulting). The Board of Directors is a well-constituted team of optimum size, with a range of experience, complementary expertise and a good combination of different personalities. The Board of Directors and the committees of the Board of Directors carried out a self-assessment in 2025.

Competences

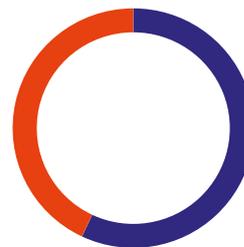
	Markus R. Neuhaus	Pascale Bruderer	Nadine Balkanyi-Nordmann	Bertrand Jungo	Judith Meier	Solange Peters	Jörg Zulauf
Industry Experience		x	x	x	x	x	x
Digitalisation		x		x		x	x
Regulations/Politics	x	x	x		x	x	
Leadership/Big Corp.	x		x	x	x		x
Finance/M&A	x		x				x
Legal/Compliance	x		x				x
HR/Remuneration	x	x		x	x	x	
Sustainability	x	x	x				x

Age (as of 31 December 2025)



- 41 - 45: 0%
- 46 - 50: 14%
- 51 - 55: 29%
- 56 - 60: 14%
- 61 - 65: 14%
- 66 - 70: 29%

Gender (as of 31 December 2025)



- Female: 57%
- Male: 43%

The number of appointments that a member of the Board of Directors may hold in comparable positions at other commercial companies is limited to seven, of which four may be appointments at listed companies, and is limited to fifteen appointments at other legal entities such as foundations and associations with a for-profit purpose. These limits must not be exceeded, unless the appointment is temporary. These restrictions do not apply to appointments at companies controlled by Galenica or carried out on behalf of Galenica or companies controlled by it. An appointment at a group of legal entities which are under uniform control is deemed a single appointment (Article 17(3) of the [Articles of Association](#)). Please refer to the [Remuneration report](#) for information regarding functions exercised by members of the Board of Directors and members of the Corporate Executive Committee at other for-profit companies.

None of the members of the Board of Directors hold an executive role within Galenica or in any of the companies within the Group in the year under review or has held such a role in any of the three financial years prior to the year under review.

Based on the criteria of the Swiss Code of Best Practice for Corporate Governance, all members are independent.

Disclosure of potential conflicts of interest

No member of the Galenica Board of Directors has any significant relations with Galenica or any of its subsidiaries.

Election and term of office

Each member of the Board of Directors and the Chair are elected individually by the Annual General Meeting for a term of office of one year until the end of the next Annual General Meeting. The members of the Board of Directors usually step down no later than after a total of 12 years in office. Under special circumstances, and if this serves the interests of the company, the Board of Directors can propose exceptions to this rule – limited to a maximum of 16 years in office (Article 3.4 of the [Organisational Regulations](#)).

Internal organisation

The Chair calls a meeting of the Board of Directors at least four times a year and prepares and leads the meetings. The individual agenda items are set by the Chair. He decides on a case-by-case basis whether to involve additional persons in the consultations of the Board of Directors. Members of the Corporate Executive Committee participate in every meeting to report on current business activities and to explain in more detail the documentation in light of the decisions to be taken. Any member of the Board may request that the Chair calls a meeting of the Board of Directors and that items be included on the agenda. The members of the Board receive the documentation they need to prepare for the agenda items in a timely manner, normally seven days before the meeting in question. The Board of Directors constitutes a quorum when the majority of its members are present. Minutes are kept, recording all discussions and resolutions.

As part of its risk management, the Board of Directors receives from the Corporate Executive Committee an overview of the most important risks, along with preventive measures to be implemented group-wide as part of the risk management process. This is provided when circumstances require it, but at least twice a year. The Board of Directors approves the overview.

A commitment to abiding by the law and guidelines (compliance) and acting with integrity is the cornerstone of the corporate culture of the Galenica Group and is a consistent focus of its corporate governance. The Board of Directors ascertained the current status of the various compliance measures at a meeting held during the year under review. The [Code of Conduct of the Galenica Group](#) is particularly important for the Board of Directors. It sets out all of the key principles relating to corruption, bribery, gifts and the provision of hospitality for all employees.

Our commitment to the law always includes full compliance with tax regulations. This means conducting all transactions – both internal and external – in line with tax requirements, filing accurate and timely returns and disclosures, and paying taxes when due. To ensure high standards, Galenica engages external tax advisors and relies on its internal tax function. We closely monitor international developments, such as OECD BEPS initiatives and EU directives, and apply new compliance standards promptly. Galenica does not use offshore or artificial structures unrelated to business needs. While operating mainly in Switzerland, the Group submits country-by-country tax information as well as OECD Pillar 2 tax information where required.

Committees

The Board of Directors forms the following committees from its members:

- [Governance, Nomination and Sustainability Committee](#)
- [Remuneration Committee](#)
- [Audit and Risk Committee](#)

Each committee has its own duties and responsibilities, which are stipulated in a charter.

The committees prepare the business of the Board of Directors in the areas of activity assigned to them and submit recommendations to the entire Board of Directors. They meet as often as business requires and report to the Board of Directors on their activities and results. They draw up their own agendas and keep minutes.

Committees of the Board of Directors and their chairs and members 2025

	Name	Member since	Independent	Remuneration Committee (RC)	Audit and Risk Committee (ARC)	Governance, Nomination and Sustainability Committee (GNSC)
Board of Directors	Markus R. Neuhaus Chair	2019	Yes			Chair
	Pascale Bruderer Vice-Chair	2020	Yes	Member		Member
	Nadine Balkanyi- Nordmann	2025	Yes		Member	
	Bertrand Jungo	2018	Yes	Chair	Member	Member
	Judith Meier	2022	Yes		Member	
	Solange Peters	2023	Yes	Member		
	Jörg Zulauf	2023	Yes		Chair	
Honorary Chair	Etienne Jornod					
General Secretary	Jürg Pauli					

Governance, Nomination and Sustainability Committee

The Governance, Nomination and Sustainability Committee comprises three members. This committee supports the Board of Directors in the ultimate direction and supervision of the Company and the Group. It supports the Board of Directors in determining the appropriate size, function, and needs of the Board, as well as the identification of individuals qualified to become or be re-elected as Board members. It also evaluates the appointment of and changes to the members of the Corporate Executive Committee and is kept informed about the succession planning for the Senior Management levels.

The Committee assists the Board in advising on the sustainability strategy, targets, initiatives and legislation regarding ESG topics. It includes monitoring progress on sustainability goals.

Remuneration Committee

In the year under review, the Remuneration Committee was composed of three members of the Board of Directors who meet the independence criteria set forth in the [Organisational Regulations](#). The Remuneration Committee carries out the following duties in particular:

- Proposes the remuneration policy and objectives for the Group and the members of the Corporate Executive Committee to the Board of Directors;
- Proposes the salaries and remuneration for the members of the Board of Directors, the Chair and the CEO to the Board of Directors;
- Approves the remuneration for the members of the Corporate Executive Committee (excluding the CEO) according to the proposal of the CEO and in agreement with the Chair of the Board of Directors.

The regulations in the [Articles of Association](#) governing remuneration as well as the activities and focuses of the Remuneration Committee in the year under review are detailed in the [Remuneration report](#).

Audit and Risk Committee

In the year under review, the Audit and Risk Committee comprised four members and supports the Board of Directors in fulfilling its duties with regard to accounting, financial and non-financial reporting, risk management, and compliance, as well as internal and external audits. The Audit and Risk Committee carries out the following duties in particular:

- Audits reports by the Corporate Executive Committee on the company's compliance and risk management process;
- Monitors measures taken by the Corporate Executive Committee for compliance with internal and external regulations;
- Evaluates the effectiveness of the external auditor and approves its fees;
- Evaluates the internal audit programme, takes note of reports from Internal Audit and checks whether the Corporate Executive Committee has used appropriate measures to implement Internal Audit's recommendations;
- Submits recommendations to the Board of Directors on the Group's capital structure, financing of investments and acquisitions, and setting of long-term objectives;
- Reviews the non-financial reporting.

Frequency of meetings of the Board of Directors and its committees in 2025

In 2025, the Board of Directors held seven meetings. Each meeting lasted between four to eight hours, including a two-day strategy meeting. The Remuneration Committee met three times, the Audit and Risk Committee eight times. The Governance Nomination and Sustainability Committee met three times. Furthermore, various videoconferences regarding specific topics were held.

In principle, all the members participate in all the meetings of the Board of Directors. Attendance of meetings of the Board of Directors in 2025 was 98%, and that of committee meetings was between 97% and 100%.

The CEO and CFO attended a given part of the meetings of the Board of Directors and attended each meeting of the Audit and Risk Committee. The Board of Directors and its Committees invite members of the Corporate Executive Committee to attend the meetings related to specific topics.

Attendance in Board Meetings and Committees in 2025

	Board of Directors	Audit and Risk Committee (ARC)	Remuneration Committee (RC)	Governance, Nomination and Sustainability Committee (GNSC)
Number of meetings	7	8	3	3
Average duration (hours)	6	3	2	1
Meeting attendance	98%	97%	100%	100%

	Board of Directors	Audit and Risk Committee (ARC)	Remuneration Committee (RC)	Governance, Nomination and Sustainability Committee (GNSC)
Number of meetings	7	8	3	3
Markus R. Neuhaus	7			3
Pascale Bruderer	7		3	3
Nadine Balkanyi-Nordmann ¹⁾	4	5		
Bertrand Jungo	7	8	3	3
Judith Meier	7	8		
Solange Peters	7		3	
Jörg Zulauf	7	8		

¹⁾ member since April 2025

Information and monitoring tools of the Board of Directors with respect to management

Risk management

Galenica has a risk management process in place which enables the Board of Directors, the Corporate Executive Committee, and the relevant management of Group companies to identify and assess potential risks in a timely manner and take the preventive measures necessary. The goal of this process is to identify and assess significant risks at all management levels and to manage them while making conscious use of the opportunities the process provides.

As part of Group-wide Galenica Risk Management (GRM), the risk assessment is conducted at least twice a year. This standardised process is based on a risk grid in which the most important strategic and operational risks and their possible effects – particularly from a financial and reputational perspective – are identified in line with pre-defined criteria and then evaluated in accordance with the probability of their occurrence and their effect. These risks are entered into a Group-wide risk matrix.

The Board of Directors of Galenica receives an overview of the most important risks from the Corporate Executive Committee when circumstances require it, but at least twice a year. The Board approves the overview, adding information as needed, and where required takes decisions on any preventive measures necessary, which will then be implemented Group-wide as part of the risk management process.

Galenica defines risk as the possibility that an event or an action will lead to financial loss or other negative consequences.

Additional information about the management of financial risks can be found in the [Notes to the consolidated financial statements 2025, Note 26 Financial risk management](#).

Internal control system

As part of its risk management system, Galenica operates an internal control system (ICS) to provide reliable internal and external financial reporting and to prevent false information and errors about business transactions. The ICS provides the necessary processes and controls to ensure that risks relating to the quality of the company's financial reporting can be detected and managed in a timely manner. A thorough review of the existence of the processes and controls of the Galenica ICS is carried out annually by the external auditors at the time of the interim audit. The results of these reviews are reported to the Audit and Risk Committee. Appropriate measures are taken by management to continually improve the company's processes with regard to the process areas of purchasing, procurement, investments, sales, HR, general financial management and reporting, as well as IT controls.

Internal Audit

Internal Audit carries out audits of operational and strategic risk management and the ICS in accordance with the audit plan determined by the Audit and Risk Committee. It carries out reviews, analyses and interviews across the Group and helps the Service Units to meet their targets by ensuring an independent assessment of the effectiveness of the internal control processes. Internal Audit regularly produces reports on its audits and reports directly to the Audit and Risk Committee in writing. The activities of Internal Audit are conducted through contracts issued to external service providers.

Management

Corporate Executive Committee

Marc Werner CEO Galenica Group	Julian Fiessinger Finance	Daniele Madonna Pharmacies Category Management & Health Services	Stephan Mignot Pharmacies Marketing	Virginie Pache Jeschka Pharmacies Sales
Dr Thomas Szuran Products & Home Care	Andreas Koch Wholesale & Logistics	Lukas Ackermann IT & Digital Business	Arianne Hasler People & Culture	

Extended Corporate Executive Committee

Iris Müller Corporate Communications	Cécile Matter Group General Counsel	Jürg Pauli Sustainability, Public Affairs & Transformation General Secretary
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as of 31 December 2025

The Board of Directors has delegated the management of the company to the CEO in accordance with the [Articles of Association](#) and the [Organisational Regulations](#). The CEO assumes operational management of the Galenica Group and heads the Corporate Executive Committee. The CEO reports to the Chair of the Board of Directors. The Board of Directors maintains regular contact with the CEO and the members of the Corporate Executive Committee.

As of the end of 2025, the Corporate Executive Committee had nine members.

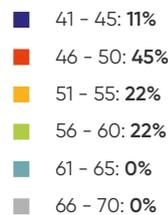
Corporate Executive Committee

The instructions and resolutions of the Board of Directors are implemented for each of the Group's Service Units by the Corporate Executive Committee under the leadership of the CEO. The Board sets appropriate objectives for the CEO and those members of the Corporate Executive Committee allocated to the relevant Service Unit and approves the budget. The Board of Directors receives monthly reports, which include key figures and reporting on important events and developments, and on the planning cycle. In the first quarter, the previous year's results are compared with an initial forecast for the current financial year, and the annual financial statements for the previous year are prepared. In the second quarter, a second forecast for the current financial year is made. In the third quarter, the half-year financial statements are prepared, along with a third forecast for the current year. In the fourth quarter, another forecast is created for the current year together with the budget for the following year and medium-term planning for the next two years.

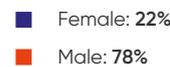
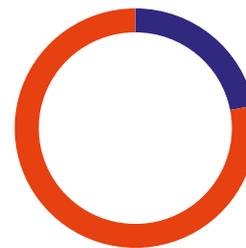
If a member of the Corporate Executive Committee wishes to accept appointments with comparable functions at other commercial companies, this requires the approval of the Board of Directors and is limited to five appointments, of which a maximum of one per member of the Corporate Executive Committee may be at a listed company; the maximum number of appointments per member of the Corporate Executive Committee at other legal entities such as non-profit foundations and associations is limited to ten. Only temporary exceedances are permitted. These restrictions do not apply to appointments at companies controlled by Galenica or carried out on behalf of Galenica or companies controlled by it. Appointments in different legal entities which are under uniform control are deemed a single appointment (Article 20 (4) of the [Articles of Association](#)). All members of the Corporate Executive Committee are compliant with this Article. Please refer to the [Remuneration report](#) for information regarding functions exercised by members of the Board of Directors and members of the Corporate Executive Committee at other for-profit companies.

Further information on the other duties of the Board of Directors and the Corporate Executive Committee can be found in the [Organisational Regulations](#) published on the Galenica website.

Age (as of 31 December 2025)



Gender (as of 31 December 2025)



Information and monitoring tools

The Board of Directors monitors the Corporate Executive Committee and supervises its working practices. The Galenica Group has a comprehensive electronic information management system. The Board of Directors receives a written report on a quarterly basis and is informed on a monthly basis about the Group's financial and operating performance. In addition, operating performance, opportunities, and risks are discussed in depth at meetings attended by members of the Corporate Executive Committee.

Management contracts

No management contracts exist as specified under point 4.4 of the Annexe to the SIX Swiss Exchange Directive Corporate Governance.

Remuneration, Shareholdings and Loans

The regulations in the [Articles of Association](#) governing remuneration (incl. profit-sharing, loans, credits, and pension benefits) of members of the Board of Directors and the Corporate Executive Committee, as well as those governing votes by the Annual General Meeting on remuneration can be found in the [Remuneration report](#).

Shareholders' rights to participate

Voting rights restrictions and representation

According to Article 13(1) of the [Articles of Association](#), every registered share listed in the shareholders' register of the company with voting rights shall grant entitlement to one vote but, subject to para. 2 of Article 13 of the [Articles of Association](#), in the exercise of such voting rights, no shareholder may either directly or indirectly act for a total of more than 5% of the share capital entered in the Commercial Register, including both his own shares and the shares represented by him.

The Board of Directors is also entitled to grant the voting right up to a maximum of 20% of the share capital registered with the Commercial Register to strategic partners (Article 13(2) of the [Articles of Association](#)). The Board of Directors did not exercise this right in the year under review.

According to Article 13(3) of the [Articles of Association](#), a shareholder may be represented at the General Meeting by the independent proxy holder, their legal representative or, based on a written proxy form, by another authorised representative who does not need to be a shareholder. There are no rules that deviate from legal provisions relating to attendance of the General Meeting.

Each share recorded as a share with voting rights in the shareholders' register entitles the holder to one vote at the General Meeting. Shareholders are also entitled to dividends and have other rights pursuant to the Swiss Code of Obligations.

This provision of the Articles of Association may be annulled by the general meeting with a quorum in accordance with Article 13(5) of the [Articles of Association](#).

Quorums under the Articles of Association

Unless otherwise provided by the Swiss Code of Obligations or the [Articles of Association](#), the general meeting shall pass resolutions and conduct elections by a majority of the shares bearing voting rights represented.

Convening of the Annual General Meeting

The Annual General Meeting is held each year within six months of the close of the financial year (Article 10(1) of the [Articles of Association](#)).

Extraordinary General Meetings shall be convened as required by resolution of the Annual General Meeting or by the Board of Directors or, if necessary, by the auditor. Shareholders may request that a General Meeting be convened, provided they together hold at least 5% of the share capital or of the votes. Their request that the meeting be convened must be made in writing. The items on the agenda and motions must be included in the request. (Article 10(2) of the [Articles of Association](#)).

The [Articles of Association](#) do not differ from the relevant legal regulations as regards the convening of the General Meeting and the setting of the agenda.

The General Meeting is convened by the Board of Directors no later than 20 days before the date of the meeting (Article 11(1) of the [Articles of Association](#)). The shareholders are invited to attend by a notice placed in the Swiss Gazette of Commerce (SHAB). The Board of Directors may designate additional publication organs. The meeting may also be convened by sending a letter or e-mail to the addresses stated in the shareholders' register (Article 28 of the [Articles of Association](#)). The following information must be included in the notice convening the General Meeting: the date, the starting time, the form and the location of the General Meeting; the items on the agenda; the motions of the Board of Directors and a brief explanation of the motions; if applicable, the motions of the shareholders together with a brief explanation of the reasons; the name and address of the independent proxy holder (Article 11(2) of the [Articles of Association](#)).

Inclusion of items on the agenda

Shareholders may request that items be placed on the agenda provided that they together hold at least 0.5% of the company's share capital or votes. Subject to those prerequisites, shareholders may request that motions relating to agenda items be included in the convocation of the General Meeting. The shareholders may submit a brief statement of reasons for the inclusion of agenda items or motions. This must be included in the convocation of the General Meeting. Such a request must be received by the company in writing at least 40 days prior to the meeting, stating the agenda item, motion or motions (Article 10(3) of the [Articles of Association](#)).

Shareholders' register

There are no regulations in the [Articles of Association](#) regarding a deadline for entry in the shareholders' register. However, for practical reasons the shareholders' register remains closed to entries for several days prior to a General Meeting. With regard to the coming Annual General Meetings this will be the case from Tuesday, 14 April 2026 for financial year 2025 and from Thursday, 15 April 2027 for financial year 2026. Shareholders entered in the shareholders' register by Monday, 13 April 2026 and Wednesday, 14 April 2027 respectively may exercise their voting rights at the corresponding Annual General Meeting.

Instructions to the independent proxy holder may be given in writing and also electronically through a platform called Nimbus Shapp[®], which is used by Galenica. The invitation to the Annual General Meeting, which will be sent to all shareholders on or around 24 March 2026, includes the required login information to create a personal user profile (Article 13(3) of the [Articles of Association](#)). The instructions must be received by the independent proxy holder by the evening of the penultimate day before the Annual General Meeting, i.e. by Sunday, 19 April 2026 for the 2026 Annual General Meeting and by Tuesday, 20 April 2027 for the 2027 Annual General Meeting.

Change of control and defence measures

The obligation to make a public offer pursuant to Article 125 et seq. FinMIA has not been changed in the [Articles of Association](#). The employment contracts of the members of the Corporate Executive Committee and the members of senior management contain no provisions to this effect either.

Auditors

Ernst & Young AG, Bern, Switzerland, have been the Galenica Group's auditors since 2017. Daniel Zaugg, certified accountant and partner at Ernst & Young, has been the leading auditor since the business year 2021. The total fees paid to the Group's auditors, Ernst & Young, in 2025 for their audit of Galenica and its subsidiaries amounted to CHF 1,026,000.

The fees paid to Ernst & Young and their close collaborators for other services rendered to Galenica and its subsidiaries in the period under review amounted to CHF 229,000 for additional advice in audit matters (such as tax advice, due diligence and services in relation to the limited assurance of the report on non-financial matters).

In 2025, the auditors attended two meetings of the Audit and Risk Committee and one meeting of the Board of Directors. The chair of the Audit and Risk Committee separately met the lead auditor several times during the year. The auditors presented their report to the Board of Directors at the meeting of 5 March 2026.

The auditors are regularly informed of new projects. Their activities are reviewed at least once a year by the Audit and Risk Committee. The criteria that are of particular importance in these reviews are: competence in reporting, understanding of the structure of the Group, quality of reporting, compliance with deadlines, independence, and costs. The auditors have direct access to the chair of the Audit and Risk Committee regarding the discussion of relevant issues.

The timing of the auditor rotation is currently under review.

Information policy

Corporate Governance

Galenica and its companies operate an active and transparent information policy towards all their stakeholder groups. Consistency and credibility are two fundamental principles that are reflected in factual, comprehensive, and objective communication.

Ad hoc announcements pursuant to Article 53 Listing Rules

Price-sensitive facts are communicated in a timely manner via electronic media and in accordance with the applicable SIX Swiss Exchange Directive on Ad hoc Publicity (see <https://www.galenica.com/en/medien/archiv-mm.php?type=adhoc>).

Periodic publications

Once a year, Galenica publishes an annual report and a half-year report. The full versions of these publications are available on the [Galenica website](#). Galenica sends a printed version of the Annual Report to shareholders by mail only [upon request](#).

The invitation to the Annual General Meeting is sent to shareholders electronically or by mail and is additionally published in the Swiss Official Gazette of Commerce.

Internet

All Galenica publications, all media releases, and other supplementary information about the Group can be found on the [Galenica website](#) (www.galenica.com).

Contact persons and important publication dates

For shareholders

For shareholders in relation to Corporate Governance:
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For investors

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For the media

Iris Müller, Chief Communications Officer
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Agenda 2026/2027

- Annual General Meeting 2026: 21 April 2026
- Sales Update: 28 May 2026
- Half-year report 2026: 6 August 2026
- Sales Update: 22 October 2026
- Annual Report 2026: 9 March 2027
- Annual General Meeting 2027: 22 April 2027

Further important dates can be found on the [Galenica website](#).

Fixed blackout periods

Members of the Board of Directors and the Corporate Executive Committee and all members of senior and middle management as well as employees involved in preparing of the financial reporting are required to observe the prohibition on trading during the fixed blackout periods.

The fixed blackout periods in connection with the preparation of the regular financial reporting generally last:

- for the annual results: from 1 January to the first trading day following publication;
- for the half-year results: from 1 July to the first trading day following publication;
- for the sales update: from 1 May respectively 1 October to the first trading day following publication.

Members of the Board of Directors



Dr Markus R. Neuhaus
Chair of the Board of Directors

Board member since 2019, born in 1958, Swiss citizen

Corporate Governance:
Independent member

Career highlights: Dr Markus R. Neuhaus held various roles at PwC from 1985 on, including CEO of PwC Switzerland from 2003 to 2012, member of PwC’s Global Board from 2005 to 2007, member of the PwC Network Executive Team from 2010 to 2013, member of PwC’s Office of the Global Chair from 2013 to 2016, and Chair of PwC Switzerland from 2012 to 2019.

Qualification: Master of law and doctorate in law from the University of Zurich. Certified tax expert. Various management courses at international business schools (Harvard, Insead, IMD).

Other main activities: Dr Markus R. Neuhaus is Vice-Chair of the Board of Directors of Barry Callebaut AG, member of the Board of Directors of Helvetia Baloise Holding AG and Chair of the Board of Directors of Jacobs Holding AG. He also serves as Vice-Chair of the Board of Trustees of Avenir Suisse.



Pascale Bruderer
Vice-Chair of the Board of Directors

Board member since 2020, born in 1977, Swiss citizen

Corporate Governance:
Independent member

Career highlights: Pascale Bruderer was a member of the National Council from 2002 to 2011 (President of the National Council 2009/2010) and a Member of the Council of States from 2011 to 2019. She was formerly a member of the Social Security and Health Committee. She served as President of the umbrella organisation for disabled people, Inclusion Handicap, and was the managing director of Krebsliga Aargau.

Qualification: Master’s degree in political science from the University of Zurich and education at Harvard University (USA) and at the Executive School of the University of St. Gallen.

Other main activities: Pascale Bruderer is a member of the Board of Directors of TX Group AG and Orell Füssli AG. Since 2019, she has been a member of the Board of Crossiety AG and since 2022, Chair of the Board of Directors of Swiss Stablecoin AG. Elected by the Federal Council, she has served as Vice-President of the ETH Board since 2024.



Nadine Balkanyi-Nordmann

Board member since 2025, born in 1972, Swiss citizen

Corporate Governance:
Independent member

Career highlights: She is the founder and CEO of Lexperiance AG. She has worked for prominent law firms and major financial institutions and has been educated at several international institutions. Following her time practicing law at Walder Wyss AG in Zurich, the Swiss attorney has held management positions for various banks such as UBS, GE Capital Bank and BNP Paribas in Switzerland, America and Asia.

Qualification: She studied law at the University of Zurich and was admitted to the Zurich bar. She also holds an LL.M. (Master of Laws) from Hong Kong University. She has extensive knowledge on corporate governance and conducting administrative investigations in the public sector.

Other main activities: She has been a trustee at the Züsy + Daniel Guggenheim Stiftung since 2000 and Chair of the Board of Directors of Tele-Check Inter AG since 2017. Since 2021, she has also served as President of the Georg Wittlinger-Stiftung and has been a member of the Board of Directors of Zoo Zurich AG.



Bertrand Jungo

Board member since 2018, born in 1965, Swiss citizen

Corporate Governance:
Independent member

Career highlights: From 2006 to 2017, he held the position of CEO of the Swiss department store group Manor. From 2017 until 2020, he was CEO of Admeira AG, and from 2020 until 2021, he served as a member of the Board of Directors at Admeira AG. He was also a member of the Advisory Board of the International Retail Summit (IRS) of the Gottlieb Duttweiler Institute (GDI) (2010–2021).

Qualification: Degree as business administrator lic.rer.pol from the University of Fribourg.

Other main activities: Since 2021, he is the delegate of the Board of Directors of the AG Grand Hotels Engadinerkulm Holding St. Moritz. Furthermore, he is a member of the Board of Neoperl AG/Diaqua AG as well as at Zoologischer Garten Basel AG.



Judith Meier

Board member since 2022, born in 1962, Swiss citizen

Corporate Governance:
Independent member

Career highlights: From 2009 to 2016, Judith Meier headed Zurzach Care AG (formerly the Reha Clinic Group) as CEO, was a delegate from 2017 and Vice-Chair of the Board of Directors of Zurzach Care AG from 2019 to 2023. She was a co-founder of reha at home AG. From 1989 to 2001, she was a member of the Great Council of the Canton of Aargau.

Qualifications: Executive Master of Health Service Administration (Eastern Switzerland University of Applied Sciences), qualified physiotherapist, CAS in AI-Management and Future Tech (HWZ).

Other main activities: Since 2017, she has been a member of the Board of Directors of the Cantonal Hospital of Graubünden. She is a board member of reha andeer ag. She has been a member of "SCIANA The Health Leaders Network" since 2019 and a member of the Board of Trustees of the Emil-Burkhardt-foundation since 2021 and its Vice President as of 2024.



Prof Dr med. Solange Peters

Board member since 2023, born in 1972, Swiss citizen

Corporate Governance:
Independent member

Career highlights: Solange Peters is a Professor at the University of Lausanne and Head of the Department of Medical Oncology at CHUV, the largest in Switzerland. Since 2025, she has also been Director of the Oncology Department. She began working at CHUV in 2002, after a PhD in Microbiology. Since 2004 she has worked in Oncology. She is one of the world's leading experts in the field of lung cancer and immunotherapy.

Qualifications: Dr Medicine and Biology, full Professor at the University of Lausanne.

Other main activities: Solange Peters has been a member of ESMO (European Society for Medical Oncology) for over 10 years, serving as its President for a three-year term. Since 2021, she is President of the International Cancer Foundation (ICF). She is a member of the board of the Swiss Cancer League since 2017 and is its Vice-President since 2023. She also is President of the Swiss Academy of Multidisciplinary Oncology (SAMO) and President of the umbrella Swiss cancer organization Oncosuisse since 2025.



Jörg Zulauf

Board member since 2023, born in 1958, Swiss citizen

Corporate Governance:
Independent member

Career highlights: Jörg Zulauf spent 11 years in management positions at the Roche Pharmaceutical Company in Switzerland, Korea and Germany, most recently as Head of the Vitamin Services World division (Finance & IT), which has operations worldwide. In 2000, Jörg Zulauf joined Migros-Genossenschafts-Bund Zürich, where he headed the Finance Department as Vice-Chair of the Corporate Executive Committee until 2022 and was a member of the Retail, Finance and Audit committees. Jörg Zulauf has also served as a member of the Board of Directors of Hotelplan, Migrosbank and Globus, as well as Chair of the Migros Pension Fund.

Qualification: Master of Law and Attorney-at-Law, MBA (UCLA).

Other main activities: Jörg Zulauf is a member of the Board of Directors of Maerki Baumann & Co Ltd. and since 2023, he has been Chair of the Board of Directors at SV Group AG. Furthermore, he is a member of the Board of Directors at Innflow AG, Rotkreuz.

Members of the Executive Committee



Marc Werner
CEO

Member of the Executive Committee of the Galenica Group since 2020, born in 1967, Swiss citizen

Career highlights: His journey started as Head of Sales at Sinomec AG (1990–1995) before he moved on to serve as Head of Product Management Photofinishing at the Federation of Migros (1995–1996). He became Head of Marketing and Sales and Member of the Executive Board at Minolta AG (1997–2000) and then Head of Marketing & Sales at Bluewin AG (2000–2004). In 2005, he joined Swisscom as Head of Marketing & Sales. He moved into the roles of Head of Private Customers (2013–2015) and Member of the Group Executive Board before serving as head of Sales & Services (2016–2019).

Qualification: Federal certified marketing director and graduate of various Executive Education programmes at the IMD in Lausanne, University of St. Gallen, London Business School, and Harvard Business School.

Other main activities: Mandates by order of Galenica: Member of the Board of MediService AG, Well Gesundheit AG, Coop Vitality AG and AD Swiss Net AG.



Dr Thomas Szuran
Chief Products & Home Care
Deputy CEO

Member of the Executive Committee of the Galenica Group since 2019 and Deputy CEO of the Galenica Group since 2025, born in 1967, Swiss citizen

Career highlights: After having graduated from ETH Zurich, Thomas Szuran acted in various roles at Abbott Laboratories between 1997 and 2002, including being Sales & Marketing Manager for the Eastern European & Mediterranean region. He later became Sales Director at Pfizer Switzerland (Zurich) (2002–2005) and Country Manager at Pfizer in Israel (2005–2007). He joined Biomed AG in Dübendorf in 2008 as Marketing Director and was CEO of Biomed AG from 2011 to 2018. From 2013 to 2021, he has served as President of the Association of the Swiss Self-Medication Industry (ASSGP). In 2019, Thomas Szuran became Head Products & Brands Business sector at the Galenica Group.

Qualification: Dr sc.nat. Federal Institute of Technology (ETH) Zurich

Other main activities: Mandates by order of Galenica: Member of the Board of MediService AG and Emeda AG. In addition, member of the Board of Trustees of the Galenica Pension Fund.



Lukas Ackermann
Chief IT & Digital Business

Member of the Executive Committee of the Galenica Group since 2022, born in 1972, Swiss citizen

Career highlights: Lukas Ackermann started off his career as Product Manager at Helsana Insurance Company AG and then became Deputy Head of Product Management (1999–2002). In 2002, he was appointed CEO of Medicall Ltd. Afterwards, he became Head of Health Care Market at Synesix Ltd (2008–2010). The two following years, Lukas Ackermann was Head of I-Lab at the University of St.Gallen, and from 2013 to 2020 he was General Manager / CEO of amétiq Ltd. Before Lukas Ackermann became Head of IT & Digital Services at Galenica Ltd at the Galenica Group in 2021, he was Managing Director of HCI Solutions Ltd.

Qualification: Diploma in Natural Sciences from Federal Institute of Technology (ETH) Zurich and MAS MTEC from the Federal Institute of Technology (ETH) Zurich.

Other main activities: -



Julian Fiessinger
CFO

Member of the Executive Committee of the Galenica Group since 2025, born in 1982, Swiss and German citizen

Career highlights: Julian Fiessinger started his career at EY Switzerland in 2006 and worked as a Senior Manager in Audit and Financial Accounting Advisory Services until 2018. From 2018 to 2020, he was Head of Financial Reporting & Tax at Vifor Pharma Ltd. In 2021, he joined the Galenica Group as Head of Investor Relations & Corporate Finance.

Qualification: German and French double degree of the European School of Business (Reutlingen/Reims), Swiss Certified Public Accountant, Advanced Management Program (IMD Lausanne).

Other main activities: Mandates by order of Galenica: Member of the Board of MediService AG. In addition, member of the Board of Trustees of the Galenica Pension Fund.



Arianne Hasler
Chief People & Culture

Member of the Executive Committee of the Galenica Group since 2023, born in 1979, Swiss citizen

Career highlights: After completing her studies in 2006, Arianne Hasler began her professional career as an HR specialist at UBS Ltd. She worked as a senior sales and segment manager for Swiss private customers at UBS Ltd. and Zürcher Kantonalbank and was responsible for various strategic sales projects (2007–2014). From 2014 to 2023, she worked at Raiffeisen Switzerland and was responsible for organisational and personal development and transformation. In 2023, she joined the Galenica Group as Chief People & Culture.

Qualification: EMBA HSG in Business Engineering, University of St. Gallen, MAS Coaching and Organisational Consulting, ZHAW – School of Applied Psychology, Zurich, M.A. HSG exchange programme Master Affaires Internationales, Sciences Po, Paris, M.A. HSG in International Affairs and Governance, University of St. Gallen).

Other main activities: Mandates by order of Galenica: Member of the Board of Trustees of the Galenica Pension Fund.



Andreas Koch
Chief Wholesale & Logistics

Member of the Executive Committee of the Galenica Group since 2020, born in 1971, German and Swiss citizen

Career highlights: Between 2000 and 2009, Andreas Koch worked in different consulting and management functions in the field of supply chain management at various consulting firms. In 2009, he became Head of Supply Chain Management at Galexis AG – from 2011 also at Alloga AG – and was a member of both Executive Committees. In 2015, he rose to the position of Head of Alloga AG, after which he became Head of Galexis AG in 2019. In 2020, Andreas Koch took over the responsibility for the Business Sector Wholesale & Logistics – subsequently Wholesale & Logistics at Galenica.

Qualification: Apprenticeship as a forwarding manager, degree in business administration at the University of Mannheim and Programme for Executive Development (PED) at IMD Lausanne.

Other main activities: Mandates by order of Galenica: Member of the Board of Directors of Health Supply AG, Pharmalog, Helvecura and GS1 Switzerland.



Daniele Madonna
Chief Pharmacies Category
Management & Health Services

Member of the Executive Committee of the Galenica Group since 2017, born in 1977, Swiss citizen

Career highlights: After his studies, he worked as a pharmacist at the Olympia Pharmacy and the Victoria Pharmacy in Zurich (2003–2004). He joined the former Galenica Group in 2004 as Manager of the Coop Vitality pharmacy in Tenero. He later acted as Regional Sales Manager at Coop Vitality (2010–2014). He was CEO of Coop Vitality AG (2014–2018) before becoming Head Retail Business sector in 2017. Afterwards, he became Chief Healthcare Officer at Galenica in 2021. Since 2024, he has served as Chief Pharmacies Category Management & Health Services.

Qualification: Federal Diploma in Pharmacy from the Federal Institute of Technology, Zurich (ETH), FPH in Retail Pharmacy, CAS in General Management at the University of St. Gallen (HSG), Programme for Executive Development (PED) at IMD in Lausanne and leadership program “Leading and Building a Culture of Innovation” at Harvard Business School in Boston (USA).

Other main activities: Member of the Board of pharmaSuisse. Mandates by order of Galenica: Member of the Board of Coop Vitality AG and Farmadomo Home Care Provider SA.



Stephan Mignot
Chief Pharmacies Marketing

Member of the Executive Committee of the Galenica Group since 2024, born in 1976, Swiss citizen

Career highlights: He started his career at Swisscom Mobile in market analysis and marketing strategy and was later responsible for the M-Budget Mobile partnership with Swiss retailer Migros. From 2008 he was responsible for segment marketing at Swisscom and from 2013 for Customer Base Management in the Residential Customers segment. From 2020 to 2023, Stephan Mignot headed up Swisscom Residential Customer & Channel Management. He joined the Galenica Group in 2023 as Head of B2C Customer Marketing. Since 2024, he has served as Chief Pharmacies Marketing at Galenica.

Qualification: Studied business administration at the University of Bern, Master of Science (MSc) from the University of Bern, Certificate of Advanced Studies (CAS) in Agile Leadership from HWZ Zurich University of Applied Sciences in Business Administration.

Other main activities: Mandates by order of Galenica: Member of the Board of Puravita AG.



Virginie Pache Jeschka
Chief Pharmacies Sales

Member of the Executive Committee of the Galenica Group since 2021, born in 1979, Swiss citizen

Career highlights: After completing her studies, Virginie Pache started working as a Junior Marketing Manager at Danone Schweiz AG (mineral water) in Fribourg (2003–2006). Afterwards, she became Category Manager and Head of Sales at L’Oréal – Apothekenkosmetik Schweiz AG (2006–2010). She then was appointed Head of Caudalie Suisse (and Poland ad interim) and afterwards Caudalie D-A-CH GmbH in Switzerland, then in Düsseldorf, Germany (2010–2018), before she became Head of Coop Vitality in 2018. Since 2021, she has served as Chief Pharmacies Sales at Galenica.

Qualification: Masters in Political Sciences – University of Lausanne and three semesters in Mainz (Germany).

Other main activities: Mandates by order of Galenica: Member of the Board of Coop Vitality AG.



Further information about the CVs of the Executive Committee and the Extended Executive Committee can be found on the [Galenica website](#).

Members of the Corporate Executive Committee as at 31 December 2025

Name	Member since	Role
Marc Werner	2020	CEO
Thomas Szuran	2019	Chief Products & Home Care; Deputy CEO
Lukas Ackermann	2022	Chief IT & Digital Business
Julian Fiessinger	2025	CFO
Arianne Hasler	2023	Chief People & Culture
Andreas Koch	2020	Chief Wholesale & Logistics
Daniele Madonna	2017	Chief Pharmacies Category Management & Health Services
Stephan Mignot	2024	Chief Pharmacies Marketing
Virginie Pache Jeschka	2021	Chief Pharmacies Sales

Remuneration Report

Remuneration report

Governance

In this report, Galenica provides an overview of its remuneration model and remuneration principles. The following pages describe the remuneration system applicable to the Board of Directors and the Corporate Executive Committee and outline the process and responsibilities under which the remuneration of those two bodies is determined. The remuneration system as well as its reporting is in accordance with the Swiss Code of Obligations, the Directive of the SIX Swiss Exchange on Information Relating to Corporate Governance (Directive Corporate Governance) and the recommendations of the Swiss Code of Best Practice for Corporate Governance issued by *economiesuisse*.

Letter from the Chair of the Remuneration Committee

Dear Shareholders,

On behalf of the Board of Directors and the Remuneration Committee of Galenica, I am pleased to present the Remuneration report for 2025.

The remuneration policy of Galenica aims to attract, motivate and retain best-in-class employees who are entrepreneurially minded, success-oriented and have high personal standards. The remuneration system is designed to support the achievement of the strategic goals defined by the Board of Directors and to provide appropriate remuneration in a competitive employment market and in a complex sector. It is aligned with the long-term Group strategy and its pay-for-performance philosophy. The remuneration system of Galenica aims to strengthen the overall market position of the company while delivering the expected returns to its shareholders.

The Galenica Group performed well in 2025. As a result, Galenica realised a payout factor of 150.5% for the short-term bonus (STI) while the vesting multiple of the long-term incentive (LTI) plan 2023–2025 due in 2026 corresponds to 103.7%. Further details on the performance achieved and the payouts under the incentive plans are provided in this report.

The Remuneration Committee reviews the remuneration systems of the Corporate Executive Committee and the Board of Directors on an annual basis, ensuring that they remain appropriate in the evolving business context. In the reporting year, the Remuneration Committee concluded that the remuneration system of the Corporate Executive Committee, last amended in 2023, is well-aligned with the company strategy and the long-term shareholder interests, systematically reflecting both short-term and long-term success. While the STI rewards for annual financial performance and contributions in the area of ESG, the LTI focuses on long-term value creation and shareholder returns. Consequently, the remuneration system will continue to apply for 2026. For the remuneration system of the Board of Directors, proven to be fit-for-purpose and not subject to any amendments over the last years, the Remuneration Committee similarly concluded that it is still adequate and does not require any changes for 2026.

The Remuneration report provides detailed information on our remuneration systems and the remuneration awarded to the Corporate Executive Committee and the Board of Directors for the reporting year. It will be submitted to the shareholders for a non-binding consultative vote at the Annual General Meeting on 21 April 2026.

We would like to thank our employees for their commitment and hard work, and you, dear shareholders, for your trust and continuing support.



Bertrand Jungo
Chair of the Remuneration
Committee

Governance: principles and responsibilities in setting compensation

The guiding principles for the remuneration of the Board of Directors and the Corporate Executive Committee as well as the responsibilities for the remuneration system of Galenica are defined in the Articles of Association of Galenica. They include the provisions on the Remuneration Committee (Article 21 of the [Articles of Association](#)) and remuneration (Article 22 of the [Articles of Association](#)).

Each year, the Board of Directors submits the maximum remuneration amounts of the Board of Directors and the Corporate Executive Committee to the Annual General Meeting for binding approval. Such approval is prospective for the next financial year following the Annual General Meeting. In addition, the Annual General Meeting holds a consultative vote on the Remuneration report for the year under review (Article 22 (1) of the [Articles of Association](#)).

On the basis of the Articles of Association and the decisions of the Annual General Meeting, the remuneration strategy and the related remuneration system for the members of the Board of Directors and the Corporate Executive Committee are determined by the Board of Directors based on a proposal from the Remuneration Committee. The Board of Directors also decides on an annual basis on the individual remuneration of the Chair of the Board of Directors and the CEO. The remuneration of members of the Board of Directors is determined by the Board of Directors based on a proposal from the Remuneration Committee within the limits set by the Annual General Meeting.

Remuneration Committee

The members of the Remuneration Committee are independent from Galenica and are elected annually by the Annual General Meeting. At the Annual General Meeting in 2025, Bertrand Jungo (Committee Chair), Pascale Bruderer and Solange Peters were re-elected as members of the Remuneration Committee. As of 31 December 2025, the Remuneration Committee comprised three members of the Board of Directors.

The Remuneration Committee deals with the remuneration strategy, performance criteria and targets across Galenica, predominantly at the highest level of the organisation (see the [Articles of Association](#), the [Organisational Regulations](#) and the [Charter of the Remuneration Committee](#)). The Remuneration Committee recommends to the Board of Directors the remuneration policy and the fees paid to the Members of the Board of Directors, including the remuneration of the Chair and the CEO. It shall further approve the individual remuneration of the members of the Corporate Executive Committee (excluding the CEO) and submit the remuneration of the CEO to the Board of Directors for approval.

Responsibility for the remuneration process

Level of authority	CEO	Remuneration Committee	Board of Directors	Annual General Meeting
Remuneration policy		proposes	approves	consultative vote on the Remuneration report
Performance objectives for short-term bonus and long-term incentive		proposes	approves	
Remuneration of members of the Board of Directors		proposes	approves	approves maximum possible remuneration for the Board of Directors for the following year
Remuneration of the CEO		proposes (in consultation with CBD)	approves	approves maximum possible remuneration for the Corporate Executive Committee including the CEO for the following year
Remuneration of members of the Corporate Executive Committee	proposes (in consultation with the CBD)	approves	is informed	

CBD = Chair of the Board of Directors

Activities of the Remuneration Committee during the year

Subject	1 st quarter	2 nd / 3 rd quarter	4 th quarter
Remuneration policy		Review of shareholders' feedback Annual review	Annual review
Remuneration of Board of Directors		Review of remuneration regulations	Determination of remuneration (following year)
Remuneration of Corporate Executive Committee	Performance evaluation (previous year) STI payout (previous year) LTI vesting (previous period) Performance objectives for STI and LTI (current year/ period)	Annual review of remuneration levels	Target remuneration (basic salary, following year) Target STI (following year) LTI allocation (following year)
Remuneration governance	Remuneration report AGM preparation		Preparation of Remuneration report Annual meeting schedule and topics (following year) Remuneration Committee self-assessment Galenica Group salary review (following year)

In the reporting year, the Remuneration Committee held three ordinary meetings according to the annual schedule, and no ad hoc meeting. The attendance rate was 100%.

At each meeting of the Board of Directors, the Chair of the Remuneration Committee reports on the Remuneration Committee's current topics of discussion and decisions. The minutes of the meetings are made available to the members of the Board of Directors.

The Chair of the Board of Directors is invited to all meetings of the Remuneration Committee (right of attendance, no voting rights), except those dealing with his own remuneration. The CEO is invited to attend discussions on a case-by-case basis, but not to discussions that concern his own performance or remuneration.

In the reporting year, the Remuneration Committee performed its regular duties, in particular setting performance targets and evaluating their achievement, determining the remuneration of the members of the Board of Directors and the Corporate Executive Committee and preparing the Remuneration report and the Annual General Meeting. In addition, the Remuneration Committee conducted a self-assessment of its functioning. It rated its discussions and decision-making as efficient and appropriate, and the support of the Board of Directors in matters of remuneration as effective.

Further details on the Remuneration Committee can be found in the [Corporate Governance section](#) (Chapter Remuneration Committee).

Benchmarking and external advisors

In order to ensure its continued attractiveness as an employer, Galenica regularly compares its remuneration system and levels with those of relevant peers. In terms of remuneration levels, Galenica considers a positioning at market median as being competitive.

The Remuneration Committee annually reviews the remuneration systems and levels of the Corporate Executive Committee and the Board of Directors, and it conducts an external benchmarking analysis on a periodic basis as deemed appropriate or necessary.

Regarding the remuneration of the Corporate Executive Committee, Klingler Consultants provided benchmarking data based on two different peer groups: a peer group of 21 Swiss listed companies of comparable size and a peer group of 25 private companies in the healthcare, retail and logistic sectors. The companies included in the peer groups are disclosed below. Overall, the benchmark study showed that the remuneration of the Corporate Executive Committee is below market levels when comparing with the Swiss listed peers and above market levels when comparing with the sector-based peers. This result can be explained by the fact that the sector-based peers do not offer a long-term incentive component, while Swiss listed peers typically do. Further, most Swiss listed peers have an international organisation. This is not the case at Galenica and could be a factor driving lower remuneration levels compared to other Swiss listed companies.

Peer groups to benchmark the remuneration levels of the Corporate Executive Committee

Swiss listed peers			Sector-based peers				
Also	Aryzta	Bachem	Retail and logistics:		Medical insurances:		
Belimo	Bell	BKW	Brack	Coop	Assura	Concordia	CSS
Bucher	Dätwyler	dormakaba	Digitec	Galliker	Group Mutuel	Helsana	KPT
Emmi	Forbo	Georg Fischer	Kühne+Nagel	Manor	Sanitas	Swica	Sympany
Idorsia	Interroll	Oerlikon	Migros	Planzer	Visana		
SFS	Siegfried	Sulzer	State-owned companies:		Healthcare:		
Tecan	Valora	Zur Rose	SBB	Post	CHUV	Hirslanden	Inselspital
					Swiss Medical Network		USZ

Those companies were selected by the Remuneration Committee as the most relevant for Galenica.

Regarding the remuneration structure and levels of the Board of Directors, they were benchmarked in 2022. The market comparison was carried out by PricewaterhouseCoopers (PwC). The same 21 Swiss listed companies mentioned above were used as peer group. While the overall structure and levels of remuneration were considered in line with market practice, the Remuneration Committee proposed to express the remuneration of the Board of Directors in gross terms, rather than in net terms, as of the Remuneration report 2022. This was not a change of the remuneration system or levels but an improvement in terms of disclosure and transparency.

The Remuneration Committee may decide to consult external advisors on specific remuneration matters. In the reporting year, PwC provided services related to executive compensation. PwC provides other services to Galenica and there are clear rules in place to ensure the independence of PwC consultants. No other external advisors were consulted on remuneration matters in the reporting year.

Remuneration system of the Board of Directors

The remuneration of the Board of Directors comprises fixed remuneration only (i.e., no performance-based remuneration). The remuneration depends on the function assumed on the Board of Directors and its committees, either as a member or chair. It is paid 50% in cash and 50% in restricted shares or, if the respective member of the Board of Directors decides on a voluntary basis, 100% in restricted shares. The shares are blocked for a period of five years.

For the reporting year, remuneration settled in the form of shares was paid at the average price for the month of December 2025, i.e., CHF 94.03 per share, net of a 25% discount to reflect the blocking period of five years. The payment was made in January 2026.

Per Galenica's share ownership guidelines, members of the Board of Directors are required to hold shares of Galenica equal in value to one time the annual remuneration within two years of their appointment to the Board of Directors.

Based on Galenica's regulations, the members of the Board of Directors have the option of joining the Galenica Pension Fund. All contributions (employer and employee contributions for savings and risk) are borne by the respective member of the Board of Directors. In the remuneration tables for the Board of Directors in the section "[Remuneration awarded for 2025 and 2024](#)", it is outlined which board members participated in the pension fund in the respective year, financing the entire cost themselves.

The remuneration system of the Board of Directors remained unchanged in the reporting year compared to the previous year.

Remuneration amounts of the Board of Directors (in thousand CHF, per year)

	Net amount ¹⁾	Gross amount equivalent (rounded up)
Chair of the Board of Directors	350	373
Vice-Chair of the Board of Directors	130	139
Member of the Board of Directors	110	118
Committee chair	30	33
Committee member	10	11

¹⁾ Net of social security contributions (approximately 7%)

The remuneration (cash and shares) is paid in January for the previous business year. The remuneration amounts outlined in the above table do not reflect the 25% discount on the share price granted on the restricted shares. Considering the value of the 25% discount, and assuming that 50% of the remuneration is paid in cash and 50% in restricted shares, the remuneration amounts (rounded up) correspond to gross CHF 431 thousand for the Chair of the Board of Directors, CHF 161 thousand for the Vice-Chair of the Board of Directors, CHF 136 thousand for the members of the Board of Directors, CHF 37 thousand for the committee chairs and CHF 13 thousand for the committee members.

Remuneration system of the Corporate Executive Committee

Remuneration report

In order to attract talented employees, reward performance, promote the loyalty of key talents and ensure their long-term commitment to Galenica, Galenica offers competitive remuneration. The remuneration model applicable to the Corporate Executive Committee is based on three components: a fixed remuneration (including a base salary and benefits), a short-term bonus and a long-term incentive.

Remuneration components

The remuneration of the Corporate Executive Committee consists of a fixed remuneration, benefits and a variable remuneration. The variable remuneration allows members of the Corporate Executive Committee to participate in the success of Galenica. The variable remuneration includes a short-term bonus (STI) and a long-term incentive (LTI).

The STI compensates for annual performance, combining Group financial objectives and a collective ESG component. No changes were made to the STI in the reporting year or are currently planned going forward.

The LTI on the other hand rewards for the long-term performance, including a Group financial objective and shareholder returns, harmonising the interests of shareholders with those of the executives. No changes to the LTI were made in the reporting year or are currently planned going forward.

Consequently, the remuneration system rewards short-term success as well as long-term performance and sustainable value creation for customers and shareholders in a balanced manner. In order to further align the interests of members of the Corporate Executive Committee with those of shareholders, a portion of the STI (32%) and the entire LTI (100%) are awarded in shares of Galenica.

In accordance with Galenica's share ownership guidelines, members of the Corporate Executive Committee are required to hold shares of Galenica equal in value to at least 75% of their fixed annual base salary and target STI within a period of five years of their appointment to the Corporate Executive Committee.

For the CEO as well as the other Corporate Executive Committee members, the maximum STI and the maximum LTI are each limited to 200% of the respective target value, as defined in the [Articles of Association](#) (Article 22 (7a) and Article 22 7(b), respectively).

In addition to the remuneration components mentioned above, the members of the Corporate Executive Committee are eligible to participate in the share acquisition plan where employees are invited every year to acquire a certain number of blocked shares of Galenica at a discounted price (more information in the [Notes to the consolidated financial statements 2025](#) (note 28, Share-based payments).

Overview of the remuneration components for the Corporate Executive Committee

Remuneration component	Vehicle	Purpose	Performance measures
Annual base salary	Monthly cash salary	Attract and retain employees	
Pension & benefits	Pension and insurances	Protect against risks	
	Fringe benefits	Attract and retain employees	
Short-term bonus (STI)	Annual bonus in cash & shares blocked for 5 years	Compensate for annual performance	Combination of financial objectives for the Group and a collective ESG component:
			GEP (50%)
Long-term incentive (LTI)	PSU with a 3-year performance vesting	Align with shareholders' interests	Annual net sales growth (25%)
			ESG component (25%) ¹⁾
Long-term incentive (LTI)	PSU with a 3-year performance vesting	Align with shareholders' interests	GEP and appreciation of share value:
			Average GEP (50%)
Long-term incentive (LTI)	PSU with a 3-year performance vesting	Align with shareholders' interests	Relative total shareholder return (TSR) (50%)

¹⁾ The following two collective, equally weighted KPIs were applied to the STI: Net Promoter Score (NPS) and employee motivation rate

Clawback and malus provisions

For the STI and LTI, clawback and malus provisions apply in case of a financial restatement due to material non-compliance with any accounting reporting standards, or in case a participant acts in violation of the law or internal regulations of Galenica.

Share ownership guidelines

Minimum shareholding requirements of 75% of the fixed annual base salary and target STI.

Annual base salary (fixed)

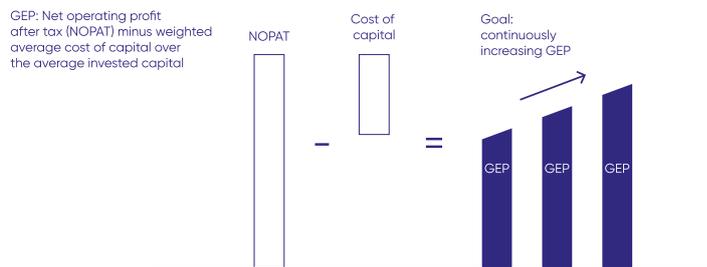
The annual base salary is the fixed remuneration reflecting the scope and key areas of responsibility of the function, the skills required to fulfil the function and the individual experience and competencies of the respective Corporate Executive Committee member. The base salary is determined according to typical market practice (external benchmark) and the Group internal salary structure. A base salary at median of the benchmark is considered competitive and, therefore, suitable to reward the expected level of skills and competencies. The base salary is typically reviewed annually based on market salary trends, the company's ability to pay salaries at a particular level based on its financial performance and the evolving experience of the individual in the function. The annual base salary is paid out in cash in 13 monthly instalments.

Incentives

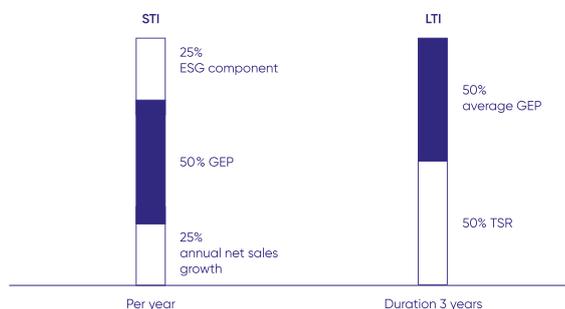
Galenica economic profit as a performance indicator

The STI and the LTI significantly depend on the achievement of the GEP (Galenica Economic Profit), which is designed to reflect the principles of value-based management derived from an economic value added (EVA) approach. It is based on the understanding that in the interests of shareholders and other important stakeholders, Galenica will strive to achieve a long-term investment return which exceeds the weighted average cost of capital. GEP is the key indicator in Galenica’s value-based management concept. It comprises different values, such as net operating profit after tax (NOPAT), cost of capital (WACC) and invested capital. The Board of Directors considers the economic value added (EVA) approach to be a sound, recognised and meaningful concept that is in line with sustainable value creation. The GEP is calculated as NOPAT less the weighted average cost of capital over the average invested capital. The extent to which the GEP increase is achieved has a 50% impact on the STI and a 50% impact on the number of shares allocated under the LTI. Therefore, poor performance inevitably has a negative impact on the total remuneration (lower bonus, fewer shares, with each of them potentially having a lower value). Further information on the GEP can be found in the Value based management section, under [Alternative performance measures](#) in the Annual Report 2025.

Relevant parameter: Galenica economic profit (GEP)



Weight of GEP as performance indicator in the incentive plans



Short-term incentive (STI)

The STI aims to reward the achievement of financial and ESG objectives of Galenica over the relevant financial year. The target STI, i.e., the amount paid out if all performance objectives are reached at 100%, is defined individually and annually, before the beginning of the performance year. The target STI is expressed as a percentage of the

annual base salary and varies depending on the function in the organisation and on the impact of the function on the overall business result. The target STI for the CEO amounts to 50% of annual base salary and 40% of annual base salary for the other members of the Corporate Executive Committee.

In the reporting year, the financial objectives were weighted at 75% and included the GEP (two-thirds) and annual net sales growth (one-third). The ESG component made up the remaining 25%, consisting of two equally weighted specific objectives, namely the Net Promoter Score (NPS) and employee motivation rate.

STI performance objectives

For each performance objective, a threshold, a target, a cap and a payout curve are defined annually by the Board of Directors upon recommendation of the Remuneration Committee, against which the results are assessed. An achievement below the threshold leads to zero payout, an achievement at the threshold to a 50% payout factor, and a target achievement to a 100% payout factor. Achieving the cap corresponds to a 220% payout factor for the financial objectives and to a 150% payout factor for the ESG objectives. The overall STI payout is capped at 200% of target. The financial and ESG performance targets and achievements for the reporting year are disclosed in the course of the ex-post performance assessment in the section “Remuneration awarded for 2025 and 2024”.

The achievement of the GEP, the Group annual net sales growth and the ESG objectives is assessed by the Remuneration Committee and submitted to the Board of Directors for approval.

The payment of the STI is made in the subsequent year after the publication of the Annual Report. The CEO and other members of the Corporate Executive Committee are required to draw 32% of their STI in Galenica shares, while the rest is paid in cash. A discount of 25% on the average stock market price for the month of December in the relevant financial year applies to the shares. The shares remain blocked for five years.

If employment ends due to termination, the calculation and payment for a completed assessment period (= financial year) are based on the effective performance and results. In the event of departure during an assessment period that is still ongoing, 80% of the target STI is paid on a pro-rata basis.

Clawback and malus provisions allow the Board of Directors to reduce or cancel the payment of an STI and/or to claim back STI payments already made in case of a financial restatement due to material non-compliance with any accounting reporting standards, or in case a participant acts in violation of the law or internal regulations of Galenica.

Long-term incentive (LTI)

The objective of the LTI is to promote the strategy of Galenica, long-term thinking, alignment to shareholders' interests and the creation of sustainable value for customers and shareholders over the long term. In addition, the LTI aims to strengthen loyalty to Galenica and identification with the company.

The CEO, members of the Corporate Executive Committee and selected members of Senior Management participate in the LTI.

The LTI is based on performance share units (PSU), which are granted to participants after the release of the results for the preceding year and which convert into shares of Galenica subject to service conditions and the attainment of performance objectives over a three-year period defined by the Remuneration Committee. PSU are virtual, i.e., no real shares are issued.

The number of PSU allocated at the beginning of the plan period depends on a defined percentage of the annual base salary of the participant as well as the average share price during the final month prior to allocation, i.e., February. In the reporting year, the LTI grant for the CEO amounted to 50% of annual base salary and 25% of annual base salary for the other members of the Corporate Executive Committee.

The vesting of the PSU is conditional upon continuous employment and the fulfilment of performance conditions during the three-year plan period. The performance objectives are defined by the Remuneration Committee and for the LTI 2025-2027, they include the GEP and relative total shareholders return (relative TSR). Those two performance conditions are equally weighted.

The GEP target is measured by averaging the annual GEP results over the three-year performance period. Relative TSR is measured as a percentile ranking against a peer group of relevant companies. The objective is to outperform half of the peer companies (100% payout). The peer group is approved by the Board of Directors on a yearly basis and includes SMIM companies excluding financial services, real estate and companies that are active in a very cyclical businesses, as well as selected healthcare and pharma companies from the SMI. The peer group for the LTI 2025-2027 is outlined below.

Relative TSR performance peer group for LTI 2025–2027

Ams-Osram	Galderma Group	Roche	Tecan
Barry Callebaut	Georg Fischer	Sandoz Group	Temenos
Belimo	Givaudan	Schindler	VAT Group
BKW	Lindt & Sprüngli	SGS	
Clariant	Lonza	SIG Group	
EMS-Chemie	Novartis	Straumann	

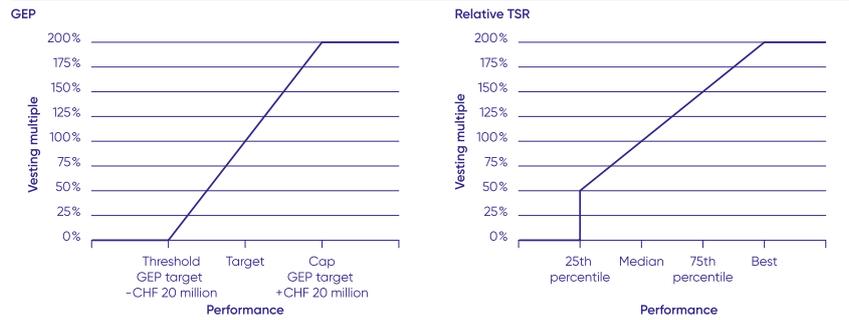
The following changes were made to the peer group compared to the LTI 2024–2026: Galderma Group (inclusion in SMIM in 2024) was added.

For each performance condition, a threshold level of performance is determined, below which there is no vesting, as well as a target level of performance, corresponding to a 100% vesting and a cap providing for a 200% vesting. Linear interpolation is applied between the threshold and the target, and between the target and the cap. The weighted average of the vesting multiple for each performance objective provides for the overall vesting multiple. The number of PSU initially allocated is multiplied by the vesting multiple at the end of the three-year plan period. More details on the LTI performance objectives are provided in the following table.

Overview of LTI structure for 2025–2027

Performance measure	GEP	Relative TSR
Description	GEP is measured for each financial year and then averaged across the 3 years of the performance period. It is measured against a pre-determined target average for the performance period to determine the vesting multiple	TSR combines share price appreciation and dividends paid to reflect the annual total return to shareholders The TSR of Galenica is ranked against the TSR of the peer group companies for each financial year of the performance period, the annual percentile rankings are averaged over the 3-year performance period to determine the vesting multiple
Rationale	Absolute internal measure Demonstrates Galenica’s average operating performance over a 3-year period	Relative external measure Demonstrates Galenica’s shareholders returns compared to relevant peer companies
Weighting	50% of the PSU grant	50% of the PSU grant
Target level	Pre-determined by the Remuneration Committee 100% vesting	TSR ranking at the median of the peer group 100% vesting
Maximum vesting multiple	200% of target	200% of target
Vesting period	3 years	3 years
Vesting rules and curve	Vesting multiple is interpolated linearly between the threshold, target and maximum	<p>Threshold: 25th percentile ranking = 50% vesting</p> <p>Target: median ranking = 100% vesting</p> <p>Stretch: 75th percentile ranking = 150% vesting</p> <p>Maximum: best in the peer group = 200% vesting</p> <p>Vesting multiple is interpolated linearly between the threshold, target and maximum</p>

Vesting schedule



The performance targets and achievements for the latest LTI vesting are disclosed in the course of the ex-post performance assessment in the section "Remuneration awarded for 2025 and 2024".

As a rule, the three-year plan period must be completed for employees to be eligible for the conversion of PSU in shares. If the employment is terminated within a plan period, the PSU forfeit without any compensation except in the following cases:

- Retirement, disability or termination by the company not for cause, performance or behaviour: unvested PSU are subject to a pro-rata vesting at the regular vesting date
- Death: unvested PSU immediately vest pro-rata, based on a performance estimate by the Board of Directors or at target level (100% vesting)
- Termination following change of control: unvested PSU immediately vest in full, based on a performance estimate by the Board of Directors or at target level (100% vesting)

LTI plan period

LTI plan period
LTI three-year programme

GEP/TSR			GEP/TSR			GEP/TSR		Vesting	
2023	2024	GEP/TSR		GEP/TSR		GEP/TSR		Vesting	
		GEP/TSR		GEP/TSR		GEP/TSR		Vesting	
	2025		2026		2027		Vesting		
2028									

Clawback and malus provisions apply in the LTI plan. They allow the Board of Directors to reduce or cancel the vesting of outstanding PSU and/or to claim back shares already vested in case of a financial restatement due to material non-compliance with any accounting reporting standards, or in case a participant acts in violation of the law or internal regulations of Galenica.

Pensions and other employee benefits

Employee benefit plans consist mainly of retirement plans and insurance plans that are designed to protect employees against the risks of disability and death. The CEO and the members of the Corporate Executive Committee are covered by the pension scheme applicable to all employees. The pension solution of Galenica fulfils the legal requirements of the Swiss Federal Law on Occupational Pension Schemes (BVG) and is in line with what is being offered on the market.

Except for the expense allowance and the entitlement to a company car in line with the car policy of Galenica, the CEO and the members of the Corporate Executive Committee do not receive any particular additional benefits. The private use of the company car is disclosed at fair value in the remuneration table under other remuneration.

Share ownership guideline

Members of the Corporate Executive Committee are required to hold shares of Galenica equal in value to at least 75% of their fixed annual base salary and target STI within a period of five years of their appointment to the Corporate Executive Committee.

Employment contracts

The CEO and the members of the Corporate Executive Committee are employed under employment contracts of unlimited duration and are subject to a notice period of a maximum of 12 months. They are not entitled to any severance packages, termination payments or change-of-control payments. The employee contracts do not include non-competition clauses. With regard to clawback, the statutory claims for repayment apply (see among others Article 678 of the Swiss Code of Obligations).

Remuneration awarded for 2025 and 2024

Remuneration awarded to the Board of Directors for 2025 and 2024

Comments to the remuneration tables of the members of the Board of Directors

In the reporting year, the Board of Directors consisted of seven members. The total remuneration awarded to the Board of Directors (including the Board Chair) for 2025 amounts to CHF 1.6 million and is within the amount of CHF 1.9 million approved at the Annual General Meeting in 2024. It corresponds to an increase of 1.8% compared to the previous year. The remuneration system remained unchanged compared to the previous year.

Remuneration awarded to the CEO and the members of the Corporate Executive Committee for 2025 and 2024

Comments to the remuneration tables of the members of the Corporate Executive Committee

In the reporting year, Marc Werner (CEO), was the member of the Corporate Executive Committee with the highest remuneration.

The remuneration awarded to the CEO and the Corporate Executive Committee for 2025 amounts to CHF 7.0 million and is within the amount of CHF 9.5 million approved at the Annual General Meeting in 2024. It is an increase compared to the previous year, for the following reasons:

- The combined base salaries were higher than in the previous year, primarily due to changes in the composition of the Corporate Executive Committee. In addition, the individual base salaries of the members of the Corporate Executive Committee were increased slightly during the reporting year.
- Galenica Group achieved a good result in 2025. As a result, the short-term bonus payout was 150.5%. Additional details are provided in the section "Performance in 2025" below.
- The LTI grant value increased compared to the previous year. This is due to the changes in composition of the Corporate Executive Committee and the slight increase in the individual base salary. The percentage of awards for individual Corporate Executive Committee members remained unchanged compared to previous year.
- The variable remuneration for 2025 amounted to 130% of the annual base salary for the CEO (previous year: 115%) and 90% of the annual base salary for the other members of the Corporate Executive Committee (previous year: between 44% and 95%).

Performance in 2025

In the reporting year, the Galenica Group generated consolidated net sales of CHF 4,135.6 million. This corresponds to strong growth of 5.5% compared to the previous year.

Adjusted¹ operating profit (EBIT), i.e., excluding the effects of the accounting standards IFRS 16 (leasing), IAS 19 (employee benefits), IFRS 3 (amortisation of acquired intangible assets) and one-off effects, increased by 11.3% to CHF 234.8 million. Adjusted¹ return on sales (ROS) increased year-on-year from 5.4% to 5.7%.

Adjusted¹ net profit increased by 3.0% to CHF 188.7 million (previous year: CHF 183.2 million). Reported net profit was above the previous year's level at CHF 183.9 million (previous year: CHF 183.7 million, +0.1%).

¹⁾ See section [Alternative performance measures](#) in the Annual Report 2025.

Payout factor 2024 and 2025

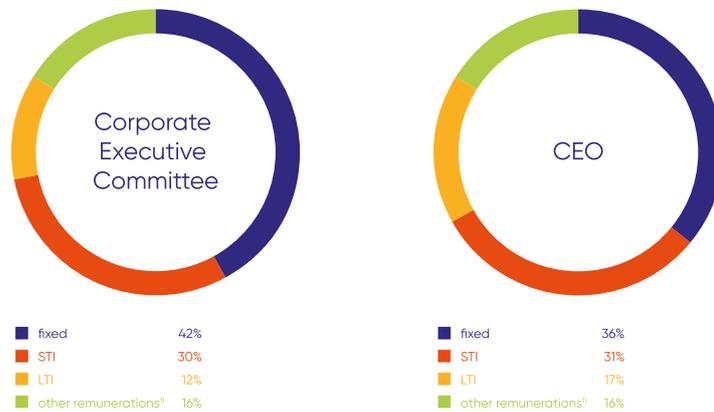
Payout factor for STI (one-year basis)



Vesting multiple for LTI (three-year basis)



Ratio between fixed and variable remuneration 2025 (remuneration awarded)



¹⁾ Including costs for employee benefit plans and social security charges

Remuneration of the Board of Directors for 2025 and shareholdings at 31.12.2025

Payments in thousand CHF	Remuneration			Total	Number of shares	
	Fees in cash	Equivalent in shares ¹⁾	Other remuneration ²⁾		Held as at 31.12.2025 ³⁾	Allocated for 2025
Markus R. Neuhaus, Chair	–	467	37	504	16,300	4,963
Pascale Bruderer ⁴⁾	–	200	21	221	6,680	2,127
Nadine Balkanyi-Nordmann (since 11 April 2025)	–	120	13	133	125	1,276
Bertrand Jungo ⁴⁾	80	107	22	209	9,516	1,134
Judith Meier ⁴⁾	–	160	17	177	5,805	1,702
Solange Peters	60	80	17	157	1,809	851
Jörg Zulauf	–	187	14	201	4,921	1,985
Remuneration of the members of the Board of Directors ⁵⁾	140	1,320	142	1,602	45,156	14,038
Maximum amount according to AGM resolution				1,900		

¹⁾ The amounts include the calculated discount of 25%, granted due to the five-year blocking period

²⁾ Other remuneration corresponds to the social security charges (both employer and employee contributions)

³⁾ Shares held by related parties of members of the Board of Directors are included in the declaration of the totals disclosed above

⁴⁾ Those board members participate in the pension fund and finance the entire cost themselves

⁵⁾ See chapter Board of Directors of the Corporate Governance section for roles and membership of committees

Remuneration of the Board of Directors for 2024 and shareholdings at 31.12.2024

Payments in thousand CHF	Remuneration			Total	Number of shares	
	Fees in cash	Equivalent in shares ¹⁾	Other remuneration ²⁾		Held as at 31.12.2024 ³⁾	Allocated for 2024
Markus R. Neuhaus, Chair	175	233	38	446	13,181	3,119
Pascale Bruderer ⁴⁾	75	100	20	195	5,343	1,337
Bertrand Jungo ⁴⁾	80	107	21	208	9,866	1,426
Judith Meier ⁴⁾	–	160	16	176	3,666	2,139
Solange Peters	60	80	16	156	739	1,070
Andreas Walde (died on 11 December 2024)	–	173	18	191	18,750	2,317
Jörg Zulauf	–	187	14	201	2,125	2,496
Remuneration of the members of the Board of Directors ⁵⁾	390	1,040	143	1,573	53,670	13,904
Maximum amount according to AGM resolution				1,900		

¹⁾ The amounts include the calculated discount of 25%, granted due to the five-year blocking period

²⁾ Other remuneration corresponds to the social security charges (both employer and employee contributions)

³⁾ Shares held by related parties of members of the Board of Directors are included in the declaration of the totals disclosed above

⁴⁾ Those board members participate in the pension fund and finance the entire cost themselves

⁵⁾ See chapter Board of Directors of the Corporate Governance section for roles and membership of committees

Remuneration of the Corporate Executive Committee for 2025

Gross payments in thousand CHF	Total	of which Marc Werner, CEO
Base salary	2,993	540
Short-term bonus in cash (STI) ¹⁾	1,281	277
Short-term bonus in shares (STI) ²⁾	803	173
Long-term incentive (LTI) ³⁾	818	250
Contributions to pension funds	568	127
Other remuneration ⁴⁾	93	13
Remuneration awarded	6,556	1,380
Social security costs	460	89
Remuneration of the members of the Corporate Executive Committee	7,016	1,469
Maximum amount according to AGM resolution	9,500	

Nine members in 2025

- ¹⁾ The short-term bonus for the reporting year, which is paid out in the following year
- ²⁾ The amounts include the calculated discount of 25% granted due to the five-year blocking period
- ³⁾ Performance share units falling due after three years are included with the fair value at allocation
- ⁴⁾ Including private use of company car

Remuneration of the Corporate Executive Committee for 2024

Gross payments in thousand CHF	Total	of which Marc Werner, CEO
Base salary	2,777	500
Short-term bonus in cash (STI) ¹⁾	985	216
Short-term bonus in shares (STI) ²⁾	618	136
Long-term incentive (LTI) ³⁾	746	225
Contributions to pension funds	552	118
Other remuneration ⁴⁾	74	12
Remuneration awarded	5,752	1,207
Social security costs	407	79
Remuneration of the members of the Corporate Executive Committee⁵⁾	6,159	1,286
Maximum amount according to AGM resolution	8,500	

Nine members in 2024

- ¹⁾ The short-term bonus for the reporting year, which is paid out in the following year
- ²⁾ The amounts include the calculated discount of 25% granted due to the five-year blocking period
- ³⁾ Performance share units falling due after three years are included with the fair value at allocation
- ⁴⁾ Including private use of company car
- ⁵⁾ Including remuneration of Stephan Mignot since 1 September 2024 as Chief Pharmacies Marketing

Short-term incentive (STI)

In the reporting year, a GEP of CHF 74.0 million was achieved. This corresponds to an increase of 14.3% compared to the previous year, see Value based management section, under [Alternative performance measures in the Annual Report 2025](#). This represents a payout factor of 176.8% for the portion of the STI payout based on GEP performance.

The Group annual net sales growth achieved was 5.5%, corresponding to a payout factor of 142.5% for that portion of the STI.

ESG performance was measured using two objectives: Net Promoter Score (NPS) and employee motivation rate. The payout factor for the NPS component amounts to 78.8%. The employee motivation rate achieved 78.0 points, corresponding to a payout factor of 133.3%.

Consequently, the overall STI payout for the CEO and the other members of the Corporate Executive Committee for the reporting year amounts to 150.5%. This compares to a payout of 127.3% for the previous year.

Performance / payout factor under STI in 2025

KPIs	2025 objectives	Payout	Target	2025 results
Group financial performance:				
Galenica economic profit (GEP) (50% weighting)	Maximum	220%	CHF 78.3 million	GEP achieved: CHF 74.0 million Payout factor: 176.8%
	Target	100%	CHF 66.3 million	
	Threshold	50%	CHF 56.3 million	
Group annual net sales growth (25% weighting)	Maximum	220%	+8.6%	Net sales growth achieved: 5.5% Payout factor: 142.5%
	Target	100%	+3.8%	
	Threshold	50%	-0.2%	
Net Promoter Score (NPS) (12.5% weighting)	Maximum	150%		Payout factor: 78.8%
	Target	100%	not disclosed for competition reasons	
	Threshold	50%		
Employee motivation rate (12.5% weighting)	Maximum	150%	79 points	Employee motivation rate achieved: 78 points Payout factor: 133.3%
	Target	100%	76 points	
	Threshold	50%	73 points	

Payout	2025
CEO	150.5%
Corporate Executive Committee (without CEO)	150.5%

Long-term incentive (LTI)

For the LTI plan 2023–2025, payable in early 2026, the average GEP achievement was CHF 62.6 million. This represents a vesting multiple of 59.4%.

For relative TSR Galenica achieved an average percentile ranking of 73.6%, corresponding to a vesting multiple of 148.0%.

Consequently, the overall vesting level for the CEO and the other members of the Corporate Executive Committee for the LTI plan 2023–2025 amounts to 103.7%. This compares to a vesting level of 123.0% for the LTI plan 2022–2024.

KPIs	2025 objectives	Payout	Target	2025 results
Group financial performance:				
Galenica economic profit (GEP) (50% weighting)	Maximum	200%	CHF 90.7 million	Average GEP achieved: CHF 62.6 million Vesting multiple: 59.4%
	Target	100%	CHF 70.7 million	
	Threshold	50%	CHF 50.7 million	
Relative TSR (50% weighting)	Maximum	200%	best in the peer group	Relative TSR achieved: average percentile ranking of 73.6% Vesting multiple: 148.0%
	Target	100%	Median ranking	
	Threshold	50%	25th percentile ranking	
Total LTI 2023–2025				Vesting multiple: 103.7%

Other remuneration

Options

Neither the members of the Board of Directors nor the members of the Corporate Executive Committee hold tradable options.

Loans and credits

Galenica did not grant any loans or credits to members of the Board of Directors, members of the Corporate Executive Committee or related persons in the reporting year. No loans or credits were outstanding at the end of the reporting year.

Remuneration to former members of the Board of Directors and former members of the Corporate Executive Committee

In 2025, Galenica paid a remuneration of CHF 53,000 to Felix Burkhard (member of the Corporate Executive Committee until 31 December 2024) for his role as Chair of the Board of Trustees of the Galenica Pension Fund. Galenica did not pay any remuneration to former members of the Board of Directors or to further former members of the Corporate Executive Committee for the reporting year.

Shareholdings of the Corporate Executive Committee

Equity overhang and dilution at 31.12.2025

The equity overhang, defined as the total number of PSU outstanding (46,072 unvested PSU) divided by the total number of outstanding shares (49,824,384 shares) is 0.09% (previous year: 0.10%). The burn rate, defined as the total number of equities (shares and PSU) granted in 2025 (120,110 shares and 16,846 PSU) divided by the total number of outstanding shares, is 0.27% (previous year: 0.21%).

Shareholdings and PSU of the Corporate Executive Committee at 31.12.2025

	Number of shares held as at 31.12.2025 ¹⁾	Number of PSU held as at 31.12.2025 (at target) ²⁾
Marc Werner	22,078	9,938
Lukas Ackermann	5,656	3,067
Julian Fiessinger	2,471	1,435
Arianne Hasler	492	1,330
Andreas Koch	12,028	3,067
Daniele Madonna	17,452	3,067
Stephan Mignot	862	1,454
Virginie Pache Jeschka	8,690	3,067
Thomas Szuran	13,797	3,154

¹⁾ Shares held by related parties of members of the Corporate Executive Committee are also included in the totals disclosed above

²⁾ Each PSU transforms into a number (between 0 and 2) of shares at vesting and based on GEP and relative TSR target achievement

Shareholdings and PSU of the Corporate Executive Committee at 31.12.2024

	Number of shares held as at 31.12.2024 ¹⁾	Number of PSU held as at 31.12.2024 (at target) ²⁾
Marc Werner	18,450	10,485
Lukas Ackermann	3,288	3,250
Felix Burkhard	21,235	3,921
Arianne Hasler	56	566
Andreas Koch	9,580	3,250
Daniele Madonna	15,004	3,250
Stephan Mignot	209	387
Virginie Pache Jeschka	6,242	3,250
Thomas Szuran	11,259	3,374

¹⁾ Shares held by related parties of members of the Corporate Executive Committee are also included in the totals disclosed above

²⁾ Each PSU transforms into a number (between 0 and 2) of shares at vesting and based on GEP and relative TSR target achievement

External mandates of the Board of Directors and the Corporate Executive Committee at 31 December 2025 and 2024

In accordance with Art. 734e of the Swiss Code of Obligations, the table below lists functions exercised by members of the Board of Directors and members of the Corporate Executive Committee at other for-profit companies, to the extent these functions are comparable to the function they hold with Galénica.

Board of Directors				
Member	Company	Function	2025	2024
Markus R. Neuhaus	Barry Callebaut AG ¹⁾	Board member	yes	yes
	Helvetia Baloise Holding AG ²⁾	Board member	yes	yes
	Jacobs Holding AG	Chair of the Board of Directors	yes	yes
Pascale Bruderer	Crossiety AG	Board member	yes	yes
	Orell Füssli AG ¹⁾	Board member	yes	yes
	Swiss Stablecoin AG	Chair of the Board of Directors	yes	yes
	TX Group AG ¹⁾	Board member	yes	yes
Nadine Balkanyi-Nordmann	Lexperience AG	Board member	yes	n/a
	Tele-Check Inter AG	Chair of the Board of Directors	yes	n/a
Bertrand Jungo	AG Grand Hotels Engadinerkulm Holding	Board member & Delegate of the board	yes	yes
	Diaqua AG	Board member	yes	yes
	Neoperl AG	Board member	yes	yes
Judith Meier	Cantonal Hospital of Graubünden	Board member	yes	yes
	Emil-Burkhardt-foundation	Member of the board of trustees	yes	yes
	reha andeer ag	Board member	yes	yes
Solange Peters	-	-	-	-
Andreas Walde	-	-	n/a	-
Jörg Zulauf	Innflow AG	Board member	yes	yes
	Maerki Baumann & Co. AG	Board member	yes	yes
	SV Group AG	Chair of the Board of Directors	yes	yes

¹⁾ Listed company

²⁾ Baloise Holding AG (mandate 2024) merged with Helvetia Holding AG in December 2025 and was renamed Helvetia Baloise Holding AG

Corporate Executive Committee

Member	Company	Function	2025	2024
Marc Werner	AD Swiss Net AG	Board member ²⁾	yes	yes
	Coop Vitality AG	Board member ²⁾	yes	yes
	MediService AG	Board member ²⁾	yes	yes
	Well Gesundheit AG	Board member ²⁾	yes	yes
Lukas Ackermann	-	-	-	-
Felix Burkhard	MediService AG	Board member ²⁾	n/a	yes
	Orior AG ¹⁾	Board member	n/a	yes
Julian Fiessinger	MediService AG	Board member ²⁾	yes	n/a
Arianne Hasler	-	-	-	-
Andreas Koch	Health Supply AG	Board member ²⁾	yes	yes
Daniele Madonna	Apotheke im KSW AG	Board member ²⁾	no	yes
	Coop Vitality AG	Board member ²⁾	yes	yes
	Emeda AG	Board member ²⁾	no	yes
	Farmadomo Home Care Provider SA	Board member ²⁾	yes	yes
Stephan Mignot	Puravita AG	Board member ²⁾	yes	no
Virginie Pache Jeschka	Coop Vitality AG	Board member ²⁾	yes	yes
Thomas Szuran	Emeda AG	Board member ²⁾	yes	yes
	MediService AG	Board member ²⁾	yes	yes
	Puravita AG	Board member ²⁾	no	yes

¹⁾ Listed company

²⁾ Mandates by order of Galenica



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To the General Meeting of
Galenica Ltd., Berne

Berne, 5 March 2026

Report of the statutory auditor on the audit of the remuneration report



Opinion

We have audited the remuneration report of Galenica Ltd. (the Company) for the year ended 31 December 2025. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) contained in the chapters Remuneration awarded for 2025 and 2024, Other remuneration and Shareholdings of the Corporate Executive Committee and the Board of Directors of the remuneration report.

In our opinion, the information pursuant to Art. 734a-734f CO in the remuneration report complies with Swiss law and the Company's articles of incorporation.



Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the remuneration report" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the chapters Remuneration awarded for 2025 and 2024, Other remuneration and Shareholdings of the Corporate Executive Committee and the Board of Directors in the remuneration report, the consolidated financial statements, the stand-alone financial statements and our auditor's reports thereon.

Our opinion on the remuneration report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the remuneration report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the remuneration report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Board of Directors' responsibilities for the remuneration report**

The Board of Directors is responsible for the preparation of a remuneration report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a remuneration report that is free from material misstatement, whether due to fraud or error. It is also responsible for designing the remuneration system and defining individual remuneration packages.

**Auditor's responsibilities for the audit of the remuneration report**

Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this remuneration report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the remuneration report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Ernst & Young Ltd

Daniel Zaugg

Licensed audit expert
(Auditor in charge)

Simone Wittwer

Licensed audit expert

Financial Reporting

Alternative performance measures 2025 of the Galenica Group

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Definitions of alternative performance measures

The annual report, the half year report and other communication to investors contain certain financial performance measures, which are not defined by IFRS Accounting Standards. In addition to information based on IFRS Accounting Standards, management uses these alternative performance measures to assess the financial and operational performance of the Group. Management believes that these non-IFRS financial performance measures provide useful information regarding Galenica's financial and operational performance. Alternative performance measures are used in Galenica's value-based management as the basis for management's incentive and remuneration schemes. Such measures may not be comparable to similar measures presented by other companies. The main alternative performance measures used by Galenica are explained and/or reconciled with the IFRS Accounting Standards measures in this section.

Due to rounding, numbers presented throughout this report may not add up precisely to the totals provided. Totals are calculated using the underlying amount rather than the presented rounded number.

IAS 19 – Employee benefits

The pension plans of Galenica are organised in legally independent pension funds and are based purely on the defined contribution principle as stated in the Swiss «BVG» law. Nevertheless, Galenica's pension plans are classified as defined benefit pension plans under IAS 19. For this reason, Galenica evaluates its performance by adjusting personnel costs as if those plans were defined contribution plans (adjustments for the effects of IAS 19). Furthermore any compensation payments to the pension funds resulting from the integration of acquired companies into the Galenica pension fund are included under this item.

IFRS 16 – Leases

With its large network of retail pharmacies, IFRS 16 has a significant impact on Galenica's income statement, balance sheet and cashflow statement. Galenica adjusts its financial statements for comparability by treating lease agreements as operating leases. All lease expenses are shown evenly under other operating costs, while depreciation, interest on lease liabilities and the corresponding tax effects are removed.

IFRS 3 – Acquisition-related amortisation (new)

Following the acquisition of Diagnostic Group (Labor Team), Galenica's profitability is significantly affected by acquisition-related amortisation of intangible assets such as customer relationships, trademarks or other intangible assets. As these charges do not reflect operational value creation of the acquired business, they are excluded from the alternative performance measures. This adjustment applies prospectively from the 2025 financial year.

One-off effect – Revaluation of associates and joint ventures (new)

Galenica occasionally carries out step acquisitions, which require a revaluation of the previously held investments. Such revaluations as well as other value changes or impairments of investments in associates and joint ventures do not affect operational value creation, they are consequently excluded from the alternative performance measures.

One-off effect – Gains and losses related to the disposal or closure of business units (new)

The planned discontinuation of the production activities at Bichsel would have a significant impact on Galenica's results, particularly in the first half of 2026. As these effects are not related to Galenica's continuing business operations, they are excluded from the alternative performance measures. No effects from this planned discontinuation have been recognised in the financial year 2025.

Organic growth of net sales

Organic growth of net sales shows the development of net sales for the operating segments Products & Care and Logistics & IT excluding the effects of acquisitions, new license agreements, openings and closures of pharmacies (effect of net expansion). It provides a "like-for-like" comparison with previous periods. In the business area "Pharmacies Omni-Channel", organic growth of net sales is calculated only including points of sales with a full year period comparison. In the other business areas, organic growth of net sales is calculated only including existing business activities with a full year period comparison. In order to show the impact of mandatory price reductions of medications reimbursed by health insurers on net sales transparently, organic growth of net sales is also disclosed without the effect of mandatory price reductions.

The reporting of net sales has been adjusted to the changed organisational and management structure. For comparability, net sales for the previous period has been adjusted.

Logistics & IT - Organic growth of net sales 2025

in thousand CHF	Wholesale	Logistics & IT Services	Logistics & IT ¹⁾
Net sales	3,255,295	79,640	3,332,615
Change to previous period	4.8%	2.8%	4.8%
Effect of net expansion	–	–	–
In % of net sales of previous period	0.0%	0.0%	0.0%
Net sales excluding effect of net expansion	3,255,295	79,640	3,332,615
Organic growth of net sales	4.8%	2.8%	4.8%
Mandatory price reductions ²⁾	68,233		
In % of net sales of previous period	2.2%		

¹⁾ Including eliminations of intercompany net sales

²⁾ Mandatory price reductions of medications reimbursed by health insurers of the specialities list (SL/LS) released by the Federal Office of Public Health (FOPH), calculated based on volumes of previous period

Products & Care - Organic growth of net sales 2025

in thousand CHF	Pharmacies Omni-Channel	Products & Brands	Services & Production	Diagnostics	Products & Care ¹⁾
Net sales	1,473,330	194,233	119,875	40,670	1,816,417
Change to previous period	4.9%	2.1%	4.0%		6.8%
Effect of net expansion	21,805 ²⁾	9,047 ³⁾	–	40,670 ³⁾	71,522
In % of net sales of previous period	1.6%	4.8%	0.0%		4.2%
Net sales excluding effect of net expansion	1,451,525	185,185	119,875	–	1,744,895
Organic growth of net sales	3.3%	–2.7%	4.0%		2.6%
Mandatory price reductions ⁴⁾	21,359				
In % of net sales of previous period	1.5%				

¹⁾ Including eliminations of intercompany net sales

²⁾ The effect of net expansion is calculated only including point of sales without a full year period comparison (acquisitions, openings and closure of pharmacies)

³⁾ The effect of net expansion is calculated only including business activities without a full year period comparison (acquisitions and new license agreements)

⁴⁾ Mandatory price reductions of medications reimbursed by health insurers of the specialities list (SL/LS) released by the Federal Office of Public Health (FOPH), calculated based on volumes of previous period

Logistics & IT - Organic growth of net sales 2024 (restated)

in thousand CHF	Wholesale	Logistics & IT Services	Logistics & IT ¹⁾
Net sales	3,105,223	77,496	3,180,457
Change to previous period	5.2%	4.2%	5.1%
Effect of net expansion	–	–	–
In % of net sales of previous period	0.0%	0.0%	0.0%
Net sales excluding effect of net expansion	3,105,223	77,496	3,180,457
Organic growth of net sales	5.2%	4.2%	5.1%
Mandatory price reductions ²⁾	59,924		
In % of net sales of previous period	2.0%		

¹⁾ Including eliminations of intercompany net sales

²⁾ Mandatory price reductions of medications reimbursed by health insurers of the specialities list (SL/LS) released by the Federal Office of Public Health (FOPH), calculated based on volumes of previous period

Products & Care - Organic growth of net sales 2024 (restated)

in thousand CHF	Pharmacies Omni- Channel	Products & Brands	Services & Production	Products & Care ¹⁾
Net sales	1,404,321	190,194	115,239	1,700,226
Change to previous period	4.1%	3.3%	6.8%	3.9%
Effect of net expansion	21,701 ²⁾	1,160 ³⁾	–	22,861
In % of net sales of previous period	1.6%	0.6%	0.0%	1.4%
Net sales excluding effect of net expansion	1,382,620	189,034	115,239	1,677,365
Organic growth of net sales	2.5%	2.7%	6.8%	2.5%
Mandatory price reductions ⁴⁾	28,396			
In % of net sales of previous period	2.1%			

¹⁾ Including eliminations of intercompany net sales

²⁾ The effect of net expansion is calculated only including point of sales without a full year period comparison (acquisitions, openings and closure of pharmacies)

³⁾ The effect of net expansion is calculated only including business activities without a full year period comparison (acquisitions and new license agreements)

⁴⁾ Mandatory price reductions of medications reimbursed by health insurers of the specialities list (SL/LS) released by the Federal Office of Public Health (FOPH), calculated based on volumes of previous period

Adjusted consolidated statement of income

Galenica's consolidated statement of income is adjusted as described in the [section definitions of alternative performance measures](#).

Adjusted consolidated statement of income 2025

in thousand CHF	As reported	Adjustments IAS 19	Adjustments IFRS 16	Adjustments IFRS 3	One-off effects	Adjusted
Net sales	4,135,621	–	–	–	–	4,135,621
Products & Care ¹⁾	1,816,417	–	–	–	–	1,816,417
Logistics & IT ¹⁾	3,332,615	–	–	–	–	3,332,615
Other income	14,277	–	–	–	–	14,277
Operating income	4,149,898	–	–	–	–	4,149,898
Cost of goods	–2,990,316	–	–	–	–	–2,990,316
Personnel costs	–610,317	–273	–	–	–	–610,590
Other operating costs	–206,150	–	–57,008	–	–	–263,158
Share of profit from associates and joint ventures	5,667	35	–103	–	2,351 ³⁾	7,949
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	348,782	–238	–57,112	–	2,351	293,783
Products & Care ¹⁾	250,021	–	–55,007	–	2,351 ³⁾	197,365
Logistics & IT ¹⁾	77,929	–	–2,097	–	–	75,832
Depreciation, amortisation and impairment	–116,403	–	54,226	3,192	–	–58,986
Earnings before interest and taxes (EBIT)	232,378	–238	–2,886	3,192	2,351	234,797
Return on sales (ROS) ²⁾	5.6%	0.0%	–0.1%	0.1%	0.1%	5.7%
Products & Care ¹⁾	172,453	–	–2,824	3,192	2,351	175,173
Return on sales (ROS) ²⁾	9.5%	0.0%	–0.2%	0.2%	0.1%	9.6%
Logistics & IT ¹⁾	61,800	–	–63	–	–	61,736
Return on sales (ROS) ²⁾	1.9%	0.0%	0.0%	0.0%	0.0%	1.9%
Net financial result	–10,008	–108	2,860	–	–	–7,256
Earnings before taxes (EBT)	222,371	–347	–25	3,192	2,351	227,541
Income taxes	–38,488	69	–17	–454	–	–38,890
Profit from continuing operations	183,883	–277	–42	2,738	2,351	188,652
Profit from discontinued operations	–1,607	–	–	–	–	–1,607
Net Profit	182,276	–277	–42	2,738	2,351	187,045
Attributable to:						
– Shareholders of Galenica Ltd.	181,099	–277	–43	2,676	2,351	185,804
– Non-controlling interests	1,177	–	1	62	–	1,241

¹⁾ Reported for each operating segment not taking into account Group Services and Eliminations

²⁾ Calculated as EBIT divided by net sales

³⁾ Including one-off loss from the impairment of an associate investment

in CHF	As reported	Adjustments IAS 19	Adjustments IFRS 16	Adjustments IFRS 3	One-off effects	Adjusted
Earnings per share from continuing operations	3.67	–0.01	–	0.05	0.05	3.76
Diluted earnings per share from continuing operations	3.66	–0.01	–	0.05	0.05	3.76

Adjusted consolidated statement of income 2024

in thousand CHF	As reported	Adjustments IAS 19	Adjustments IFRS 16	Adjusted
Net sales	3,921,081	–	–	3,921,081
Products & Care ¹⁾	1,700,226	–	–	1,700,226
Logistics & IT ¹³⁾	3,180,457	–	–	3,180,457
Other income	16,223	–	–	16,223
Operating income	3,937,304	–	–	3,937,304
Cost of goods	–2,843,240	–	–	–2,843,240
Personnel costs	–582,726	–488	–	–583,214
Other operating costs	–193,402	–	–55,499	–248,901
Share of profit from associates and joint ventures	6,209	–22	–202	5,985
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	324,144	–510	–55,701	267,933
Products & Care ¹³⁾	233,809	–	–53,275	180,534
Logistics & IT ¹³⁾	71,597	–	–2,404	69,193
Depreciation, amortisation and impairment	–109,778	–	52,883	–56,895
Earnings before interest and taxes (EBIT)	214,367	–510	–2,819	211,038
Return on sales (ROS) ²⁾	5.5%	0.0%	–0.1%	5.4%
Products & Care ¹³⁾	162,826	–	–2,757	160,070
Return on sales (ROS) ²³⁾	9.6%	0.0%	–0.2%	9.4%
Logistics & IT ¹³⁾	53,860	–	–60	53,800
Return on sales (ROS) ²³⁾	1.7%	0.0%	0.0%	1.7%
Net financial result	230	–398	3,116	2,948
Earnings before taxes (EBT)	214,597	–907	297	213,987
Income taxes	–30,898	159	–85	–30,823
Profit from continuing operations	183,699	–748	213	183,164
Profit from discontinued operations	–80	–	–	–80
Net Profit	183,619	–748	213	183,084
Attributable to:				
– Shareholders of Galenica Ltd.	182,951	–748	209	182,412
– Non-controlling interests	668	–	4	672

¹⁾ Reported for each operating segment not taking into account Group Services and Eliminations

²⁾ Calculated as EBIT divided by net sales

³⁾ Figures restated (refer to note 3 of the Consolidated financial statements 2025 of the Galenica Group)

in CHF	As reported	Adjustments IAS 19	Adjustments IFRS 16	Adjusted
Earnings per share from continuing operations	3.67	–0.01	–	3.66
Diluted earnings per share from continuing operations	3.67	–0.01	–	3.66

Free cash flow

The free cash flow shows Galenica's capacity to pay dividends and repay debt and repay equity. It provides information on the remaining cash and cash equivalents from the operating cash flow, reduced by all lease payments and after consideration of investment activities.

Free cash flow

in thousand CHF	2025	2024
Cash flow from operating activities before working capital changes	308,539	277,317
Payment of lease liabilities	-54,064	-52,576
Cash flow from operating activities before working capital changes adjusted	254,475	224,741
Working capital changes	-8,774	-12,613
Cash flow from operating activities adjusted	245,701	212,128
Cash flow from investing activities without M&A ¹⁾	-57,691	-128,021
Free cash flow before M&A	188,009	84,106
Cash flow from M&A ²⁾	-275,447	-23,061
Free cash flow	-87,438	61,045

¹⁾ Cash flow from investing activities without net cash flow from business combinations and net cash flow from sale of subsidiaries

²⁾ Net cash flow from business combinations and net cash flow from sale of subsidiaries

CAPEX

in thousand CHF	2025	2024
Investments in property, plant and equipment	31,767	36,023
Investments in intangible assets	29,377	36,742
CAPEX	61,144	72,765

Cash conversion

	2025	2024
Cash conversion ¹⁾	79.2%	72.8%

¹⁾ Calculated as EBITDA adjusted less CAPEX divided by EBITDA adjusted

Capital management

Galenica's capital is managed and monitored at Group level. The objective of capital management at Galenica is to ensure the continuity of operations, increase enterprise value on a sustainable basis, provide an adequate return to investors, provide the financial resources to enable investments in areas that deliver future benefits for patients and customers and further returns to investors.

Galenica defines the capital that it manages as invested interest-bearing liabilities and equity. Galenica uses a system of financial control based on various key performance indicators. Capital is monitored based on the gearing, for example, which expresses net debt as a percentage of shareholders' equity including non-controlling interests and is communicated regularly to management as part of internal reporting. The debt coverage expresses net debt as a multiple of earnings before interest, taxes, depreciation and amortisation (EBITDA). Debt coverage ratio provides information about the creditworthiness of the Group. Galenica has no covenants requiring a minimum level of debt coverage.

Total assets and shareholders' equity are adjusted for the cumulative effects of the IAS 19, IFRS 16 and IFRS 3 adjustments and net debt is adjusted for lease liabilities.

Total assets

in thousand CHF	2025	2024
Total assets	3,297,140	3,070,898
Cumulative effects of IAS 19 adjustments	-2,315	-1,731
Cumulative effects of IFRS 16 adjustments	-236,845	-228,794
Cumulative effects of IFRS 3 adjustments	3,192	-
Total assets adjusted	3,061,172	2,840,373

Net debt

in thousand CHF	2025	2024
Current financial liabilities ¹⁾	207,566	38,868
Current lease liabilities	55,311	52,693
Non-current financial liabilities ¹⁾	589,248	519,811
Non-current lease liabilities	188,687	183,195
Cash and cash equivalents	-115,507	-129,682
Interest-bearing receivables	-6,500	-4,899
Net debt	918,806	659,986
Lease liabilities (current and non-current)	-243,998	-235,887
Net debt adjusted	674,808	424,099

¹⁾ Excluding non-interest-bearing financial liabilities

Shareholders' equity

in thousand CHF	2025	2024
Shareholders' equity	1,485,002	1,551,844
Cumulative effects of IAS 19 adjustments	15,030	15,799
Cumulative effects of IFRS 16 adjustments	5,757	5,799
Cumulative effects of IFRS 3 adjustments	2,738	-
Shareholders' equity adjusted	1,508,526	1,573,442

Equity ratio

	2025	2024
Equity ratio ¹⁾	45.0%	50.5%
Equity ratio adjusted ²⁾	49.3%	55.4%

¹⁾ Calculated as shareholders' equity divided by total assets

²⁾ Calculated as shareholders' equity adjusted divided by total assets adjusted

Gearing

	2025	2024
Gearing ¹⁾	61.9%	42.5%
Gearing adjusted ²⁾	44.7%	27.0%

¹⁾ Calculated as net debt divided by shareholders' equity

²⁾ Calculated as net debt adjusted divided by shareholders' equity adjusted

Debt coverage

	2025	2024
Debt coverage ¹⁾	2.6 x	2.0 x
Debt coverage adjusted ²⁾	2.3 x	1.6 x

¹⁾ Calculated as net debt divided by EBITDA

²⁾ Calculated as net debt adjusted divided by EBITDA adjusted

Value based management

Galenica has an integrated value-based management concept in place that derived from an economic value added (EVA) approach. It is based on the understanding that in the interest of shareholders and other important groups of stakeholders, Galenica will strive to achieve a long-term investment return which exceeds the weighted average cost of capital (WACC). Targets, plans, performance measurement and management compensation are aligned to increase the enterprise value.

Invested capital

Invested capital corresponds to current and fixed operating assets less cash and cash equivalents, equity instruments held for strategic purposes and designated as fair value through other comprehensive income according to IFRS Accounting Standards and non-interest-bearing current liabilities. In the following, invested capital is calculated indirectly via equity and net debt.

Invested capital

in thousand CHF	2025	2024
Shareholders' equity adjusted	1,508,526	1,573,442
Net debt adjusted	674,808	424,099
Equity instruments at fair value through other comprehensive income ¹⁾	-133,526	-265,638
Deferred tax assets ²⁾	-1,758	-1,309
Deferred tax liabilities ²⁾	72,751	47,766
Invested capital	2,120,802	1,778,361
Weighted average invested capital	1,900,542	1,743,749

¹⁾ Including loans related to strategic investments

²⁾ Without deferred taxes due to IAS 19, IFRS 16 and IFRS 3 adjustments as already taken into account in shareholders' equity adjusted

Net operating profit after tax (NOPAT) and return on invested capital (ROIC)

Net operating profit after tax (NOPAT) is the profit before interest and after depreciation, amortisation and taxes. It is calculated from the operating result (EBIT adjusted) less calculatory income taxes.

Return on invested capital (ROIC) is calculated as NOPAT divided by the average of invested capital. This measure of performance integrates both measures of profitability and measures of capital efficiency.

Net operating profit after tax (NOPAT) and return on invested capital (ROIC)

in thousand CHF	2025	2024
EBIT adjusted	234,797	211,038
Net financial income from financial assets	282	775
Net operating profit before taxes	235,079	211,814
Calculatory tax rate (18%)	-42,314	-38,127
Net operating profit after taxes (NOPAT)	192,765	173,687
Return on invested capital (ROIC)¹⁾	10.1%	10.0%

¹⁾ Calculated as NOPAT in % of weighted average invested capital

Galenica economic profit (GEP)

The most important key figure in Galenica's value-based management concept is the Galenica economic profit (GEP). The GEP illustrates the result of the Galenica Group after consideration of the cost of capital. GEP is a measure designed to reflect the principles of value-based management derived from an economic value added (EVA) approach. GEP is calculated as the NOPAT less the WACC over the average invested capital.

Galenica economic profit (GEP)

in thousand CHF	2025	2024
Net operating profit after taxes (NOPAT)	192,765	173,687
Cost of capital ¹⁾	-118,784	-108,984
Galenica economic profit (GEP)	73,981	64,703

¹⁾ Calculated as weighted average invested capital multiplied with WACC (weighted average cost of capital) of 6.25%

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Consolidated statement of income

in thousand CHF	Note	2025	2024
Net sales	5	4,135,621	3,921,081
Other income	6	14,277	16,223
Operating income		4,149,898	3,937,304
Cost of goods		-2,990,316	-2,843,240
Personnel costs	7, 23	-610,317	-582,726
Other operating costs	8	-206,150	-193,402
Share of profit from associates and joint ventures	17	5,667	6,209
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		348,782	324,144
Depreciation, amortisation and impairment	14,15,16	-116,403	-109,778
Earnings before interest and taxes (EBIT)		232,378	214,367
Financial income	9	5,632	13,379
Financial expenses	9	-15,639	-13,148
Earnings before taxes (EBT)		222,371	214,597
Income taxes	11	-38,488	-30,898
Profit from continuing operations		183,883	183,699
Profit from discontinued operations		-1,607	-80
Net profit		182,276	183,619
Attributable to:			
– Shareholders of Galenica Ltd.		181,099	182,951
– Non-controlling interests		1,177	668

in CHF	Note	2025	2024
Earnings per share			
Earnings per share	10	3.63	3.67
Diluted earnings per share	10	3.63	3.67
Earnings per share from continuing operations			
Earnings per share from continuing operations	10	3.67	3.67
Diluted earnings per share from continuing operations	10	3.66	3.67
Earnings per share from discontinued operations			
Earnings per share from discontinued operations	10	-0.03	-
Diluted earnings per share from discontinued operations	10	-0.03	-

Consolidated statement of comprehensive income

in thousand CHF	Note	2025	2024
Net profit		182,276	183,619
Translation differences		-35	87
Items that may be reclassified subsequently to profit or loss		-35	87
Remeasurement of net defined benefit plans	23	4,278	-19,624
Income taxes from remeasurement of net defined benefit plans		-748	3,532
Share of other comprehensive income from associates and joint ventures	17	796	499
Gain / (Loss) on equity instruments at fair value through other comprehensive income	25	-137,014	2,408
Income taxes from fair value measurement on equity instruments at fair value through other comprehensive income		125	17,541
Items that will not be reclassified to profit or loss		-132,563	4,356
Other comprehensive income/(loss)		-132,598	4,443
Comprehensive income		49,678	188,062
Attributable to:			
- Shareholders of Galenica Ltd.		48,500	187,394
- Non-controlling interests		1,177	668

Consolidated statement of financial position

in thousand CHF	Note	2025	2024		
Cash and cash equivalents		115,507	129,682		
Trade and other receivables	12	526,776	499,999		
Inventories	13	385,401	363,055		
Prepaid expenses and accrued income		42,213	39,043		
Current assets		32.4%	1,069,897	33.6%	1,031,779
Property, plant and equipment	14	274,420	257,676		
Right-of-use assets	15	237,066	229,118		
Intangible assets	16	1,413,869	1,115,844		
Investments in associates and joint ventures	17	147,888	145,087		
Financial assets	18	149,264	286,929		
Deferred tax assets	11	4,735	4,464		
Non-current assets		67.6%	2,227,243	66.4%	2,039,118
Assets		100.0%	3,297,140	100.0%	3,070,898
Financial liabilities	19	215,422	58,385		
Lease liabilities	15	55,311	52,693		
Trade and other payables	20	499,667	455,348		
Income tax payables		30,934	28,845		
Accrued expenses and deferred income		124,823	131,451		
Provisions	21	6,782	4,983		
Current liabilities		28.3%	932,939	23.8%	731,705
Financial liabilities	19	601,543	539,708		
Lease liabilities	15	188,687	183,195		
Deferred tax liabilities	11	71,157	46,643		
Employee benefit liabilities	23	17,344	17,530		
Provisions	21	468	273		
Non-current liabilities		26.7%	879,200	25.6%	787,349
Liabilities		55.0%	1,812,138	49.5%	1,519,053
Share capital	24	5,000	5,000		
Reserves		1,476,901	1,543,694		
Equity attributable to shareholders of Galenica Ltd.		1,481,901	1,548,694		
Non-controlling interests		3,100	3,150		
Shareholders' equity	24	45.0%	1,485,002	50.5%	1,551,844
Liabilities and shareholders' equity		100.0%	3,297,140	100.0%	3,070,898

Consolidated statement of cash flows

in thousand CHF	Note	2025	2024
Profit from continuing operations		183,883	183,699
Income taxes	11	38,488	30,898
Depreciation, amortisation and impairment	14,15,16	116,403	109,778
Net loss on disposal of non-current assets	6,8	-226	-3,302
Decrease in provisions and employee benefit assets and liabilities		-2,116	-966
Net financial result	9	10,008	-230
Share of profit from associates and joint ventures	17	-5,667	-6,209
Share-based payments	28	7,402	5,963
Interest received		918	1,445
Interest paid		-12,748	-10,936
Other net financial receipts		225	411
Dividends received	17	5,668	7,677
Income taxes paid		-33,699	-40,911
Cash flow from operating activities before working capital changes		308,539	277,317
Change in trade and other receivables		-10,476	20,588
Change in inventories		-15,477	-4,192
Change in trade and other payables		31,722	34,585
Change in other net current assets		-14,543	-63,595
Working capital changes		-8,774	-12,613
Cash flow from operating activities		299,765	264,703
Investments in property, plant and equipment		-27,411	-37,010
Investments in intangible assets		-28,352	-35,353
Investments in associates and joint ventures	17	-2,000	-2,071
Investments in financial assets		-11,272	-65,975
Proceeds from sale of property, plant and equipment and intangible assets		532	4,432
Proceeds from sale of financial assets		10,737	7,955
Proceeds from sale of associates and joint ventures		74	-
Net cash flow from business combinations	4	-275,447	-23,061
Cash flow from investing activities		-333,138	-151,083
Dividends paid		-115,113	-110,173
Purchase of treasury shares		-14,008	-9,703
Proceeds from sale of treasury shares		6,043	4,107
Proceeds from financial liabilities	19	581,415	309,645
Repayment of financial liabilities	19	-385,079	-241,039
Payment of lease liabilities		-54,064	-52,576
Purchase of non-controlling interests		-	-486
Cash flow from financing activities		19,195	-100,224
Effects of exchange rate changes on cash and cash equivalents		4	127
(Decrease)/increase in cash and cash equivalents		-14,175	13,523
Cash and cash equivalents as at 1 January ¹⁾		129,682	116,159
Cash and cash equivalents as at 31 December¹⁾		115,507	129,682

¹⁾ Cash and cash equivalents include cash, sight deposits at financial institutions and time deposits with an original term of three months or less. Cash and cash equivalents are measured at nominal value.

Consolidated statement of changes in equity

in thousand CHF	Share capital	Treasury shares	Retained earnings	Equity attributable to shareholders of Galenica Ltd.	Non-controlling interests	Equity
Balance as at 31 December 2023	5,000	-11,816	1,478,235	1,471,419	3,777	1,475,196
Net profit			182,951	182,951	668	183,619
Other comprehensive income			4,443	4,443	-	4,443
Comprehensive income			187,394	187,394	668	188,062
Dividends			-109,740	-109,740	-437	-110,177
Transactions on treasury shares		-679	-4,891	-5,570	-	-5,570
Share-based payments			6,034	6,034	-	6,034
Change in non-controlling interests			-842	-842	-859	-1,701
Balance as at 31 December 2024	5,000	-12,495	1,556,189	1,548,694	3,150	1,551,844
Net profit			181,099	181,099	1,177	182,276
Other comprehensive loss			-132,598	-132,598	-	-132,598
Comprehensive income			48,500	48,500	1,177	49,678
Dividends			-114,757	-114,757	-359	-115,117
Transactions on treasury shares		-2,560	-5,540	-8,101	-	-8,101
Share-based payments			7,644	7,644	-	7,644
Change in non-controlling interests			-80	-80	-867	-947
Balance as at 31 December 2025	5,000	-15,055	1,491,956	1,481,901	3,100	1,485,002

Notes to the consolidated financial statements of the Galenica Group

1. Group organisation

General information

Galenica is a fully-integrated healthcare service provider in Switzerland. Galenica operates a network of pharmacies, develops and offers own brands and products, exclusive brands and products from business partners as well as a variety of on-site health services and tests for customers. Galenica is also a provider of pre-wholesale and wholesale distribution and database services in the Swiss healthcare market. By acquiring the Diagnostics Group (Labor Team) in 2025, Galenica is adding a diagnostic service provider to its healthcare network.

The parent company is Galenica Ltd., a Swiss public limited company with its headquarters in Bern. The registered office is at Untermattweg 8, 3027 Bern, Switzerland. Shares in Galenica Ltd. are traded on the SIX Swiss Exchange under securities no. 36067446 (ISIN CH0360674466).

The Board of Directors released the consolidated financial statements 2025 for publication on 5 March 2026. The 2025 consolidated financial statements will be submitted for approval to the Annual General Meeting on 21 April 2026.

2. Accounting principles

Basis of preparation

The consolidated financial statements of Galenica have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standard Board (IASB), as well as the interpretations of the IFRS Interpretations Committee (IFRIC) and the provisions of Swiss law.

The consolidated financial statements are based on the financial statements of the individual companies of Galenica, prepared in accordance with uniform accounting principles. The reporting period comprises twelve months to 31 December.

Galenica's consolidated financial statements are prepared in Swiss francs (CHF) and, unless otherwise indicated, figures are rounded to the nearest CHF 1,000.

Due to rounding, numbers presented throughout this report may not add up precisely to the totals provided. Totals are calculated using the underlying amount rather than the presented rounded number.

Foreign currencies are not material for the consolidated financial statements.

Estimation uncertainty, assumptions and judgments

The preparation of the Group's consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expense, and the disclosure of contingent liabilities as at the reporting date. Although these estimates and assumptions are made on the basis of all available information and with the greatest of care, the actual results may differ. This applies primarily to estimates and assumptions made with regard to the items set out below.

Leases (note 15)

IFRS 16 defines the lease term as the non-cancellable period of a lease together with the options to extend or terminate a lease, if the lessee is reasonably certain to exercise that option. Where a lease includes the option for the Group to extend the lease term, Galenica applies judgment in assessing whether it is reasonably certain that the option will be exercised. This will take into account the length of the time remaining before the option is exercisable, current trading, future trading forecasts as to the ongoing profitability of the point of sale and the level and type of planned future capital investment. A reassessment of the remaining life of the lease could result in a recalculation of the lease liability and a material adjustment to the associated balances.

Goodwill and intangible assets (note 16)

Goodwill and other intangible assets with an indefinite useful life are tested for impairment at least once a year. This involves estimating the value in use of the cash-generating unit (CGU) or group of CGUs to which the goodwill is allocated. It also requires a forecast of expected future cash flows as well as the application of an appropriate discount rate to calculate the present value of these cash flows.

Employee benefit plans and other non-current employee benefits (note 23)

The costs of the employee benefit plans and other long-term employee benefits are determined using actuarial valuations. These valuations involve making assumptions about the discount rate, future salary and pension developments, mortality and the employee turnover rate. Galenica considers the discount rate, the selection of mortality tables and the development of salaries to be key assumptions.

Fair value of contingent consideration liabilities from business combinations (note 25)

Contingent consideration, resulting from business combinations, is valued at fair value at the acquisition date as part of the business combination. When the contingent consideration meets the definition of a financial liability, it is subsequently remeasured to fair value at each reporting date. The determination of the fair value is based on discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount rate.

Amendments to IFRS Accounting Standards

As at 1 January 2025 Galenica adopted the following amended IFRS Accounting Standards:

- Amendments to IAS 21 – Lack of exchangeability

This change has no or no material impact on the financial position, financial performance and cash flows of Galenica nor on disclosures in these consolidated financial statements. Galenica has not early adopted any other standard or interpretation that has been issued but is not yet effective.

Future amendments to IFRS Accounting Standards

The IASB has issued various new and amended standards and interpretations with effective dates in the financial year 2026 or later. Galenica has not early adopted any of the following amendments to standards or interpretations that are potentially relevant for Galenica. Galenica intends to apply the new or amended standards for the first time in the financial year beginning on the date shown below:

- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (1 January 2026)
- Annual Improvements to IFRS Accounting Standards – Volume 11 (1 January 2026)
- IFRS 18 – Presentation and Disclosure in financial statements (1 January 2027)

Galenica is currently working to identify all the impacts the introduction of IFRS 18 will have on the financial statements and related notes. Based on a preliminary analysis, Galenica does not expect a material impact on the consolidated financial statement for the other new or amended standards.

3. Operating segment information

Galenica operates mainly in Switzerland within two operating segments Products & Care and Logistics & IT. The CEO of Galenica acting as chief operating decision maker (CODM) allocates resources and monitors performance of the Group's operating segments Products & Care and Logistics & IT on the basis of information prepared in accordance with IFRS Accounting Standards, with exceptions described below.

Based on the changed organisational and management structure, Galenica has revised its segments and CODM-Reporting. The main change is the reallocation of internal IT services from the Logistics & IT segment to Group Services. This reallocation affects only intra-group IT services. External IT services remain within the Logistics & IT segment. Furthermore Diagnostics Group (Labor Team) was added to the Products & Care segment.

Basis of preparation (Adjustments & Eliminations)

Galenica adjusts its internal reporting compared with the reported IFRS results to enhance comparability by neutralising certain IFRS-driven valuation effects that management considers to be outside operational performance. Under IFRS 16, lease contracts—particularly relevant due to Galenica's extensive pharmacy network—significantly affect the balance sheet and the income statement. For management reporting, leases are treated as operating leases, with all lease expenses recognised evenly in operating costs, while depreciation, interest and the related tax effects are removed.

Following recent acquisitions, depreciation, amortisation and impairment arising from IFRS 3 purchase price allocations are excluded from operational performance metrics. This adjustment applies prospectively from the 2025 financial year.

Value changes of investments in associates or joint ventures are not disclosed in segment reporting, as they do not reflect normal operating activities and may distort period-to-period comparability.

Furthermore, defined benefit plans and long-service awards resulted from IAS 19 are recognised at Group level.

These valuation differences are presented in the segment reporting under the column Adjustments & Eliminations.

Operating activities involve the sale of goods and services between the operating segments.

The operating result (EBIT) comprises all operating income generated and expenses incurred in the corresponding segments. Financial income and expenses as well as income taxes are reported at Group level only and not allocated to the segments. The assets and liabilities include all items of the statement of financial position that can be directly or reasonably allocated to a segment.

Sale of goods and services between the operating segments and resulting unrealised gains are eliminated in the Adjustments & Eliminations column. In addition, Adjustments & Eliminations include adjustments recorded on Group level which mainly consist of costs for IAS 19 from defined benefit plans and long-service awards.

Segment assets and liabilities include loans and current accounts held with respect to other segments. These positions are eliminated in the Adjustments & Eliminations column.

Products & Care

The Products & Care segment consists of the following business areas: «Pharmacies Omni-Channel», «Products & Brands», «Services & Production» and «Diagnostics».

The «Pharmacies Omni-Channel» business area provides offerings for patients, end customers, business customers and partners in the healthcare sector. This area includes both point-of-sale and mail-order operations. Galenica manages a network of 563 locations, which is the largest pharmacy network in Switzerland. The company operates 381 owned pharmacies. Galenica's own pharmacies comprise the Amavita brand with 202 branches and the Sun Store brand with 86 branches. Galenica also operates a chain of 87 pharmacies in partnership with Coop under the Coop Vitality brand. Galenica's pharmacy network also covers the speciality pharmacy Mediservice in partnership with Redcare Pharmacy N.V., which is focused on

medication for treatment of patients at home, 5 majority interests in pharmacies and 182 Winconcept partner pharmacies.

The «Products & Brands» and «Services & Production» business areas are dedicated to the development, marketing and sale of healthcare services and products through various Galenica distribution channels.

The «Diagnostics» business area provides a comprehensive range of services, including laboratory medicine, pathology and specialised personalised diagnostics.

Logistics & IT

The Logistics & IT segment comprises the two business areas «Wholesale» and «Logistics & IT Services». These provide services for all those involved in the healthcare sector – pharmacies, drugstores, doctors, hospitals and care homes, partners and suppliers. Their activities focus on optimising and further developing the logistics services and service offering as well as providing innovative solutions that promote digitalisation in the healthcare market.

«Wholesale» plays an important role in the pharmaceutical supply chain. As a pharmaceutical wholesaler, «Wholesale» ensures on-schedule delivery within short deadlines to pharmacies, drugstores, doctors, hospitals and care homes throughout Switzerland.

«Logistics & IT Services» offers pharmaceutical and healthcare companies a broad range of specialised pre-wholesale services, from storage and distribution of products in Switzerland to debt collection. The companies of the «Logistics & IT Services» also offer solutions for the healthcare market. They operate comprehensive databases that provide additional knowledge for all service providers in the Swiss healthcare market and develop management solutions tailored specifically to the needs of the healthcare market. «Logistics & IT Services» is the leading provider of master data systems for Switzerland's entire healthcare market and publishes printed and electronic technical information on pharmaceutical products as well as complete management solutions for pharmacies.

Group Services

The activities included within Group Services mainly comprise Galenica's central operations, which include Group Management and centralised corporate functions such as Group internal IT services, Finance, Investor Relations, Insurance, Indirect procurement, Human Resources, Legal & Board Services, Communications and Transformation.

Corporate charges management fees to the group companies for the organisational and financial management services that it provides.

Operating segment information 2024

Operating segment information 2024 has been restated to the changed organisational and management structure and the internal financial reporting to the CODM.

Operating segment information 2025

Operating segment information 2025

in thousand CHF	Products & Care	Logistics & IT	Group Services	Adjustments & Eliminations	Galenica Group
Net sales	1,816,417	3,332,615	153,656	-1,167,066	4,135,621
- of which intersegmental net sales	113,629	906,845	146,592	-1,167,066	-
- of which net sales to third parties	1,702,788	2,425,770	7,063	-	4,135,621
Cost of goods	-977,048	-3,026,028	-	1,012,760	-2,990,316
Personnel costs	-397,149	-127,288	-89,004	3,124	-610,317
Share of profit from associates and joint ventures	7,731	223	-	-2,287 ¹⁾	5,667
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	197,365	75,832	20,740	54,844²⁾	348,782
Depreciation, amortisation and impairment	-22,192	-14,096	-22,824	-57,291 ³⁾	-116,403
Earnings before interest and taxes (EBIT)	175,173	61,736	-2,084	-2,447	232,378
Interest income					1,126
Interest expense					-13,457
Other net financial result					2,323
Earnings before taxes (EBT)					222,371
Income taxes					-38,488
Profit from continuing operations					183,883
Assets	1,984,800	955,905	567,801	-211,366⁴⁾	3,297,140
Investments in associates and joint ventures	149,427	271	-	-1,809	147,888
Liabilities	397,978	548,298	1,036,720	-170,858⁵⁾	1,812,138
Investments in property, plant and equipment	20,430	8,539	2,799	-	31,767 ⁶⁾
Investments in intangible assets	2,863	9,563	17,098	-147	29,377 ⁷⁾
Employees as at 31 December (FTE)	4,728	1,285	545	-	6,558

¹⁾ Including impairments of investments in associates of CHF -2.4 million

²⁾ Including lease expense adjustment (IFRS 16) of CHF 57.1 million, impairments of investments in associates of CHF -2.4 million and effects of IAS 19 from defined benefit plans and long-service awards of CHF 0.2 million

³⁾ Including depreciation and impairment of right-of-use asset adjustment (IFRS 16) of CHF -54.2 million and depreciation and impairment of intangible asset adjustment resulted from IFRS 3 of CHF -3.2 million

⁴⁾ Of which elimination of intercompany positions of CHF -426.8 million, considering right-of-use assets (IFRS 16) of CHF 236.8 million, intangible assets (IFRS 3) of CHF -3.2 million and other unallocated amounts of CHF -18.2 million

⁵⁾ Of which elimination of intercompany positions of CHF -426.8 million, considering lease liabilities (IFRS 16) of CHF 242.6 million and other unallocated amounts of CHF 13.4 million

⁶⁾ Of which non-cash investments of CHF 5.8 million

⁷⁾ Of which non-cash investments of CHF 3.5 million

Geographic information 2025

in thousand CHF	Switzerland	Other countries	Galenica Group
Net sales to third parties	4,084,732	50,889	4,135,621
Non-current assets ¹⁾	2,072,967	277	2,073,244

¹⁾ Without financial assets and deferred tax assets

Operating segment information 2024 (restated)

Operating segment information 2024 (restated)

in thousand CHF	Products & Care	Logistics & IT	Group Services	Adjustments & Eliminations	Galenica Group
Net sales	1,700,226	3,180,457	140,222	-1,099,823	3,921,081
– of which Intersegmental net sales	107,763	858,138	133,922	-1,099,823	–
– of which net sales to third parties	1,592,462	2,322,319	6,301	–	3,921,081
Cost of goods	-909,819	-2,891,227	–	957,806	-2,843,240
Personnel costs	-378,146	-125,415	-82,499	3,335	-582,726
Share of profit from associates and joint ventures	6,035	-17	–	191	6,209
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	180,534	69,193	19,248	55,170¹⁾	324,144
Depreciation, amortisation and impairment	-20,464	-15,393	-21,226	-52,695 ²⁾	-109,778
Earnings before interest and taxes (EBIT)	160,070	53,800	-1,977	2,475	214,367
Interest income					2,017
Interest expense					-12,654
Other net financial result					10,868
Earnings before taxes (EBT)					214,597
Income taxes					-30,898
Profit from continuing operations					183,699
Assets	1,622,585	940,666	742,940	-235,293³⁾	3,070,898
Investments in associates and joint ventures	147,633	122	–	-2,669	145,087
Liabilities	341,481	543,611	830,684	-196,722⁴⁾	1,519,053
Investments in property, plant and equipment	23,319	8,776	3,928	–	36,023 ⁵⁾
Investments in intangible assets	1,388	17,061	18,444	-151	36,742 ⁶⁾
Employees as at 31 December (FTE)	4,355	1,268	496	–	6,119

¹⁾ Including lease expense adjustment (IFRS 16) of CHF 55.7 million and effects of IAS 19 from defined benefit plans and long-service awards of CHF 0.5 million

²⁾ Including depreciation and impairment of right-of-use asset adjustment (IFRS 16) of CHF -52.9 million

³⁾ Of which elimination of intercompany positions of CHF -445.1 million, considering right-of-use assets (IFRS 16) of CHF 228.8 million and other unallocated amounts of CHF -19.0 million

⁴⁾ Of which elimination of intercompany positions of CHF -445.1 million, considering lease liabilities (IFRS 16) of CHF 234.6 million and other unallocated amounts of CHF 13.8 million

⁵⁾ Of which non-cash investments of CHF 1.5 million

⁶⁾ Of which non-cash investments of CHF 4.1 million

Geographic information 2024

in thousand CHF	Switzerland	Other countries	Galenica Group
Net sales to third parties	3,874,423	46,658	3,921,081
Non-current assets ¹⁾	1,747,311	414	1,747,725

¹⁾ Without financial assets and deferred tax assets

4. Business combinations

Business combinations 2025

Acquisition of Diagnostics Group GmbH. On 9 September 2025, Galenica acquired 100% of the interests in the Swiss company Diagnostics Group GmbH. Diagnostics Group GmbH is the parent company of the Labor Team Group with its subsidiaries Labor Team Holding AG, Labor Team W AG, Labor Team (Liechtenstein) AG (Principality of Liechtenstein based), Haemoclot AG and Modern-Path SA. The group offers a comprehensive range of services from laboratory medicine and pathology to personalised special diagnostics.

The total purchase consideration amounted to CHF 238.4 million and was fully settled in cash. The fair value of the net identifiable assets amounts to CHF 112.1 million at the acquisition date. The goodwill of CHF 130.2 million was allocated to the operating segment Products & Care. The goodwill corresponds to added value based on the acquirer-specific synergies expected to arise from the acquisition in expanding sales forces, synergies with pharmacies, pharma logistics and Home-Care-Services, procurement synergies and the know-how of the employees gained. Transaction costs amounted to CHF 1.1 million and were expensed in the consolidated statement of income. Remaining 20% of the shares of Modern-Path SA were retained by the previous owner. Non-controlling interests have been measured at the proportionate share of net identifiable assets. The remaining shareholders have a put option to sell their shares to Galenica which gives rise to a financial liability in the amount of CHF 4.2 million.

Acquisition of pharmacies. Galenica acquired 100% of the interests in pharmacies in various locations in Switzerland. Upon acquisition, the pharmacies were merged with Galenicare Ltd.

The total purchase consideration amounted to CHF 29.9 million, of which 29.2 million was settled in cash and CHF 0.7 million were recognised as deferred consideration. The fair value of the net identifiable assets amounts to CHF 10.3 million at the acquisition date. The goodwill of CHF 19.6 million was allocated to the operating segment Products & Care and corresponds to the added value of the pharmacies based on their locations and the know-how of the employees gained. Transaction costs were not material.

Business combinations

in thousand CHF	Diagnostics Group	Pharmacies	2025 Total	2024 Total
Cash and cash equivalents	10,577	4,020	14,597	3,580
Trade receivables	8,774	3,609	12,383	3,367
Inventories	5,634	1,261	6,895	1,751
Property, plant and equipment	20,476	232	20,708	382
Right-of-use assets	12,779	4,083	16,862	4,376
Intangible assets	145,655	–	145,655	–
Financial assets	1,762	52	1,814	–
Other current and non-current assets	3,863	3,817	7,680	742
Trade payables	–5,131	–1,262	–6,393	–1,593
Financial liabilities	–41,785	–	–41,785	–
Lease liabilities	–12,779	–4,083	–16,862	–4,376
Net deferred tax liabilities	–21,382	6	–21,376	95
Employee benefit liabilities	–4,474	–	–4,474	–
Other current and non-current liabilities	–11,908	–1,470	–13,378	–1,915
Fair value of net assets	112,062	10,264	122,326	6,409
Goodwill	130,155	19,588	149,744	20,168
Non-controlling interests	–3,860	–	–3,860	–
Purchase consideration	238,357	29,853	268,210	26,577
Cash acquired	–10,577	–4,020	–14,597	–3,580
Deferred consideration	–	–666	–666	–
Net cash flow from current business combinations	227,780	25,167	252,947	22,997
Payment of consideration due to previous business combinations			22,500	64
Net cash flow from business combinations			275,447	23,061

Pro forma figures for acquisitions made in 2025 for the full 2025 financial year

Since their inclusion in Galenica's scope of consolidation, the businesses acquired contributed net sales of CHF 62.2 million and an operating result (EBIT) of CHF 5.9 million to the Group's results. If these acquisitions had occurred on 1 January 2025, they would have contributed additional net sales of CHF 87.1 million and increased EBIT by CHF 4.3 million.

Business combinations 2024

Acquisition of pharmacies. Galenica acquired 100% of the interests in pharmacies in various locations in Switzerland. Upon acquisition, the pharmacies were merged with Galenicare Ltd.

The total purchase consideration amounted to CHF 23.0 million and was fully settled in cash. The fair value of the net identifiable assets amounts to CHF 6.4 million at the acquisition date. The goodwill of CHF 20.2 million was allocated to the operating segment Products & Care and corresponds to the added value of the pharmacies based on their locations and the know-how of the employees gained. Transaction costs were not material.

Accounting principles business combinations

Subsidiaries, associates and joint ventures acquired during the reporting period are included in the financial statements as at the date when control, significant influence or joint control was obtained. Companies sold during the reporting period are included up to the date when control, significant influence or joint control was lost. The profit or loss on deconsolidation is recognised in operating income or other operating costs.

Contingent consideration is measured at fair value at the acquisition date and qualifies as a financial instrument. It is remeasured to fair value and any difference is recognised in other financial income or other financial expenses.

The difference arise from the acquisition of additional non-controlling interests in fully consolidated companies (purchase consideration less proportionate carrying amount of non-controlling interests) is considered to be an equity transaction and is thus taken directly to retained earnings in shareholders' equity.

5. Net sales

Net sales 2025

Based on the changed organisational and management structure of Galenica, the internal reporting and disaggregation of net sales has been adjusted accordingly. Net sales information for the previous period has been restated to conform to the new presentation.

Net sales 2025

in thousand CHF	Sale of goods	Sale of services	Total net sales	Intersegmental net sales	Total net sales to third parties	of which sale of goods to third parties	of which sale of services to third parties
Pharmacies Omni-Channel	1,366,096	107,234	1,473,330	-16,110	1,457,220	1,366,084	91,135
Products & Brands	189,564	4,668	194,233	-92,439	101,794	97,467	4,327
Services & Production	114,627	5,248	119,875	-16,770	103,105	97,883	5,222
Diagnostics	-	40,670	40,670	-	40,670	-	40,670
Products & Care¹⁾	1,663,373	153,044	1,816,417	-113,629	1,702,788	1,561,434	141,354
Wholesale	3,246,020	9,275	3,255,295	-901,269	2,354,027	2,347,247	6,780
Logistics & IT Services	49	79,591	79,640	-7,897	71,743	90	71,653
Logistics & IT¹⁾	3,246,068	86,547	3,332,615	-906,845	2,425,770	2,347,337	78,433
Group Services	-	153,656	153,656	-146,592	7,063	-	7,063
Eliminations ²⁾	-1,000,670	-166,396	-1,167,066	1,167,066	-	-	-
Galenica Group	3,908,771	226,850	4,135,621	-	4,135,621	3,908,771	226,850

¹⁾ Including eliminations of intercompany net sales

²⁾ Eliminations of intersegmental net sales

Net sales 2024 (restated)

Net sales 2024 (restated)

in thousand CHF	Sale of goods	Sale of services	Total net sales	Intersegmental net sales	Total net sales to third parties	of which sale of goods to third parties	of which sale of services to third parties
Pharmacies Omni-Channel	1,302,713	101,608	1,404,321	-12,774	1,391,547	1,302,705	88,842
Products & Brands	188,462	1,732	190,194	-89,728	100,466	98,943	1,523
Services & Production	110,381	4,858	115,239	-14,791	100,449	95,629	4,820
Products & Care¹⁾	1,595,357	104,869	1,700,226	-107,763	1,592,462	1,497,277	95,185
Wholesale	3,095,583	9,640	3,105,223	-853,435	2,251,789	2,244,698	7,090
Logistics & IT Services	128	77,368	77,496	-6,966	70,530	168	70,362
Logistics & IT¹⁾	3,095,711	84,745	3,180,457	-858,138	2,322,319	2,244,866	77,453
Group Services	-	140,222	140,222	-133,922	6,301	-	6,301
Eliminations ²⁾	-948,925	-150,897	-1,099,823	1,099,823	-	-	-
Galenica Group	3,742,143	178,938	3,921,081	-	3,921,081	3,742,143	178,938

¹⁾ Including eliminations of intercompany net sales

²⁾ Eliminations of intersegmental net sales

Accounting principles net sales

Net sales represent revenue from contracts with customers from the sale of goods or services. Revenue is recognised in the amount that reflects the consideration to which Galenica expects to be entitled when the promised goods or services are transferred to customers.

Where invoices are issued, payment terms in Switzerland usually range between 10 and 30 days, for both goods and services.

Sale of goods

For retail pharmacy sales, revenue is recognised at the point in time when the customer takes possession of the products at the point-of-sale and for wholesale transactions upon shipment of the products to the customer.

Galenica has determined that its customer loyalty programs represent separate performance obligations to which revenue is allocated based on relative stand-alone selling prices, which considers historical redemption patterns. Revenue is deferred and recognised when the award credits are redeemed, which is typically 2 to 4 months after the sale of the initial products. At the end of each period, unredeemed credits are reflected as contract liabilities and included in trade and other payables in the consolidated statement of financial position.

Refund liabilities from contracts with customers are estimated based on actual sales volumes for the financial year and refund percentages as agreed with customers. These liabilities are usually settled in the subsequent financial year. Revenue from gift cards purchased by customers is deferred as contract liabilities until goods or services are transferred, which is typically within 12 months after the sale of the gift card. Any amounts not expected to be redeemed are recognised based on historical redemption patterns.

Customer returns are not material.

Sale of services

Revenue from services includes logistics services, healthcare and consultation services, diagnostic services, the processing and sale of information and IT services as well as other contractually agreed services.

In the business area "Pharmacies Omni-Channel" sale of services mainly includes healthcare services and consultations sales. In the business area "Diagnostics" sale of services mainly includes diagnostic services. Depending on the service the performance obligations are either satisfied over time or at a point in time (i.e. when consultation or diagnostic service took place).

In the business area "Logistics & IT Services" sale of services mainly includes pre-wholesale services and group external IT services and in the business area "Wholesale" sale of service mainly includes various logistic services. Depending on the service the performance obligations are either satisfied over time or at a point in time (i.e. when volumes are handled).

6. Other income

Other income

in thousand CHF	2025	2024
Income from own work capitalised	10,216	9,491
Rental income from operating leases	467	551
Gain on disposal of property, plant and equipment	351	3,308
Other operating income	3,242	2,872
Other income	14,277	16,223

7. Personnel costs

Personnel costs

in thousand CHF	2025	2024
Salaries and wages	499,050	476,846
Social security costs and pension expenses	71,315	68,459
Other personnel costs	39,953	37,422
Personnel costs	610,317	582,726
Average number of employees (FTE)	6,503	6,090

Social security costs and pension expenses contain expenses for defined benefit plans of CHF 35.1 million (previous year: expenses of CHF 33.9 million) (refer to [note 23](#)). Salaries and wages includes expenses for share-based payments of CHF 7.4 million (previous year: CHF 6.0 million) (refer to [note 28](#)).

8. Other operating costs

Other operating costs

in thousand CHF	2025	2024
Maintenance and repairs	40,745	32,857
Transport and shipping costs	50,341	44,116
Other operating and production costs	18,131	21,420
Rental and other lease expenses ¹⁾	12,241	10,510
Administration costs	44,725	50,375
Marketing and sales costs	37,834	32,538
Non-income taxes	2,008	1,579
Loss on disposal of property, plant and equipment	125	6
Other operating costs	206,150	193,402

¹⁾ Of which other lease expenses (incidental expenses) of CHF 5.0 million (previous year: CHF 3.9 million)

Research and development

During the reporting period, expenses for research and development totalling CHF 8.3 million were recognised directly in other operating costs (previous year: CHF 14.0 million).

9. Financial result

Financial result

in thousand CHF	2025	2024
Interest income	1,018	1,619
Net interest income from employee benefit plans	108	398
Net remeasurement of change in fair value of contingent consideration liabilities	4,257	10,600
Other financial income	143	337
Net gain on foreign exchange	105	425
Financial income	5,632	13,379
Interest expense	10,596	9,538
Interest expense on lease liabilities	2,860	3,116
Other financial costs	2,183	494
Financial expenses	15,639	13,148
Net financial result	10,008	-230

10. Earnings per share

Number of outstanding shares

	2025	2024
Total number of shares	50,000,000	50,000,000
Average number of treasury shares	-154,450	-157,074
Average number of outstanding shares	49,845,550	49,842,926
Effect from share-based payments	41,487	43,301
Theoretical average number of outstanding shares (diluted)	49,887,037	49,886,227

Earnings per share

	2025	2024
Earnings per share		
Net profit – attributable to shareholders of Galenica Ltd. (in thousand CHF)	181,099	182,951
Earnings per share (in CHF)	3.63	3.67
Diluted earnings per share (in CHF)	3.63	3.67
Earnings per share from continuing operations		
Profit from continuing operations – attributable to shareholders of Galenica Ltd. (in thousand CHF)	182,705	183,031
Earnings per share from continuing operations (in CHF)	3.67	3.67
Diluted earnings per share from continuing operations (in CHF)	3.66	3.67
Earnings per share from discontinued operations		
Profit from discontinued operations – attributable to shareholders of Galenica Ltd. (in thousand CHF)	-1,607	-80
Earnings per share from discontinued operations (in CHF)	-0.03	-
Diluted earnings per share from discontinued operations (in CHF)	-0.03	-

11. Income taxes

Income taxes

in thousand CHF	2025	2024
Current income taxes	35,384	33,732
Income taxes of prior periods	751	-1,419
Deferred income taxes	2,352	-1,415
Income taxes from continuing operations	38,488	30,898
Income taxes related to discontinued operations	-414	-21
Total income taxes	38,074	30,877

Tax reconciliation

in thousand CHF	2025	2024
Earnings before taxes from continuing operations	222,371	214,597
Earnings before taxes from discontinued operations	-2,021	-101
Earnings before income taxes	220,349	214,496
Weighted income tax rate in % of accounting profit	18.0%	18.3%
Expected income taxes	39,554	39,290
Effects of changes in tax rates	17	373
Effects of unrecognised losses in the current year	32	72
Realisation of unrecognised tax losses of prior periods	-8	-43
Recognition of tax losses of prior periods	-	-390
Remeasurement contingent consideration liabilities from business combinations (not taxable)	-873	-2,173
Effects of changes in investments (write-down/reversal of write down)	-690	-7,122
Income taxes of prior periods	751	-1,419
Other items	-710	2,289
Effective income taxes	38,074	30,877
Effective income tax rate in % of accounting profit	17.3%	14.4%
- of which income taxes attributable to continuing operations (reported in the statement of income)	38,488	30,898
- effective income tax rate attributable to continuing operations in % of EBT	17.3%	14.4%
- of which income taxes attributable to discontinued operations	-414	-21

Deferred taxes

in thousand CHF	2025			2024		
	Deferred tax assets	Deferred tax liabilities	Net carrying amount	Deferred tax assets	Deferred tax liabilities	Net carrying amount
Current assets	4,081	-27,449	-23,368	3,871	-26,686	-22,815
Property, plant and equipment	10	-2,853	-2,843	24	-2,122	-2,098
Right-of-use assets	-	-39,931	-39,931	-	-38,835	-38,835
Intangible assets	2,147	-46,413	-44,266	2,909	-25,561	-22,652
Investments	-	-	-	-	-690	-690
Financial assets	-	-1,013	-1,013	-	-2,025	-2,025
Lease liabilities	41,114	-	41,114	39,988	-	39,988
Provisions	-	-272	-272	-	-737	-737
Employee benefit plans	2,978	-	2,978	3,155	-	3,155
Other temporary differences	389	-550	-160	641	-1,823	-1,182
Shareholders' equity	718	-	718	614	-	614
Deferred taxes due to temporary differences	51,438	-118,481	-67,043	51,203	-98,480	-47,277
Tax loss carryforwards	622	-	622	5,098	-	5,098
Gross deferred taxes	52,060	-118,481	-66,422	56,301	-98,480	-42,179
Netting of assets and liabilities	-47,324	47,324	-	-51,837	51,837	-
Net deferred taxes	4,735	-71,157	-66,422	4,464	-46,643	-42,179

Analysis of net deferred taxes

in thousand CHF	2025	2024
1 January	-42,179	-64,515
Recognised as income taxes in profit or loss		
- Change in temporary differences	2,154	-1,826
- Fiscal realisation of recognised tax loss carryforwards	-4,352	-563
- Tax loss carryforwards taken into account for the first time	-82	4,178
- Tax loss carryforwards no longer taken into account	-56	-
- Effects of changes in tax rates	-17	-373
Recognised in other comprehensive income	-748	20,728
Recognised in shareholders' equity (related to share-based payments)	242	71
Addition to scope of consolidation	-21,376	95
Translation differences	-8	27
31 December	-66,422	-42,179

Temporary differences on which no deferred taxes have been recognised

in thousand CHF	2025	2024
Investments in subsidiaries	387,501	337,862

Tax loss carryforwards and tax credits

in thousand CHF	2025		2024	
	Tax loss carryforwards / tax credits	Tax effect	Tax loss carryforwards / tax credits	Tax effect
Tax loss carryforwards and tax credits	3,330	727	28,805	5,116
– of which capitalised as deferred tax assets	–2,703	–622	–5,007	–1,122
– of which netted with deferred tax liabilities	–	–	–23,666	–3,976
Unrecognised tax loss carryforwards and tax credits	627	105	132	18
Of which expire:				
– within 1 year	–	–	–	–
– in 2 to 5 years	46	6	–	–
– in more than 5 years	581	99	132	18

OECD Pillar Two model rules

The OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) addresses tax challenges from the digital economy, introducing the Global Anti-Base Erosion Model Rules (Pillar Two), applicable to multinational enterprises (MNEs) with revenues over EUR 750 million. Galenica is within the scope of the OECD Pillar Two model rules. Galenica applies the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023.

The Pillar Two model rules were adopted in Switzerland at the end of 2023 and are applicable starting from 1 January 2024. According to these rules, Galenica is considered a multinational enterprise to which the Pillar Two rules shall be applied. At the same time, Pillar Two legislation has been enacted or substantively enacted in several other jurisdictions in which the Group operates effective for the financial year beginning 1 January 2024.

Galenica has performed an assessment and reporting of its potential exposure to Pillar Two income taxes based on the 2024 country-by-country reporting and 2025 financial information for the constituent entities in the Group. The Pillar Two effective tax rates in all of the jurisdictions in which the Group operates is above 15%.

Galenica continues to monitor legislative developments related to Pillar Two in Switzerland and other relevant jurisdictions to assess any potential future impact on its consolidated financial position, performance and cash flows.

12. Trade and other receivables

Trade and other receivables

in thousand CHF	2025	2024
Trade receivables	471,003	468,568
Bad debt allowances	-9,817	-8,286
Other receivables	65,590	39,717
Trade and other receivables	526,776	499,999

Change in bad debt allowances for trade receivables

in thousand CHF	2025	2024
1 January	-8,286	-16,044
Addition	-5,815	-1,743
Use	671	7,460
Reversal	3,612	2,042
Translation differences	1	-1
31 December	-9,817	-8,286

Maturity profile of trade receivables

in thousand CHF	2025			2024		
	Gross trade receivables	Bad debt allowances	Net trade receivables	Gross trade receivables	Bad debt allowances	Net trade receivables
Not past due	360,178	-4,434	355,744	403,591	-3,596	399,995
Past due:						
- 1 to 30 days	87,796	-1,152	86,644	46,149	-1,016	45,133
- 31 to 60 days	10,932	-624	10,308	7,192	-831	6,361
- 61 to 90 days	4,780	-591	4,189	2,466	-791	1,675
- more than 90 days	7,317	-3,015	4,302	9,170	-2,052	7,118
Total	471,003	-9,817	461,186	468,568	-8,286	460,282

Accounting principles trade and other receivables

Trade receivables are initially measured at the transaction price determined in accordance with IFRS 15. Other receivables are carried at original invoice value. Allowances for uncollectable amounts are estimated based on expected credit losses, using life-time expected credit losses for trade receivables (simplified approach).

Any impairment losses are recognised in profit or loss in other operating costs.

13. Inventories

Inventories

in thousand CHF	2025			2024		
	Raw material and merchandise ¹⁾	Semi-finished and finished goods ²⁾	Total inventories	Raw material and merchandise ¹⁾	Semi-finished and finished goods ²⁾	Total inventories
Gross carrying amount as at 1 January	371,881	10,969	382,850	366,064	9,550	375,614
Change in inventories	16,975	298	17,272	4,056	1,407	5,463
Addition to scope of consolidation	1,766	5,129	6,895	1,751	–	1,751
Translation differences	–23	–6	–29	10	12	22
Gross carrying amount as at 31 December	390,598	16,389	406,988	371,881	10,969	382,850
Allowance as at 1 January	–17,860	–1,935	–19,795	–17,006	–1,512	–18,518
Addition	–4,710	–74	–4,784	–3,821	–672	–4,493
Reversal / use	2,608	382	2,989	2,971	252	3,223
Translation differences	3	–	3	–3	–3	–6
Allowance as at 31 December	–19,958	–1,628	–21,586	–17,860	–1,935	–19,795
Net carrying amount as at 31 December	370,640	14,761	385,401	354,021	9,034	363,055

¹⁾ Including prepayments to suppliers

²⁾ Including consumables / auxiliary material

Accounting principles inventories

The weighted average method is primarily used to determine cost for raw materials and merchandise. Semi-finished and finished goods are carried at the lower of cost of direct materials and labour and net realisable value.

Inventory allowances are recognised on inventories for slow moving items and excess stock.

Cost of goods mainly include costs of goods and merchandise from the operating segments Products & Care and Logistics & IT. Price discounts, rebates or supplier discounts and other payments received from suppliers that are not payment for distinct goods or services provided by Galenica and thus on the purchase of goods are directly deducted from cost of goods.

14. Property, plant and equipment

Property, plant and equipment

in thousand CHF	Real estate	Assets under construction	Warehouse equipment	Furniture, fittings	Other property, plant and equipment	Total property, plant and equipment
Net carrying amount as at 31.12.2023	168,019	3,129	39,996	25,156	23,402	259,702
Addition	16,007	2,654	5,578	6,507	5,277	36,023
Disposal	-714	-	-63	-24	-235	-1,037
Reclassification	772	-1,375	392	-	212	-
Depreciation	-16,341	-	-6,096	-5,377	-9,580	-37,394
Addition to scope of consolidation	-	-	-	359	23	382
Net carrying amount as at 31.12.2024	167,743	4,408	39,807	26,620	19,098	257,676
Addition	11,430	5,792	5,513	5,877	3,156	31,767
Disposal	-	-	-	-	-281	-281
Reclassification	1,626	-2,449	115	114	529	-65
Depreciation	-15,351	-	-6,476	-5,455	-8,104	-35,385
Addition to scope of consolidation	386	240	-	175	19,907	20,708
Net carrying amount as at 31.12.2025	165,834	7,990	38,959	27,331	34,305	274,420
Overview as at 31.12.2024						
Cost	357,799	4,408	122,524	125,266	67,806	677,802
Accumulated depreciation and impairment	-190,056	-	-82,716	-98,645	-48,708	-420,126
Net carrying amount as at 31.12.2024	167,743	4,408	39,807	26,620	19,098	257,676
Overview as at 31.12.2025						
Cost	368,558	7,990	127,721	128,642	75,152	708,063
Accumulated depreciation and impairment	-202,724	-	-88,762	-101,310	-40,847	-433,643
Net carrying amount as at 31.12.2025	165,834	7,990	38,959	27,331	34,305	274,420

Accounting principles property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment. Depreciation is charged on a straight-line basis over the assets' useful lives as follows:

	Years
Land	unlimited
Buildings	10 – 50
Warehouse equipment	5 – 15
Manufacturing equipment	5 – 15
Furniture, fittings	5 – 10
IT equipment	3 – 10
Vehicles	3 – 10

Other property, plant and equipment consists of manufacturing equipment, IT equipment and vehicles.

When items of property, plant and equipment are sold or derecognised, gains are recognised in other income and losses in other operating costs.

15. Leases

Right-of-use assets

in thousand CHF	Real estate	Other right of-use assets	Total right-of-use assets
Net carrying amount as at 31.12.2023	229,366	217	229,583
Addition	19,055	88	19,143
Reassessment of existing lease contracts	28,905	-7	28,898
Depreciation	-52,718	-117	-52,834
Impairment	-98	-	-98
Reversal of impairment	49	-	49
Addition to scope of consolidation	4,376	-	4,376
Translation differences	-	1	1
Net carrying amount as at 31.12.2024	228,936	182	229,118
Addition	4,791	368	5,159
Reassessment of existing lease contracts	40,159	-5	40,155
Depreciation	-53,823	-197	-54,020
Impairment	-206	-	-206
Addition to scope of consolidation	15,534	1,328	16,862
Translation differences	-	-1	-1
Net carrying amount as at 31.12.2025	235,392	1,674	237,066

Lease liabilities

in thousand CHF	2025	2024
Net carrying amount as at 1 January	235,887	236,041
Addition	5,159	19,143
Reassessment of existing lease contracts	40,155	28,902
Interest expense on lease liabilities	2,860	3,116
Repayment of lease liabilities (including interest)	-56,924	-55,691
Addition to scope of consolidation	16,862	4,376
Translation differences	-1	1
Net carrying amount as at 31 December	243,998	235,887
- of which current lease liabilities	55,311	52,693
- of which non-current lease liabilities	188,687	183,195

Leases recognised in profit or loss

in thousand CHF	2025	2024
Rental income from operating leases (included in other income)	467	551
Short-term lease expense (included in other operating costs)	-1,326	-1,494
Low-value lease expense (included in other operating costs)	-1,340	-731
Variable lease expense (included in other operating costs)	-4,593	-4,339
Depreciation of right-of-use assets	-54,020	-52,834
Impairment of right-of-use assets	-206	-98
Reversal of impairment of right-of-use assets	-	49
Interest expense on lease liabilities	-2,860	-3,116

The total cash outflow for leases including short-term leases, leases of low-value-assets and variable lease expenses was CHF 64.2 million (previous year: CHF 62.3 million).

Maturity profile of undiscounted lease liabilities

in thousand CHF	2025	2024
Up to 3 months	14,615	13,922
In 3 to 12 months	43,139	41,317
In 2 years	52,691	49,867
In 3 years	44,335	40,933
In 4 to 5 years	57,175	56,091
In 6 to 10 years	35,847	38,745
In more than 10 years	4,833	4,520
Total future cash flows from undiscounted lease liabilities	252,636	245,395

Possible future cash outflows related to extension options in an amount of CHF 206.0 million (previous year: CHF 213.8 million) are not included in lease liabilities because it is not reasonably certain that these options will be exercised.

The cash outflows for variable lease expenses in 2026 is expected to be similar to the amount recognised in 2025.

Galenica has entered into various lease contracts that have not yet commenced as at 31 December 2025. The future lease payments for these non-cancellable lease contracts amount to CHF 36.5 million (previous year: CHF 40.1 million).

Accounting principles leases

Galenica has lease contracts for furniture, vehicles and a large number of contracts for real estate, mainly store locations, which include fixed rental payments and variable sales-based components. The significant majority of these lease contracts concerns locations of the pharmacies in the operating segment Products & Care.

Galenica determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain at inception of the contract to be exercised. Galenica has the option, under some of its leases, to lease the assets for additional terms of several (three, five or more) years. Galenica applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. In doing so, Galenica considers all relevant factors including economic incentives. Galenica reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise, or not to exercise, the option to renew (e.g. a change in business strategy of the underlying asset).

Galenica uses the recognition exemptions for lease contracts that have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

16. Intangible assets

Intangible assets

in thousand CHF	Intangible assets with finite useful lives ¹⁾	Trademarks with indefinite useful lives	Software	Goodwill	Total intangible assets
Net carrying amount as at 31.12.2023	8,332	91,660	107,204	871,307	1,078,503
Addition	392	–	36,350	–	36,742
Disposal	–	–	–74	–	–74
Amortisation	–2,677	–	–16,824	–	–19,501
Addition to scope of consolidation	–	–	–	20,168	20,168
Translation differences	6	–	–	–	6
Net carrying amount as at 31.12.2024	6,054	91,660	126,656	891,475	1,115,844
Addition	905	–	28,472	–	29,377
Disposal	–	–	–21	–	–21
Reclassification	–	–	65	–	65
Amortisation	–5,272	–	–21,520	–	–26,792
Addition to scope of consolidation	140,478	–	5,177	149,744	295,398
Translation differences	–2	–	–	–	–2
Net carrying amount as at 31.12.2025	142,162	91,660	138,828	1,041,218	1,413,869
Overview as at 31.12.2024					
Cost	23,260	91,660	202,484	891,475	1,208,879
Accumulated amortisation and impairment	–17,206	–	–75,829	–	–93,035
Net carrying amount as at 31.12.2024	6,054	91,660	126,656	891,475	1,115,844
Overview as at 31.12.2025					
Cost	164,638	91,660	196,274	1,041,218	1,493,791
Accumulated amortisation and impairment	–22,476	–	–57,446	–	–79,922
Net carrying amount as at 31.12.2025	142,162	91,660	138,828	1,041,218	1,413,869

¹⁾ Including trademarks, patents, licences and customer relationships

Trademarks with indefinite useful lives

This position includes trademarks that are well known nationally and internationally and actively advertised. These acquired trademarks are regarded as having indefinite useful lives for the following reasons: they were created many years ago, they do not expire, and the products sold under the trademarks have a history of strong revenue and cash flow performance. Galenica intends and has the ability to support the trademarks to maintain their values for the foreseeable future.

For impairment testing purposes the trademarks have been allocated to the cash-generating units Verfora, Padma and Spagyros in the operating segment Products & Care. The recoverable amount is determined on the basis of future discounted cash flows. Cash flows beyond the three-year planning period are based on the growth rates and discount rates before tax set out below, as approved in medium-term planning by management:

Trademarks with indefinite useful lives

in thousand CHF	2025	2024
Carrying amount	91,660	91,660
Growth rate	0.7%	1.2%
Pre-tax discount rate	6.8%	7.2%

According to the results of impairment testing for 2025 and 2024 using value in use calculations, no impairment was necessary. Galenica performed a sensitivity analysis taking into account reasonable changes in the assumptions used to calculate the discounted cash flows, such as higher discount rates, lower EBIT margins or lower perpetual growth rates. The sensitivity analysis for 2025 and 2024 did not reveal that a reasonable possible change in assumption would lead to an impairment.

Goodwill

Goodwill

in thousand CHF	2025			2024		
	Carrying amount	Growth rate	Pre-tax discount rate	Carrying amount	Growth rate	Pre-tax discount rate
Products & Care	955,671	0.7%	6.8%	805,928	1.2%	7.2%
Logistics & IT	85,547	0.7%	6.8%	85,547	1.2%	7.2%
Total	1,041,218			891,475		

According to the results of impairment testing for 2025 and 2024 using value in use calculations, no impairment was necessary. Galenica performed a sensitivity analysis taking into account reasonable changes in the assumptions used to calculate the discounted cash flows, such as higher discount rates, lower EBIT margins or lower perpetual growth rates. The sensitivity analysis for 2025 and 2024 did not reveal that a reasonable possible change in assumption would lead to an impairment.

Accounting principles intangible assets

Intangible assets include acquired trademarks, patents, licences, customer relationships, purchased or internally developed software and other assets without physical substance. These items are measured at cost less accumulated amortisation and impairment.

Expenditure on internally developed software is capitalised when the capitalisation criteria are met and future economic benefits from use or sale of the software are expected. Software that is not yet available for use is tested for impairment annually or more frequently if there are indications of impairment.

Amortisation is charged on a straight-line basis over the estimated economic or legal useful life, whichever is shorter as follows:

	Years
Trademarks, patents, licences, customer relationships	5 – 20
Software	2 – 15

The amortisation period and the amortisation method are reviewed at least at each financial year-end.

With the exception of trademarks in the business area Products & Brands, all intangible assets are assessed as having a finite useful life. Intangible assets with indefinite useful lives are not amortised but tested for impairment annually in the fourth quarter of the year, or more frequently if there are indications of impairment.

Goodwill is allocated to the cash-generating unit (CGU) or group of CGUs that are expected to benefit from a business combination. Management monitors goodwill at operating segment level.

Goodwill is tested for impairment annually in the fourth quarter of the year, or more frequently if there are indications of impairment. The impairment test is based on the discounted cash flow method. The WACC is used to determine the applicable pre-tax discount rate. The recoverable amount (higher of fair value less costs of disposal and value in use) of each CGU is determined on the basis of the medium-term plans for the next three years approved by management. Cash flows beyond the three-year planning period are extrapolated using a perpetual growth rate. If the recoverable amount is lower than the carrying amount, the carrying amount is reduced to the recoverable amount by recording an impairment charge.

17. Investments in associates and joint ventures

Investments in associates

Investments in associates

in thousand CHF	2025	2024
Net carrying amount as at 1 January	112,729	112,969
Share of profit from associates	-1,997 ¹⁾	257
Remeasurement of net defined benefit plans from associates	791	405
Investments	2,081	2,071
Dividends received	-4,933	-2,973
Net carrying amount as at 31 December	108,669	112,729

¹⁾ Including a revaluation loss of CHF -2.4 million

Mediservice is the only significant associate of Galenica. Mediservice as specialty pharmacy offers a range of services for chronic and rare disease. Furthermore, Mediservice operates the pure online pharmacy Redcare-apotheke.ch and is registered in Zuchwil, Switzerland. Galenica owns 49% of the share capital and voting rights, Redcare Pharmacy N.V., Netherlands owns 51% of the share capital and voting rights.

Condensed financial information of Mediservice

in thousand CHF	2025	2024
Current assets	74,541	80,601
Non-current assets	200,905	200,737
Current liabilities	64,229	59,752
Non-current liabilities	4,688	7,269
Equity before appropriation of earnings	206,529	214,317
Operating income	528,651	471,376
EBIT	511	1,655
Net profit	598	1,632
Remeasurement of net defined benefit plans recognised in other comprehensive income	1,614	826

The net carrying amount of the investment in Mediservice is CHF 101.2 million as at 31 December 2025 (previous year: CHF 105.0 million). Unrealised profits on inventory are not considered in these amounts.

Investments in joint ventures

Investments in joint ventures

in thousand CHF	2025	2024
Net carrying amount as at 1 January	32,358	31,016
Share of profit from joint ventures	7,664	5,951
Remeasurement of net defined benefit plans from joint ventures	5	95
Disposal	-73	-
Dividends received	-735	-4,704
Net carrying amount as at 31 December	39,219	32,358

Coop Vitality is the only significant joint venture of Galenica. Coop Vitality is registered in Bern, Switzerland. Galenica owns 49% of the share capital and voting rights, Coop Cooperative owns 51% of the share capital and voting rights.

In case Coop Vitality was overindebted, Galenica has an unlimited obligation, in proportion to its equity interest, to restructure the company. At the reporting date, this joint venture is not overindebted.

Condensed financial information of Coop Vitality

in thousand CHF	2025	2024
Current assets	48,019	46,860
Non-current assets	109,102	104,643
– of which right-of-use assets	40,157	38,314
Current liabilities	40,871	51,101
– of which current lease liabilities	9,917	9,727
Non-current liabilities	36,961	35,487
– of which non-current lease liabilities	30,747	29,351
Equity before appropriation of earnings	79,290	64,915
Operating income	310,766	293,095
EBIT	19,979	16,324
Net profit	15,864	12,644
Remeasurement of net defined benefit plans recognised in other comprehensive income	11	194

The net carrying amount of the investment in Coop Vitality is CHF 38.9 million as at 31 December 2025 (previous year: CHF 31.8 million). Unrealised profits on inventory are not considered in these amounts.

18. Financial assets

Financial assets

in thousand CHF	2025	2024
Loans	8,498	13,845
Rental deposits	5,515	5,248
Other financial assets	776	780
Loans and other financial assets	14,789	19,873
Equity instruments at fair value through profit or loss	2,116	2,515
Equity instruments at fair value through other comprehensive income	132,359	264,541
Financial assets	149,264	286,929

Accounting principles financial assets

Non-current financial assets comprise loans, time deposits with a term to maturity of more than twelve months, rental deposits, equity instruments and derivative financial instruments with a positive fair value and a residual term to maturity of more than twelve months. Other than the derivatives measured at fair value through profit or loss, the financial assets are held to collect contractual cash flows comprising solely principal and interest payments and are therefore measured at amortised cost subsequent to initial recognition. Any credit losses on financial assets recognised represent 12 month expected losses and are estimated based on the credit risk of the counterparty. Any impairment is recognised in financial expenses.

19. Financial liabilities

Financial liabilities

in thousand CHF	2025	2024
Loans	12,440	24,503
Liabilities to pension funds	15,087	14,365
Bonds	769,288	519,811
Contingent consideration liabilities from business combinations	4,150	30,907
Other financial liabilities	16,001	8,506
Financial liabilities	816,965	598,093
- of which current financial liabilities	215,422	58,385
- of which non-current financial liabilities	601,543	539,708

Bonds

in thousand CHF	ISIN	Nominal	Coupon	2025	2024
Straight Bond (15 June 2017 - 15 December 2026)	CH0367206700	180,000	1.00%	180,039	180,080
Straight Bond (8 May 2023 - 8 November 2029)	CH1255924453	240,000	2.35%	239,832	239,791
Straight Bond (30 April 2024 - 30 April 2031)	CH1331113634	100,000	1.65%	99,949	99,940
Straight Bond (9 December 2025 - 9 December 2032)	CH1494626398	250,000	1.08%	249,467	-
Bonds		770,000		769,288	519,811

Cash flow from financial liabilities and lease liabilities 2025

in thousand CHF	01.01.2025	Proceeds from financial liabilities	Repayment of financial liabilities	Addition to scope of consolidation	Other changes	31.12.2025
Bank loans	–	280,000	–321,750	41,750	–	–
Loans	24,503	1,129	–13,193	–	–	12,440
Liabilities to pension funds	14,365	823	–101	–	–	15,087
Private placement (notes)	–	50,000	–50,000	–	–	–
Bonds	519,811	249,463	–	–	14	769,288
Contingent consideration liabilities from business combinations	30,907	–	–	–	–26,757	4,150
Other financial liabilities	8,506	–	–35	35	7,495	16,001
Financial liabilities	598,093	581,415	–385,079	41,785	–19,248	816,965
Lease liabilities	235,887	–	–54,064	16,862	45,312	243,998
Financial liabilities and lease liabilities	833,980	581,415	–439,143	58,647	26,064	1,060,963

Cash flow from financial liabilities and lease liabilities 2024

in thousand CHF	01.01.2024	Proceeds from financial liabilities	Repayment of financial liabilities	Addition to scope of consolidation	Other changes	31.12.2024
Bank loans	30,000	160,000	–190,000	–	–	–
Loans	28,053	1,150	–4,810	–	110	24,503
Mortgages	1,229	–	–1,229	–	–	–
Liabilities to pension funds	10,708	3,560	–	–	97	14,365
Private placement (notes)	–	45,000	–45,000	–	–	–
Bonds	419,871	99,934	–	–	6	519,811
Contingent consideration liabilities from business combinations	41,507	–	–	–	–10,600	30,907
Other financial liabilities	7,431	–	–	–	1,075	8,506
Financial liabilities	538,799	309,645	–241,039	–	–9,312	598,093
Lease liabilities	236,041	–	–52,576	4,376	48,046	235,887
Financial liabilities and lease liabilities	774,841	309,645	–293,615	4,376	38,733	833,980

20. Trade and other payables

Trade and other payables

in thousand CHF	2025	2024
Trade payables	462,066	418,274
Contract liabilities	10,968	10,381
Other payables	26,632	26,693
Trade and other payables	499,667	455,348

Contract liabilities are generally recognised in revenue within 12 months.

21. Provisions

Provisions

in thousand CHF	2025	2024
1 January	5,256	5,558
Addition	1,557	654
Use	-380	-760
Reversal	-3,020	-372
Addition to scope of consolidation	3,837	176
31 December	7,250	5,256
- of which current provisions	6,782	4,983
- of which non-current provisions	468	273

Provisions are recognised for the estimated cost on damage, contractual liabilities, customer complaints, litigation risk and ongoing legal proceedings.

22. Contingent liabilities and commitments

Galenica is subject to a variety of risks. These risks include, but are not limited to, risks regarding product liability, patent law, tax law, competition laws and anti-trust laws. A number of Group companies are currently involved in administrative proceedings, legal disputes and investigations relating to their business activities. The results of ongoing proceedings cannot be predicted with certainty. Management has established appropriate provisions for any expenses likely to be incurred. These projections, however, are also subject to uncertainty. Galenica does not expect the results of these proceedings to have a significant impact on the financial statements.

Galenica entered into various obligations regarding the purchase of services, goods and equipment as part of its ordinary business operations.

Galenica signed purchase agreements to acquire property, plant and equipment and intangible assets totalling CHF 10.3 million (previous year: CHF 15.9 million). The payments under these purchase commitments become due in 2026.

Furthermore, there are guarantees of CHF 11.8 million (previous year: CHF 12.4 million) and subordinated loans of CHF 1.2 million (previous year: CHF 1.1 million) to third parties.

There are no unusual pending transactions or risks to be disclosed.

23. Employee benefit plans

The vast majority of the Galenica employees work in Switzerland and participate in the Galenica Pension Fund, which is financed by the employers and the employees. This plan is legally separate from Galenica and qualifies as a defined benefit plan. The pension plan covers the risks of the economic consequences of old age, disability and death in accordance with the Swiss Federal Occupational Retirement, Survivors and Disability Pension Plans Act (BVG/LPP). The pension plan is structured in the legal form of a foundation. All actuarial risks are borne by the foundation and regularly assessed by the Board of Trustees based on an annual actuarial appraisal prepared in accordance with BVG/LPP. The company's liabilities are limited to contributions that are based on a percentage of the insured salary under the Swiss law. Only in cases of a funded status that is significantly below a funded status of 100% as per the BVG/LPP law can Galenica be required to pay additional contributions. The calculations made in these appraisals do not apply the projected unit credit method required by IFRS Accounting Standards. If the calculations made in accordance with the provisions of BVG/LPP reveal a funded status of less than 100%, suitable restructuring measures need to be introduced. The Board of Trustees consists of employee and employer representatives.

The defined benefit plan is funded. Plan assets are managed separately from Galenica's assets by the independent pension fund.

The most recent actuarial valuation was prepared as at 31 December 2025. The pension fund assets are invested in accordance with local investment guidelines. Galenica pays its contributions to the pension fund in accordance with the regulations defined by the fund.

The final funded status pursuant to BVG/LPP is not available until the first quarter of the subsequent year. The projected funded status as at 31 December 2025 for Galenica Pension Fund is 118.8% (unaudited) and as at 31 December 2024 117.6% (final).

Defined benefit plans and long-service awards

in thousand CHF	2025			2024		
	Defined benefit plans	Long-service awards ¹⁾	Total	Defined benefit plans	Long-service awards ¹⁾	Total
Plan assets measured at fair value	1,346,671	–	1,346,671	1,228,826	–	1,228,826
Present value of defined benefit obligation	-1,238,613	-13,843	-1,252,456	-1,188,654	-13,680	-1,202,334
Surplus / (deficit)	108,058	-13,843	94,215	40,172	-13,680	26,492
Effect of asset ceiling	-111,559	–	-111,559	-44,022	–	-44,022
Net carrying amount recognised in employee benefit assets / liabilities	-3,501	-13,843	-17,344	-3,850	-13,680	-17,530
of which recognised in liabilities	-3,501	-13,843	-17,344	-3,850	-13,680	-17,530

¹⁾ Long-service awards relate to provisions for jubilee payments

Change in present value of defined benefit obligation

in thousand CHF	2025			2024		
	Defined benefit plans	Long-service awards	Total	Defined benefit plans	Long-service awards	Total
1 January	-1,188,654	-13,680	-1,202,334	-1,079,958	-14,290	-1,094,248
Current service cost	-34,108	-1,503	-35,611	-32,761	-1,756	-34,517
Past service cost	–	–	–	-95	–	-95
Interest on defined benefit obligation	-11,040	-125	-11,165	-14,752	-184	-14,937
Actuarial gain/(loss)	32,782	424	33,206	-55,377	1,023	-54,354
Employee contributions	-22,941	–	-22,941	-22,027	–	-22,027
Benefits/awards paid	24,277	1,425	25,702	16,315	1,527	17,842
Change in scope of consolidation	-38,929	-385	-39,314	–	–	–
31 December	-1,238,613	-13,843	-1,252,456	-1,188,654	-13,680	-1,202,334

Change in fair value of plan assets

in thousand CHF	2025	2024
1 January	1,228,826	1,101,802
Interest on plan assets	11,691	15,423
Remeasurement gain/(loss)	38,615	73,340
Employee contributions	22,941	22,027
Employer contributions	35,032	33,586
Net benefits paid	-24,277	-16,315
Administration cost	-997	-1,036
Change in scope of consolidation	34,840	-
31 December	1,346,671	1,228,826

Net defined benefit cost

in thousand CHF	2025	2024
Current service cost	34,108	32,761
Past service cost	-	95
Net interest on net defined benefit liability	-233	-582
Administration cost	997	1,036
Net defined benefit cost	34,872	33,310

Remeasurement of net defined benefit assets / liabilities

in thousand CHF	2025	2024
Actuarial gain/(loss) due to:		
- Changes in demographic assumptions	-	24,399
- Changes in financial assumptions	48,275	-54,261
- Experience adjustments	-15,493	-25,515
Remeasurement of plan assets	38,615	73,340
Effect in the change of asset ceiling	-67,119	-37,587
Remeasurement of net defined benefit liabilities recognised in other comprehensive income	4,278	-19,624

Change in assumption and in estimate

The experience adjustments of minus CHF 15.5 million (previous year: minus CHF 25.5 million) were the result of various elements not expected in the prior year mainly the additional interest rate in 2025 on the defined benefit plans, additional onetime pension payments and the overall development of the population and other items as calculated by the external actuary.

The increase of the discount rate from 0.95% to 1.30% (previous year: decrease from 1.40% to 0.95%) resulted in a decrease of the defined benefit obligation of CHF 48.3 million (previous year: increase of CHF 54.3 million).

In the previous year, Galenica conducted a review of actuarial valuation parameters, including employee turnover rates. Based on observed historical patterns, turnover rates were adjusted to approximately 120% of the BVG 2020 tables for the retail business and 110% for the non-retail business. These adjustments resulted in a decrease of the defined benefit obligation by CHF 24.4 million, which was recognised in other comprehensive income in 2024.

Asset ceiling

in thousand CHF	2025	2024
1 January	-44,022	-6,346
Interest income	-418	-89
Change in the asset ceiling (recognised in other comprehensive income)	-67,119	-37,587
31 December	-111,559	-44,022

Investment structure of plan assets

in thousand CHF	2025		2024	
Cash and cash equivalents	4,334	0.3%	9,514	0.8%
Debt instruments	273,339	20.3%	269,158	21.9%
Equity instruments	557,947	41.4%	524,226	42.7%
Real estate	323,269	24.0%	276,572	22.5%
Other investments	187,782	13.9%	149,356	12.2%
Fair value of plan assets	1,346,671	100.0%	1,228,826	100.0%
Current return on plan assets		4.0%		8.1%

The Board of Trustees is responsible for investing the plan assets. It defines the investment strategy and determines the long-term target asset structure (investment policy), taking into account the legal requirements, objectives set, the benefit obligations and the foundations' risk capacity. The Board of Trustees delegates implementation of the investment policy in accordance with the investment strategy to an investment committee, which also comprises trustees from the Board of Trustees and a general manager. Plan assets are managed by external asset managers in line with the investment strategy.

Cash and cash equivalents are deposited with financial institutions with a credit rating of A or above.

Debt instruments (e.g. bonds) have a credit rating of at least BBB and quoted prices in active markets (level 1 of the fair value hierarchy). They can be investments in funds and direct investments.

Equity instruments are investments in equity funds. These generally have quoted prices in active markets (level 1 of the fair value hierarchy).

Real estate relates to both residential property and offices. These can be investments in quoted real estate funds (level 1 of the fair value hierarchy) or direct investments (level 3 of the fair value hierarchy). If real estate is held directly, it is valued by an independent expert.

Other investments consist of hedge funds, insurance linked securities (ILS), infrastructures, senior loans, private equity and receivables. There are receivables from Group companies amounted to CHF 13.6 million (previous year: CHF 12.9 million). Investments in hedge funds are classified as alternative investments. They are primarily used for risk management purposes. In most cases, quoted prices in an active market are not available for hedge funds investments (level 2 or level 3 of the fair value hierarchy).

The use of derivative financial instruments is only permitted if sufficient liquidity or underlying investments are available. Leverage and short selling are not permitted.

The pension funds manage the assets of 6,269 active members (previous year: 5,900) and 1,071 pensioners (previous year: 1,036).

Galenica does not use any pension fund assets.

Basis for measurement

	2025	2024
Discount rate	1.30%	0.95%
Salary development	1.90%	2.10%
Pension development	0.00%	0.00%
Mortality (mortality tables)	BVG 2020 GT (CMI), 1.5%	BVG 2020 GT (CMI), 1.5%
Turnover	BVG 2020 (110% –120%)	BVG 2020 (110% –120%)

Sensitivity analysis

The discount rate, future salary development and mortality were identified as key actuarial assumptions. Changes in these assumptions would affect the defined benefit obligation (DBO) as follows:

Sensitivity analysis

in thousand CHF	2025		2024	
	Variations in assumptions	Impact on DBO	Variations in assumptions	Impact on DBO
Discount rate	+0.25%	-35,881	+0.25%	-36,871
	-0.25%	38,397	-0.25%	39,257
Salary development	+0.25%	2,477	+0.25%	3,581
	-0.25%	-2,477	-0.25%	-2,400
Mortality	+1 year	29,417	+1 year	30,837
	-1 year	-30,617	-1 year	-30,837

The sensitivity analysis assumes potential changes in the above parameters as at year end. Every change in a key actuarial assumption is analysed separately. Interdependencies were not taken into account.

The pension obligations have an average duration of 14.2 years (previous year: 14.7 years).

Cash outflows for pension payments and other obligations can be budgeted reliably. The benefit plans collect regular contribution payments. Furthermore, the investment strategies safeguard liquidity at all times.

The employer contributions to the pension fund are estimated at CHF 36.7 million for 2026.

24. Shareholders' equity

24.1 Share capital and number of shares

Galenica has fully paid-up share capital of CHF 5,000,000, divided into 50,000,000 publicly listed shares with a par value of CHF 0.10 each, as at the reporting date. All shares have the same capital rights with the exception of the treasury shares which do not generate any dividends. Voting rights and restrictions on voting rights are described in detail in Galenica's Annual Report 2025 in the chapter Corporate Governance (unaudited).

Number of shares

	Total shares Galenica Ltd.	Treasury shares	Outstanding shares
Balance as at 31.12.2023	50,000,000	-167,820	49,832,180
Transactions with treasury shares	-	-5,159	-5,159
Balance as at 31.12.2024	50,000,000	-172,979	49,827,021
Transactions with treasury shares	-	-2,637	-2,637
Balance as at 31.12.2025	50,000,000	-175,616	49,824,384

The treasury shares are reserved for share-based payments to employees.

24.2 Changes in consolidated shareholder's equity

On 10 April 2025, the Annual General Meeting approved a dividend payment of CHF 114.7 million for the financial year 2024 (previous year: CHF 109.7 million), corresponding to CHF 2.30 per registered share (previous year: CHF 2.20). For this purpose, CHF 1.15 was taken from the reserves from capital contributions (previous year: CHF 1.10) and CHF 1.15 from retained earnings (previous year: CHF 1.10) of Galenica Ltd. The dividend was paid out to the shareholders on 16 April 2025.

In the reporting period, 161,623 treasury shares (previous year: 131,964 treasury shares) were bought at an average price of CHF 86.67 (previous year: CHF 73.53) and 158,986 treasury shares (previous year: 126,805 treasury shares) were issued as share-based payments.

The expense for share-based payment transactions, allocated over the vesting period, has been recognised in personnel costs and accrued in consolidated shareholders' equity.

The remaining shareholders of acquisitions completed in 2022 and 2025 hold put options to sell their shares to Galenica, which gives rise to a financial liability. Changes in the carrying amount of this financial liability reduced consolidated shareholders' equity by CHF 4.8 million (previous year: CHF 1.2 million). In the previous year the acquisition of non-controlling interests reduced consolidated shareholders' equity by CHF 0.5 million.

The Board of Directors will submit a proposal to the Annual General Meeting on 21 April 2026 to pay a dividend of CHF 2.50 per share entitled to receive dividend for the financial year 2025. For this purpose, CHF 1.25 is to be taken from the reserves from capital contributions and CHF 1.25 from the retained earnings. However, no dividend will be paid on treasury shares. Based on the number of treasury shares as at 31 December 2025, the total dividend would amount to CHF 124.6 million.

25. Financial instruments

25.1 Categories of financial instruments

Carrying amounts of financial instruments 2025

in thousand CHF	Financial assets at amortised costs	Financial assets at fair value through OCI	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised costs	Total
Cash and cash equivalents	115,507	–	–	–	115,507
Trade and other receivables	526,776	–	–	–	526,776
Financial assets	16,905 ¹⁾	132,359	–	–	149,264
Current financial liabilities	–	–	4,150	211,272	215,422
Current lease liabilities	–	–	–	55,311	55,311
Trade and other payables	–	–	–	488,698	488,698
Non-current financial liabilities	–	–	–	601,543 ²⁾	601,543
Non-current lease liabilities	–	–	–	188,687	188,687
Total	659,188	132,359	4,150	1,545,511	

¹⁾ Of which CHF 2.1 million are in connection to equity instruments which are designated as financial asset at fair value through profit or loss

²⁾ Of which CHF 10.3 million are in connection to put options for non-controlling interests. Changes in the liability amount are recognised in equity

Carrying amounts of financial instruments 2024

in thousand CHF	Financial assets at amortised costs	Financial assets at fair value through OCI	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised costs	Total
Cash and cash equivalents	129,682	–	–	–	129,682
Trade and other receivables	499,999	–	–	–	499,999
Financial assets	22,388 ¹⁾	264,541	–	–	286,929
Current financial liabilities	–	–	18,500	39,885	58,385
Current lease liabilities	–	–	–	52,693	52,693
Trade and other payables	–	–	–	444,967	444,967
Non-current financial liabilities	–	–	12,407	527,300 ²⁾	539,708
Non-current lease liabilities	–	–	–	183,195	183,195
Total	652,069	264,541	30,907	1,248,039	

¹⁾ Of which CHF 2.5 million are in connection to equity instruments which are designated as financial asset at fair value through profit or loss

²⁾ Of which CHF 5.5 million are in connection to put options for non-controlling interests. Changes in the liability amount are recognised in equity

Net gain/(loss) on financial instruments 2025

in thousand CHF	Financial assets at amortised costs	Financial assets at fair value through OCI	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised costs	Total
Change in fair value	–	–	4,257	–	4,257
Net gain/(loss) on foreign exchange	–760	–	–	866	105
Other financial result	143	–	–	–52	91
Interest income	863	–	–	–	863
Interest expense	–	–	–	–10,596	–10,596
Interest expense on lease liabilities	–	–	–	–2,860	–2,860
Interest income on impaired trade receivables	155	–	–	–	155
Expected credit losses	–2,202	–	–	–	–2,202
Impairment on financial assets	–2,131	–	–	–	–2,131
Net gain/(loss) recognised in profit or loss	–3,932	–	4,257	–12,643	–12,318
Net gain/(loss) recognised in other comprehensive income ¹⁾	–	–137,014	–	–	–137,014

¹⁾ Other comprehensive income includes changes in value of strategic investments (publicly and non-publicly traded equity instruments)

Net gain/(loss) on financial instruments 2024

in thousand CHF	Financial assets at amortised costs	Financial assets at fair value through OCI	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised costs	Total
Change in fair value	–	–	10,600	–	10,600
Net gain/(loss) on foreign exchange	357	–	–	69	425
Other financial result	337	–	–	–42	295
Interest income	1,407	–	–	–	1,407
Interest expense	–	–	–	–9,538	–9,538
Interest expense on lease liabilities	–	–	–	–3,116	–3,116
Interest income on impaired trade receivables	212	–	–	–	212
Expected credit losses	337	–	–	–	337
Impairment on financial assets	–452	–	–	–	–452
Net gain/(loss) recognised in profit or loss	2,198	–	10,600	–12,628	170
Net gain/(loss) recognised in other comprehensive income ¹⁾	–	2,408	–	–	2,408

¹⁾ Other comprehensive income includes changes in value of strategic investments (publicly and non-publicly traded equity instruments)

Accounting principles financial instruments (measurement and categories)

Galenica distinguishes between the following types of financial assets and financial liabilities:

Financial assets at amortised cost

This category includes trade and other receivables as well as loans and other financial assets such as rental deposits. These financial assets are subsequently measured at amortised cost using the effective interest rate method less expected credit losses. Galenica uses the simplified approach to determine its bad debt allowances for trade receivables using lifetime expected credit losses. Expenses for expected credit losses comprise the change in bad debt allowance and receivables directly written off.

Uncollectible loans and receivables are only derecognised if a certificate of loss has been issued.

Financial assets at fair value through other comprehensive income

Financial assets measured at fair value through other comprehensive income includes equity instruments which were irrevocably classified to be strategic in nature.

Financial liabilities at fair value through profit or loss

Financial liabilities classified as at fair value through profit or loss correspond to contingent consideration liabilities from business combinations.

Financial liabilities at amortised costs

Financial liabilities mainly comprise trade and other payables as well as financial liabilities and bonds and are measured at amortised cost using the effective interest rate method.

Put options granted to non-controlling interests to sell their shares to Galenica as part of a business combination represent a contractual obligation to purchase non-controlling interests and give rise to a financial liability if the option does not provide Galenica with a present ownership interest in the shares concerned. This liability is measured at the redemption amount as if the put option had been exercised at the balance sheet date. Galenica accounts for changes in the carrying amount of this financial liability as an equity transaction.

25.2 Fair value measurement

Fair value

in thousand CHF	2025		2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Bond (level 1 of the fair value hierarchy)	769,288	785,520	519,811	541,600

With the exception of the bond the carrying amounts of all financial instruments approximate to their fair value or fair value disclosure is not required (lease liabilities).

As at 31 December 2025 Galenica holds equity instruments designated at fair value through other comprehensive income including a 10.4% (previous year: 10.3%) investment in the listed (level 1 of the fair value hierarchy) company Redcare Pharmacy N.V., Netherlands, with a fair value of CHF 131.0 million (previous year: CHF 261.4 million) and other investment in non-listed (level 3 of the fair value hierarchy) companies with a fair value of CHF 1.3 million (previous Year: CHF 3.2 million). These investments were irrevocably designated at fair value through other comprehensive income as Galenica considers these investments to be strategic in nature. Galenica recognised in the consolidated statement of comprehensive income a remeasurement loss of CHF 137.0 million (previous year: gain of CHF 2.4 million).

Fair value of financial instruments (level 3 of the fair value hierarchy)

Fair value of contingent consideration liabilities from business combinations (level 3 of the fair value hierarchy)

in thousand CHF	2025	2024
1 January	30,907	41,507
Change in fair value (recognised in profit or loss)	-4,257	-10,600
Payments (cash out)	-22,500	-
31 December	4,150	30,907

Fair value changes of contingent consideration liabilities from business combinations are recognised in profit or loss (financial result) for the relevant reporting period.

Fair value of equity instruments designated at fair value through other comprehensive income (level 3 of the fair value hierarchy)

in thousand CHF	2025	2024
1 January	3,181	3,928
Addition	-	935
Change in fair value (recognised in other comprehensive income)	-1,851	-1,682
31 December	1,330	3,181

Fair value and sensitivity analysis of contingent consideration liabilities from discontinued operations

Determining the contingent consideration liability in connection with the sale of Mediservice forecasted gross margin of the discontinued operation was identified as key assumptions. During the current financial year, a post-transaction review was conducted together with Mediservice's strategic partners. As a result of this review, the original contractual arrangement relating to the contingent consideration was amended, in particular by extending its duration. Consequently, the contingent consideration liability related to discontinued operations was increased by CHF 2.0 million. Accordingly Galenica has recorded the amount of CHF 5.1 million (previous year CHF 3.0 million) as other liability in the consolidated statement of financial position. The future cash outflows range between zero and CHF 5.1 million.

Sensitivity analysis of contingent consideration liabilities from business combinations (level 3 of the fair value hierarchy)

An initial tranche of the contingent consideration liability arising from the business combination of Bahnhof Apotheke Langnau was settled during financial year 2025 with an amount of CHF 9.0 million. The remaining tranche is contingent upon the net sales achieved by the acquired business in the years 2026 and 2027. Galenica has recorded no amount as contingent consideration liability based on assumed probability-adjusted net sales. The possible future cash outflows range between zero and CHF 20.0 million. An increase of 20% in the expected net sales of the acquired business 2026 and 2027 would increase the contingent consideration liability by CHF 5.0 million. In return, a decrease of the expected net sales 2026 and 2027 would not have any impact on the assessment of the contingent consideration liability.

The contingent consideration liabilities arising from the business combinations of Lifestage Solutions and Padma were fully settled during the financial year 2025 for CHF 9.5 million and CHF 4.0 million respectively.

In addition, the contingent consideration liability related to the acquisition of Aquantic was settled on 30 January 2026 for CHF 4.2 million.

26. Financial risk management

Galenica is exposed to various financial risks and liquidity requirements. Galenica's financing and financial risk management activities are centralised in Group Treasury, which manages financial exposures of Galenica on account of changes in interest rates, currency risks, credit risks and liquidity in a manner that is consistent with underlying business risks and in line with the treasury policy approved by the Board of Directors as well as internal guidelines on cash and liability management. In addition, capital management of Galenica is also mainly exercised and monitored at Group level.

It is Galenica's policy not to enter into any speculative financial arrangements and to ensure matching maturities. Together, the risk management and monitoring measures described below are designed to limit negative impact on the financial statements.

26.1 Liquidity risk

Liquidity risk management

The aim of liquidity risk management is to provide sufficient cash to meet Galenica's financial liabilities on time while maintaining the flexibility to take advantage of market opportunities and optimum investment conditions. Group Treasury is responsible for raising current and non-current loans as well as for decisions on investments. Apart from financing operations, Galenica's credit standing enables it to borrow funds at an advantageous rate. To ensure that Galenica can meet its payment obligations in good time, liquidity is monitored centrally. Group Treasury monitors the cash flows using rolling liquidity planning. This takes into account the maturities of the financial instruments as well as the cash flows from operating activities.

Maturity profile of financial liabilities 2025

in thousand CHF	Carrying amount	Total undiscounted cash flows	up to 3 months	3 to 12 months	1 to 5 years	Maturities more than 5 years
Trade and other payables	488,698	488,698	488,698	–	–	–
Current financial liabilities	35,383	35,383	28,702	6,681	–	–
Current lease liabilities	55,311	57,754	14,615	43,139	–	–
Non-current financial liabilities	12,295	12,465	–	–	12,465	–
Bonds	769,288	823,160	–	191,790	274,320	357,050
Non-current lease liabilities	188,687	194,881	–	–	154,201	40,680
Total	1,549,661	1,612,341	532,015	241,610	440,986	397,730

Maturity profile of financial liabilities 2024

in thousand CHF	Carrying amount	Total undiscounted cash flows	up to 3 months	3 to 12 months	1 to 5 years	Maturities more than 5 years
Trade and other payables	444,967	444,967	444,967	–	–	–
Current financial liabilities	58,385	58,388	56,068	2,320	–	–
Current lease liabilities	52,693	55,239	13,922	41,317	–	–
Non-current financial liabilities	19,896	20,154	–	–	20,154	–
Bonds	519,811	563,350	–	9,090	452,610	101,650
Non-current lease liabilities	183,195	190,156	–	–	146,891	43,265
Total	1,278,946	1,332,254	514,956	52,728	619,655	144,915

26.2 Credit risk

Credit risk management

Credit risk arise when a customer or a third party fails to meet its contractual obligations and causes Galenica a financial loss. Credit risk are minimised and monitored by restricting business relations to known, reliable partners.

Corporate policy ensures that credit checks are performed for customers who are supplied on credit. Trade receivables are subject to active risk management procedures. They are continually monitored and credit risk is reviewed in the process of reporting to management. Allowances for expected credit losses are made in accordance with uniform guidelines on the measurement of outstanding receivables.

In addition, credit risk arise in relation to financial assets, comprising cash and cash equivalents, securities and loans. The creditworthiness of the counterparties is regularly monitored and reported to management.

Financial assets subject to credit risk

in thousand CHF	2025	2024
Cash and cash equivalents (without cash on hand)	113,852	128,055
Trade and other receivables	526,776	499,999
Loans and other financial assets	14,789	19,873
Financial assets subject to credit risk	655,418	647,927

The financial assets subject to credit risk are primarily receivables.

Galenica applies internal risk management guidelines to identify concentrations of credit risk.

Galenica's financial assets are not exposed to a concentration of credit risk.

Trade receivables past due are analysed on an ongoing basis. These receivables are accounted for using individual bad debt allowances, adjusted for forward-looking factors specific to the debtors and the economic environment. Based on past experience, Galenica considers the creditworthiness of non-past due trade receivables to be good.

27. Capital management

The capital of Galenica is managed and monitored at Group level. The objective of capital management at Galenica is to ensure the continuity of operations, increase enterprise value on a sustainable basis, provide an adequate return to investors, provide the financial resources to enable investments in areas that deliver future benefits for patients and customers and further returns to investors.

Galenica defines the capital that it manages as invested interest-bearing liabilities and equity. Galenica uses a system of financial control based on various key performance indicators. Capital is monitored based on the gearing, for example, which expresses net debt as a percentage of shareholders' equity including non-controlling interests and is communicated regularly to management as part of internal reporting.

Net debt, shareholders' equity and gearing are shown in the table below.

Net debt, shareholder's equity and gearing

in thousand CHF	2025	2024
Current financial liabilities ¹⁾	207,566	38,868
Current lease liabilities	55,311	52,693
Non-current financial liabilities ¹⁾	589,248	519,811
Non-current lease liabilities	188,687	183,195
Cash and cash equivalents	-115,507	-129,682
Interest-bearing receivables	-6,500	-4,899
Net debt	918,806	659,986
Equity attributable to shareholders of Galenica Ltd.	1,481,901	1,548,694
Non-controlling interests	3,100	3,150
Shareholders' equity	1,485,002	1,551,844
Gearing	61.9%	42.5%

¹⁾ Excluding non-interest-bearing financial liabilities

Galenica has no covenants requiring a minimum level of equity, nor is Galenica subject to any externally regulated capital requirements as seen in the financial services sector.

28. Share-based payments

Remuneration for members of the Board of Directors

The members of the Board of Directors receive fixed annual remuneration and can choose whether to receive it in full or in part (50%) in shares of Galenica Ltd. The amount settled in shares is paid out with a discount of 25%. The shares may not be traded for the first five years.

The fair value of the shares granted is equivalent to the amount to be paid out in shares plus the discount of 25%.

Share plan for members of senior management

According to the participation plan, members of senior management receive their performance-related bonus partly in cash and partly in shares of Galenica Ltd. The proportion of cash to shares is set out in the regulations and is based on the salary grade of the recipient. In addition, all members of senior management are obliged to hold a number of shares of Galenica. The amount to be settled in shares is paid out in the form of shares of Galenica Ltd. with a discount of 25%. The shares may not be traded for the first five years.

The fair value of the shares granted is equivalent to the amount to be paid out in shares plus the discount of 25%.

Long-term incentive plan (LTI)

Members of the Corporate Executive Committee of Galenica and certain members of senior management participate in a LTI plan for the allocation of performance share units. The number of these performance share units is based on the extent to which defined long-term performance targets such as the Galenica Economic Profit and the relative total shareholders return (TSR) are attained. TSR is measured as a percentile ranking against a peer group of relevant companies. A LTI plan always runs for a vesting period of three years. At the beginning of each financial year a new LTI plan with a new vesting period of three years is issued. At the start of the vesting period a defined number of performance share units are individually allocated. The number of performance share units allocated is dependent on the defined percentage of the annual salary incorporated into the LTI plan as well as the effective share price at the time of the allocation. At the end of the vesting period performance share units are paid out to eligible beneficiaries in the form of shares of Galenica Ltd.

16,846 performance share units (previous year: 16,780 performance share units) were granted to beneficiaries at a fair value of CHF 73.50 (previous year: CHF 69.05) at the beginning of the reporting period for the 2025 LTI plan.

Employee share plan

Employees of Galenica are entitled to buy a fixed number of shares of Galenica Ltd. at a preferential price. All employees who, at the time of the purchase offer, are not under notice and have an employment contract of unlimited duration are entitled to acquire shares.

The purchase price for the shares is calculated at the time of the purchase offer based on the average price for the previous month less a 30% discount. The price discount is borne by the employer. The shares may not be traded for the first three years.

In the reporting period, employees purchased 76,121 shares of Galenica Ltd. (previous year: 65,248 shares) at a price of CHF 61.75 (previous year: CHF 52.70). This includes a discount of CHF 26.43 (previous year: CHF 23.00) per share.

Share-based payment expense

in thousand CHF	2025	2024
Remuneration for members of the Board of Directors	1,760	1,387
Share plan for members of senior management	2,530	2,040
Long-term incentive plan (LTI)	1,100	1,036
Employee share plan	2,012	1,501
Total	7,402	5,963

29. Related party transactions

Related parties include all joint ventures, associates, pension funds, members of the Board of Directors and members of the Corporate Executive Committee.

Related party transactions

The transactions shown in the table below under joint ventures largely concern transactions with Coop Vitality and those under associates mainly concern transactions with Mediservice. All transactions are realised at market-based prices. The invoice payment for the sale of goods and services are due within 30 days and is payable in CHF.

Related party transactions

in thousand CHF	2025		2024	
	Joint ventures	Associates	Joint ventures	Associates
Sale of goods	191,672	27,596	181,119	25,581
Income from services	8,461	1,340	7,589	1,560
Other income	19	13	18	–
Purchase of goods	14	198	283	9
Other operating costs	29	31,156	25	9,519
Financial income	157	27	249	1
Financial expenses	108	30	71	187
Receivables and loans	12,997	20,544	22,069	14,977
Trade payables and loans	5,954	7,669	5,863	20,357

The financial liabilities to pension funds amounted to CHF 15.1 million (previous year: CHF 14.3 million).

Remuneration of the Board of Directors and the Corporate Executive Committee

Remuneration of the Board of Directors and the Corporate Executive Committee

in thousand CHF	2025	2024
Remuneration	4,507	4,226
Social security costs and pension expenses	1,170	1,102
Share-based payments	2,871	2,184
Total	8,548	7,512

30. Subsequent events

The following transactions occurred between 31 December 2025 and 5 March 2026, the date on which the consolidated financial statements 2025 were released for publication.

Acquisition of pharmacies. Galenica acquired 100% of the interests in pharmacies at various locations in Switzerland.

The purchase consideration was CHF 12.1 million and the fair value of the provisional net assets resulting from these additions was estimated at CHF 1.9 million at the acquisition date. Since the transactions were concluded shortly before the consolidated financial statements were issued, no further information was available to disclose the additional information required by IFRS Accounting Standards.

Furthermore Galenica signed purchase agreements after 31 December 2025 to acquire 100% of the interests in pharmacies at various locations in Switzerland. The net assets of these acquisitions will be consolidated beginning from the date control is obtained, which will be after 5 March 2026. The total purchase considerations are estimated to CHF 4.7 million and are due with the closing of the transactions. Since the transactions have not yet been concluded, it is not possible to disclose the additional information required by IFRS Accounting Standards.

Acquisition of puravita AG. On 5 January 2026, Galenica acquired an additional 32.91% of the shares in puravita AG, which had previously been accounted for as an investment in an associate. As a result of this transaction, Galenica obtained control over puravita AG and will therefore include puravita AG in its consolidated financial statements. The purchase consideration was CHF 3.4 million and the fair value of the provisional net assets resulting from these additions was estimated at CHF 2.4 million at the acquisition date. Since the transaction was concluded shortly before the consolidated financial statements were issued, no further information was available to disclose the additional details required under IFRS Accounting Standards.

Discontinue of Bichsel's production division. On 24 February 2026, and after a process of carefully evaluating several strategic alternatives, Galenica announced the intention to discontinue Bichsel's production division by the end of 2026 at the latest for economic reasons and focus on its home care operations. As a result of the planned production closure, Galenica expects up to 170 jobs in production and sales at Bichsel to be affected by the end of 2026 at the latest. The consultation process has been initiated and is not finished on the date of release of the financial statement. In the event of the closure of Bichsel's production division, the Galenica Group expects one-off special costs of CHF 35–40 million, which will arise in particular in the first half of 2026, of which CHF 17–19 million is attributable to value adjustments to inventories, manufacturing plants and other tangible assets.

There were no further significant events after the reporting date.

31. Group companies

Group companies Products & Care

Group companies	Registered office	Method of consolidation	Currency	Share capital in thousand	2025 Equity interest	2024 Equity interest
Products & Care						
Amavita Health Care Ltd.	CH-Niederbipp	full	CHF	100	100%	100%
Bahnhof Apotheke Langnau AG	CH-Langnau im Emmental	full	CHF	100	100%	100%
Bahnhof Apotheken Thun AG	CH-Thun	full	CHF	200	50%	50%
Bichsel AG ¹⁾	CH-Interlaken	full	CHF	100	100%	100%
Coop Vitality AG	CH-Bern	at equity	CHF	5,000	49%	49%
Coop Vitality Health Care GmbH ¹⁾	CH-Niederbipp	at equity	CHF	20	49%	49%
Coop Vitality Management AG	CH-Bern	at equity	CHF	100	49%	49%
curarex swiss AG ²⁾	CH-Zuchwil	-	-	-	-	49%
Diagnostics Group LLC	CH-Goldach	full	CHF	1,000	100%	-
Dr. A.&L. Schmidgall GmbH & Co KG ¹⁾	AT-Vienna	full	EUR	145	100%	100%
Emeda Ltd.	CH-Wangen-Brüttisellen	at equity	CHF	200	50%	50%
FARMACIA CHIASSESE FARMADOMO SA ¹⁾	CH-Chiasso	at equity	CHF	100	33%	33%
Farmadomo Home Care Provider SA	CH-Bellinzona	at equity	CHF	100	33%	33%
Galenicare Ltd.	CH-Bern	full	CHF	700	100%	100%
Galenicare Management Ltd.	CH-Bern	full	CHF	500	100%	100%
G-Pharma AG	CH-Niederbipp	full	CHF	100	100%	100%
Grosse Apotheke Dr. G. Bichsel AG ¹⁾	CH-Interlaken	full	CHF	200	100%	100%
Haemoclot AG ¹⁾	CH-Zürich	full	CHF	100	100%	-
Hedoga AG	CH-Villars-sur-Glâne	full	CHF	100	100%	100%
Laboratorium Dr. G. Bichsel AG ¹⁾	CH-Unterseen	full	CHF	200	100%	100%
Labor Team Holding Ltd. ¹⁾	CH-Goldach	full	CHF	100	100%	-
labor team (liechtenstein) ag ¹⁾	LI-Schaan	full	CHF	50	100%	-
labor team w ag ¹⁾	CH-Goldach	full	CHF	6,210	100%	-
Lifestage Solutions Ltd.	CH-Otelfingen	full	CHF	152	100%	100%
Medifilm Ltd.	CH-Oensingen	full	CHF	1,300	100%	100%
medinform AG	CH-Zürich	full	CHF	100	50%	50%
MediService Ltd.	CH-Zuchwil	at equity	CHF	363	49%	49%
Modern-Path SA ¹⁾	CH-Montreux	full	CHF	100	80%	-
MolecWise AG ¹⁾	CH-Goldach	at equity	CHF	200	40%	-
PADMA Inc.	CH-Wetzikon	full	CHF	152	100%	100%
Padma Aktiengesellschaft für tibetische Heilmittel ¹⁾	CH-Freienbach	full	CHF	100	100%	100%
PADMA EUROPE GmbH ¹⁾	AT-Vienna	full	EUR	35	100%	100%
PADMA Deutschland GmbH ¹⁾	DE-Gräfelfing	full	EUR	25	100%	100%
puravita AG	CH-Speicher	at equity	CHF	189	47.09%	34.34%
Schmidgall GmbH ¹⁾	AT-Vienna	full	EUR	36	100%	100%
Spagyros Ltd.	CH-Worb	full	CHF	860	100%	100%
Sun Store Health Care Ltd.	CH-Niederbipp	full	CHF	100	100%	100%
SWISS PHARMA GmbH	DE-Rülzheim	full	EUR	51	100%	100%
Verfora Ltd.	CH-Villars-sur-Glâne	full	CHF	100	100%	100%
Winconcept Ltd.	CH-Bern	full	CHF	100	100%	100%
Zentral Apotheke Heerbrugg AG	CH-Au	full	CHF	100	100%	100%

¹⁾ Not directly held by Galenica Ltd.

²⁾ The company was merged into MediService Ltd.

Group companies Logistics & IT and Group Services

Group companies	Registered office	Method of consolidation	Currency	Share capital in thousand	2025 Equity interest	2024 Equity interest
Logistics & IT						
1L Logistics Ltd.	CH-Burgdorf	full	CHF	100	100%	100%
Alloga Ltd.	CH-Burgdorf	full	CHF	8,332	100%	100%
Aquantic AG	CH-Rheinfelden	full	CHF	100	100%	100%
Dauf SA ¹⁾	CH-Lugano	full	CHF	100	94.54%	94.54%
Galexis Ltd.	CH-Niederbipp	full	CHF	25,000	100%	100%
HCI Solutions Ltd.	CH-Bern	full	CHF	100	100%	100%
Health Supply Ltd.	CH-Villmergen	at equity	CHF	100	40%	40%
Pharma-Info AG ²⁾	CH-Biel	-	-	-	-	49%
PharmaBlist Ltd. ¹⁾	CH-Widnau	full	CHF	100	100%	100%
Pharmapool Ltd. ¹⁾	CH-Widnau	full	CHF	962	100%	100%
Unione Farmaceutica Distribuzione SA	CH-Lugano	full	CHF	2,000	94.54%	94.54%
Group Services						
Galenica Finanz Ltd.	CH-Bern	full	CHF	100	100%	100%

¹⁾ Not directly held by Galenica Ltd.

²⁾ The company was sold in the second half of 2025



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To the General Meeting of
Galenica Ltd., Berne

Berne, 5 March 2026

Report of the statutory auditor

Report on the audit of the consolidated financial statements



Opinion

We have audited the consolidated financial statements of Galenica Ltd. and its subsidiaries (the Group), which comprise the consolidated statement of income, the consolidated statement of comprehensive income, the consolidated statement of financial position as at 31 December 2025, the consolidated statement of cash flows, the consolidated statement of changes in equity for the year then ended and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.



Basis for opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of the Group in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession, as well as those of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements.



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The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the consolidated financial statements.

Impairment risk of goodwill and other intangibles

Risk	<p>As disclosed in note 16, goodwill amounts to CHF 1'041.2 million as at 31 December 2025 and represents a major asset of Galenica. In addition, Galenica recorded intangible assets with indefinite useful lives with a carrying amount of CHF 91.7 million. Both goodwill and intangible assets with indefinite useful lives are tested for impairment at least annually.</p> <p>Auditing management's annual impairment test is considered important to our audit as it depends on various estimates made by management and therefore includes judgmental elements. In particular, the assessment is sensitive to significant assumptions made about future market and economic conditions, such as economic growth, expected market share, revenue and margin development. Moreover, the terminal growth and the discount rate used have an impact on the net present value of the underlying cash generating unit.</p>
Our audit response	<p>We performed audit procedures that included, among others, assessing the methodology and testing the assumptions discussed above, the weighted average cost of capital (WACC), and technical input parameters used by Galenica. We involved our internal valuation specialists to assist us with these audit procedures. In addition, we assessed the cash flow projections for all cash generating units (CGUs) including the terminal growth. These procedures included an assessment of the historical accuracy of management's estimates and evaluation of business plans. In particular, we considered the available headroom of CGUs and performed sensitivity analyses of assumptions to evaluate whether changes in assumptions as described in note 16 could cause the carrying amount to exceed its recoverable amount. Our audit procedures did not lead to any reservations regarding the impairment tests of goodwill and other intangibles.</p>



Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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**Board of Directors' responsibilities for the consolidated financial statements**

The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISA and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Ernst & Young Ltd

Daniel Zaugg
Licensed audit expert
(Auditor in charge)

Simone Wittwer
Licensed audit expert

Financial statements 2025 of Galenica Ltd.

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Statement of income of Galenica Ltd.

in thousand CHF	2025	2024
Income from investments	139,199	105,160
Financial income	47,259	22,218
Other income	174,740	159,426
Operating income	361,198	286,804
Personnel costs	-89,682	-83,234
Financial expenses	-95,300	-12,434
Depreciation and amortisation	-22,777	-21,114
Other expenses	-50,757	-44,466
Operating expenses	-258,516	-161,248
Earnings before taxes	102,682	125,556
Direct taxes	-1,061	-1,011
Net profit for the year	101,621	124,545

Statement of financial position of Galenica Ltd.

in thousand CHF		2025		2024
Cash and cash equivalents		105		183
Other receivables				
– Third parties		1,215		7,051
– Group companies		532		1
Prepaid expenses and accrued income				
– Third parties		8,697		5,686
– Group companies		1,500		1,345
Current assets		0.7%	12,049	0.9%
				14,266
Financial assets		211,472		262,067
Investments		1,366,693		1,101,488
Property, plant and equipment		8,242		9,792
Intangible assets		117,852		119,247
Non-current assets		99.3%	1,704,259	99.1%
				1,492,594
Assets		100.0%	1,716,308	100.0%
				1,506,860
Current interest-bearing liabilities		188,056		20,816
Other current liabilities				
– Third parties		17,191		11,759
– Group companies		46,501		56,743
Accrued expenses and deferred income				
– Third parties		17,332		13,252
– Group companies		-		740
Current liabilities		15.7%	269,080	6.9%
				103,310
Non-current interest-bearing liabilities		590,000		520,000
Other non-current liabilities		2,014		14,422
Non-current liabilities		34.5%	592,014	35.5%
				534,422
Liabilities		50.2%	861,094	42.3%
				637,732
Share capital		5,000		5,000
Legal capital reserves				
– Reserves from capital contributions		87,659		145,038
Legal retained earnings				
– General legal retained earnings		1,000		1,000
Voluntary retained earnings				
– Free reserve		674,120		605,337
Treasury shares		-15,055		-12,495
Balance brought forward from previous year		869		703
Net profit for the year		101,621		124,545
Shareholders' equity		49.8%	855,214	57.7%
				869,128
Liabilities and shareholders' equity		100.0%	1,716,308	100.0%
				1,506,860

Notes to the financial statements of Galenica Ltd.

Principles

The financial statements of Galenica Ltd. with registered office in Bern, Switzerland, have been prepared in accordance with Article 957 et seqq. of Title 32 of the accounting law based on the Swiss Code of Obligations (CO). Where not prescribed by law, the significant accounting and valuation principles applied are described below.

Galenica Ltd. has prepared its consolidated financial statements in accordance with a recognised accounting standard (IFRS Accounting Standards). In accordance with the CO, the Company decided to forgo presenting additional information on audit fees in the notes as well as a cash flow statement.

Financial income

Financial income includes a reversal of a bad debt allowance on non-current intercompany loans of CHF 15.0 million (previous year: CHF 15.0 million) as well as reversals of impairments on investments of CHF 30.1 million (previous year: none).

Other income

Other income includes group-internal management fees of CHF 57.3 million (previous year: CHF 51.6 million) and IT services of CHF 96.9 million (previous year: CHF 86.7 million). Revenue is recognised when the service is provided.

Financial expenses

Financial expenses include impairments on financial assets of CHF 48.5 million (previous year: CHF 1.7 million) and impairments on investments of CHF 30.9 million (previous year: none).

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment. Depreciation is charged on a straight-line basis over the assets' useful lives.

Property, plant and equipment

in thousand CHF	2025	2024
Furniture, fittings	1,852	1,772
IT equipment	1,484	3,020
Vehicles	4,906	5,000
Total net carrying amount	8,242	9,792

Intangible assets

Intangible assets include purchased or internally developed software. These items are measured at cost less accumulated amortisation and impairment. Amortisation is charged on a straight-line basis over the estimated economic useful life.

Financial assets

Galenica holds equity instruments of CHF 132.6 million (previous year: CHF 176.3 million). Those financial assets are measured at cost less accumulated impairments. Furthermore, financial assets include non-current loans to Group companies of CHF 74.7 million (previous year: CHF 74.7 million), to joint ventures of CHF 3.1 million (previous year: CHF 10.0 million) and to other companies of CHF 1.2 million (previous year: CHF 1.1 million).

Subordinated loans

As at 31 December 2025, subordinated loans to Group companies amounted to CHF 1.9 million (previous year: CHF 1.9 million) and to third parties amounted to CHF 1.2 million (previous year: CHF 1.1 million).

Investments

An overview of the investments that are directly or indirectly controlled by Galenica Ltd. is provided in [note 31](#) to the Consolidated financial statements 2025 of the Galenica Group.

Interest-bearing liabilities

The current and non-current interest-bearing liabilities are recognised at nominal value.

Interest-bearing liabilities

in thousand CHF	ISIN	Coupon	2025	2024
Straight Bond (15 June 2017 - 15 December 2026)	CH0367206700	1.00%	180,000	180,000
Straight Bond (8 May 2023 - 8 November 2029)	CH1255924453	2.35%	240,000	240,000
Straight Bond (30 April 2024 - 30 April 2031)	CH1331113634	1.65%	100,000	100,000
Straight Bond (9 December 2025 - 9 December 2032)	CH1494626398	1.08%	250,000	-
Interest-bearing liabilities			770,000	520,000
- of which current interest-bearing liabilities			180,000	-
- of which non-current interest-bearing liabilities			590,000	520,000

Lease obligations

The lease obligations, which do not expire or cannot be terminated within 12 months, have the following maturity structure. These amounts include the payments owed from rental and leasing agreements up to the end of the contract or the expiry of the notice period.

Lease obligations

in thousand CHF	2025	2024
Within 1 year	-	8
In 2 to 5 years	8,433	6,306
In more than 5 years	23,395	25,522
Total	31,828	31,836

Share capital

As at 31 December 2025, the share capital of Galenica amounted to CHF 5,000,000, divided into 50,000,000 fully paid-up and publicly listed shares with nominal value of CHF 0.10 each.

Authorised capital

As at 31 December 2025, Galenica Ltd. has no authorised capital.

Reserves from capital contributions

The reserves from capital contributions have been reduced to CHF 87.7 million (previous year: CHF 145.0 million) due to the dividend paid out to the shareholders on 16 April 2025 taken from the reserves from capital contributions in the amount of CHF 57.4 million (previous year: CHF 54.9 million).

Release of hidden reserves

In 2025, hidden reserves of CHF 13.9 million were released (previous year: CHF 15.0 million).

Contingent liabilities

As at 31 December 2025, total contingent liabilities amounted to CHF 577.0 million (previous year: CHF 448.2 million), including issued guarantees to Group companies of CHF 374.0 million (previous year: CHF 245.4 million) as well as CHF 200.0 million (previous year: CHF 200.0 million) for guarantees to secure intraday transactions for Group companies in connection with the zero balance cash pooling. Guarantees to third parties amounted to CHF 3.1 million (previous year: CHF 2.9 million).

Full-time equivalents

The average number of full-time equivalents for the reporting period amounted to 531 (previous year: 487).

Treasury shares

Treasury shares

	2025		2024	
	Number	in CHF	Number	in CHF
1 January	172,979		167,820	
Purchases on the market	161,623	14,007,711	131,964	9,702,937
Allocated for share-based payments	-158,986	-13,230,542	-126,805	-9,389,211
31 December	175,616		172,979	

The treasury shares are reserved for share-based payments to employees.

Further disclosures

In 2025, 14,038 shares (previous year: 13,904 shares) with fair value of CHF 1,319,993 (previous year: CHF 1,040,158) have been allocated to the members of the Board of Directors.

In 2025, 10,799 performance share units (previous year: 10,880 performance share units) with fair value at grant date of CHF 817,918 (previous year: CHF 746,014) have been allocated to the members of the Corporate Executive Committee. In 2025, 2,924 performance share units (previous year: 2,998 performance share units) with fair value at grant date of CHF 221,464 (previous year: CHF 205,564) have been allocated to other employees of Galenica Ltd.

Shareholders' equity

Shareholders' equity developed as follows:

Shareholders' equity

in thousand CHF	Share capital	Reserves from capital contributions	General legal retained earnings	Reserves for treasury shares ¹⁾	Treasury shares	Free reserve	Available earnings	Shareholders' equity
Balance as at 31 December 2022	5,000	254,789	1,000	8,000	-	314,000	169,192	751,980
Allocation to free reserve						114,000	-114,000	-
Adjustment to the reserves for treasury shares				-6,900		6,900		-
Change of treasury shares					-10,725			-10,725
Dividends		-54,881					-54,881	-109,761
Profit for the year							224,262	224,262
Balance as at 31 December 2023	5,000	199,908	1,000	1,100	-10,725	434,900	224,573	855,756
Allocation to free reserve						169,000	-169,000	-
Adjustment to the reserves for treasury shares				-1,100		1,100		-
Change of treasury shares					-1,770	337		-1,433
Dividends		-54,870					-54,870	-109,740
Profit for the year							124,545	124,545
Balance as at 31 December 2024	5,000	145,038	1,000	-	-12,495	605,337	125,248	869,128
Allocation to free reserve						67,000	-67,000	
Change of treasury shares					-2,560	1,783		-777
Dividends		-57,379					-57,379	-114,758
Profit for the year							101,621	101,621
Balance as at 31 December 2025	5,000	87,659	1,000	-	-15,055	674,120	102,490	855,214

¹⁾ Owned by subsidiaries

Proposal of the Board of Directors for the appropriation of available earnings and reserves from capital contributions

At the Annual General Meeting as at 21 April 2026, the Board of Directors will propose the following allocation of available earnings and reserves from capital contributions:

in CHF	2025	2024
Appropriation of available earnings		
Balance brought forward	868,940	702,860
Profit for the year	101,620,880	124,544,796
Available earnings at the disposal of the Annual General Meeting	102,489,820	125,247,656
Dividend per share CHF 1.25 (2024: CHF 1.15)	-62,500,000 ¹⁾	-57,378,716
Allocation to free reserve	-39,000,000	-67,000,000
Balance to be carried forward	989,820	868,940
Appropriation of reserves from capital contributions		
Reserves from capital contributions	87,659,027	145,037,743
Dividend per share CHF 1.25 (2024: CHF 1.15) paid out of reserves from capital contributions	-62,500,000 ¹⁾	-57,378,716
Balance to be carried forward	25,159,027	87,659,027

¹⁾ The proposed dividend payment and appropriation of reserves from capital contributions covers all issued shares. However, no dividend will be paid on treasury shares. As a result, the total dividend amount payable depends on the number of treasury shares held on the distribution date. Based on the number of treasury shares held as at 31 December 2025, the total dividend would amount to CHF 124.6 million

The Board of Directors proposes to issue a dividend for fiscal year 2025 of CHF 2.50 per registered share. For this purpose, CHF 1.25 is to be taken from the reserves from capital contributions and CHF 1.25 from retained earnings. On the part taken from the reserves from capital contributions, the dividend can be distributed without deduction of Swiss withholding tax of 35%. Natural persons living in Switzerland are not liable for income tax on the dividend paid from the reserves from capital contributions.

Assuming the Annual General Meeting approves the dividend, payments will be made on 27 April 2026. The last trading day with entitlement to receive the dividend is 22 April 2026. The shares will be traded ex-dividend on 23 April 2026.



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To the General Meeting of
Galenica Ltd., Berne

Berne, 5 March 2026

Report of the statutory auditor

Report on the audit of the financial statements



Opinion

We have audited the financial statements of Galenica Ltd. (the Company), which comprise the statement of income for the year then ended, the statement of financial position as at 31 December 2025 and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements comply with Swiss law and the Company's articles of incorporation.



Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the financial statements" section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the financial statements.



Impairment risk of investments

Risk	<p>Investments amount to CHF 1'367 million as at 31 December 2025 and represent a major asset of Galenica Ltd. They are tested for impairment at least annually.</p> <p>Auditing management's annual impairment test is considered important to our audit as it depends on various estimates made by management and therefore includes judgmental elements. Especially the assessment for investments with a higher risk of an impairment is sensitive to significant assumptions made about future market and economic conditions, such as discount rate, economic growth, revenue and margin development and terminal value growth.</p>
Our audit response	<p>We performed audit procedures that included, among others, assessing the valuation methodology and testing the assumptions discussed above. We involved our valuation specialists in checking particularly the reasonableness of the discount rates used.</p> <p>Our audit procedures did not lead to any reservations regarding the impairment tests of investments.</p>



Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



3



Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on other legal and regulatory requirements



In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Based on our audit in accordance with Art. 728a para. 1 item 2 CO, we confirm that the proposals of the Board of Directors comply with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd

Daniel Zaugg

Licensed audit expert
(Auditor in charge)

Simone Wittwer

Licensed audit expert

Appendix

GRI content index	302
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GRI content index



CONTENT INDEX ESSENTIALS SERVICE

2026

Galenica Ltd. has reported in accordance with the GRI Standards for the period 1 January 2025 to 31 December 2025. For the Content Index – Essentials Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders. The service was provided for the German version of the report.

GRI 1 used: GRI 1: Foundation 2021

Applicable GRI Sector Standards: None

GRI Standard / other source	Disclosure	Information / location	Omission
The organization and its reporting practices			
GRI 2: General Disclosures 2021	2-1 Organizational details	Corporate governance	
	2-2 Entities included in the organization's sustainability reporting	Organisational system boundaries	
	2-3 Reporting period, frequency and contact point	Reporting principles	
	2-4 Restatements of information	Correction or restatements of information	
	2-5 External assurance	Independent audit	
Operations and workers			
GRI 2: General Disclosures 2021		Business model Website	
	2-6 Activities, value chain and other business relationships	Value chain	
	2-7 Employees	Employment	
	2-8 Workers who are not employees	Employment	
Governance			
GRI 2: General Disclosures 2021		Board of Directors Members of the Board of Directors Organizational Regulations	
	2-9 Governance structure and composition	Corporate governance	
		Board of Directors	
	2-10 Nomination and selection of the highest governance body	Corporate governance	
		Members of the Board of Directors	
	2-11 Chair of the highest governance body	Corporate governance	
		Sustainability organisation	

2-12 Role of the highest governance body in overseeing the management of impacts	Articles of Association
2-13 Delegation of responsibility for managing impacts	Sustainability organisation
2-14 Role of the highest governance body in sustainability reporting	Sustainability organisation Materiality analysis and matrix
2-15 Conflict of interest	Group structure and shareholders Board of Directors Other remuneration Code of Conduct
2-16 Communication of critical concerns	Corporate governance Whistleblower Reporting Office
2-17 Collective knowledge of the highest governance body	Sustainability organisation Letter from the Chair of the Remuneration Committee
2-18 Evaluation of the performance of the highest governance body	Corporate governance Principles and responsibility in setting compensation Articles of Association
2-19 Remuneration policies	Corporate governance Remuneration system of the Board of Directors Remuneration system of the Corporate Executive Committee Corporate governance
2-20 Process to determine remuneration	Articles of Association
2-21 Annual total compensation ratio	Restriction due to confidentiality obligations: This information is not disclosed. Due to the heterogeneity of occupational fields and remuneration models, as well as existing confidentiality obligations, consistent determination is currently not possible. Future disclosure is being reviewed.

Strategy, policies and practices

GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	Interview with Chairman and CEO
		Code of Conduct
		Supplier Code of Conduct
		Ethical business conduct
	2-23 Policy commitments	Supply chain integrity
		Code of Conduct
		Supplier Code of Conduct
		Ethical business conduct
2-24 Embedding policy commitments	Supply chain integrity	
	Ethical business conduct	
2-25 Processes to remediate negative impacts	Supply chain integrity	
	Ethical business conduct	
2-26 Mechanisms for seeking advice and raising concerns	Integrity through whistleblowing	
2-27 Compliance with laws and regulations	Training on compliance and ethical conduct	
2-28 Membership associations	Memberships of associations and interest groups	

Stakeholder engagement

GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	Dialogue with stakeholders
	2-30 Collective bargaining agreements	Our management approach

Material Topics

GRI 3: Material Topics 2021	Process to determine material topics	Materiality analysis and matrix
	List of material topics	Materiality analysis and matrix

Energy and climate protection

GRI 3: Material Topics 2021	3-3 Management of material topics	Energy and climate protection
GRI 302: Energy 2016		Total energy consumption
	302-1 Energy consumption within organization	Calculation bases
		Total energy consumption
	302-2 Energy consumption outside of the organization	Calculation bases
	303-3 Energy intensity	Total energy consumption
	303-4 Reduction of energy consumption	Energy
GRI 305: Emissions 2016		Emissions
	305-1 Direct (Scope 1) GHG emissions	Calculation bases
		Emissions

305-2 Energy indirect (Scope 2) GHG emissions	Calculation bases
	Emissions
305-3 Other indirect (Scope 3) GHG emissions	Calculation bases
	Emissions
305-4 GHG emissions intensity	Scope 3 emissions
	Reduction of operational emissions (Scope 1+2)
305-5 Reduction of GHG emissions	Scope 3 emissions

Patient safety

GRI 3: Material Topics 2021	3-3 Management of material topics	Patient safety
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Pharmacovigilance: forwarding of reports
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Pharmacovigilance: forwarding of reports
Own KPIs	Number CDS.CE Checks	Increased patient safety thanks to e-medication solution
	Target achievement NPS	Customer satisfaction

Health promotion

GRI 3: Material Topics 2021	3-3 Management of material topics	Health promotion
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	Cooperation for low-threshold and affordable access
Own KPIs	Number of health services provided	Healthcare services

Attractive workplace

GRI 3: Material Topics 2021	3-3 Management of material topics	Attractive workplace
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Employment
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	Promoting employee knowledge and exchange
	404-3 Percentage of employees receiving regular performance and career development reviews	Regular performance reviews
Own KPIs	Motivation & Participation rate in employee survey	Opinio employee survey
	Time-to-hire	Recruitment strategy/retention of skilled workers

Health and safety at work

GRI 3: Material Topics 2021	3-3 Management of material topics	Health and safety at work
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Our management approach
		Long-term health promotion

	403-2 Hazard identification, risk assessment, and incident investigation	Occupational safety and accident prevention
		Long-term health promotion
	403-3 Occupational health services	Occupational safety and accident prevention
	403-4 Worker participation, consultation, and communication on occupational health and safety	Our management approach
		Long-term health promotion
	403-5 Worker training on occupational health and safety	Occupational safety and accident prevention
	403-6 Promotion of worker health	Long-term health promotion
	403-9 Work-related injuries	Work-related injuries and illnesses
	403-10 Work-related ill health	Work-related injuries and illnesses
Own KPIs	Absenteeism rate due to occupational accidents and illnesses	Long-term health promotion

Equality and diversity

GRI 3: Material Topics 2021	3-3 Management of material topics	Equality and diversity
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity of governance bodies and employees
	405-2 Ratio of basic salary and remuneration of women to men	Equal pay
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Protection of personal integrity in the workplace

Ethical business conduct

GRI 3: Material Topics 2021	3-3 Management of material topics	Ethical business conduct
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Training on compliance and ethical conduct
	205-3 Confirmed incidents of corruption and actions taken	Prevention of corruption and anti-competitive behaviour
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Prevention of corruption and anti-competitive behaviour
Own KPIs	Number of awareness-raising measures	Training on compliance and ethical conduct

Data protection and IT security

GRI 3: Material Topics 2021	3-3 Management of material topics	Data protection and information security
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Regular review
Own KPIs	Number of awareness-raising measures	Raising awareness and employee training

Security of supply and procurement

GRI 3: Material Topics 2021	3-3 Management of material topics	Security of supply and procurement
Own KPIs	Service-level	Availability of medications

Supply chain integrity

GRI 3: Material Topics 2021	3-3 Management of material topics	Supply chain integrity
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Due diligence obligations and transparency regarding minerals and metals from conflict affected areas, child labour, and forced and compulsory labour
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Due diligence obligations and transparency regarding minerals and metals from conflict affected areas, child labour, and forced and compulsory labour
Own KPIs	Number of audits	Supplier Code of Conduct

Transparency on non-financial matters (CO 964a-Index)

Appendix

The table below refers to individual non-financial report contents in the Annual Report 2025.

Art. 964b content requirement	Section in the report
	Business model
	Materiality analysis and matrix
Business operations	Most important risk clusters and measures
	Energy and climate protection
Environmental matters	Climate report
	Dialogue with stakeholders
	Patient safety
	Security of supply and procurement
Social issues	Health promotion
	Attractive workplace
	Health and safety at work
Employee-related issues	Equality and diversity
	Ethical business conduct
Respect for human rights	Supply chain integrity
Combating corruption	Anti-corruption
Due Diligence and Transparency in relation to Mineral and Metals from Conflict-Affected Areas and Child Labour	Due diligence obligations and transparency
Appendix	Calculation bases

TCFD-Index

TCFD Disclosure	Recommended disclosures	
Governance	A Describe the board's oversight of climate-related risks and opportunities	Governance
	B Describe management's role in assessing and managing climate-related risks and opportunities	Sustainability organisation Governance
Strategy	A Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	Sustainability organisation Responsibilities and processes Climate-related risks and opportunities
	B Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning	Climate-related risks and opportunities
	C Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Resilience taking into account different scenarios
Risk management	A Describe the organisation's processes for identifying and assessing climate-related risks	Risk management Sustainability organisation
	B Describe the organisation's processes for managing climate-related risks	Risk management
	C Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	Risk management
Metrics and targets	A Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	Key figures and targets Energy Emissions
	B Disclose scope 1, scope 2 and, if appropriate, scope 3 greenhouse gas (GHG) emissions and the related risks	Emissions Climate-related risks and opportunities Key figures and targets
	C Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	Key figures and targets Greenhouse gas emissions and resources

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Forward-looking statements

The combined Annual and Sustainability Report 2025 is published on 10 March 2026. It is published once a year and covers the reporting period from 1 January to 31 December. This Annual Report contains forward-looking statements. In this Annual Report, such forward-looking statements include, without limitation, statements relating to our financial condition, results of operations and business and certain of our strategic plans and objectives. Because these forward-looking statements are subject to risks and uncertainties, actual future results may differ materially from those expressed in or implied by the statements. Many of these risks and uncertainties relate to factors which are beyond Galenica's ability to control or estimate precisely, such as future market conditions, currency fluctuations, the behaviour of other market participants, the actions of governmental regulators and other risk factors detailed in Galenica's past and future filings and reports, in past and future filings, press releases, reports and other information posted on Galenica Group Companies' websites. Readers are cautioned not to put undue reliance on forward-looking statements, which speak only of the date of this communication. Galenica disclaims any intention or obligation to update and revise any forward-looking statements, whether as a result of new information, future events or otherwise.